

River's Edge Hospital
HOSPITAL COMMISSION MEETING

Wednesday, June 26, 2019

12:30 p.m.

Mission

To provide quality health services.

Vision

To improve the health of all individuals we serve.

- 1. CALL TO ORDER**
- 2. APPROVE AGENDA - pg 1**
- 3. VISITORS**
 - A. Scheduling of Visitor Comments on Agenda Items
 - B. General Visitor Comments
- 4. APPROVE HOSPITAL COMMISSION MEETING MINUTES**
(Mot) A. May 22, 2019 Regular Meeting – pg 2
- 5. APPROVE CONSENT AGENDA**
 - A. Accept June 19, 2019 Finance Committee Meeting Minutes – pg 8
 - B. Accept June 19, 2019 Quality Committee Meeting Minutes – pg 17
 - C. Accept June 20, 2019 Building Committee Meeting Minutes – pg 28
- 6. COMMISSION DEVELOPMENT**
(Info) A. QHR Webinar: Operational Excellence
- 7. MEDICAL STAFF**
(Mot) A. Approve Membership Recommendation – pg 32
(Mot) B. Approve Privileges Recommendation
- 8. QUALITY COMMITTEE**
(Info) A. Quality Dashboard – pg 33
- 9. ADMINISTRATIVE REPORTS**
(Info) A. Executive Summary – pg 34
(Info) B. Statistical & Strategic Plan Dashboards – pg 35
- 10. FINANCE COMMITTEE**
(Info) A. Financial Summary – pg 37
(Mot) B. Approve Write Off to Collection Recommendation – pg 39
(Mot) C. Approve Accounts Payable Recommendation – pg 41
(Mot) D. Capital Purchase Requests – pg 43
- 11. BUILDING COMMITTEE**
(Info) A. Monthly Status & Budget Report – pg 45
(Mot) B. Change Orders Recommendation – pg 51
- 12. ADJOURN**

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

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

Wednesday, May 22, 2019

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

Absent: Paula Meskan, Chief Nursing Officer.

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 May 22, 2019 Agenda was reviewed.

ACTION: A motion was made by Jerry Pfeifer to approve the May 22, 2019 agenda. The motion was seconded by Gary Swedberg and carried with all members voting in favor.

APPROVAL OF MINUTES

The April 24, 2019 Hospital Commission Minutes were reviewed.

ACTION: A motion was made by John Lammert to approve the April 24, 2019 Hospital Commission Minutes. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Acceptance of the May 15, 2019 Finance Committee Meeting Minutes.
- Acceptance of the May 15, 2019 Quality Committee Meeting Minutes.
- Acceptance of the May 16, 2019 Building Committee Meeting Minutes.
- Acceptance of the May 7, 2019 Medical Staff Meeting Minutes.

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

GENERAL VISITOR COMMENTS

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

COMMISSION EDUCATION REPORT

QHR Webinar:

On May 14, 2019 the Hospital Commission was invited to attend a QHR Webinar titled: Compliance Update.

Hospital Commission Meeting Minutes

River's Edge Hospital & Clinic

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ANNUAL BENEFITS REPORT

Quorum Health Resources (QHR):

Dave Yackell presented information on the resources that were provided to the Hospital in 2018 and the resources that could continue in 2019. QHR provided the Hospital with benefits and savings of \$467,247 for the 2018 year. The Commission held a discussion regarding the partnership with QHR and having it continue in the future.

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: None

Reappointment to the Medical Staff:

David A. Durand, MD	Courtesy Staff, Teleradiology
Matthew J. Sondag, MD	Courtesy Staff, Teleradiology
Adam N. Wallace, MD	Courtesy Staff, Teleradiology

Change in Category – Provisional to Full Membership:

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

Provisional Membership: None

Change in Clinical Privileges: None

Withdrawn from Medical Staff:

Susan J. Austin, MD	Courtesy Staff, Teleradiology
Ashley Brenden, PA-C	Courtesy Staff/AHP, Surgical Physician Assistant
Robert Christensen, MD	Active Staff, Emergency Medicine
Elizabeth Osborne, MD	Courtesy Staff, Family Medicine

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

QUALITY REPORT

The Quality Management Committee minutes from the May 15, 2019 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 \$170,000 versus a month-to-date budget of \$33,000.
- Net Operating Revenue MTD is \$235,000 vs MTD budget of \$75,000.
- April results show an increase of cash on hand of \$667,000 resulting in balance of \$12,514,000 million. The 2019 Year End Budget goal is \$10.4M.

B. Statistical Dashboard.

The statistical report for April, 2019, was reviewed. Of the 17 measured activities, 10 are green. The monthly strategic report was also reviewed.

FINANCIAL REPORT

A. April Financial Summary.

Lori Zook presented the financial reports for April. The month of April had a Net Operating Income of \$234,517 and a year-to-date stand at \$958,262. Total Patient Revenue stands at \$6,172,853. Year-to-date Total Patient Revenue stands at \$24,663,309, over an YTD budget of \$27,366,441. April Net Patient Revenue stands at \$3,299,702 with a budget of \$3,158,723. Monthly Net Operating Revenue stands at \$3,311,820, versus a budget of \$3,164,273. Monthly Operating Expenses stands at \$3,077,303 over budget of \$3,088,761.

Cash flow for April was positive at \$667,586. Days Cash On Hand is 125.75 days, and Days Revenue in Accounts Receivable stands at 42.68 days. Debt coverage is 3.17 for the month of April.

B. Write-Off to Collection.

Community Care grants totaled \$6,719.57, covering 13 accounts. Presumptive community care grants totaled \$178,326.84 covering 118 accounts. Year-to-Date Community Care grants total \$305,315. Collection activity approval totaled \$123,221.42. Year-to-Date collection activity stands at \$310,386. Year-to-Date \$150,377 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$39,162.05, year-to-date recovery total of \$122,099.

ACTION: A motion was made by Stephen Grams to accept the recommendation made by the Finance Committee for approval of \$6,719.57 in Community Care grants, \$178,326.84 in Presumptive Community Care grants and \$123,221.42 in write-offs to collection for April. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

C. Accounts Payable Review.

Accounts Payable review for April included a total of \$1,591,836 paid via check.

ACTION: A motion was made by Blake Combellick to recommend approval of checks totaling \$1,591,836. The motion was seconded by Laura Hulsebus and carried with all voting in favor.

D. Items for Approval.

1. BoardDocs Document Management System:

The current system of e-mailing documents and communicating with the Commission is inefficient, as the documents are often over the e-mail limits and are difficult to adapt to follow guidelines. BoardDocs will allow a central depository of documents accessible to Commission Members as well as staff to provide updated information and to be able to archive documents as necessary. The cost of the BoardDocs Documents Management System is \$10,000 per year and a \$1,000 installation fee.

ACTION: A motion was made by MaryAnn Harty to approve purchasing the BoardDocs Document Management System for the amount of \$10,000 per year plus a \$1,000 installation fee. The motion was seconded by Stephen Grams and carried with all members voting in favor.

2. Fujitsu fi-7700 Scanner:

The current scanner used is HIMS is a least 12 years old and has scanned several million documents. It is working well, but service is no longer available if it breaks down. The scanner is used to scan documents into the electronic medical record. These are records from systems that don't work with our current electronic health record such as pre-surgery clinical information on out patients, EKG's, Ambulance documents, etc. These are vital to the appropriate care of our patients. The recommendation is to purchase the Fujitsu fi-7700 document scanner with a three extended service agreement for \$9,056.22 from CDW-G.

ACTION: A motion was made by Gary Swedberg to approve the purchasing of the Fujitsu fi-7700 Scanner for the amount \$9,065.22 from CDW-G. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

3. Zero Turn Lawnmower:

The Hospital recommends purchase a new Zero turn lawnmower for \$7,200 plus taxes from John-Deere-Kibble Equipment. After bringing a mower on-site to test, we can reduce the man-hours by 50% and still keep the campus looking nice. This, combined with other changes, will allow out maintenance employees to do other work, and will hopefully reduce the total FTE's needed to maintain the new campus.

ACTION: A motion was made by Blake Combellick to approve purchasing a Zero Turn Lawnmower from John Deere-Kibble Equipment for the amount of \$7,200 plus taxes. The motion was seconded by John Lammert and carried with all members voting in favor.

4. Cisco 9400 Network Switch:

The Hospital recommends purchasing a Cisco 9400 Network Switch for \$64,532.40 from Marco. This new switch is needed in the server room because the current switch does not have the capacity to handle the two current data closets as well as the two new data closets. The existing switch will be repurposed to the data closet in the Emergency Department area, which will save the cost of purchasing a new one for that area.

ACTION: A motion was made by John Lammert to recommend purchasing the Cisco 9400 Network Switch from Marco for \$64,523.40 to the Saint Peter City Council. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

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5. Quorum Health Resources Services Agreement:

The Hospital is recommending authorizing approval of the Third Amendment to the Advisory Services Agreement with Quorum Health Resources for the amount of \$136,000 for the year beginning on July 1, 2019. River's Edge Hospital had had this agreement in-place for the past three years. This agreement provides leadership support, financial best practices support, and two focused consultation engagements. In 1028, these services provided River's Edge \$467,000 in operational expense savings at a cost of \$130,000.

ACTION: A motion was made by Gary Swedberg to approval of the Third Amendment to the Quorum Health Resources Service Agreement for the amount of \$130,000. The motion was seconded by MaryAnn Harty and carried with all members voting in favor.

BUILDING COMMITTEE

George Rohrich presented information on the overall project, cash flow, and an update on the work that has been completed.

Project Highlights:

- South Patient Wing punch-list is in progress.
- East patient Wing punch-list is in progress.
- Emergency department framing is in progress.
- Emergency Department roofing is in progress.

Construction Update:

- South patient wing is complete, punch-list in progress.
- East patient wing is complete, punch-list in progress.
- Temporary hallways complete for patient wing access to existing hospital.

Upcoming Work:

- Exterior finishes at North addition.
- Sitework around patient wings.
- Demolition of existing patient rooms.
- Steel installation in Courtyard.

Change Orders:

George Rohrich reviewed the change orders numbers:

138. Move floor drain in Endo Decontam Room.

142. Add sink and air in Decontam.

143. Change soiled utility door hardware to classroom function.

146. Thicken concrete sidewalk at emergency exit sidewalks.

Total amount for change orders is \$27,455.

ACTION: A motion was made by Jerry Pfeifer to approval of change orders 138, 142, 143, and 146 for a total of \$27,455. The motion was seconded by Blake Combellick and carried with all members voting in favor.

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ROUNDTABLE COMMENTS

Jerry Pfeifer:

1. With new postal guidelines to move mailboxes to a central location in neighborhoods this has made it more difficult for elderly patrons to retrieve their mail. Jerry would like hospital staff to write a letter to the post office to start carrying mail to the door step of elderly customers. This is part of a broader movement with other businesses also writing letters to help draw attention to this problem.

