

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic – Helen G. White Conference Center
Wednesday, March 23, 2016

Present: Margie Nelsen, Chairperson; Bob Meeks, Vice-Chairperson; Trustees: H. Stuart Johnson, Gary Swedberg, Blake Combellick, John Lammert, Chuck Zieman and Roger Parras; George Rohrich, CEO; Stephanie Holden, Chief Marketing & Development Officer; Janelle Rauchman, Chief Quality Officer; Paula Meskan, Chief Nursing Officer; Jackie Kimmet, Chief Human Resources Officer; Todd Prafke, St. Peter City Administrator; Samantha Pherson, Executive Assistant and Recorder.

Absent: Robert Christensen, MD, Medical Staff President.

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:30 p.m. by Chairperson Margie Nelsen.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Approval of the Hospital Commission Meeting Agenda for March 23, 2016.
- Approval of the February 24, 2016, Hospital Commission Meeting Minutes.
- Acceptance of the March 8, 2016, Medical Staff Meeting Minutes
- Acceptance of the March 16, 2016, Finance Committee Minutes
- Acceptance of the February 17, 2016, 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: None

EDUCATION REPORT

On March 15, 2016 the Hospital Commission was invited to view a webinar on The Impact of Consumerism on Community Hospitals. At the end of the webinar commission members were encouraged to ask questions. A total of six commission members attended this webinar, and reviewed the information from the webinar at the commission meeting.

HOSPITAL COMMISSION POLICIES & BYLAWS

The special committee set-up by the commission to review the bylaws presented the proposed changes of the bylaws to the commission. A copy of the revised bylaws were presented and handed out. The special committee requested that the commission members review these proposed changes so that they could discuss and vote on these changes at the next commission meeting.

Hospital Commission Policies & Bylaws Committee: Bob Meeks, Roger Parras, Todd Prafke, and George Rohrich.

CONTINUED

MEDICAL STAFF

- A. Medical Staff Meeting Minutes.** The minutes of the Medical Staff meeting of March 8, 2016, were present for review.
- B. 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:

Sudha Bansal, MD	Active Staff, IM/Hospitalist
Henna Kalsi, MD	Active Staff, IM/Hospitalist
Benny Kusuma, MD	Active Staff, IM/Hospitalist
Mark Stephany, DO	Courtesy Staff/IM/Hospitalist

Reappointment to the Medical Staff:

Theresa Dzwonkowski, ST	Courtesy Staff/AHP, Surgical Technician
David Krusemark, CRNA	Courtesy Staff/AHP, Nurse Anesthetist

Change in Category – Provisional to Full Membership:

Marvin Lee II, MD	Active Staff, IM/Hospitalist
Victoria Lossen, MD	Courtesy Staff, Ophthalmologist
Timothy Ebbit, MD	Courtesy Staff, Teleradiology

Change in Staff Category: None

Increase in Privileges:

Steven Anderson, MD	Courtesy Staff, Ophthalmologist
Nataliya Danylkova, MD	Courtesy Staff, Ophthalmologist
Victoria Lossen, MD	Courtesy Staff, Ophthalmologist
Penelope Swanson, MD	Courtesy Staff, Ophthalmologist

Withdrawn from Medical Staff:

Kellie Newman, MD	Courtesy Staff, General Surgery
Karl Papierniak, MD	Courtesy Staff, General Surgery

ACTION:

- 1) A motion was made by Charles Zieman 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 H. Stuart Johnson and carried with all members voting in favor.

(CONTINUED)

QUALITY REPORT

The Quality Management Committee minutes from the February meeting were reviewed. The Quality Dashboard report was reviewed by Janelle Rauchman. The dashboard contains results from a number of measurable and reportable quality measures. One area that is consistently being observed for improvement is the way the emergency department communicates with outside facilities for transferring of patient care. It was noted that there are 29 different items in the patient's chart that need correct documentation, if these items are not documented properly it will count against this measure.

ADMINISTRATIVE REPORT

A. Executive Summary.

The written report submitted by George Rohrich was reviewed.

- February's activity was about normal for surgery and downstream services. River's Edge is showing a month-to-date bottom line of approximately (\$263,000), versus a month-to-date budget of (\$660,000).
- February results show a decrease of cash on hand of \$79,000 resulting in balance of \$7,748,000. Our 2016 cash budget is to increase cash by \$1,055,000
- Inpatient surgical procedures continue to trend positively.

B. Statistical Dashboard.

The statistical report for February, 2016, was reviewed. Of the 17 measured activities, 11 are green.

FINANCIAL REPORT

A. February Financial Summary.

George Rohrich presented the financial report for February, 2016. Minutes from the March 16, 2016, Finance Committee meeting were available for review. Gross operating revenue was \$3,903,224 for the month, with net patient revenue at \$2,041,747. Year-to-Date gross revenue is \$7,839,005 which is ahead of budget, and net patient revenue is \$4,335,820 which is ahead of budget. Operating expenses stood at \$2,055,780. Year-to-date operating expenses are below of budget by (\$92,666). February resulted in a net operating income of (\$263,805). The EBIDA (expense before interest, depreciation and amortization) calculation showed a monthly loss of (\$102,146).

