

## **RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING**

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

Wednesday, May 28, 2014

**Present:** Margie Nelsen, Vice-Chairperson, Kay Moline, Secretary-Treasurer; Trustees: Sandy Gundlach, H. Stuart Johnson, Bob Meeks and Chuck Zieman; George Rohrich, CEO; Dr. Susan Klenk, Medical Staff President; Jackie Kimmert, Director of Human Resources; Ann Lauer, Director of Finance; Paula Meskan, Director of Nursing; Tom Wilcox, Director of Environmental Services; Patty Roessler, Director of Patient Care Services; Roxanne Portner, Director of Quality and Infection Control; Kim Johnson, Director of Clinic Services; Val Elwood, Surgery Manager; Todd Prafke, City Administrator; Benjamin Effah, Administrative Intern, City of St. Peter; and Paulette Redman, Recorder.

**Absent:** Michelle Chalin, Chairperson.

### **CALL TO ORDER**

The regular meeting of the Hospital Commission was called to order at 12:22 p.m. by Vice-Chairperson Margie Nelsen.

### **APPROVAL OF AGENDA**

The agenda for the May 28, 2014, Hospital Commission meeting was reviewed. There were no changes or additions to the agenda.

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

### **APPROVAL OF MINUTES**

The minutes of the regular Hospital Commission meeting of April 30, 2014, were reviewed. There were no corrections or changes to the minutes.

**ACTION:** A motion was made by Chuck Zieman to approve the minutes of the regular Commission meeting of April 30, 2014, as presented. The motion was seconded by Sandy Gundlach and carried with all members voting in favor.

### **MEDICAL STAFF**

- A. Medical Staff Meeting Minutes.** The minutes of the May 13, 2014, Medical Staff Meeting were reviewed. Dr. Klenk reported that Dr. Nadia Malik of the Mayo Clinic Health System-St. Peter was elected to the position of Vice-President, taking the place of Dr. Peter Troedson. The majority of the meeting was taken up by a physician implementation team from Allina, introducing the Excellian electronic health record system to the providers.

**Action:** A motion was made by H. Stuart Johnson to acknowledge receipt of the Medical Staff meeting minutes of May 13, 2014. The motion was seconded by Kay Moline 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:**

Mark Austin, MD

Teleradiology

Susan Austin, MD

Teleradiology

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### Reappointment to the Medical Staff:

Morgan Althoen, MD	Teleradiology
Gerald Berberick, OPA-C	Courtesy Staff, AHP, Orthopedic Physician Assistant
Mary Hestness, MD	Courtesy Staff, Radiology
Lori Krome, MD	Courtesy Staff, Emergency Medicine
Stanley Kurisko, MD	Courtesy Staff, Radiology

### Change from Provisional to Full Medical Staff Membership:

Annelisa Carlson, MD	Teleradiology
Bjorn Engstrom, MD	Teleradiology
Andrew Johnson, CRNA	Courtesy Staff, AHP, Anesthetist
William Paige-Evans, MA, LP	Courtesy Staff, AHP, Psychologist
Damon Shearer, DO	Teleradiology

### Withdrawal from Medical Staff Membership:

Richard H. Kim, DDS, MD	Courtesy Staff, Dental/Maxillofacial Surgery
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**ACTION:** A motion was made by Bob Meeks 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 H. Stuart Johnson 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 H. Stuart Johnson and carried with all members voting in favor.

## ADMINISTRATIVE REPORT

### A. Executive Summary.

The written report submitted by George Rohrich was reviewed. In addition, Mr. Rohrich noted:

- DNV surveyors had been on site to complete their annual survey.
- Union negotiations have begun.
- Results from the employee satisfaction survey have come back. Management is continuing to work with the information contained in the report, although progress is slow due to the volume of Excellian implementation meetings being held.

**B. Statistical Dashboard.** The statistical report for April was reviewed. Overall activity was below benchmark for the month, similar to trends across the nation.