ACTION: A motion was made by Jerry Pfeifer to have the hospital write a letter supporting the post office delivering mail to the doorstep of elderly patrons. The motion was seconded by John Lammert and carried with all members voting in favor.

Stephanie Holden:

1. Bike Rodeo: May 18th – 180 Bike Helmets were given out.
2. MHA Award Ceremony: May 31st.
3. Becker's Review list – 1 of 67 Critical Hospitals to know.
4. New Patient Wing Open House:
 - a. Commission/City Council Tour- May 31st 1:00pm
 - b. Public Open House – June 1st 2pm-4pm
5. Strategic Planning – June 11th 2pm

Janelle Rauchman:

1. Received a Baldrige Award.
2. DNV was here May 7-9. Received Hip & Knee and Spine & Shoulder Certification.

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 1:51 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, June 26, 2019, 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 19, 2019, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.

Chairperson

Secretary

RIVER'S EDGE HOSPITAL & CLINIC FINANCE COMMITTEE MEETING

River's Edge Hospital & Clinic

Wednesday, June 19, 2019

<i>Present:</i>	<input checked="" type="checkbox"/>	Margie Nelsen, Chairperson; Finance	<input checked="" type="checkbox"/>	George Rohrich, CEO
	<input type="checkbox"/>	Stephen Grams, Trustee, Finance	<input checked="" type="checkbox"/>	Tricia Bauer Finance Manager
	<input checked="" type="checkbox"/>	John Lammert Trustee, Finance	<input checked="" type="checkbox"/>	Samantha Pherson, Executive Assistant/Recorder
	<input checked="" type="checkbox"/>	Lori Zook CFO	<input type="checkbox"/>	

CALL TO ORDER

The Finance Committee meeting was called to order at 12:38 p.m. by Margie Nelsen.

APPROVAL OF AGENDA

The agenda for the June 19, 2019 Finance Committee meeting was reviewed.

ACTION: A motion was made by John Lammert to approve the June 19, 2019 agenda. The motion was seconded by George Rohrich and carried with all members voting in favor.

GENERAL VISITOR COMMENTS

None

REVENUE AND EXPENSES

Lori Zook presented the financial reports for May. The month of May had a Net Operating Income of (\$185,096) and a year-to-date stand at \$758,790. Total Patient Revenue stands at \$8,813,968. Year-to-date Total Patient Revenue stands at \$30,477,276, over an YTD budget of \$34,165,614. May Net Patient Revenue stands at \$2,562,519 with a budget of \$3,433,957. Monthly Net Operating Revenue stands at \$2,597,880, versus a budget of \$3,439,482. Monthly Operating Expenses stands at \$2,782,976 over budget of \$3,158,483.

ACTION: A motion was made by John Lammert to recommend the approval of the financial statements to the Commission, knowing there may be changes made to the figures and presented at the next Finance Meeting. The motion was seconded by George Rohrich and carried with all members voting in favor.

CASH FLOW

Cash Flow for the month of May decreased by (\$2,313,733).

BALANCE SHEETS

Balance Sheets were reviewed. Net Patient Receivables shows a decrease of (\$486,430) for the month of May and accounts payable increased \$388,129.

YEAR-TO-DATE REVENUES AND EXPENSES

Year-to-date Gross Revenue is \$30,477,276 versus a budget of \$34,165,614 which is (\$3,688,338) under budget. Year-to-date Net Patient Revenue is \$15,941,382 versus a budget of \$17,339,534 or (\$1,398,152) under budget. Year-to-date Total Operating Expenses are \$15,289,093 a budget of \$15,580,132 or (\$291,039) under budget.

DASHBOARD

Days Cash (All Sources) On Hand is 116.57 and Days Revenue in Accounts Receivable stands at 43.17 days. Debt coverage is 3.80 for the month of May.

CHECK REVIEW

The Check Review list was given to the Finance Committee and reviewed. The total amount for the month of May is \$5,024,318.

ACTION: A motion was made by George Rohrich to recommend the acceptance of checks, in the amount of \$5,024,318 to the Commission. The motion was seconded by John Lammert and carried with all members voting in favor.

COMMUNITY CARE AND COLLECTIONS

Community Care grants totaled \$8,397.32, covering 12 accounts. Presumptive community care grants totaled \$125,076.23 covering 145 accounts. Year-to-Date Community Care grants total \$438,788. Collection activity approval totaled \$77,158.28. Year-to-Date collection activity stands at \$387,544. Year-to-Date \$174,494 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$13,711.13, year-to-date recovery total of \$135,810.

ACTION: A motion was made by John Lammert to recommend approval of Community Care grants in the amount of \$8,397.32, Presumptive Community Care grants in the amount of \$125,076.23 and \$77,158.28 in write-offs to collection for May. The motion was seconded by George Rohrich and carried with all members voting in favor.

ITEMS for APPROVAL

VersaBadge:

The Hospital recommends purchasing the Versabadge Tracking System for \$3,000 per month. A portion of the calculation for the Medicare Cost Report is the amount of time the ED physicians spend on stand-by and with patients. This is currently being tracked via times studies which is inefficient and not very accurate. Other hospitals that have implemented this have seen a \$200,000-\$400,000 increase in their Medicare settlement because of the accuracies and efficiencies gained.

ACTION: A motion was made by John Lammert to recommend approval to purchase of VersaBadge for the amount of \$3,000 per month to the Hospital Commission. The motion was seconded by George Rohrich and carried with all members voting in favor.

3D Mammogram Machine:

The Hospital recommends leasing a 3D Mammography machine from CMDI. This is at an estimated net yearly cost of \$20,000 per year for a 5 year lease after equity return. A new Hologic Selenia 3D Mammography machine will allow both 2D and 3D mammograms. This is a service that is important to our community. Three different machines and three different leasing options were compared to purchase and this is the lowest cost impact of all the options.

ACTION: A motion was made by George Rohrich to recommend approval to lease the Hologic Selenia 3D Mammography machine for the estimated net yearly cost of \$20,000 per year for a 5 year lease to the Hospital Commission. The motion was seconded by John Lammert and carried with all members voting in favor.

ADJOURNMENT

ACTION: The meeting was adjourned by mutual consent at 1:16 p.m.

NEXT MEETING

The next Finance Committee meeting will be held on Wednesday, June 17, 2019, at 12:30 p.m. in Helen White Conference Room 1.

Chairperson

Vice-Chairperson

DRAFT

RIVER'S EDGE HOSPITAL & CLINIC
Balance Sheet for the Period Ending
May 31, 2019

	<u>Current Period</u>	<u>Prior Period</u>	<u>Last Year</u>		<u>Current Period</u>	<u>Prior Period</u>	<u>Last Year</u>
	<u>Assets</u>			<u>Liabilities & Fund Balances</u>			
Current Assets:				Current Liabilities:			
Cash	\$ 7,232,731	\$ 9,534,261	\$ 7,793,247	Accounts Payable	\$ 2,423,108	\$ 2,034,979	\$ 1,361,415
				Construction Payable	672,764	51,702	-
Patient Receivables	7,235,801	8,433,198	8,811,835	3rd Party Payers	1,037,912	2,826,092	326,000
Less: Allow for Uncollectible	(3,086,506)	(3,797,473)	(4,492,911)	Accrued Payroll	125,489	308,553	333,742
Total Patient Receivables	4,149,295	4,635,725	4,318,924	Accrued PTO	825,496	812,574	779,293
				Self Insurance	10,479	14,730	11,930
3rd Party Payers	-	-	-	Payroll Taxes & Deductions	235,356	280,866	275,315
Other Receivables	92,955	90,076	62,737	Accrued Int Payable Bond	36,578	19,292	105,330
Inventories	627,068	609,884	689,278	Current Portion Long Term Debt	799,789	697,989	682,989
Prepaid Expenses	313,274	348,227	302,056				
Total Current Assets	12,415,323	15,218,173	13,166,242	Total Current Liabilities	6,166,971	7,046,777	3,876,014
Other Assets				Long Term Debt			
Board Designated Funds	2,830,358	2,829,918	3,818,245	Bonds Payable	9,889,385	9,889,385	10,697,374
Dedicated Cash	411,438	424,081	137,253	PERA	8,036,084	8,794,234	8,175,297
Investments	384,644	421,450	374,904	Construction Payable	11,223,942	11,285,670	
Total Other Assets	3,626,440	3,675,449	4,330,402	Total Long Term Debt	29,149,411	29,969,289	18,872,671
Intangible Assets:				Total Liabilities	35,316,382	37,016,066	22,748,685
Unamortized Loan Costs	41,255	42,033	50,594				
Plant, Property and Equipment				Fund Balances			
Land & Land Improvements	1,702,797	1,702,797	1,702,797	Current Year	501,877	748,145	904,373
Building and Improvements	9,788,080	9,788,080	7,260,686	Prior Year	5,913,419	6,132,772	3,370,936
Fixed Equipment	3,846,182	3,846,182	3,982,136	Capital Restricted Funds	-	-	-
Major Moveable Equipment	9,180,934	9,063,187	9,851,111	Total Fund Balance	6,415,296	6,880,917	4,275,309
Total Plant, Property & Equip.	24,517,993	24,400,246	22,796,730				
Less: Accum Depreciation	(15,463,874)	(15,361,387)	(15,399,306)				
Total PP&E less depreciation	9,054,119	9,038,859	7,397,424				
Construction in Progress	16,594,541	15,922,469	2,079,332				
Total Fixed Assets	25,648,660	24,961,328	9,476,756				
Total Assets	<u><u>\$ 41,731,678</u></u>	<u><u>\$ 43,896,983</u></u>	<u><u>\$ 27,023,994</u></u>	Total Liabilities & Fund Balances	<u><u>\$ 41,731,678</u></u>	<u><u>\$ 43,896,983</u></u>	<u><u>\$ 27,023,994</u></u>

