

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

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

Wednesday, May 23, 2018

Present: Margie Nelsen, Chairperson; John Lammert, Vice Chairperson, Blake Combellick, Secretary; Trustees: 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; Todd Prafke, St. Peter City Administrator; Samantha Pherson, Recorder.

Absent: Jerry Pfeifer.

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 AGENDA

The May 23, 2018 Agenda was reviewed. There was one request to revise the agenda. A request was made by Margie Nelsen to add project financing for the expansion project between agenda items 5 and 6.

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

APPROVAL OF MINUTES

The April 25, 2018 regular meeting minutes were reviewed.

ACTION: A motion was made by MaryAnn Harty to approve the April 25, 2018 Regular Meeting Minutes. The motion was seconded by Blake Combellick and carried with all members voting in favor.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Acceptance of the May 8, 2018 Medical Staff Minutes.
- Acceptance of the May 16, 2018 Finance Committee Meeting Minutes.
- Acceptance of the May 16, 2018 Quality Committee Meeting Minutes.
- Acceptance of the May 17, 2018 Building Committee Meeting Minutes.

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

GENERAL VISITOR COMMENTS

Visitors: Chuck Zieman, Mayor of Saint Peter; David Yackell, Quorum Health Resources.

COMMISSION EDUCATION REPORT

On May 8, 2018 the Hospital Commission was invited to view a webinar on The Board's Role in Compliance. At the end of the webinar commission members were encouraged to ask questions. A total of four commission members attended this webinar, and reviewed the information from the webinar at the commission meeting.

CONTINUED

2018 HOSPITAL PROJECT FINANCING

Shannon Sweeney from David Drown Associates presented information on the temporary financing for the 2018 Hospital Expansion Project. Although the USDA has approved funding for this project, the funding will not be awarded until the completion of the project. The temporary financing is requirement of the USDA and is considered a construction loan. The amount of the temporary construction loan is \$24 million.

ACTION: A motion was made by MaryAnn Harty to recommend the temporary expansion project financing to the Saint Peter City Council. The motion was seconded by Stephen Grams and carried with all members voting in favor.

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:

Kristina A. Davis, CNP	Courtesy Staff/AHP, Emergency Medicine
David A. Gross, MD	Courtesy Staff, Teleradiology
Gregory A. Haines, DO	Courtesy Staff, Teleradiology
Geoffrey D. Raile, MD	Courtesy Staff, Teleradiology

Reappointment to the Medical Staff:

Susan J. Austin, MD	Courtesy Staff, Teleradiology
Gerald R. Berberick, OPA-C	Courtesy Staff/AHP, Surgical PA-Ortho
Lori Krome, MD	Courtesy Staff, Emergency Medicine
Stanley D. Kurisko, MD	Courtesy, Radiology
Kristin J. Olson, CNP	Courtesy Staff/AHP, Family Medicine

Change in Category – Provisional to Full Membership:

Robert A. Kessler, MD	Courtesy Staff, Telemedicine Infectious Disease
Laraine J. Klunder, CRNA	Courtesy Staff/AHP, Nurse Anesthetist
Tom D. Larson, MD	Courtesy Staff, Teleradiology
James D. Nack, DPM	Courtesy Staff, Podiatry
Brian S. Pepito, MD	Courtesy Staff, Telemedicine Infectious Disease
Asma S. Syed, MD	Courtesy Staff, Telemedicine Infectious Disease
Amanda J. Welke, CNP	Courtesy Staff/AHP, Family Medicine

Provisional Membership: None

Increase in Privileges: None

Change in Staff Category: None

Withdrawn from Medical Staff:

Mary J. Hestness, MD	Courtesy Staff, Teleradiology
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ACTION:

- 1) A motion was made by John Lammert 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 Laura Hulsebus and carried with all members voting in favor.

QUALITY REPORT

The Quality Management Committee minutes from the May 16 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.

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 April of approximately \$134,000, versus a month-to-date budget of \$174,000.
- Net Operating Revenue MTD is \$158,000 vs MTD budget of \$203,000.
- April results show a decrease of cash on hand of \$9,700 resulting in balance of \$11,485,000 million. The 2018 Year End Budget goal is \$9.78M.

B. Statistical Dashboard.

The statistical report for April, 2018, was reviewed. Of the 17 measured activities, 13 are green. The monthly strategic report was also reviewed.

C. QHR Healthcare Industry Outlook.

Dave Yackell from Quorum Health Resources provided the Hospital Commission with information on the CMS report on how current legislation affects rural hospitals.

FINANCIAL REPORT

1. April Financial Summary.

Lori Zook presented the financial reports for April. The month of April had a Net Operating Income of \$158,171 and a year-to-date gain of \$696,429. Total Patient Revenue stands at \$6,140,593. Year-to-date Total Patient Revenue stands at \$24,217,505, over an YTD budget of \$20,894,418. April Net Patient Revenue stands at \$3,080,020 with a budget of \$3,028,018. Monthly Net Operating Revenue stands at \$3,100,107, versus a budget of \$3,038,239. Monthly Operating Expenses stands at \$2,941,936 over budget of \$2,834,752.

