

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic Conference Room

Wednesday, May 29, 2013

Present: Gil Carlson, Chairperson; Michelle Chalin, Vice-Chairperson; Kay Moline, Secretary-Treasurer; Trustees: Sandy Gundlach, H. Stuart Johnson, Margie Nelsen and Jerry Pfeifer; Colleen Spike, CEO; Dr. Michael Sparacino, REHC Medical Director; Dr. Susan Klenk, Medical Staff President; Kristin Schultz, Director of Quality, Infection Control and Clinic Services; Patty Roessler, Director of Ancillary Services; Sheri Schmidt, Director of Business Services; Jackie Kimmet, Director of Human Resources; Paula Meskan, Director of Nursing; Ann Lauer, Director of Finance; Todd Prafke, City Administrator; Guest Brian Bohn, Mayo Clinic Health System Manager for St. Peter and LeSueur; and Paulette Redman, Recorder.

Absent: None.

The regular meeting of the Hospital Commission was called to order at 12:14 p.m. by Chairperson Gil Carlson.

APPROVAL OF AGENDA

The agenda for the May 29, 2013, meeting was reviewed.

ACTION: A motion was made by Kay Moline to approve the agenda as presented. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

APPROVAL OF MINUTES

The minutes of the regular Hospital Commission meeting of April 24, 2013, and the Special Commission meeting of May 14, 2013, were reviewed.

ACTION: A motion was made by Margie Nelsen to approve the regular Commission meeting minutes of April 24, 2013, as presented. The motion was seconded by Stuart Johnson and carried with all members voting in favor. A motion was made by Jerry Pfeifer to approve the special Commission meeting minutes of May 14, 2013, as presented. The motion was seconded by Stuart Johnson and carried with all members voting in favor.

MEDICAL STAFF

A. Medical Staff Meeting Minutes. The minutes of the May 14, 2013, Medical Staff meeting were reviewed.

ACTION: A motion was made by Margie Nelsen to acknowledge receipt of the Medical Staff Meeting minutes of May 14, 2013. The motion was seconded by Michelle Chalin and carried with all members voting in favor.

B. Medical Staff Credentialing. A report from the Executive/Credentials Committee was presented for review. A recommendation was made by the Credentials Committee to approve medical staff membership and granting of privileges to the physicians and allied health professionals listed on the report:

Reappointment to the Medical Staff:

Timothy Bachenberg, MD	Courtesy Staff, Emergency Medicine
Robert Christensen, MD	Courtesy Staff, Emergency Medicine
Elizabeth Osborne, MD	Active Staff, Family Medicine
Steven Fridinger, DC, DACBR	Teleradiology
Ashley Brenden, PA-C	Courtesy Staff, AHP, Surgical Physician Assistant

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Change from Provisional Status to Full Medical Staff Membership:

Gerald Roust, MD

Courtesy Staff, Ophthalmology

Renee Ducret, MD

Teleradiology

Withdrawal from Medical Staff Membership:

Laurie Kersten-Ulman, CRNA

Courtesy Staff, AHP, Anesthetist

Vivian Fischer, MD

Courtesy Staff, Emergency Medicine

Ronald Jones, MD

Courtesy Staff, Emergency Medicine

Melissa Rademacher, CRNA

Courtesy Staff, AHP, Anesthetist

ACTION: A motion was made by Jerry Pfeifer to accept the recommendation of the Credentials Committee and grant reappointment or change in status for each of the practitioners listed above. The motion was seconded by Sandy Gundlach and carried with all members voting in favor. A motion was made by Michelle Chalin to accept the recommendation of the Credentials Committee and grant clinical privileges to each of the practitioners listed above, as requested and approved by the Credentials Committee. The motion was seconded by Margie Nelsen carried with all members voting in favor.

FINANCIAL REPORT

Ann Lauer presented the financial report for April, 2013. The dashboard for financial indicators was reviewed and discussed. Revenue saw a decrease in April to \$1,416,204 compared to a budget of \$1,500,541. Operating expenses increased to \$1,596,899, over budget for the month. Excess Operating Revenue over Expenses for April showed a net operating loss of (\$180,695). Combined with non-operating revenue, the facility shows a loss of (\$171,637) for the month. Year-to-Date Excess Revenue Over Expense shows a loss of (\$266,444). This compares to a budgeted loss of (\$459,972) year to date. Current Ratio stands at 3.78, Days Cash On Hand is 101.74 days, and Days Revenue in Account Receivable stands at 44.73 days.

Community Care grants for April totaled \$7,324.54, of which 10 accounts qualified for 100% write off and 5 accounts qualified for a 50% write off. Collection activity for Board approval totaled \$60,116.35 for April, representing 122 patient accounts. Of this total, \$24,593.61 was from insured accounts, \$35,522.74 was from uninsured accounts. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$30,873.78. Accounts Payable review included a total of \$599,556.27 paid via check and \$16,217.77 paid via accounting data program.