**C. Hospitalist Contract for Services.** Mr. Rohrich presented a proposal from the Rural Physicians Group for the provision of hospitalist services for River's Edge Hospital. The group proposes to bring in board-certified internists who would rotate shifts of 7 to 10 days when they would be on-site continuously during their shift. The hospitalists would be available to admit and round on patients with the agreement of the local provider, and would also be available for consultation and to communicate with patients and families. It is anticipated that the hospitalists would be able provide a higher level of care than is currently being provided at River's Edge, and would contribute to increasing admissions and improving customer satisfaction. The contract would begin July 1, 2014, and does contain a 30-day "out" clause. Mr. Rohrich has had discussions with the Mankato Clinic, MCHS-St. Peter Clinic, the Orthopaedic & Fracture Clinic and River's Edge Clinic providers regarding the implementation of this program, all of whom have indicated support for the program.

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**ACTION:** A motion was made by Bob Meeks to accept the proposal from the Rural Physician Group for a Hospitalist Contract for Services. The motion was seconded by Chuck Zieman and carried with all members voting in favor.

**D. Capital Equipment Purchase Authorization.**

Proposals were brought for approval to purchase capital equipment items.

- 1) Neptune 2 Rover. This is a piece of equipment that acts as a vacuum for fluids, liquids and smoke generated during surgery. REHC currently has one unit, a second unit is requested for the second operating room. The price of the Neptune 2 Rover is \$16,600.
- 2) Tourniquet. A pneumatic tourniquet to reduce or stop blood flow during surgery. Again, the hospital has one tourniquet, this second tourniquet will be used in the second operating room. The cost is \$8,500.
- 3) Cordless Driver. Two surgical-grade drills to be used in the operating rooms for orthopedic cases. Cost of \$8,500 each.
- 4) Sabo 2 SAG Saw. Two surgical-grade saws to be used in the operating rooms for orthopedic cases. Cost of \$8,500 each.

**ACTION:** A motion was made by Sandy Gundlach to recommend purchase of the above-listed equipment (items 1-4) to the City Council. The motion was seconded by Kay Moline and carried with all members voting in favor. The request for purchase of said equipment will be forwarded to the City Council.

- 5) Sterile Processing Project. A proposal was brought forward to expand the current equipment sterilization capacity of the hospital. Current equipment is able to process instruments for three cases a day; in order to handle increased orthopedic cases, the facility would need to expand the capacity to five or more cases per day. The equipment for the project would cost \$320,000. Additionally, some construction, plumbing and electric work would need to be completed. The total project would take approximately 12 weeks to complete, at a projected cost of \$400,000. Financing for the project could be completed through an equipment certificate.

**ACTION:** A motion was made by Bob Meeks to recommend to the City Council approval of the purchase of sterilization equipment and physical modifications to the surgical department at a projected cost of \$400,000. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor. The recommendation will be forwarded to the City Council.

**FINANCIAL REPORT**

Ann Lauer presented the financial report for April, 2014. The dashboard for financial indicators was reviewed and discussed. Gross operating revenue was \$1,918,078, compared to a budget of \$2,531,136. Net operating revenue was \$1,214,430 for April, which is below the budget set of \$1,675,973. Operating expenses stood at \$1,528,716, below the budgeted amount of \$1,712,092. April resulted in a net operating loss of (\$301,372). Combined with non-operating revenue, the facility shows a loss of (\$299,925). This brings the year-to-date excess revenue over expense to (\$604,316), compared with a budgeted loss of (\$130,636). Current Ratio at the end of April stands at 4.06. Days Cash On Hand is 108.43 days, and Days Revenue in Accounts Receivable stands at 47.59 days. April showed a negative cash flow of (\$56,933), although operating cash remains at a healthy level in addition to funded depreciation of \$4.4 million.