Cash flow for February showed a loss of (\$78,967), this is primarily due to interest payment on Bond debt. Operating cash is standing at \$3,829,720 and funded depreciation at \$3,919,174. Current Ratio at the end of February stands at 3.43. Days Cash On Hand is 109.29 days, and Days Revenue in Accounts Receivable stands at 60.1 days.

B. Write-Off to Collection.

Community Care grants totaled \$919.58 in February, covering 6 accounts that qualified for 100% write-off and 0 accounts at 50% write-off. Year-to-Date Community Care grants total \$5,569. Collection activity approval totaled \$130,098.20. Year-to-Date collection activity stands at \$155,713. Year to date \$57,256 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$50,613.41.

(CONTINUED)

ACTION: A motion was made by Blake Combellick to accept the recommendation made by the Finance Committee for approval of \$919.56 in Community Care grants and \$130,098.20 in write-offs to collection. The motion was seconded by John Lammert and carried with all voting in favor.

C. Accounts Payable Review.

Accounts Payable review for February included a total of \$1,836,771.33 paid via check.

ACTION: A motion was made by John Lammert to recommend approval of checks totaling \$1,836,771.33. The motion was seconded by H. Stuart Johnson and carried with all voting in favor.

D. Capital Equipment Recommendations

1. **Medtronic Midas Rex Surgical Drill** - The Hospital Commission reviewed the request to purchase Midas Rex Drill for surgical procedures. River's Edge is currently renting this piece of equipment for a cost of \$2,000 per case. The cost of purchasing this equipment would be \$26,953.08, and has a life of approximately five years.

ACTION: A motion was made by H. Stuart Johnson to recommend the purchase of the Medtronic Midas Rex Drill for the amount of \$26,953.08. The motion was seconded by Roger Parras and carried with all voting in favor.

2. **Cisco Network Switch Upgrade** - The Hospital Commission reviewed the request to purchase Cisco Network Switches. The current network switches were purchased in 2004, the coverage and support for these switches has expired. The cost for purchasing this equipment is \$116,368.85.

ACTION: A motion was made by Gary Swedberg to recommend the purchase of Cisco Network Switches for the amount \$116,368.85. The motion was seconded by H. Stuart Johnson and carried with all voting in favor.

3. **Cisco Wireless Controller Upgrades** - The current wireless infrastructure was purchased in 2005, and is no longer supported by the manufacture. There are several departments within the hospital that rely on the wireless network as well as patients. The cost to replace the wireless infrastructure is \$68,576.63.

ACTION: A motion was made by Charles Zieman to recommend the purchase of Cisco Wireless Controller Upgrades for the amount of \$68,576.63. The motion was seconded by John Lammert and carried with all voting in favor.

E. Stryker Service Contract

The Hospital Commission reviewed the proposal from Stryker for a coverage service agreement for the surgical drills and saws. The agreement is for 3 years, and will help to maintain that surgical equipment is safe and ready to use. The cost of the service agreement is \$61,236.

ACTION: A motion was made by John Lammert to approve the Stryker Service Contract for surgical drills and saws for the amount of \$61,236. The motion was seconded by Charles Zieman and carried with all voting in favor.

DIRECTOR COMMENTS

Stephanie Holden – River's Edge has received a grant for the amount of \$20,000 from the MN Department of Health. The funds from the grant will be used to increase security within River's Edge. A door will be installed in the hallway by the Emergency Department and the employee hallway. There will also be installation of card readers.

The Hospital Foundation has wrapped up their fundraising campaign for the new ambulance. The foundation has helped to raise \$97,500. They also voted to donate money from the Hospital Foundation fund to raise the amount raised to \$125,000. The remaining cost of the ambulance will be paid by River's Edge Hospital & Clinic.

Paula Meskan – River's Edge will be offering a new interpreter service. Lingual One will help to provide patients with video interpreting. The patients that use this service will be able to see and interact with an interpreter through the help of an iPad.

Urgent Care moved to its new location in the outpatient clinic on March 14, 2016. Urgent Care's hours of operation are M-F 3:00 p.m. - 10:00 p.m., Weekends and Holidays 8:00 a.m. – 8:00 p.m.

Janelle Rauchman – Is currently preparing for DNV to visit. She is currently doing internal audits and chart review to help prepare for when DNV is to visit in this month of April.

Jackie Kimmet – Reviewed information about the employee survey. This year 93% of employees participated in the survey compared to 70% participation last year.

Teah Malecha – Eide Bailly was here last week to conduct their audit. They will be working on the 2016 cost report in two weeks.

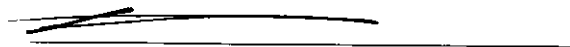
ADJOURNMENT

ACTION: A motion was made by John Lammert to adjourn the meeting. Motion seconded by Charles Zieman and carried with all voting in favor. Meeting was adjourned at 2:25 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, April 27, 2016, 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, April 20, 2016, at 1:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.


Chairperson


Secretary