

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

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

Wednesday, January 29, 2014

Present: Michelle Chalin, Chairperson; Margie Nelsen, Vice-Chairperson, Kay Moline, Secretary-Treasurer; Trustees: Bob Meeks and Chuck Zieman; George Rohrich, CEO, Dr. Michael Sparacino, REHC Medical Director; Sheri Schmidt, Director of Business Services; Jackie Kimmet, Director of Human Resources; Ann Lauer, Director of Finance; Paula Meskan, Director of Nursing; Tom Wilcox, Director of Environmental Services; Patty Roessler, Director of Ancillary Services; Roxanne Portner, Director of Quality and Infection Control; Kim Johnson, Director of Clinic Services; Todd Prafke, City Administrator; and Paulette Redman, Recorder.

Absent: Sandy Gundlach, Trustee; H. Stuart Johnson, Trustee.

EDUCATIONAL SESSION

A webinar entitled “The Top Ten Facts That Every Hospital Trustee Should Know About HIPAA” was presented. HIPAA is the Health Insurance Portability and Accountability Act of 1996. Included in the webinar was information about access and disclosure of protected health information (PHI), safeguards for protection of PHI, and breaches, or unauthorized use or disclosure of PHI. Sheri Schmidt, the REHC Privacy Officer, reviewed the program in place to ensure compliance with HIPAA regulations.

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:27 p.m. by Vice-Chairperson Michelle Chalin.

APPROVAL OF AGENDA

The agenda for the January 29, 2014, Hospital Commission meeting was reviewed.

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

APPROVAL OF MINUTES

The minutes of the regular Hospital Commission meeting of December 18, 2013, were reviewed.

ACTION: A motion was made by Margie Nelsen to approve the minutes of the regular Commission meeting of December 18, 2013, as presented. The motion was seconded by Kay Moline and carried with all members voting in favor.

ANNUAL MEETING OF THE HOSPITAL COMMISSION

Commission Officers: Commission members were presented with ballots to vote for members for the offices of Chairperson, Vice-Chairperson, and Secretary-Treasurer.

ACTION: The ballots were completed and votes tallied. Commission members voted into office and accepting the office: Chairperson – Michelle Chalin, receiving 5 votes; Vice-Chairperson – Margie Nelsen, receiving 3 votes; Secretary-Treasurer – Kay Moline, receiving 4 votes.

Committee Members: Committee appointments were made as follows:

Finance Committee: Chuck Zieman, Margie Nelsen.

Quality / Patient Safety: Michelle Chalin, Bob Meeks.

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ACTION: A motion was made by Kay Moline to approve the slate of officers and the committee appointments as designated. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

MEDICAL STAFF

A. Medical Staff Meeting Minutes. The minutes of the January 14, 2014, Medical Staff Meeting were reviewed.

Action: A motion was made by Kay Moline to acknowledge receipt of the Medical Staff Meeting minutes of January 14, 2014. The motion was seconded by Chuck Zieman 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 as listed on the report:

Initial Appointment to the Medical Staff:

| | |
|---------------------|------------------------------------|
| Kathryn Kramer, MD | Courtesy Staff, Emergency Medicine |
| Nasreen Hussain, MD | Courtesy Staff, Emergency Medicine |

Reappointment to the Medical Staff:

| | |
|--------------------------|---|
| Jonathan Erickson, MD | Courtesy Staff, Ophthalmology |
| Lynn Gustafson, DPM | Courtesy Staff, Podiatry |
| Andrew Lundquist, DPM | Active Staff, Podiatry |
| Cheryl Hagen, PA-C | Courtesy Staff/AHP – Surgical Physician Assistant |
| Todd Christianson, OPA-C | Courtesy Staff/AHP – Orthopedic Physician Assistant |

Change from Provisional Status to Full Membership:

| | |
|-------------------|---------------------------------|
| David Bryce, MD | Courtesy Staff, Pain Management |
| Rohaana Mehta, MD | Courtesy Staff, Pain Management |

Withdrawal from Medical Staff Membership:

| | |
|-----------------------|---------------|
| Frederick R. Olson MD | Teleradiology |
| Richard Levey, MD | Teleradiology |

ACTION: A motion was made by Kay Moline 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 Chuck Zieman and carried with all members voting in favor. A motion was made by Bob Meeks 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 Kay Moline and carried with all members voting in favor.

FINANCIAL REPORT

Ann Lauer presented the preliminary financial report for December, 2013 and year-end 2013. The dashboard for financial indicators was reviewed and discussed. Revenue increased in December

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compared to November, and operating expenses decreased. Net operating revenue was \$1,451,484 for December, which is below the target set at \$1,548,066. Operating expenses stood at \$1,527,270, below budget. December resulted in a net operating loss of (\$75,786). Combined with non-operating revenue, the facility shows a loss of (\$74,984). Year-to-date results show a loss of (\$598,387) compared to a budgeted loss of (\$848,940). This compares to a year-to-date loss in 2012 of (\$697,561). Current Ratio at the end of December stands at 3.43, Days Cash On Hand is 119.49 days, and Days Revenue in Accounts Receivable stands at 41.83 days. December shows a positive cash flow of \$309,503.00, with a year-to-date positive cash flow of \$875,241.00. The decline in funded depreciation reflects the purchases of hardware and software for the new electronic health record, accounting and human resources.

