

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic – Helen G. White Conference Center

Wednesday, December 27, 2017

Present: Margie Nelsen, Chairperson; John Lammert, Vice-Chairperson; Blake Combellick, Secretary; Trustees: MaryAnn Harty, Laura Hulsebus, and Gary Swedberg; Schelli McCabe, DPM, Medical Staff President; George Rohrich, CEO; Janelle Rauchman, Chief Quality Officer; Jackie Kimmet, Chief Human Resources Officer; Lori Zook, Chief Financial Officer; Todd Prafke, St. Peter City Administrator; Paulette Redman, Recorder.

Absent: Susan Carlin and Roger Parras, Trustees; Paula Meskan, Chief Nursing Officer, and Stephanie Holden, Chief Marketing Officer.

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:32 p.m. by Chairperson Margie Nelsen.

APPROVAL OF AGENDA

The December 27, 2017, agenda was reviewed.

ACTION: A motion was made by Blake Combellick to approve the December 27, 2017, agenda as presented. The motion was seconded by John Lammert and carried with all members voting in favor.

APPROVAL OF MINUTES

The minutes from the November 22, 2017, Hospital Commission meeting were reviewed.

ACTION: A motion was made by MaryAnn Harty to approve the minutes from the November 22, 2017, Hospital Commission meeting. The motion was seconded by Laura Hulsebus and carried with all members voting in favor.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Acceptance of the December 20, 2017, Finance Committee Minutes.
- Acceptance of the November 22, 2017, Quality Management Committee Meeting Minutes.
- Acceptance of the December 20, 2017, Quality Management Committee Meeting Minutes.

ACTION: A motion was made by John Lammert to approve the consent agenda. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

GENERAL VISITOR COMMENTS

Visitors: Stephen Grams.

MEDICAL STAFF

Medical Staff Credentialing. A report from the Executive/Credentials Committee of the Medical Staff 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 as listed on the report:

Initial Appointment to the Medical Staff:

John M. Enger, Jr., DPM
Kenneth C. Fisher, CRNA
Christopher P. Peck, MD
James H. Zents, MD
Mark W. Gujer, MD

Courtesy Staff, Podiatry
Active Staff, Nurse Anesthetist
Courtesy Staff, Emergency Medicine
Active Staff, Emergency Medicine
Active Staff, Anesthesiology

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Reappointment to the Medical Staff:

Mary D. Mackenburg-Mohn, CNP

Courtesy Staff, Emergency Medicine

Eric R. VanHecke, PA-C

Courtesy Staff, Emergency Medicine

Change in Category – Provisional to Full Membership:

Christie A. VanHecke, CNP

Courtesy Staff, Emergency Medicine

Increase in Privileges: None

Withdrawn from Medical Staff:

Dennis C. Spano, MD

Courtesy Staff, Emergency Medicine

ACTION:

- 1) A motion was made by Gary Swedberg to accept the recommendation of the Credentials Committee and grant appointment, reappointment or change in status for each of the practitioners listed above. The motion was seconded by Blake Combellick and carried with all members voting in favor.
- 2) A motion was made by John Lammert to accept the recommendation of the Credentials Committee and grant clinical privileges to each of the practitioners as listed above as requested and approved by the Credentials Committee. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

George Rohrich noted that this would be Dr. McCabe's final meeting as the President of the Medical Staff. He and the Commission thanked her for her service to River's Edge.

QUALITY REPORT

The Quality Dashboard report was reviewed by Janelle Rauchman. The dashboard contains results from a number of measurable and reportable quality measures. Ms. Rauchman noted that the falls rate remains below the benchmark of 4 falls per 1,000 patient days, current standing at 3.8 year-to-date. There have been 10 falls reported, three of which were unwitnessed, seven were "assisted" falls where patients had staff in attendance and were lowered to the floor. The incidence of pressure ulcers and CAUTI (catheter-associated urinary tract infections) remains at 0 for the year. Staff influenza vaccination rate currently at 97%. Staff who are not vaccinated are required to wear masks for direct patient care. Cases of influenza noted to be on the rise through the state, and the predominant strain seen is not included in this year's vaccine. Completion of ED Transfer Measures have improved and is now at 72% with a goal of 56%. The number of surgical complications remains low, with 2 reported in 2017. There have been no surgical site infections noted thus far in 2017. Readmission rate remains well below the benchmark of 2.7%, currently at 1.5%.