ACTION:

- 1) A motion was made by Stuart Johnson to approve the Financial Report for April, 2013, as presented. The motion was seconded by Margie Nelsen and carried with all members voting in favor.
- 2) A motion was made by Michelle Chalin to approve \$60,116.35 in write-offs to collection. The motion was seconded by Stuart Johnson and carried with all members voting in favor.
- 3) A motion was made by Kay Moline to approve the Accounts Payable Review. The motion was seconded by Stuart Johnson and carried with all members voting in favor.

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QUALITY / SAFETY

Quality Management Committee: The minutes of the February 20, 2013, Quality Management Committee meeting were reviewed. Kristin Schultz noted that the Committee meets quarterly. Michelle Chalin and Sandy Gundlach are the Hospital Commission's representatives on the committee.

ACTION: A motion was made by Michelle Chalin to acknowledge receipt of the February 20, 2013, Quality Management Committee meeting minutes. The motion was seconded by Stuart Johnson and carried with all members voting in favor.

Hospital Commission Workshop Meetings: Stuart Johnson requested the Commission consider having scheduled workshop meetings in addition to the regular monthly Commission meetings. He noted specifically the current emphasis placed on quality in healthcare and the range of topics that the Commission could be addressing.

ACTION: Following discussion, Commission members agreed to schedule regular workshop meetings. The first workshop will be held on Tuesday, August 13, 2013, from 1 to 3 p.m. Items for discussion should be sent to Colleen Spike. An agenda and applicable background materials will be distributed prior to the meeting. Jackie Kimmet will provide Commissioners with a list of meeting dates set in June and July for the upcoming CEO interview process.

ADMINISTRATIVE REPORT

The written report submitted by Colleen Spike was reviewed. In addition, Ms. Spike noted the following:

- Nothing further has been heard regarding the payment changes Blue Cross/Blue Shield will be implementing; however, BC/BS has agreed to meet with and work with hospitals who are currently operating in a negative financial picture.
- The hospital Foundation has added new members and is undergoing a revitalization process.
- Registration forms for the upcoming Trustee conference can be filled out and turned in to Ms. Spike for anyone wishing to attend. Michelle Chalin will be acknowledged at the conference for completing all work needed to be designated as a Certified Trustee.

QUALITY / EDUCATION / OPERATIONS

A. Excellian, Lawson, Kronos Financing Options.

Colleen Spike and Ann Lauer presented financing options and a letter from EideBailley detailing pros and cons of funding mechanisms for the upcoming computer systems purchases, including effects on the Medicare Cost Report. Options discussed included use of funded depreciation and savings versus Equipment Certifications. EideBailley's summary statement noted "The most economical method appears to be spending funded depreciation." At this time, REHC Administration recommends use of funded depreciation and savings to cover the cost of the new computer systems.

ACTION: Following discussion, a motion was made by Stuart Johnson to pay for the Excellian, Lawson, and Kronos software and associated hardware and installation costs utilizing money from funded depreciation and REHC savings. The motion was seconded by Michelle Chalin and a roll call vote was cast:

Voting in favor of the motion: H. Stuart Johnson, Kay Moline, Margie Nelsen, Sandy Gundlach, Michelle Chalin, Jerry Pfeifer and Gil Carlson.

Voting against the motion: None.

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Motion carried. The recommendation will be forwarded to the City Council for discussion and action at their next meeting.

B. LeSueur, Incorporated (LSI) Update.

Executives from LSI and the David Martin Agency were on site last week to thank River's Edge for participating in their pilot program looking at finding a more cost effective way to provide for employee medical expenses. After the first year of the program, they have noted a 10% decrease in the number of Emergency Room visits for employees, and a 90.2% drop in inpatient hospitalization days. The overall cost of claims per employee has decreased, and healthcare is more often being provided in a clinic setting. LSI employees have also been happy with the program.

C. Commission Bylaws Review.

Proposed changes for Articles I through IV of the Commission Bylaws were reviewed. There were no suggestions for any further changes. Review of the Bylaws will continue at future Commission meetings.

DIRECTOR COMMENTS

Michelle Chalin, Trustee: Ms. Chalin and her daughter attended the High STEP open house, enjoying the student presentations.

Stuart Johnson, Trustee: Congratulated Michelle Chalin on achieving the Certified Trustee status.

Sandy Gundlach, Trustee: Questioned how the CEO search was progressing. Todd Prafke noted that the closing date for applications is May 31, 2013. He will be meeting with Jackie Kimmet on June 6 to begin the application review process.

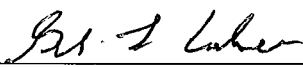
Brian Bohn, MCHS-St. Peter Administrator: Mr. Bohn noted there is an open item he is currently following up on.

ADJOURNMENT

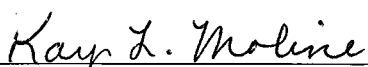
ACTION: A motion was made by Kay Moline to adjourn the meeting. The motion was seconded by Sandy Gundlach and carried with all members voting in favor. The meeting was adjourned at 1:13 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, June 26, 2013, at 12 noon. This meeting will convene in the River's Edge Hospital Helen G. White Conference Room. The Finance Committee meeting will be held at 11:30 a.m.



Chairperson



Secretary