RIVER'S EDGE HOSPITAL AND CLINIC
STATEMENT OF REVENUES AND EXPENSES
May 31, 2019

Current Month				Year to Date				
Actual	Budget	Variance	Prior Year		Actual	Budget	Variance	Prior Year
\$ 3,525,988	\$ 4,622,311	\$ (1,096,323)	\$ 3,925,308	Inpatient Revenue	\$ 19,324,981	\$ 23,196,177	\$ (3,871,196)	\$ 19,047,006
2,287,980	2,176,862	111,118	2,446,013	Outpatient	11,152,295	10,969,437	182,858	11,541,820
5,813,968	6,799,173	(985,205)	6,371,321	Total Patient Revenue	30,477,276	34,165,614	(3,688,338)	30,588,826
-	-	-	-	Physician Clinic Revenue	-	-	-	-
5,813,968	6,799,173	(985,205)	6,371,321	Hospital Patient Revenue	30,477,276	34,165,614	(3,688,338)	30,588,826
				Revenue Deductions				
2,987,097	3,205,884	(218,787)	3,198,659	Contractual- Current YR	13,498,076	16,029,420	(2,531,344)	14,302,407
-	-	-	-	Contractual - Prior Year	-	-	-	-
99,921	92,500	7,421	109,730	Bad Debt	489,333	462,500	26,833	444,536
133,912	50,582	83,330	22,913	Charity Discounts	434,741	252,910	181,831	218,042
17,966	16,250	1,716	29,704	Self pay Discounts	99,972	81,250	18,722	105,779
12,553	-	12,553	-	Other	13,772	-	13,772	7,728
3,251,449	3,365,216	(113,767)	3,361,006	Total Revenue Deductions	14,535,894	16,826,080	(2,290,186)	15,078,492
2,562,519	3,433,957	(871,438)	3,010,315	Net Patient Revenue	15,941,382	17,339,534	(1,398,152)	15,510,334
8,000	2,478	5,522	8,000	Co-op Inc.	40,000	12,904	27,096	40,310
4,970	2,551	2,419	3,004	Live Well Fitness	13,222	12,755	467	15,422
12,674	496	12,178	2,823	Other Revenue	43,562	2,573	40,989	5,583
9,717	-	9,717	-	Grants	9,717	-	9,717	8,400
35,361	5,525	29,836	13,827	Total Other Operating Revenue	106,501	28,232	78,269	69,715
2,597,880	3,439,482	(841,602)	3,024,142	Net Operating Revenue	16,047,883	17,367,766	(1,319,883)	15,580,049
				Operating Costs				
799,499	847,562	(48,063)	790,185	Salaries & Wages	3,986,399	4,139,684	(153,285)	3,930,688
237,083	281,902	(44,819)	238,253	Benefits	1,283,216	1,384,555	(101,339)	1,131,002
395,371	491,765	(96,394)	234,934	Fees-Professional	2,610,556	2,475,063	135,493	2,282,420
283,344	192,543	90,801	196,189	Fees-Other	1,156,118	921,269	234,849	943,195
1,945	8,750	(6,805)	6,696	Recruitment	6,770	43,740	(36,970)	26,649
550,102	890,622	(340,520)	814,254	Supplies	3,759,927	4,367,065	(607,138)	4,202,095
34,492	41,122	(6,630)	25,277	Utilities	192,135	205,608	(13,473)	140,263
70,255	89,100	(18,845)	73,115	Repairs & Maintenance	387,736	443,743	(56,007)	377,092
122,803	53,126	69,677	49,139	Lease, Rent, Minor Equip	507,271	269,270	238,001	226,904
14,421	9,040	5,381	7,516	Dues & Subscriptions	35,465	48,504	(13,039)	33,591
24,051	27,003	(2,952)	15,886	Prof. Develop/Education	84,884	149,369	(64,485)	106,211
14,789	19,332	(4,543)	11,975	Marketing, Public Relations	71,092	97,395	(26,303)	76,756
9,520	8,749	771	8,731	Insurance	52,213	43,745	8,468	44,401
33,002	34,227	(1,225)	34,571	Interest Expense	165,503	171,135	(5,632)	173,348
83,304	61,665	21,639	63,094	Tax Expense	416,859	308,325	108,534	322,268
5,729	5,817	(88)	5,051	Other Expenses	31,697	30,872	825	20,106
103,266	96,158	7,108	101,058	Depreciation/Amortization	541,252	480,790	60,462	498,413
2,782,976	3,158,483	(375,507)	2,675,924	Total Operating Expenses	15,289,093	15,580,132	(291,039)	14,535,402
(185,096)	280,999	(466,095)	348,218	Net Operating Income	758,790	1,787,634	(1,028,844)	1,044,647
-7.12%	8.17%	-15.29	11.51%		4.73%	10.29%	-5.56	6.71%
				NonOperating Income(Expense)				
9,470	3,582	5,888	3,874	Interest Income-General	39,709	17,910	21,799	31,623
(56,267)	(47,147)	(9,120)	(34,268)	Other Income/ (Expense)	(296,620)	(235,735)	(60,885)	(171,898)
(46,797)	(43,565)	(3,232)	(30,394)	Total Non Operating	(256,911)	(217,825)	(39,086)	(140,275)
\$ (231,893)	\$ 237,434	\$ (469,327)	\$ 317,824	Excess Revenue over Expenses	\$ 501,879	\$ 1,569,809	\$ (1,067,930)	\$ 904,372
-8.93%	6.90%		10.51%		3.13%	9.04%		5.80%

RIVER'S EDGE HOSPITAL and CLINIC
STATEMENT OF REVENUES AND EXPENSES
May 31, 2019

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Patient Revenue	6,898,742	5,611,184	5,980,530	6,172,853	5,813,968								30,477,277
Physician Clinic Revenue	-	-	-	-	-								-
Hospital Patient Revenue	6,898,742	5,611,184	5,980,530	6,172,853	5,813,968								30,477,277
Revenue Deductions													
Contractual- Current YR	2,649,211	2,705,820	2,596,134	2,559,815	2,987,097								13,498,077
Contractual - Prior Year	-	-	-	-	-								-
Bad Debt	146,971	62,374	85,279	94,788	99,921								489,333
Charity Discounts	101,591	5,657	1,387	192,195	133,912								434,742
Self pay Discounts	24,807	10,392	20,462	26,345	17,966								99,972
Other	1,200	8	5	8	12,553								13,774
Total Revenue Deductions	2,923,780	2,784,251	2,703,267	2,873,151	3,251,449								14,535,898
Net Patient Revenue	3,974,962	2,826,933	3,277,263	3,299,702	2,562,519								15,941,379
													-
Co-op Inc.	8,000	8,000	8,000	8,000	8,000								40,000
Live Well Fitness	1,654	1,873	2,668	2,057	4,970								13,222
Other Revenue	4,888	23,928	10	2,061	12,674								43,561
Grants	-	-	-	-	9,717								9,717
Total Other Operating Revenue	14,542	33,801	10,678	12,118	35,361								106,500
Net Operating Revenue	3,989,504	2,860,734	3,287,941	3,311,820	2,597,880								16,047,879
Operating Costs													
Salaries & Wages	817,287	759,400	823,597	786,617	799,499								3,986,400
Benefits	276,978	238,166	266,233	264,756	237,083								1,283,216
Fees-Professional	749,352	466,388	503,630	495,815	395,371								2,610,556
Fees-Other	220,660	211,124	221,723	219,266	283,344								1,156,117
Recruitment	3,000	375	-	1,450	1,945								6,770
Supplies	875,443	760,351	757,602	816,430	550,102								3,759,928
Utilities	35,039	37,879	37,888	46,837	34,492								192,135
Repairs & Maintenance	72,360	112,951	53,545	78,625	70,255								387,736
Lease, Rent, Minor Equip	90,384	142,967	60,491	90,626	122,803								507,271
Dues & Subscriptions	5,821	4,867	5,403	4,952	14,421								35,464
Prof. Develop/Education	16,348	12,594	13,790	18,101	24,051								84,884
Marketing, Public Relations	14,997	10,469	16,273	14,564	14,789								71,092
Insurance	9,434	14,220	10,137	8,903	9,520								52,214
Interest Expense	33,497	33,002	33,002	33,002	33,002								165,505
Tax Expense	89,944	93,355	75,176	75,080	83,304								416,859
Other Expenses	3,497	6,807	3,847	11,817	5,729								31,697
Depreciation/Amortization	103,737	106,057	103,355	124,837	103,266								541,252
Total Operating Expenses	3,417,778	3,010,972	2,985,692	3,091,678	2,782,976								15,289,096
Net Operating Income	571,726	(150,238)	302,249	220,142	(185,096)								758,783
	14.33%	-5.25%	9.19%	6.65%	-7.12%								4.73%
NonOperating Income(Expense)													
Total Non Operating	(48,111)	(49,451)	(48,335)	(64,218)	(46,797)								(256,912)
Excess Revenue over Expenses	\$ 523,615	\$ (199,689)	\$ 253,914	\$ 155,924	\$ (231,893)								501,879
	13.12%	-6.98%	7.72%	4.71%	-8.93%								3.13%

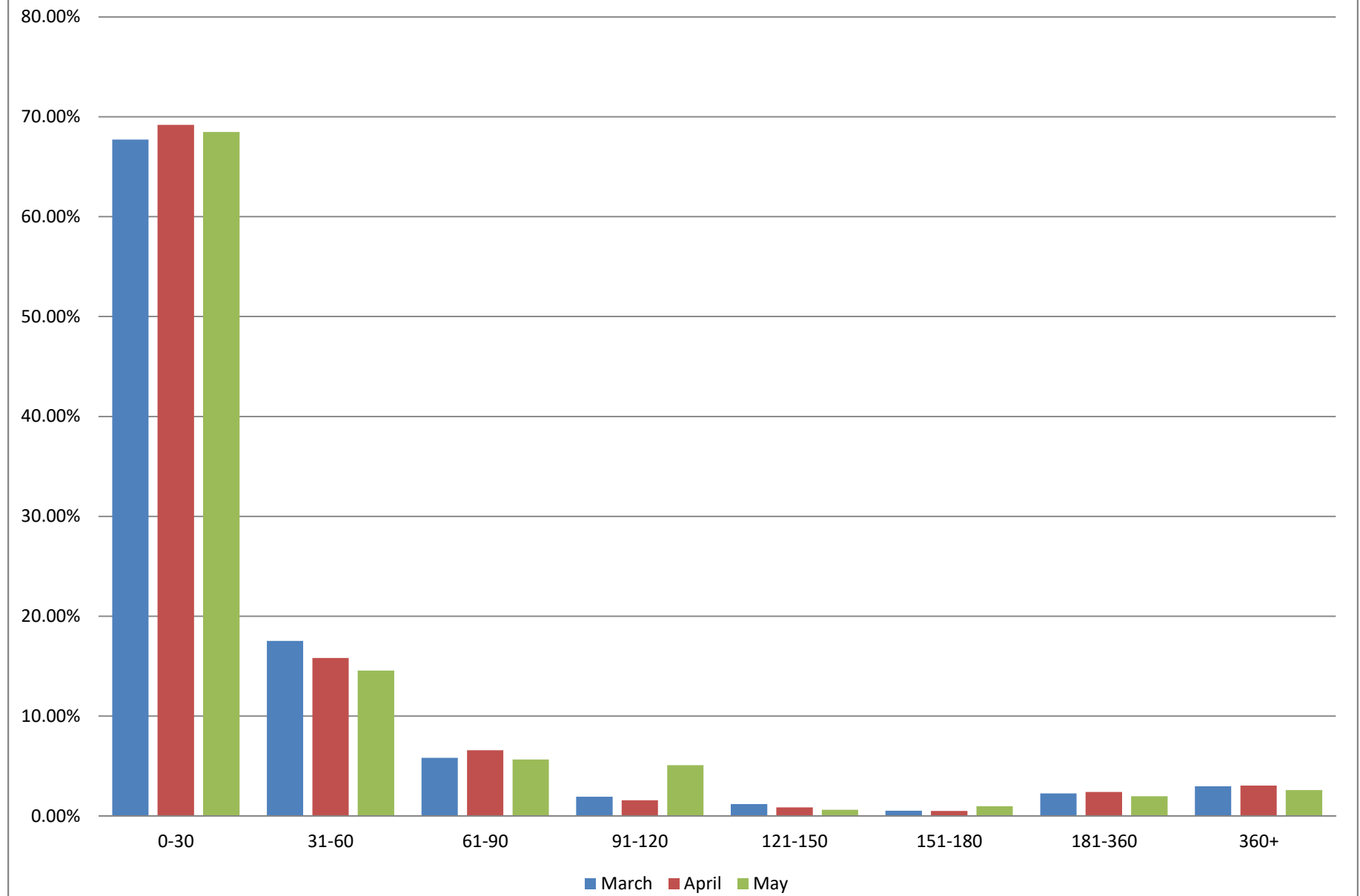
River's Edge Hospital and Clinic
Cash Flow Report at
May 31, 2019