ADMINISTRATIVE REPORT

A. Executive Summary.

The written report submitted by George Rohrich was reviewed.

- November's activity showed a positive bottom line of \$75,000, with an increase of cash in the bank. River's Edge is showing a year-to-date bottom line of \$1,097,000 versus a budget of \$1,660,000. Net Operating Revenue for November was \$137,000 compared to a budget of \$71,000; year-to-date Net Operating Revenue stands at \$1,632,000 versus a budget of \$1,623,000. December is noted to be trending stronger than anticipated/budget levels.
- November results show an increase of cash on hand of \$9,000 resulting in balance of \$11,954,000. Year to date cash has increased by \$1,972,000, with a year-end goal of \$11,980,000.

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- Inpatient surgical procedures were at 77 for November, above the budgeted number of 70.

B. Statistical and Strategic Plan Dashboards.

The statistical report for November, 2017, was reviewed. Of the 21 measured activities, 8 are at or above target. The ADC (average daily census) for inpatients was within 90% of target, but APD (adjusted patient days) were below target. Inpatient physical therapy has been consistently below target all year – this is primary due to a change in the way therapy is done of the day of discharge, decreasing from two visits a day to one, a change which opened up the schedule to accommodate more outpatients. Outpatient physical therapy is above target. Inpatient procedures for Lab and Radiology both under target, outpatient lab procedures, CT and ultrasound outpatients above target. Inpatient and outpatient surgical procedures above target. Urgent Care above target, Emergency Department within 90% of target.

The Strategic Plan Dashboard updated through November was reviewed. Overall noted to be unremarkable, with four measures not meeting the target two within 90% of target, and six measures surpassing target. Providing diversity training for staff was a goal of 2017 – this has not been done and will be carried over to 2018.

C. Expansion Project Update.

The City Building Department has reviewed and approved the current design documents; the design all received approval from the Board of Zoning Appeals regarding the Conditional Use Permit. Design for relocation of the helistop was approved. Conduit for a second telecommunications cable has been installed; the cable installation is being scheduled. The “check-set” drawings for the Early Release Sitework/Structural bid package have been issued and review by the project delivery team is underway. Overall the project is currently on schedule and within budget.

A joint meeting with the Hospital Commission and the City Council has been set for 5:30 p.m. on February 15, 2018, at the hospital. This meeting is for the purpose of presentation of the bid packages for early site work.

The examined forecast for the USDA loan application has been completed and submitted this morning. Still needing completion is an appraisal of the business and its assets; the plan is to complete and submit the appraisal this week. There is a potential to receive a response from the USDA during the first quarter of 2018. Todd Prafke noted that they are continuing to work on interim financing, which is money that will be used to pay for work until the loan comes in. Options are being looked at to determine the best mechanism to provide financing.

D. 2018 Strategic Plan.

The proposed strategic plan for 2018 was presented – this is the second year of a three-year plan. The strategic goals have not changed, but the objectives for 2018 have been updated. The plan is outlined to cover seven pillars – including growth, service, quality, people, finance, community and governance. The Commission will continue to receive a monthly report on the progress toward achieving the goals.

ACTION: A motion was made by John Lammert to approve the goals and metrics as presented for the 2018 Strategic Plan. The motion was seconded by Schelli McCabe and carried with all members voting in favor.

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E. Grant Resolution.

A resolution was presented and reviewed to enable River's Edge to apply for a 2018 Rural Hospital Capital Improvement Grant. If awarded a grant, River's Edge could receive up to a maximum of \$100,000, and would also need to provide matching funds. The grant could be used for purpose of a C-arm for spinal surgery cases. The resolution requires REHC to comply with the requirements of the grant program, enter into a grant agreement with the State of Minnesota, and authorizes the CEO to execute contracts and certifications as required to implement participation in the grant process.

ACTION: A motion was made by Gary Swedberg to accept the 2018 Rural Hospital Capital Improvement Grant Program Governing Board Resolution as presented. The motion was seconded by MaryAnn Harty and approved with all members voting in favor.

F. River's Edge Logo.

George Rohrich presented two options for updating the hospital's logo. Both options would drop the "and Clinic" part of the logo, and add "St. Peter" to the logo to identify the location of River's Edge. Hearing no objection from the Commission members, the plan would be to implement use of the new logo in 2018.