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Community Care grants totaled \$6,928.44 in April, covering 10 accounts that qualified for 100% write-off and 1 account that qualified for a 50% write-off. Collection activity for Commission approval totaled \$84,997.84 for April, representing 205 patient accounts. Of this total, \$39,556.67 was from 154 insured accounts, \$45,441.17 was from 51 uninsured accounts. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$28,906.80. Gross collections activity year-to-date 2014 is \$303,653.19; gross bad debt recovery year-to-date 2014 is \$176,535.93.

Accounts Payable review for April included a total of \$643,997.51 paid via check. There were no payments made via accounting data program.

**ACTION:**

- 1) A motion was made by H. Stuart Johnson to accept the Financial Report for April, 2014. The motion was seconded by Kay Moline and carried with all members voting in favor.
- 2) A motion was made by H. Stuart Johnson to approve \$84,997.84 in write-offs to collection for April. The motion was seconded by Chuck Zieman 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 Sandy Gundlach and carried with all members voting in favor.

**QUALITY REPORT**

**A. Quality Management Committee Meeting Minutes.**

The minutes of the April 23, 2014, Quality Management Committee Meeting were distributed for review.

**ACTION:** A motion was made by Bob Meeks to acknowledge receipt of the Quality Management Committee meeting minutes of April 23, 2014. The motion was seconded by Sandy Gundlach and carried with all members voting in favor.

**B. DNV Survey Data.**

Roxanne Portner presented a report on the recent survey by DNV. Two surveyors were on site May 6 and 7, 2014. During this time they reviewed the nonconformities issued in 2013 and closed out 17 of the 19 nonconformities. The new survey identified no Category 1 nonconformities (the most serious level of nonconformity) and 10 Category 2 nonconformities, including the two that will carry over from 2013. A plan of correction was submitted to DNV on May 27. A celebration for the successful survey will be held on June 4 for the REHC staff.

**C. REHC Total Care: A Confidential Report on Cost and Quality.**

Ms. Portner shared the results of a study looking at quality and cost data over a year's time for 48 critical access hospitals in Minnesota. River's Edge was noted to have exceptionally high quality and a comparatively low cost for services.

**D. Quality Health Indicators (QHi) Data.**

A Quality Health Indicators report through February of 2014 was available for review.

**ACTION:** Commissioners requested the QHi data be presented on a quarterly basis.

**DIRECTOR COMMENTS**

**Bob Meeks, Trustee:** Inquired about the upcoming Summer Trustee Conference to be held July 11-13, 2014. Mr. Rohrich encouraged the trustees to attend the conference. Commissioners interested in attending should notify Mr. Rohrich. Mr. Meeks also noted that the presentations by the High Step Health Academy were well done.

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**Todd Prafke, City Administrator:** Introduced Benjamin Effah, a graduate student who is working with him as an administrative intern for the summer.

**Paula Meskan, Director of Nursing:** Interviews have been completed, and another 50 students have been selected to attend the fifth season of the High-STEP program. Last Friday the hospital hosted the Minnesota Department of Education, representatives of which were on site to review and discuss the High STEP program, which is considered a "Best Practice" program.

**Roxanne Portner, Director of Quality and Infection Control:** Ms. Portner will be attending training in Rochester regarding the Baldrige Quality Program.

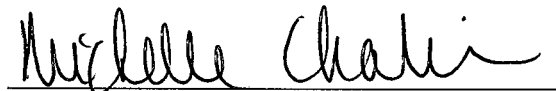
**Kay Moline, Commission:** The Gustavus Adolphus College nursing program has broken away from the St. Olaf nursing program. Ms. Moline stated the change will allow the GAC program to be more flexible, innovative, and GAC will be able to recruit their own students.


**ADJOURNMENT**

**ACTION:** A motion was made by H. Stuart Johnson to adjourn the meeting. The motion was seconded by Chuck Ziemann and carried with all members voting in favor. The meeting was adjourned at 1:32 p.m.

**NEXT MEETING**

The next regular meeting of the Hospital Commission will be Wednesday, June 25, 2014, at 12 noon. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center. The Finance Committee meeting will be held at 11:30 a.m.

  
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Chairperson

  
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Secretary