	<u>MONTH</u>	<u>YEAR</u>
Operating Activities and NonOperating Revenue:		
Excess of Revenue over Expenses	\$ (231,893)	\$ 501,877
Adj to reconcile excess of Revenue over Expenses to Net Cash		
Depreciation & Amortization	103,266	(144,361)
Noncash gifts & bequests	-	-
Increase (Decrease) Amt. Due 3rd Parties	(2,003,197)	(2,075,976)
(Increase) Decrease in Accounts Receivable	409,864	853,079
(Increase) Decrease in Prepaids	34,954	(107,201)
(Increase) Decrease in Inventories	(17,186)	(25,839)
Increase (Decrease) in Accounts Payable & Accrued Liabilities	301,308	(1,821,450)
Net Cash provided by Operations	<u>(1,402,884)</u>	<u>(2,819,871)</u>
Investing Activities:		
Purchase/Disposals of Property & Equipment	(955,013)	(5,096,261)
Purchase of Investments	36,806	4,806
Construction Escrow	-	1,568,089
Bremer Construction	-	6,315,048
Cash provided by Investments	<u>(918,207)</u>	<u>2,791,682</u>
Financing Activities:		
Repayment of Long-Term Debt	(9,928)	(149,306)
Payment of Interest - LT Debt	17,286	(95,007)
Capital Grants		
Cash provided by Financing	<u>7,358</u>	<u>(244,313)</u>
INCREASE (DECREASE) IN CASH & CASH Equivalents	<u>(2,313,733)</u>	<u>(272,502)</u>
CASH BEGINNING OF PERIOD	12,514,430	10,473,199
CASH END OF PERIOD	<u><u>\$ 10,200,697</u></u>	<u><u>\$ 10,200,697</u></u>
CHANGE & BALANCE OF CASH		
Operating Cash	(2,301,529)	7,232,731
Non-Current Cash	(12,204)	2,967,966
TOTAL CHANGE & BALANCE OF CASH	<u><u>\$ (2,313,733)</u></u>	<u><u>\$ 10,200,697</u></u>

River's Edge Hospital and Clinic
Cash Flow Report at
Year to Date

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
Operating Activities and NonOperating Revenue:													
Excess of Revenue over Expenses	\$ 523,615	\$ (199,688)	\$ 253,917	\$ 170,301	\$ (231,893)								\$ 516,252
Adj to reconcile excess of Revenue over Expenses to Net Cash													
Depreciation & Amortization	103,737	99,057	103,355	(553,776)	103,266								(144,361)
Noncash gifts & bequests	-	-	-	-	-								-
(Increase) Decrease Amt. Due 3rd Parties	(222,778)	-	150,000	-	(2,003,197)								(2,075,975)
(Increase) Decrease in Accounts Receivable	322,983	128,377	48,262	(124,266)	409,864								785,220
(Increase) Decrease in Prepaids	17,428	(128,592)	(20,687)	(10,302)	34,954								(107,199)
(Increase) Decrease in Inventories	(6,544)	(1,454)	(8,848)	8,194	(17,186)								(25,838)
Increase (Decrease) in Accts Pay. & Accrued Liab.	153,478	52,898	511,668	(1,620,737)	301,308								(601,385)
Net Cash provided by Operations	891,919	(49,402)	1,037,667	(2,130,586)	(1,402,884)	-	-	-	-	-	-	-	(1,653,286)
Investing Activities:													
Purchases/Disposals of Property & Equipment	(1,633,286)	(1,232,262)	(2,069,238)	(373,045)	(955,013)								(6,262,844)
Purchase of Investments	(8,000)	(8,000)	(8,000)	(8,000)	36,806								4,806
Construction Escrow	1,907,340	1,333,704	(1,710,708)	37,753	-								1,568,089
Bremer Construction			3,180,941	3,134,107	-								6,315,048
Cash provided by Investments	266,054	93,442	(607,005)	2,790,815	(918,207)	-	-	-	-	-	-	-	1,625,099
Financing Activities:													
Repayment of Long-Term Debt	-	(9,106)	(119,866)	(10,406)	(9,928)								(149,306)
Payment of Interest - LT Debt	(163,745)	16,464	17,224	17,763	17,286								(95,008)
Capital Grants													-
Cash provided by Financing	(163,745)	7,358	(102,642)	7,357	7,358	-	-	-	-	-	-	-	(244,314)
INCREASE (DECREASE) IN CASH & CASH Equivalents	994,228	51,398	328,020	667,586	(2,313,733)	-	-	-	-	-	-	-	(272,501)
CASH BEGINNING OF PERIOD	10,473,199	11,467,427	11,518,825	11,846,845	12,514,430								10,473,198
CASH END OF PERIOD	\$ 11,467,427	\$ 11,518,825	\$ 11,846,845	\$ 12,514,431	\$ 10,200,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,200,697
CHANGE & BALANCE OF CASH													
Operating Cash	992,779	48,873	329,193	658,351	(2,301,529)								7,232,731
Non-Current Cash	1,450	2,525	(1,173)	9,234	(12,204)								2,967,966
Investments													
TOTAL CHANGE & BALANCE OF CASH	\$ 994,229	\$ 51,398	\$ 328,020	\$ 667,585	\$ (2,313,733)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,200,697

Accounts Receivable Aging 2019-rolling



QUALITY MANAGEMENT COMMITTEE MEETING MINUTES

River's Edge Hospital & Clinic, St. Peter, Minnesota
Wednesday, June 19, 2019

The Quality Management Committee meeting was held on Wednesday, June 19, 2019, at 8:30 a.m. in the Helen G. White Conference Room.

Present were Maryann Harty, John Lammert, Hospital Commission; Dr. Edwin Bogonko, Hospitalist; George Rohrich, Janelle Rauchman, Lori Zook, Kim Henze, Stephanie Holden, Nikki Bloom, Jennifer Donkin, Terri Winter, Tracie Lafata, Kevin Schaefer, Jackie Kimmet, Bob Novak, Paulette Redman, and Ashlie Baker.

Absent: Gary Swedberg

AGENDA ITEM	DISCUSSION	CONCLUSIONS / ACTION	FOLLOW-UP / RESPONSIBLE PARTY
1. Review of Minutes.	The minutes of the May 15, 2019, meeting had been sent out prior to the meeting for review.	A motion was made by Lori Zook to approve the minutes as presented. The motion was seconded by Maryann Harty, and carried with all voting in favor.	
2. Departmental Goal Reports and Quality / Patient Safety Core Functions Reports			
a. Credentialing/ Medical Staff Liaison	<p>Terri Winter reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services.</p> <ul style="list-style-type: none"> All up to date. Nothing to report at this time. <p>2) Equipment/Process Improvement.</p> <ul style="list-style-type: none"> Credentialing software. <ul style="list-style-type: none"> Demonstration of product/software Software program modules Estimate of costs <p>3) Credentialing Process.</p> <ul style="list-style-type: none"> Appointment and reappointment checklists are completed with each new and renewed medical staff application. Currently all complete and up to date. <p>4) Departmental Goals / Benchmarks.</p>	<p>Submit estimate of costs for budget approval by October 1, 2019.</p>	Terri Winter

	<p>a) Provider On-Boarding --DNV requires members of the medical staff as well as contracted services staff to receive an orientation developed and approved by the organization that includes general safety practices, emergency procedures, infection control, confidentiality and other issues as required by our organization. Effective March 12, 2018, book entitled "Orientation Information for New Providers & Annual Provider Education" was placed on all units (ED/UC, Med/Surg, and Surgery). New providers will review on hire and it is expected that all providers and/or contracted staff will review this annually to meet our DNV requirements.</p> <p>A total of 118 providers and staff are required to complete the orientation and education training. Our goal is to be at 100% completion.</p> <ul style="list-style-type: none"> • Attestation 2018 (initial) – 4/118 not complete (96.61% completion rate) • EMTALA Attestation – 5/118 not complete (95.76% completion rate) • New Provider Attestation – 17/17 (100% completion rate) <p>(b)New goal – Review/Revise Medical Staff Quality Profiles</p> <ul style="list-style-type: none"> • Streamline a process, particularly specifics pertaining to each individual provider. 	<p>Email Janelle list of EMTALA providers that have not completed attestation.</p>	<p>Jackie Kimmet</p>
<p>b. Physical Medicine</p>	<p>Tracie Lafata reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services.</p> <p>a) All up to date. Nothing to report at this time.</p> <p>2) Department Goals – Growth.</p> <p>Goal for 2019 is to increase the number of outpatient visits by 2.0%, to 6,083 visits per year, or greater. The total outpatient visits for PT/OT in 1st quarter 2019 was 1,555 (Goal – 1,520/quarter).</p> <p>Total outpatient visits:</p> <ul style="list-style-type: none"> ○ Qtr. 1: 1,555 YTD=1,555 <p>3) Quality / Patient Satisfaction.</p> <p>a) Goal for 2019 is to achieve 82% top box scores of "5" for the patient</p>		<p>Tracie Lafata</p>

