

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

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

Wednesday, April 25, 2018

Present: Margie Nelsen, Chairperson; John Lammert, Vice Chairperson, Blake Combellick, Secretary; Trustees: Jerry Pfeifer, MaryAnn Harty, Laura Hulsebus, Stephen Grams, Gary Swedberg, Kyle Swanson, MD, President of Medical Staff; George Rohrich, CEO; Lori Zook, CFO; Jackie Kimmet, Chief Human Resources Officer; Janelle Rauchman, Chief Quality Officer, Stephanie Holden, Chief Marketing Officer; Paula Meskan, Chief Nursing Officer; Todd Prafke, St. Peter City Administrator; Samantha Pherson, Recorder.

Absent: None

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:31 p.m. by Chairperson Margie Nelsen.

APPROVAL OF AGENDA

The April 25, 2018 Agenda was reviewed. There was one request to revise the agenda. A request was made by Margie Nelsen to add purchasing authority to agenda item 11 section E.

ACTION: A motion was made by Jerry Pfeifer to approve the amended agenda. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

APPROVAL OF MINUTES

The April 19, 2018 special meeting minutes and the March 28, 2018 regular session meeting minutes were reviewed.

ACTION: A motion was made by John Lammert to approve the April 19, 2018 Special Meeting Minutes and the March 28, 2018 regular meeting minutes. 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 April 18, 2018 Finance Committee Meeting Minutes.
- Acceptance of the April 18, 2018 Quality Committee Meeting Minutes.

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

GENERAL VISITOR COMMENTS

Visitors: Nancy Madsen, Saint Peter Herald; Chuck Zieman, Mayor of Saint Peter; Mark Dale, Eide Bailly; Sally Vogel, Director of Finance for City of Saint Peter.

ANNUAL AUDIT REPORT

Mark Dale presented the 2017 Annual Audit Report. A discussion followed on the topics of Medicare cost reports, cash on hand, and the expansion project.

ACTION: A motion was made by MaryAnn Harty to accept the 2017 Annual Audit Report presented by Eide Bailly. The motion was seconded by John Lammert and carried with all members voting in favor.

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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:

Brett J. Baldwin, DO

Active Staff, ENT

Timothy N. Christiansen, MD

Active Staff, ENT

Reappointment to the Medical Staff:

Morgan C. Althoen, MD

Courtesy Staff, Teleradiology

Bhavini H. Carns, MD

Courtesy Staff, Pathology

Gary S. Goldberg, MD

Courtesy Staff, Urology

Loretta R. Krahn, CRNA

Courtesy /AHP Staff, Nurse Anesthetist

Richard K. Marlow, DMD

Courtesy Staff, OMFS

Gina M. Risty, MD

Courtesy Staff, General Surgery

Change in Category – Provisional to Full Membership: None

Provisional Membership: None

Increase in Privileges: None

Change in Staff Category: None

Withdrawn from Medical Staff:

Mark J. Austin, MD

Courtesy Staff, Teleradiology

Julie A. Skiba, PA-C

Courtesy Staff, Urgent Care

ACTION:

- 1) A motion was made by Jerry Pfeifer 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 Gary Swedberg and carried with all members voting in favor.
- 2) A motion was made by Jerry Pfeifer 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 Laura Hulsebus and carried with all members voting in favor.

QUALITY REPORT

The Quality Management Committee minutes from the April 18, 2018 meeting were reviewed. The Quality Dashboard was reviewed by Janelle Rauchman. The dashboard contains results from a number of measurable and reportable quality measures.

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ADMINISTRATIVE REPORT

A. Executive Summary.

The written report submitted by George Rohrich was reviewed.

- River's Edge is showing a month-to-date bottom line for the month of March of approximately \$52,000, versus a month-to-date budget of \$143,000.
- Net Operating Revenue MTD is \$80,000 vs MTD budget of \$172,000
- March results show a decrease of cash on hand of \$70,000 resulting in balance of \$11,495,000 million. The 2018 Year End Budget goal is \$9.78M.

B. Statistical Dashboard.

The statistical report for March, 2018, was reviewed. Of the 17 measured activities, 9 are green. The monthly strategic report was also reviewed.

C. 2018 Hospital Expansion Project Updates.

John Albert provided the Hospital Commission with an update on the expansion project. There was a joint meeting of the City Council and Hospital Commission to approve the bids for the project on April 19, 2018.

D. Building Committee

George Rohrich started the discussion about having a building committee that would meet once a month to discuss and evaluate the 2018 Hospital Expansion Project. This committee would comprise of five members; two city council members, two hospital commission members, and the Hospital CEO. MaryAnn Harty and Margie Nelsen volunteered to serve on the building as the representatives from the hospital commission.

ACTION: A motion was made by John Lammert to approve the recommendation to establish a building committee that is comprised of five members; two city council members, two hospital commission members, the Hospital CEO, and to also appoint Margie Nelsen and MaryAnn Harty to the building committee. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

FINANCIAL REPORT

1. March Financial Summary.

Lori Zook presented the financial reports for March. The month of March had a Net Operating Income of \$79,906 and a year-to-date gain of \$538,255. Total Patient Revenue stands at \$5,649,203. Year-to-date Total Patient Revenue stands at \$18,076,912, over an YTD budget of \$14,949,961. March Net Patient Revenue stands at \$2,860,797 with a budget of \$3,028,038. Monthly Net Operating Revenue stands at \$2,872,625, versus a budget of \$3,038,259. Monthly Operating Expenses stands at \$2,792,719 over budget of \$2,866,070.