Year-to-date Gross Revenue is \$24,217,505 versus a budget of \$20,894,418 which is \$3,323,087 over budget. Year-to-date Net Patient Revenue is \$12,500,018 versus a budget of \$9,228,662 or \$3,271,356 over budget. Year-to-date Total Operating Expenses are \$11,859,478 versus a budget of \$11,026,277 or \$833,201 over budget.

Cash flow for April was negative at (\$9,709). Days Cash On Hand is 119.84 days, and Days Revenue in Accounts Receivable stands at 51.77 days.

2. Write-Off to Collection.

Community Care grants totaled \$10,705.67, covering 15 accounts. Presumptive community care grants totaled \$20,257.63 covering 25 patients and 43 accounts. Year-to-Date Community Care grants total \$189,723. Collection activity approval totaled \$74,120.82. Year-to-Date collection activity stands at \$282,169. Year-to-Date \$164,273 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$29,854.33, year-to-date recovery total of \$182,359.

ACTION: A motion was made by Blake Combellick to accept the recommendation made by the Finance Committee for approval of \$10,705.67 in Community Care grants, \$20,257.63 in Presumptive Community Care grants and \$74,120.82 in write-offs to collection for April. The motion was seconded by Stephen Grams 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. ENT Surgical Microscope

River's Edge is expanding their surgical service line to include ENT. River's Edge does not currently have a microscope that is equipped to perform surgical ENT cases. There were three options that were evaluated. The Zeiss OPMI Pico Microscope was the preferred model by the surgeons, since they have worked closely with this brand. This microscope also has video package that can be added on at a later date if needed. The cost of the Zeiss OPMI Pico Microscope is \$16,297.90.

ACTION: A motion was made by John Lammert to purchase the Zeiss ENT Surgical Microscope for the amount of \$16,297.90. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

2. Ortho Implant Consultant Agreement

George Rohrich presented information on a contract for services with HealthTrust. This contract would allow HealthTrust to negotiate with Zimmer on the cost of implants for orthopedic surgeries. HealthTrust could negotiate around \$125,000 worth of savings for next year. The cost to contract with HealthTrust would be \$30,000. After some discussion it was decided to review this agreement at a later date after some additional research has been done.

ACTION: A motion was made by John Lammert to review the ortho implant consultant agreement at a later date in order to do some additional research. The motion was seconded by Blake Combellick and carried with all members voting in favor.

BUILDING COMMITTEE

a. Project Summary

George Rohrich reviewed the project summary sheet that was provided by John Albert. The project summary will now be reviewed within the building committee as well as any change orders.

b. Recommended Approvals

The proposal request log was reviewed. The first request is an alternate and will go to the city council for approval. The change order will go to the city council at the end of the project.

1. Therapy Department Windows Alternate – Item Number 14

It was decided that windows should be added to the PT Gym area. This would increase patient satisfaction, and the overall aesthetics of the department. This was added as an alternate option when the project was being bid. The cost of this addition is \$36,470.

ACTION: A motion was made by John Lammert to recommend approval of the alternate option for therapy department windows to the Saint Peter City Council. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

2. Testing Lab Contract

Bids were reviewed for companies that specialize in testing for earthwork, reinforcement of steel & concrete, masonry, pavement, structural steel, firestopping, and building envelop testing. The bid from Braun Intertec was the only company that submitted a bid for the building envelop testing and their bid for all requirements came in at \$80,054.

ACTION: A motion was made by Blake Combellick to approve the testing lab agreement from Braun Interec for the amount of \$80,054. The motion was seconded by Laura Hulsebus and carried with all members voting in favor.

3. Helistop Change Order

The helistop will need to be relocated temporarily until the new location is ready. The cost of the temporary helipad is \$7,326.

ACTION: A motion was made by MaryAnn Harty to approve the Helistop Change Order for the amount of \$7,326. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

4. Temporary ED Entrance Change Order

The temporary entrance for ED patients will be rerouted through the imaging area. In order to secure privacy for all patients, temporary walls and doors will need to be installed. Pricing has not been done for the walls or doors, but the estimate is between \$6,000 and \$7,500.

ACTION: A motion was made by John Lammert to approve the Temporary ED Entrance Change Order up to the amount of \$7,000. The motion was seconded by Stephen Grams with all members voting in favor.

ROUNDTABLE COMMENTS

Stephanie Holden:

1. Bike Rodeo – was May 12th at 11am. Over 300 people attended and 187 bike helmets were handed out.
2. August 9-10 strategic planning session.

ADJOURNMENT

ACTION: A motion was made by John Lammert to adjourn the meeting. Motion seconded by Blake Combellick and carried with all voting in favor. Meeting was adjourned at 1:42 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, June 27, 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, June 20, 2018, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.


Chairperson


Secretary