	<p>satisfaction question of “Attainment of Patient Goals.” Internal survey process used.</p> <ul style="list-style-type: none"> -- Inpatient Survey Results: 20 surveys returned for 1st quarter 2019. 17/20 Inpatient Surveys with Top Box Score of 5 = 85%. -- Outpatient Survey Results: <ul style="list-style-type: none"> January: 28/31 with Top Box Score of 5 = 90%. February: 23/24 with Top Box Score of 5 = 96%. March: 6/9 with Top Box Score of 5 = 67%. <p>b) Overall Patient Satisfaction: The 2018 goal is to increase Physical Medicine overall satisfaction “top box” score of 5 in 90% of all surveys returned.</p> <ul style="list-style-type: none"> ○ Inpatient: 17/20 Inpatient surveys for 1st quarter with Top Box Score of 5 = 85% ○ Outpatient: (Return Rate 67/133= 50% returned) <ul style="list-style-type: none"> January– 28/30 surveys = 93% top box. February – 24/27 surveys = 96% top box. March – 8/9 surveys = 96% top box. <p>Press Ganey – Inpatient Survey Results – Occupational Therapy: January – 99% - 77.3% top box February – 99% – 84.4% top box March – 72% - 65.0% top box</p> <p>Press Ganey Inpatient Survey Results – Physical Therapy: January - 99% - 82.6% top box February – 99% - 82.2% top box March – 75% - 67.5% top box</p>		
c. Imaging	<p>Kim Henze reported.</p> <ol style="list-style-type: none"> 1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services. <ol style="list-style-type: none"> a) All up to date. Nothing to report at this time. 2) Equipment/Process Improvement. <ol style="list-style-type: none"> a) Reviewed any/all equipment issues and repairs. 3) IV Site Infections/Number of IV Start Attempts per IV. <ul style="list-style-type: none"> • No IV site infections reported for 1st quarter 2019. This represents 0 out of 13 IV starts. 		Kim Henze

	<ul style="list-style-type: none"> • Breakdown of IV Start Attempts per IV <ul style="list-style-type: none"> ○ 12 patients – 1 attempt by imaging; ○ 1 patient – 3 attempts by imaging; • There were no unsuccessful IV placements. <p>4) NIAHO – MI.2 – Radiation Protection. High radiation readings remain at 0 through 1st quarter of 2019.</p> <p>5) CTA Head and Neck /PE Study. Review of undiagnostic studies. a) Benchmark - 17% of these studies are undiagnostic for the following reasons: <ul style="list-style-type: none"> • 26% technical error; • 8% is bolus issues; • 50% is due to patient respiration; • 16% other. b) During the 1st quarter, there were 31 studies, 0 of these were found to be undiagnostic.</p> <p>6) Outpatient Imaging Quality Measures. Imaging department is monitoring quality measures on a current basis to assure compliance with required core measures.</p> <ul style="list-style-type: none"> • MRI Lumbar Spine for Low Back Pain: 1st quarter showed 3/3 lumbar spine MRI for low back pain; 0/3 with conservative therapy prior to the MRI. • Mammography Follow-up Rates: 1st quarter rate of 8.9%, or 12/134 exams; goal to be within 0 to 14%. • 4th quarter Breast Biopsies: 0 patients were referred for biopsy. • Abdominal CT – Use of Contrast Material: 4/99 patients for rate of 4.0%. Lower values are better. No exclusions this quarter. • Thorax CT – Use of Contrast Material: 0/33 patients for rate of 0.0% in the 1st quarter. Low values are better, no exclusions allowed. • Simultaneous Use of Brain CT and Sinus CT: 5/117 cases for 1st quarter for rate of 4.3%. Lower values are better, high values indicate inefficient exam protocols. 		<p>Kim Henze</p>
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	<p>7) Patient Satisfaction – Press Ganey Survey Data. Goals for 2018 include improving the Press Ganey Emergency Department section score for “Tests” from a 74.3% top box score to 76% based on a rolling 12-month score. The questions included in the composite score related to concern for comfort and courtesy of technicians. Results for 1st quarter showed a Top Box score of 85.0%.</p>		
d. Laboratory	<p>Nikki Bloom reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services. a) All OTIs, CAPs, and PAPs were reviewed. All contracted services are up to date.</p> <p>2) Equipment Repair. b) Reviewed any/all equipment issues and repairs. c) Lactate Study – Currently not using tourniquets for lactate blood draws. Conducted a study using a tourniquet and not using a tourniquet for lactate blood draws. The results were identical.</p> <p>3) Patient Satisfaction – Press Ganey Survey Data. Goals for 2018 include improving the Press Ganey Emergency Department section for “Concern Blood Draw Comfort” is 74.9%-76.0%. <ul style="list-style-type: none"> First quarter came in at 79.1%, meeting goal. </p> <p>4) NIAHO – QM.7 SR.14 / LS.1 SR.3 – Blood and Blood Products. Utilization report reviewed – 22 units RBCs transfused in 1st quarter 2019. Crossmatch to transfusion ratio 2.1 in the 1st quarter; goal is to be <= to 2.0. Increase could be attributed to spine surgeries. No wasted units of plasma or RBCs. No outdated units. No transfusion reactions reported in the 1st quarter. All transfusions completed in less than 4 hours.</p> <p>5) Discrepant Pathology Reports. Pathology scorecard was reviewed. Goal of turnaround time (two business days) for surgical specimens is >= 90%. Results showed 94.5% rate through May 2019, total of 73 specimens January - May. Two cases of cytology and no cases of peripheral smear.</p> <p>6) Departmental Goals and Benchmarks. a) Blood culture contamination – goal to be below published target rate of 2-3%. <ul style="list-style-type: none"> Percent contamination rate for January was 2.3% out of 43 cases. February rate 2.2% of 45 cases; and March rate was 0.0% of 30 </p>	<p>Review study results with Lab Director to approve a new practice for lactate blood draws.</p>	<p>Nikki Bloom</p>

	cases. The rolling rate is at 1.1%, which is under the published target rate.		
e. Dietary	<p>Jennifer Donkin reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services.</p> <p>a) All contracted services are up to date. June 2019 contract with BLC will be reviewed; to be terminated when the new kitchen/cafeteria opens.</p> <p>2) Department Goals – Growth.</p> <p>Goal for 2019 is to look at completion of initial nutrition assessment on an average of 90% of all hospital admissions. Results for 1st quarter varied from month to month, but overall averaged 87.7% of hospital inpatients assessed. Most assessments missed fell over weekends or holidays, or if dietician takes time off. Dietician does follow-up phone calls for those who are missed if there are issues identified on initial screening by the nursing staff.</p> <p>3) Quality.</p> <p>Goal is to maintain status as an accredited Centers for Disease Control (CDC) Diabetes Prevention Program and grow the program by 5% from 2016 goal (which may need to be modified going forward). Program guidelines have been updated, and data will now be submitted every six months rather than annually. Full recognition was renewed July 2017 and renewed in July 2018. Will submit in January 2019 for data period July to December. Current session started in February, with 14 participants, and weekly meetings moved to Wednesday nights in an effort to improve attendance. The next session begins in August, with 10 individuals signed up thus far.</p> <p>4) Patient Satisfaction.</p> <p>Goal for 2018 was changed to look at the courtesy of the person who served the food, which is a goal that REHC would have more control over.</p> <p>Goal for the “Meal Composite” score is to achieve 54% top box scores. The composite score looks at issues concerning quality, temperature, courtesy of server, and dietary instruction. First quarter 2019 showed a top box score of 56.4%, goal met.</p> <p>Goal for “Courtesy of Person Who Served Food” is to attain a top box score of 70% for 2019. The 1st quarter of 2019 shows scores of 68.7% (rank 44%).</p> <p>5) PDSA – Guest trays for Med/Surg</p>	<p>Incentives being offered to members in an effort to maintain continued attendance at weekly sessions.</p> <p>Jennifer Donkin continues to work with Med-Surg staff to increase scores for this measure.</p> <p>Remind staff that meals need to be</p>	<p>Jennifer Donkin</p> <p>Jennifer Donkin Linda Prah Paula Meskan</p>

	In 2017, 61 guest meals out of 192 were not paid for. The goal in 2019 is to improve the process and increase the number of paid guest meals. Guest meal menu was changed to differed color and place added to document meal was paid for. The totals for 2018 were 10 unpaid meals and 5 free meals. First quarter 2019 showed five unpaid guest meals.	paid prior to the patient being discharged.	
f. Quality	<p>Janelle Rauchman reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans.</p> <ul style="list-style-type: none"> Reviewed OTIs, CAPs, and PAPs for 2019. <p>2) NIAHO.</p> <ol style="list-style-type: none"> Quality Scorecard <ul style="list-style-type: none"> Reviewed Quality Scorecard. MHA Roadmaps <ul style="list-style-type: none"> Focus on MHA Roadmaps in 2019 – small work groups based upon the different areas (i.e. Sepsis, Falls, Opioid ADE Prevention, Medication Reconciliation, etc.). The next Roadmap we are focusing on is Sepsis and Pressure Ulcers. <p>3) Department Goal(s)/Benchmarks.</p> <ol style="list-style-type: none"> Falls Prevention. Falls rate for 2019 thus far is 1.5 falls/per 1000 patient days (goal is 3.1). Readmission Rate. Benchmark is 2.7% readmissions, River's Edge currently at 1.7% for 2019 (planned readmissions are not included) ED Transfer Communications. Goal is to be at 70 or above for meeting all components of the ED transfer measures. Currently at 69% through May, 2019. Surgical Complications. Goal is 2.7%. We are at 0.17%, which is still well below the national average of 3.1%. <p>4) Grievances. Eight grievances reported thus far in 2019. All grievances are receiving a letter immediately after being filed, w/follow-up and outcome letter 7-10 day later.</p> <p>5) Infection Control.</p> <ol style="list-style-type: none"> Handwashing Audit <ul style="list-style-type: none"> 100% compliance 		