Overall for 2013, Med-Surg as a department showed an increase in revenue of 26% from 2012, but swing bed revenue dropped. Gross revenue for the facility was \$26.6 million, compared with \$25.5 million in 2012. Expenses increased 1% compared to 2012, and were under budget for 2013.

The 2013 audit will take place in March and April, 2014. A report on the final financial figures will be presented to the Commission after the audit is complete.

Community Care grants totaled \$17,386.275 in December. Of the 18 accounts covered, 13 of the accounts qualified for 100% write off, 2 qualified for 50% write off, and 3 accounts were found to be ineligible. Collection activity for Commission approval totaled \$52,951.27 for December, representing 133 patient accounts. Of this total, \$29,752.48 was from 106 insured accounts, \$23,198.79 was from 27 uninsured accounts. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$1,247.97. Gross collections activity year-to-date 2013 is \$830,210.03; gross bad debt recovery year-to-date 2013 is \$271,224.94.

Accounts Payable review for December included a total of \$688,283.15 paid via check and \$32,540.85 paid via accounting data program.

ACTION:

- 1) A motion was made by Kay Moline to approve the Financial Report for December, 2013, including the preliminary December financial statements, as presented. The motion was seconded by Margie Nelsen and carried with all members voting in favor.
- 2) A motion was made by Bob Meeks to approve \$52,951.27 in write-offs to collection for December. The motion was seconded by Kay Moline and carried with all members voting in favor.
- 3) A motion was made by Chuck Zieman to accept the Accounts Payable Review. The motion was seconded by Kay Moline and carried with all members voting in favor.

ADMINISTRATIVE REPORT

- A. Executive Summary.** The written report submitted by George Rohrich was reviewed. Mr. Rohrich introduced the two new Directors – Roxanne Portner, Director of Quality and Infection Control, and Kim Johnson, Director of Clinic Services.

The pharmacy space in the Medical Office Building is undergoing a temporary construction project, creating classrooms to be used for training spaces for the Excellian electronic health record implementation.

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- B. Strategic Planning Update.** Mr. Rohrich reported on the progress made in the strategic planning process, noting that Focus Group meetings have been completed. Key stakeholders will receive phone calls over the next two weeks, involving a 30-45 minute interview. Meetings will be scheduled for the Commissioners and the REHC Directors to review the results, build consensus and establish priorities. The goal is to present the strategic plan at the March Commission meeting.
- C. Statistical Dashboard.** The Statistical Dashboard for December was reviewed, with Mr. Rohrich noting the month was a little less busy than typical.
- D. December Statistics.** The statistical reports will be revised for 2014, highlighting activity in key departments and service areas.

QUALITY / EDUCATION / OPERATIONS

- A. REHC Charity Care Program.** Sheri Schmidt, Director of Business Services, presented an overview of the program in place for provision of charity care, known as "Community Care." The policy and procedure, as well as application forms in use (both English and Spanish versions) were reviewed. Current federal poverty guidelines are utilized in making determinations regarding applications. The Director of Business Services and the CEO make the final determinations.

DIRECTOR COMMENTS

Bob Meeks and Chuck Zieman, Trustees: Thanked Mr. Rohrich for the orientation session provided for the new commissioners.

Todd Prafke, City Administrator: Commented he appreciated seeing discussion in the Medical Staff minutes regarding the use of hospitalists. He also commented on quality health indicators, noting results in patient satisfaction areas. Mr. Rohrich reported on that actions being taken that will impact these types of measures, including working with the Studer group and hiring a Director dedicated to quality. Mr. Prafke congratulated the group on improvements in utilization and financial numbers over the year, noting that trend lines look good. Mr. Rohrich and Ann Lauer will be attending a future City Council meeting to discuss the budget and financial reports.

Tom Wilcox, Director of Environmental Services: Welcomed the new commission members and staff.

Kim Johnson, Director of Clinic Services: Stated she is excited to be a part of the River's Edge team.

Roxanne Portner, Director of Quality and Infection Control: Also glad to be part of REHC team and looking forward to working on quality and patient satisfaction programs.

Paula Meskan, Director of Nursing: The clinic is currently hosting four pre-med students from Gustavus in a program shadowing clinic providers. The Allina-sponsored pilot program in telehealth for mental health services has served 13 patients thus far.

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Jackie Kimmet, Director of Human Resources: Conversion to the new Kronos system has gone well with the third payroll being run today.

Sheri Schmidt, Director of Business Services: Thanked the Commissioners for their interest and questions regarding the charity care programs.

Ann Lauer, Director of Finance: The facility went live with the Lawson financial and accounting system on January 1. Financial reports presented next month will be Lawson reports and will have a different look from previous reports.

Kay Moline, Trustee: Thanked Paula Meskan for her work with the Gustavus students.

ADJOURNMENT

ACTION: A motion was made by Margie Nelsen to adjourn the meeting. The motion was seconded by Kay Moline and carried with all members voting in favor. The meeting was adjourned at 1:35 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, February 26, 2014, 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