FINANCIAL REPORT

A. November Financial Summary.

Lori Zook presented the financial report for November, 2017. Gross revenue was \$5,282,205 for the month, which is (3.55%) or (\$194,449) under the budgeted gross revenue. Year-to-date gross revenue is (2,570,694) or (4.22%) under budget. Operating expenses were under budget by (4.91%) or (\$132,184) for November; year-to-date (\$195,748) or (0.66%) below budget. This results in a net operating margin of 5.08% or \$137,193 for the month, and for the year a 5.29% operating margin, or \$1,632,806 year to date.

Cash flow for November was positive at \$9,122. Operating cash is standing at \$11,943,947. Current Ratio at the end of November stands at 3.38. Days Cash On Hand is 143.53 days, and Days Revenue in Accounts Receivable stands at 37.89 days, or \$3,484,227.

B. Write-Off to Collection.

Community Care and Presumptive Community Care grants totaled \$29,216.08 in November, covering 54 accounts. Community Care had 7 accounts that qualified for 100% write-off and presumptive community care had 47 accounts involving 36 patients. Year-to-Date Community Care and Presumptive Care Grants total \$507,333. Collection activity approval totaled \$57,368.60. Year-to-Date collection activity stands at \$918,567. Year to date \$355,979 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$230,166.

ACTION: A motion was made by Blake Combellick to accept the recommendation made by the Finance Committee for approval of \$3,896.36 in Community Care grants, \$25,319.72 in Presumptive Community Care grants and \$57,368.60 in write-offs to collection. The motion was seconded by MaryAnn Harty and carried with all voting in favor.

C. Accounts Payable Review.

Accounts Payable review for November included a total of \$2,288,469.67 paid via check. The Check Review list was given to the Finance Committee for review.

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ACTION: A motion was made by Laura Hulsebus to recommend approval of checks totaling \$2,288,469.67. The motion was seconded by Blake Combellick and carried with all voting in favor.

ANNUAL COMMISSION MEETING

The annual meeting for the Commission will take place in January. During this meeting, new appointments to the Commission will be accepted. The two new representatives from the City Council that will serve on the Commission are Stephen Grams and Jerry Pfeifer. Election of officers and committee appointments will take place. Currently there are two Commission members serving on the Finance Committee, the Quality Management Committee, and the Nominating Committee. The Commission is looking at increasing this to three members on each committee, and asked the each member consider which committee they may wish to serve on. Another piece of business that will be taken up is the date/time of the meeting. The Commission currently meets on the 4th Wednesday of each month at noon for lunch followed by the meeting at 12:30 p.m. A request has been made by Dr. Swanson, the incoming Medical Staff President, to consider adjusting the time to a Monday or Tuesday at 3 or 4 p.m., which would accommodate his surgery/clinic schedule and allow him to attend.

EXECUTIVE SESSION

Todd Prafke reported that the Executive Session is not required at this meeting as the CEO evaluation has not been completed. He is waiting for submissions from some of the Commission members, and has interviews with Department Directors scheduled for January 11. He anticipates that a closed session will be held at the January, 2018, meeting for the purposes of evaluation of the CEO.

ROUNDTABLE COMMENTS

Janelle Rauchman – Minutes from Compliance Committee meetings will be included in the Commission packets beginning in 2018, including information regarding any outstanding complaints.

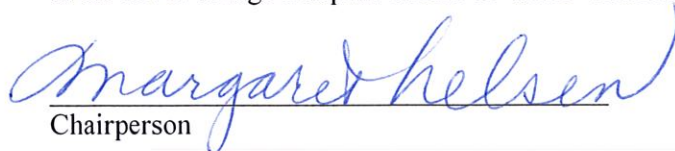
George Rohrich – Mr. Rohrich noted that Susan Carlin and Roger Parras will be completing their terms on the Commission as City Council representatives. He thanked them for their service.

ADJOURNMENT

ACTION: A motion was made by Blake Combellick to adjourn the meeting. Motion seconded by Gary Swedberg and carried with all voting in favor. Meeting was adjourned at 1:52 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, January 24, 2018, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center. The Finance Committee meeting will be held on Wednesday, January 17, 2018, at 8:30 a.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.


Chairperson


Secretary