	<ul style="list-style-type: none"> ○ Direct observation and demonstrations by staff. ○ Annual education through Relias, orientation, and a skills day. ○ Currently at 40 audits for May, exceeding goal of 30. <p>6) Adverse Events.</p> <ul style="list-style-type: none"> • No adverse events to report in Q1. <p>7) Employee Exposures.</p> <ul style="list-style-type: none"> • Currently at 4 exposures for 2019. <ul style="list-style-type: none"> ○ Exposures to fluid (2): Hemovac and Ultrasound gel. ○ Needle Sticks (2): Pin during surgery and sawblade abrasion. ○ Annual Education with Relias is always given. <p>8) ITP (Infection, Transfusion, Pharmacy) Committee.</p> <ul style="list-style-type: none"> • Employee Illness <ul style="list-style-type: none"> ○ No concerns noted. • Infection Control Plan <ul style="list-style-type: none"> ○ Reviewed in January. <ul style="list-style-type: none"> ▪ Highest priority – Antibiotic Stewardship. ▪ Part of the Quality Measures for Meaningful Use. • Buggy Icon in Excellian. • Flu Safe. <p>9) Baldrige Visit</p> <ul style="list-style-type: none"> • Feedback Report. <ul style="list-style-type: none"> ○ LDI (Leadership Development Institute) <ul style="list-style-type: none"> ▪ July 15th for Leadership Team ▪ Prioritize Opportunities ▪ Pick top three to work on ○ Align goals with strategic plan • Next Application will be in 2021. <p>10) DNV Certified Orthopaedic Center of Excellence</p> <ul style="list-style-type: none"> • 1st Critical Access Hospital • 3rd in the Nation 		<p>Education will be provided and policy is looking to be updated in 2019.</p>
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	<p>11) Utilization Review.</p> <ul style="list-style-type: none"> • Secondary Review <ul style="list-style-type: none"> ○ 5 total cases – for a total of 11 patient days ○ 2/5 upgrade to Inpatient ○ 2/5 Code 44 – changed from Inpatient to most of the time observation • Important Message from Medicare <ul style="list-style-type: none"> ○ Audits complete ○ May 20 charts audited – 85% <p>12) Education.</p> <ul style="list-style-type: none"> • IV Starts and Practice • Diabetic Ketoacidosis • Life Support Classes (BLS, ACL, and PALs) • Planning Skills Days 		
g. Environmental Services	<p>Bob Novak reported.</p> <p>1) Opportunities to Improve, Corrective Action Plans, Preventive Action Plans, and Contracted Services.</p> <ul style="list-style-type: none"> • Nothing to report at this time. <p>2) Equipment/Process Improvement</p> <ul style="list-style-type: none"> • Nothing to report at this time. <p>3) Quality.</p> <p>a) Six patient rooms and one OR suite will be audited per yearly quarter. This will be 28 total audits for the year.</p> <ul style="list-style-type: none"> ○ To date, there have been 11 room audits and 1 surgical suite audit. ○ Results have been averaging 91%. <p>b) Complete the monthly WO's and PM's as measured by the work order management system rate of 92%.</p> <ul style="list-style-type: none"> ○ January: 99% ○ February: 96% ○ March: 97% ○ April: 97% <p>c) Internal customer survey sent out to staff will show a combined score for Maintenance and Housekeeping of 92% or better each time.</p>	Create a benchmark for future testing.	

	<ul style="list-style-type: none"> ○ 1st quarter results were 96%. <p>3) Service.</p> <ul style="list-style-type: none"> • Improve the Press Ganey inpatient score for “Room” based on a 12-month rolling score. The percentage is based on answers that are in the “Very Good” range in the scale. Goal is to improve from 67% to 75% in 2019. <ul style="list-style-type: none"> ○ January: 71.4% ○ February: 70.4% ○ March: 71% ○ April: 69% ○ May: 69.1% <p>4) People.</p> <ul style="list-style-type: none"> • Improve the percentile rank score on the Q12 survey for Maintenance and Housekeeping combined. <ul style="list-style-type: none"> ○ Survey for 2019 went out June 17th. • Reduce the Housekeeping staff turnover rate to less than 3 employees per year. At this time there have been zero turnovers since December 2018. <p>5) 2019 DNV Non-Conformities.</p> <ul style="list-style-type: none"> • NC-1-3 Physical Environment-Life Safety Management. <ul style="list-style-type: none"> ○ Finding #1 – During the general building tour, surveyor observed four wall penetrations in the fire/smoke barrier above the drop ceiling at the ED corridor near the tree. ○ Finding #2 – During the general building tour, surveyor observed data lines attached to the fire sprinkler piping at the entrance to the old ED waiting area. ○ Finding #3 – during the physical environment document review with hospital staff, the surveyor noted that there is no objective evidence that new operating room staff (including physicians and surgeons) is receiving annual fire safety training or participating in fire drills in the surgical suites. <i>This is being corrected through the Surgical Services department.</i> • DNV Corrective Action Plan. <ul style="list-style-type: none"> ○ Facilities Manager will meet with contractors at weekly construction meetings to discuss penetrations and visual 		
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	inspections of areas that contractors may be penetrating and running data wires. Areas of concern will be audited on a regular basis to ensure compliance. Any issues found will be repaired and documented. Maintenance staff will also review the annual inspection process as it comes due.		
3. Adjournment.	The next Quality Management Committee meeting will be held on Wednesday, July 17, 2019, at 8:30 a.m.	Meeting adjourned by general consensus at 9:40 a.m.	

Janelle Rauchman, RN, CIC, Co-Chair

Building Committee Minutes

June 20, 2019

<i>Present:</i>	<input checked="" type="checkbox"/>	Margie Nelsen Hospital Commission	<input checked="" type="checkbox"/>	George Rohrich CEO	<input checked="" type="checkbox"/>	John Albert AHFD
	<input checked="" type="checkbox"/>	MaryAnn Harty Hospital Commission	<input checked="" type="checkbox"/>	Lori Zook CFO	<input checked="" type="checkbox"/>	Stephanie Pielich JJCA
	<input checked="" type="checkbox"/>	Jerry Pfeifer City Council	<input checked="" type="checkbox"/>	Samantha Pherson Executive Asst.	<input checked="" type="checkbox"/>	Kate Freier McGough
	<input checked="" type="checkbox"/>	Chuck Zieman Saint Peter Mayor	<input type="checkbox"/>	Tricia Bauer	<input checked="" type="checkbox"/>	Brodie Hosch McGough

CALL TO ORDER

The Building Committee meeting was called to order at 11:04 a.m. by Margie Nelsen.

APPROVAL OF AGENDA

The June 20, 2019 Building Committee Agenda was reviewed.

ACTION: A motion was made by Jerry Pfeifer to approve the June 20, 2019 Building Committee Agenda. The motion was seconded by Chuck Zieman and carried with all members voting in favor.

PROJECT UPDATES

Paul Biason and Kate Freier presented information on the overall project, cash flow, and an update on the work that has been completed.

- Project Emergency Department MEP rough in is complete.
- Courtyard steel structure is complete.
- Demo at the new kitchen/pharmacy is in progress.
- Demo for the new PACU space is in progress.

Construction Update:

- Stone Veneer at the Emergency Department is complete.
- Courtyard roof enclosure is complete.
- South parking lot and sidewalks are complete.

Upcoming Work

- Drywall and painting at the Emergency Department.
- Underground plumbing in the Kitchen/Pharmacy area.
- Framing at the Kitchen/Pharmacy Area.
- MEP rough in at the Kitchen/Pharmacy Area.
- Demo and framing at the Dining/Waiting area.
- Exterior landscaping at South site.

John Albert presented information on the overall budget. The project is currently on budget.

REQUESTED DECISIONS

The proposal request log was reviewed.

1. Change Orders:

John Albert reviewed the change orders numbers:

- 135. Add switch and light to hallway.
- 141. Delete up-swing grab bars.
- 144. Wan door revisions.
- 145. Add Surge protection to 2 electrical panels.
- 148. Add heat trace to roof drain at Front Entry Canopy.
- 150. Lower top of storm drain structure C9 12" in South parking lot.
- 151. MEP rough in through ED for snow melt mechanical equipment room.
- 152. Conduit for low voltage cables through ambulance garage.
- 153. Phase 4 – Add heat relief vents in 4 cabinet doors in Endo.
- 154. Replace door frame E60C at interior CMU wall – 4" header.
- 155. Exterior sheathing and moisture proofing in lieu of dwl at garage doors.
- 156. Add 2 duplex electrical outlets to Trauma.
- 158. Add steel edging at plant beds.
- 159. Lower garage door 6" to match door height revisions in COR# 114.
- 161. Add 1 emergency power outlet in ED E63 EMS office.
- 165. Add blinds to patient corridor end windows.

ACTION: A motion was made by Chuck Zieman to recommend approval of change orders 135, 141, 144, 145, 148, 150, 151, 152, 153, 154, 155, 156, 158, 159, 161, and 165 for the amount of \$80,786 to the Hospital Commission. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

ADJOURNMENT

ACTION: The meeting was adjourned by mutual consent at 11:40 a.m.

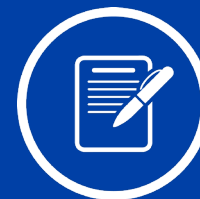
NEXT MEETING

The next Building Committee meeting will be held on Thursday, July 17, 2019, at 11:00 p.m. in the Helen White Conference Room 1.

Chairperson

Quorum Board Minutes

Addressing Changes in the Healthcare Landscape



Vantage Suite, Part 1 | Vantage Workforce Productivity uses Data to Drive Innovation, Care Quality, and Costs Savings

June 2019

What is the Vantage App Suite?

Vantage provides intuitive solutions that allow facilities to manage more effectively and efficiently, ultimately leading to increased facility sustainability and improved patient care. There are six applications within the Vantage App Suite with plans to expand the suite functionality by implementing our product roadmap. Vantage Apps currently available include:

- Workforce Productivity
- Contract Master
- Supply AdVantage
- Benchmarking
- CAH Reimbursement Modeler
- MyQuorum

We will go over each one in detail and how they relate to cost savings for your hospital in upcoming Board Minutes. This month we will focus on Vantage Workforce Productivity and the new Daily features.

Vantage Workforce Productivity App

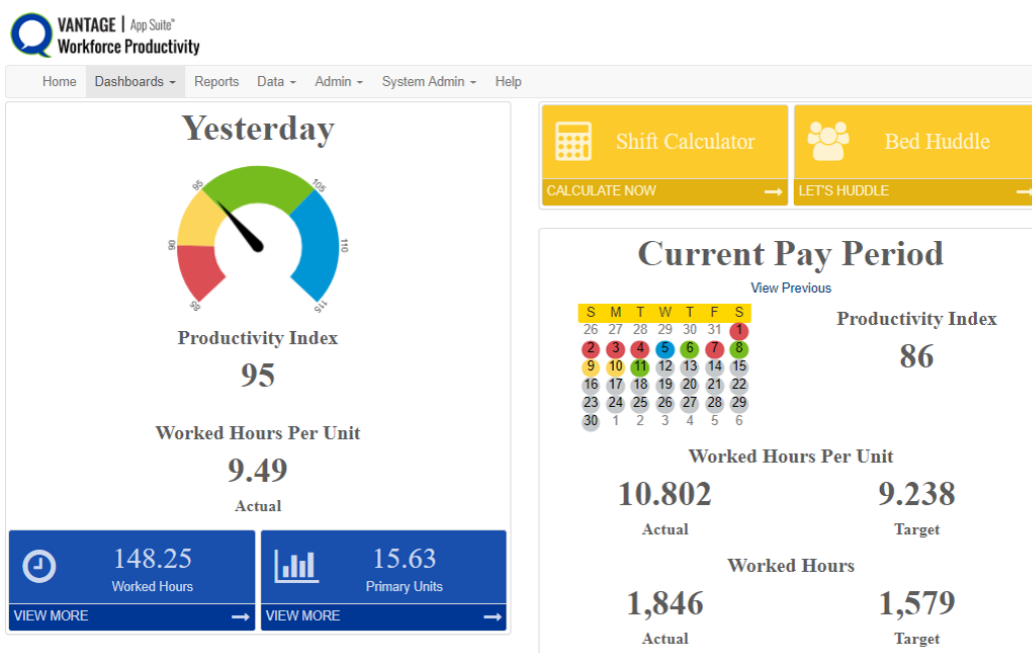
The Vantage Workforce Productivity App has effective dashboards with useful metrics that allow users to view their hospital's productivity performance and identify opportunities to improve outcomes. These dashboards ensure you are set up for sustainability. If the ratio within the dashboard consistently shows that you are spending more than what's required in revenue and resources, the cost to keep your hospital running could be exponential.