Year-to-date Gross Revenue is \$18,076,912 versus a budget of \$14,949,961 which is \$16,999,887 over budget. Year-to-date Net Patient Revenue is \$9,419,997 versus a budget of \$9,053,076 or \$366,921 over budget. Year-to-date Total Operating Expenses are \$8,917,544 versus a budget of \$8,191,525 or \$726,019 over budget.

Cash flow for March was negative at (\$69,869). Days Cash On Hand is 130.63 days, and Days Revenue in Accounts Receivable stands at 49.39 days.

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2. Write-Off to Collection.

Community Care grants totaled \$10,637.39, covering 16 accounts. Presumptive community care grants totaled \$24,165.69 covering 27 patients and 36 accounts. Year-to-Date Community Care grants total \$158,760. Collection activity approval totaled \$69,468.82. Year-to-Date collection activity stands at \$208,048. Year-to-Date \$129,142 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$43,808.35, year-to-date recovery total of \$108,238.

ACTION: A motion was made by Blake Combellick to accept the recommendation made by the Finance Committee for approval of \$10,637.39 in Community Care grants, \$24,165.69 in Presumptive Community Care grants and \$69,468.82 in write-offs to collection for March. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

3. Accounts Payable Review.

Accounts Payable review for March included a total of \$1,695,333.31 paid via check.

ACTION: A motion was made by MaryAnn Harty to recommend approval of checks totaling \$1,695,333.31. The motion was seconded by Jerry Pfeifer and carried with all voting in favor.

4. Capital Equipment.

1. Five Stryker System 8 Sagital Saws

Sagital saws are used at River's Edge for total joint cases. REH currently has the Stryker System 7 equipment which has seen an increase in repairs since the equipment is more than five years old. The life expectancy of this equipment is around 4-5 years. REH would only need to purchase the handpiece since our existing attachments and batteries are compatible with this model. The cost of purchasing five Stryker System 8 saws is \$35,964.25; this price is including a trade-in allowance of \$1,550.

ACTION: A motion was made by John Lammert to purchase of Five Stryker System 8 Sagital Saws for the amount of \$35,964.25, including the trade-in allowance of \$1,550. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

2. Mindray A7 Anesthesia Machine

Currently River's Edge has currently has one Mindray A7 machine and two older anesthesia machines. On July 1, 2018 the new anesthesia electronic documentation will become available to River's Edge. Only the Mindray A7 machine is compatible for this electronic documentation, the older models are also not compatible. REH would like to purchase one Mindray A7 machine for the cost of \$55,113.93. This price includes a trade-in allowance of \$1,687.37 and a GPO discount of \$46,403.70.

ACTION: A motion was made by Jerry Pfeifer to recommend to the Saint Peter City Council to purchase the Mindray A7 Anesthesia machine for the amount \$55,113.93. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

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3. Gateway for Mindray A7 Anesthesia Machine

The gateway is the interface that is needed with the Mindray A7 Anesthesia machines to function with the electronic health records system. The cost of this interface system is \$35,217, including the cost of \$4,410 to pull cable. If we are able to pull the cable ourselves then the cost of that service will not be included in the final price.

ACTION: A motion was made by Jerry Pfeifer to authorize the purchase of the e-Gateway for the Mindray A7 Anesthesia machines. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

5. Purchasing Authority.

There was a discussion about increasing the amount the hospital commission can authorize to spend before it needs to be approved by the city council. Currently the hospital commission can authorize the spending of funds for capital equipment up to \$35,000, any amount over the \$35,000 needs to be authorized by the city council. The amount to increase would be at the discretion of the Saint Peter City Council.

ACTION: A motion was made by John Lammert requesting that the Saint Peter City Council consider raising the authorized spending threshold for the Hospital Commission. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

ROUNDTABLE COMMENTS

Jackie Kimmet: Hospital Week is May 6-12, 2018. There will be an employee lunch on May 9th that the commission will be invited to.

Paula Meskan:

1. April 3, 2018 DNV was here completing their annual recertification of our Hip & Knee program.
2. The High Step program will be here in May. They are looking for volunteers to help with interviewing the students.

Stephanie Holden:

1. Highway clean-up April 28th at 10:30am.
2. Bike Rodeo – May 12th at 11am. This is a partnership with the police department and we will be giving out bike helmets.
3. Date for ground breaking ceremony will be set soon.

Janelle Rauchman:

1. May 8th QHR Webinar is about compliance, please try to attend.
2. On April 5th we started our journey to Baldrige.

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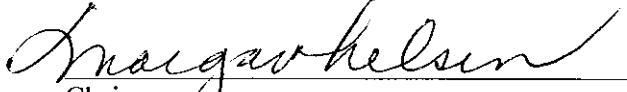
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ADJOURNMENT

ACTION: A motion was made by Jerry Pfeifer to adjourn the meeting. Motion seconded by Blake Combellick and carried with all voting in favor. Meeting was adjourned at 1:54 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, May 23, 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, May 16, 2018, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.


Chairperson


Secretary