You cannot simply "cut" your way to sustainability though. You must build a strategy by continuously measuring and monitoring the Productivity Index, which is a predictive shift calculator based on 85-115 worked hours per unit.

Dashboards are available at the hospital, rollup and department level and they provide metrics beyond just your productivity score. They include detailed information about your Overtime, Labor Expense Per Unit of Service, Variance to Target and more. They also include drill down capabilities to view the underlying drivers impacting the facility's productivity performance, enabling them to identify and drive improvement opportunities.

QHR created these effective dashboards

because we believe to be successful in the evolving landscape of value-based healthcare, hospitals and health systems must focus on what we've identified as the seven touchstones to sustainability: consumer, market, medical resources, innovation, leadership, finance and quality. The Workforce Productivity App combines **innovation, finance and quality**. This ensures complete control on labor cost strategy at sustainable levels within the Productivity Index instead of the misleading thought of "cutting to prosperity."



The Vantage Workforce Productivity App is more than a software solution. It provides the information and tools needed to implement flexible staffing standards and monitor performance. With this tool, leaders can make better hiring decisions, quickly adjust staffing levels and more easily manage overtime and agency usage.

This tool ensures the ability to optimize staffing levels based on the following:

- Set custom targets that meet or exceed national benchmarks and reflect their unique operating environment.
- Improve cost center efficiency with targets and reports specific to each department.
- Have greater flexibility around optimizing staffing volumes in order to continuously adjust as patient volumes fluctuate.
- Detect trends and get insights into how metrics like productivity, overtime usage, and skill mix change over time and how those changes impact financial goals.

“Productivity in your organization is important to manage because it is the largest line item on labor and work force; we must pay attention to it.”

–Michele Mayes, SVP, Provider Solutions

Key Takeaways

- **Short-term Cost-Cutting Tactics Provide Only Temporary Relief.**
 - ♦ Current average annual costs growth rates are at 4.5% for short-term cost-cutting tactics. This guarantees organizations will continue to face upward cost pressures.
- **Wholesale Labor Cuts Cause Irreparable Harm to both Workforce Stability and Care Quality.**
 - ♦ A Healthcare Financial Management study found that hospitals and health systems engaging in across-the-board cuts were **twice as likely to experience statistically significant increase in patient mortality.**
 - ♦ If there is a **culture of productivity-mindfulness, it can optimize staffing to improve quality care for patients.**
- **Updates to the App Make it Easier for the User.**
 - ♦ Our new hospital level dashboard identifies your **highest and lowest performing areas** without the need to search for them among the department detail reports. **View sortable listings of all departments and their key metrics, allowing you to compare all departments from one location.**
 - ♦ Advanced Data Integration Capabilities
 - Allows integration between the facility’s back end systems with Vantage to provide near real time data.
 - Allows you to **systematically schedule integrated data feeds**, increasing data integrity while reducing manual effort.
 - Allows administrators to **drill down into hours and dollars by pay type, job position and employee so that managers can better manage their labor expenses.** Revenue and usage reports can also be set up to pull departmental statistics such as patient days, procedures, visits and more.
- **Daily Productivity vs. Biweekly/Monthly Productivity.**
 - ♦ There used to be two distinct and separate Productivity tools – these have been merged into a single tool that supports Workforce Productivity monitoring options based on the clients’ needs including per payroll as well as the new Daily offering. This is now all offered in a single App. The new Daily features, which are supported by the data integration capabilities, eliminate the need for facility users to automatically perform data loads. **Timely data allows for timely action.**

With the Vantage App Suite, hospitals and health systems can now leverage data to drive efficiencies as well as care in hospitals, ultimately saving costs for the organization. Vantage Workforce Productivity helps hospitals (1) measure, monitor, and manage staffing effectiveness, (2) control department specific targets to achieve optimum productivity and (3) control labor costs by simply viewing aggregate and daily performance information.

Resources:

For more information about Vantage Workforce Productivity please check out these links or contact:

Valerie Landkammer, AVP of Product Development, vlandkammer@qhr.com or

Michele Mayes, SVP, Provider Solutions, mmayes@qhr.com

APPLICANTS FOR MEDICAL STAFF MEMBERSHIP AND CLINICAL PRIVILEGES

River's Edge Hospital & Clinic

May 2019

These applicants have met the core criteria by offering evidence of these items:

Initial Appointment	Provisional Status to Full Membership	Reappointment	Change in Privileges	Staff Category	Name/License	Specialty	Facility	Verification of Medical School Graduation	Verification of Residency	Current Minnesota Medical Licensure	Narcotics Registration Certificate (DEA) Drug Enforcement Agency	National Practitioner Data Bank Queried – Favorable Status	Peer References (3 initial/2 reappointment)	Board Certification	Clinical Privileges specific to River's Edge Hospital & Clinic	Primary Hospital Reference by Chief of Staff or Service	Credentials Committee Appointment Checklist	Current Liability Insurance with Limits as set by law	Orientation Packet Received
√				C	Ifechi D. Anyadioha, MD	Pain Management	APM	√	√	√	√	√	√	√	√	√	√	√	√
√				C	Brenda J. Hyde, MD	Radiology	CRL	√	√	√	√	√	√	Brd Elig	√	√	√	√	√
√				C	David A. Jahangir, MD	Teleradiology	CRL	√	√	√	√	√	√	√	√	√	√	√	NA
√				C	Kayleen M. Jahangir, MD	Teleradiology	CRL	√	√	√	√	√	√	Brd Elig	√	√	√	√	NA
√				C	Mohammad A. Kassir, MD	Teleradiology	CRL	√	√	√	√	√	√	Brd Elig	√	√	√	√	NA
√				A	Davis R. Sand, MD	Emergency Medicine	Premier Staffing	√	√	√	√	√	√	√	√	√	√	√	√
		√		C	Josser E. Delgado, MD	Teleradiology	CRL	√	√	√	√	√	√	√	√	√	√	√	NA
		√		C	Bjorn I. Engstrom, MD	Teleradiology	CRL	√	√	√	√	√	√	√	√	√	√	√	NA
	√			C	Thomas A. Gebhard, MD	Teleradiology	CRL	√	√	√	√	√	√	√	√	√	√	√	NA

Physicians who declined to continue privileges and membership at River's Edge Hospital and requested release from Medical Staff:

Sultan G. Michael, MD

Courtesy, IM/Hospitalist

Quality Dashboard

River's Edge Hospital

Category/Metric	12/31/2018	1/31/2019	2/28/2019	3/31/2019	4/30/2019	5/30/2019	6/30/2019	7/31/2019	8/31/2019	9/30/2019	10/31/2019	11/30/2019	12/31/2019	Trend	Benchmark/goal	Comments/Analysis
Readmissions	1.93%	2.10%	2.00%	1.80%	1.80%	1.70%									2.7%	Internal Benchmark
Falls Risk	1.9	1.8	1.8	1.5	1.2	1.5									<3.5	State Average Falls per 1000 patient days
SSI	0.23%	0.21%	0.22%	0.16%	0.16%	0.17%									2.0%	Internal Benchmark
SSI - Knees		0	0	0	0	0									10.3	#SSI/#Surgeries x 1000 per MHA
SSI - Hips		0	0	0	0	0									9.1	#SSI/#Surgeries x 1000 per MHA
CAUTI	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									0.73%	State Average
Surgical Complications	0.16%	0.16%	0.16%	0.16%	0.22%	0.17%									2.7%	Internal Benchmark
ED Transfer Communication	75%	80%	79%	21%	67%	69%									>70	Internal Benchmark
HAI	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									0.00%	Internal Benchmark
Staff Influenza Immunization	96.0%	97.0%	97.0%	97.0%	N/A	N/A									95.0%	Internal Benchmark
Pressure Ulcer Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									0.47%	State Average

River's Edge Hospital & Clinic
Executive Summary
George Rohrich, CEO
June 21, 2019

Comments about May & Looking Forward:

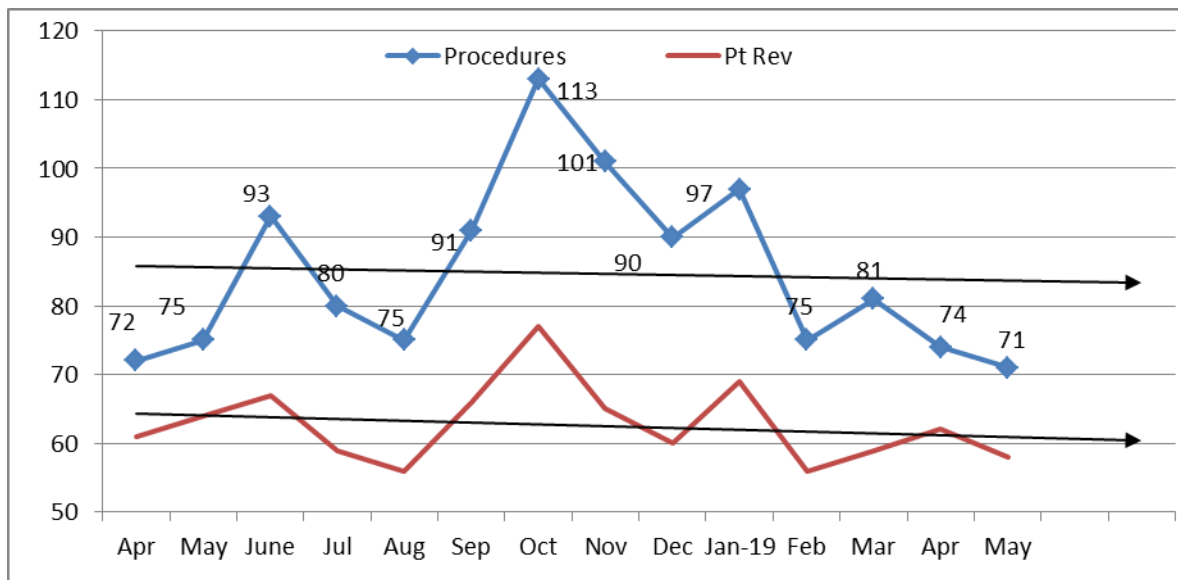
Operations: May has a negative bottom line

- Net Operating Revenue MTD was (\$180,000) vs MTD budget of \$281,000.
- Net Operating Revenue YTD was \$759,000 vs YTD budget of \$1,788,000.
- Looking Forward: May is trending to be near budget.

Cash: Cash decreased

- MTD Cash decreased by \$2,314,000 resulting in balance of \$10,201,000.
- YTD Cash has decreased \$272,502.
- Our 2019 Year End Cash budget goal is \$10.4M.

Statistics: Inpatient Surgery procedures were below budget



These procedures are a Key Indicator budgeted at 81 inpatient procedures per month.

Significant Decisions this Month:

- Two Capital Requests.

River's Edge Hospital Statistics Dashboard

Department/Service Monthly	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	YOY Trend	2019 Budget	Jan	Feb	March	April	May	YTD Trend
Lab															
Lab Procedures Inpatient	334	423	317	657	754	800	865		874	1014	883	743	978	826	
Lab Procedures Outpatient	2898	2992	2241	3144	2470	2717	2903		2951	3057	2440	2956	2747	2831	
Radiology Procedures															
Radiology Procedures Inpatient	16	24	26	73	114	106	106		99	131	98	100	101	95	
Radiology Procedures Outpatient	456	368	337	330	285	296	268		259	262	228	267	273	269	
CT Procedures Outpatient	83	92	105	147	130	156	151		158	132	143	163	192	161	
Ultrasound Procedures Outpatient	33	31	28	35	35	35	33		35	25	14	24	24	26	
ED & UC															
Urgent Care	166	127	154	200	343	397	360		369	353	308	332	288	282	
Emergency Department	336	330	367	388	367	343	352		392	285	256	349	322	351	
Surgery															
Surgical Procedures Inpatient	1	5	10	46	73	81	85		81	97	75	81	74	71	
Surgical Procedures Outpatient	54	55	46	53	61	59	66		67	56	58	50	60	61	
Physical Therapy															
PT Modalities Inpatient	270	306	353	627	857	862	843		970	990	759	826	751	701	
PT Modalities Outpatient	1108	1113	1056	1030	983	1129	1286		1310	1290	1060	1178	1356	1378	
Admissions															
Admissions from ED + UC	24	24	26	23	20	8	9		na	13	6	6	12	9	
Transferred to Acute Hospital	na	na	na	na	29	31	33		na	36	31	36	44	30	
Admissions Medical	20	27	31	16	12	10	13		na	14	10	7	16	12	
Admissions Surgical	0	0	0	37	63	71	73		na	82	67	71	66	66	
Med Surg Patient Days	52	78	88	143	206	221	236		270	270	219	208	239	218	
Average Daily Census (ADC) IP	1.71	2.56	2.88	4.70	6.75	7.30	7.73		8.86	8.71	7.06	6.71	7.71	7.03	
Average Daily Census Swing	2.67	1.94	1.82	0.82	0.42	0.31	0.30		0.15	0.32	0.23	0.74	0.26	0.13	
Total ADC															
Total ADC	4.38	4.50	4.70	5.53	7.17	7.60	8.08		9.01	9.03	7.29	7.45	7.97	7.16	
Adjusted Patient Days															
Adjusted Patient Days					341	358	366		400	401	341	330	391	359	

Less than Budget
 90% of Budget
 Equal or Greater than Budget

REHC Strategic Plan										
2019 Dashboard										
		2016	2017	2018	2019					
	GROWTH - George	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
G1	Increase Total Adjusted Patient Days (APDs) => 400	341	358	336	400	401	341	330	391	359
		2016	2017	2018	2019					
	SERVICE - Paula & Stephanie	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
S1	HCAHPs Summary "Rate hospital 0 - 10" maintain 90th percentile or higher	86.8	88%	93%	90%	93%	94%	94%	94%	94%
S2	Emergency Department Survey "Likelihood of recommending this ED" Top Box score ≥ 85%	71.4	80%	80%	85%	79%	79%	78%	77%	78%
S3	Urgent Care Survey "Likelihood of Recommending this Urgent Care" Top Box score ≥ 77%	72.2	72%	71%	75%	72%	72%	72%	73%	71%
S4	Outpatient Surgery "Rate the Facility" ≥ 87%			83%	87%	83%	85%	84%	82%	82%
		2016	2017	2018	2019					
	QUALITY - Janelle	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
Q1	Falls Achieve ≤ 3.5 per 1000 patient days	na		1.9	3.5	1.8	1.8	1.5	1.2	1.5
Q2	Transfer Measures Benchmark ≥ 70%	na	57%	76%	65%	80%	80%	21%	67.3%	69%
		2016	2017	2018	2019					
	PEOPLE - Jackie	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
P1	Employee Satisfaction Survey Participation Rate > 85%	90%	84%	82%	85%					
P2	Reduce Overall Turnover rate to ≤ 18%	28%	15%	19%	18%	1%	3%	4%	8%	9%
P3	Gallup Q12 Survey Grandmean Score ≤ 4.36		97%	4.29	4.36					
		2016	2017	2018	2019					
	FINANCE - Lori	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
F1	Days Cash All Sources ≥ 112 days	123	125	107	112	106	110	126	126	117
F2	Operating Margin ≥ 4%	13%	8%	8%	4%	14%	6.2%	9%	7%	-7%
F3	Net AR Days ≤ 50 days	49	45	48	50	44	43	42	43	43
		2016	2017	2018	2019					
	COMMUNITY - Stephanie	Actual	Actual	Actual	Goal	Jan	Feb	Mar	Apr	May
C1	Community Education Events = 12 annually	na	13	14	12	0	2	1	0	3
		2016	2017	2018	2019					
	GOVERNANCE					Jan	Feb	Mar	Apr	May
G1	Commissioner attending education event					4	3	2	3	2
G2	Commission participating in hospital event						2			9
G3	Complete annual evaluation									
										3 Penworks
										3 MHA Awards
										3 Hosp Week

May 2019 Financial Report

Statement of Revenues and Expenses

SUMMARY OF MONTH AND YTD

	May-19	Budget	Variance	%
Gross Patient Revenue	\$ 5,813,968	\$ 6,799,173	\$ (985,205)	-14.5%
Net Patient Revenue	\$ 2,562,519	\$ 3,433,957	\$ (871,438)	-25.4%
Operating Expenses	\$ 2,782,976	\$ 3,158,483	\$ (375,507)	-11.9%
Net Operating Income	\$ (185,096)	\$ 280,999	\$ (466,095)	-7.2%

YTD 2019	Budget	Variance	%
\$ 30,477,276	\$ 34,165,614	\$ (3,688,338)	-10.8%
\$ 15,941,382	\$ 17,339,534	\$ (1,398,152)	-8.1%
\$ 15,289,093	\$ 15,580,132	\$ (291,039)	-1.9%
\$ 758,790	\$ 1,787,634	\$ (1,028,844)	4.8%

Balance Sheet

Net Patient Receivables	Decreased	\$ (486,430)
Accounts Payable	Increased	\$ 388,129

	May-19	Apr-19	Difference
Cash (all sources)	\$ 10,200,697	\$ 12,514,431	\$ (2,313,734)
Accounts Receivable	\$ 4,149,295	\$ 4,635,725	\$ (486,430)
Accounts Payable	\$ 2,423,108	\$ 2,034,979	\$ 388,129
Check Run	\$ 5,024,318	\$ 1,591,836	\$ 3,432,482

	Covenants	May-19	Apr-19
Days in Cash	>60	116.57	125.75
Days in AR		43.17	42.68
Debt Coverage	>1.25	3.80	3.90

Community Care and Collections

		Accounts
Community Care	\$ 8,397.32	12
Presumptive Care	\$ 125,076.23	145
Total	\$ 133,473.55	157

Collection Activity for Board Approval	\$ 77,158.28
Bad Debt Recovery	\$ 24,116.96
Revenue Recapture	\$ 13,711.13

River's Edge Hospital

Critical Access Hospitals
Top Key Financial Indicators

INDICATOR	Formula	Desired Trend	NRH MEDIAN		Jan	Feb	Mar	Apr	May	Jun	Trend
Days Cash on Hand	Cash + Short Term Investments + Unrestricted Long Term investments / (Total Expenses - Depreciation) / 365	↑	68.83		106.19	109.78	125.97	125.75	116.57		
Days in Net AR	Net Patient AR(Including Adj and Settlements) / Net Patient Services Revenue / 365	↓	54.2		43.86	42.87	41.84	42.68	43.17		
Days in Gross AR	Gross Patient AR(Excludes Settlements) / Gross Patient Service Revenue / 365	↓	46		38.14	40.85	42.13	40.99	38.58		
Days in AP	Accounts Payable/Daily Operating Expense	↓	30-45		19.85	18.47	17.08	19.75	26.99		
Total Margin	(Excess of Revenue Over Expenses / Total Revenue)*100	↑	2.51%		13.12%	-6.98%	7.72%	5.14%	-8.93%		
Operating Margin	(income from Operations / Total Revenue) * 100	↑	0.99%		14.33%	-5.25%	9.19%	7.08%	-7.12%		
Debt Service Coverage	Excess of Revenue Over Expenses + Depreciation + Interest Expense / Principle Payments + Interest Expense	↑	2.73X		3.80	4.40	3.80	3.9	3.8		
Long Term Debt to Capitalization	Long Term Debt / (Long Term Debt + Assets) *100	↓	17.02%		38.12%	38.25%	38.83%	40.57%	41.12%		
Average Age of Plant	Accumulated Depreciation / Depreciation Expense	↓	9.77 yrs		11.96	12.03	12.11	11.69	11.77		
Salaries to Net Patient Revenue	Salary Expense / Net Patient Revenue *100	↓	45.57%		20.56%	26.86%	25.13%	23.84%	31.20%		

Community Care and Collections

For the month of: **May-19**

	<u>Total</u>	<u>100% write off</u>	<u>50% write-off</u>	<u>Not eligible</u>	
1. Community care grants for the month	\$ 8,397.32	8,397.32	-		
- number of patient accounts		12		0	
		0 previous in bad debt status			
Presumptive community care grants	<u>Total</u>	<u>Patients</u>	<u>Accounts</u>	<u>Uninsured</u>	
	\$ 125,076.23		145	-	
2. Collection activity for Board Approval is:	<u>Total</u>	<u>Insured</u>	<u>Uninsured</u>	\$ -	HMS
- number of patient accounts	\$ 77,158.28	-	-	77,158.28	Excellian
	-	-	-	77,158.28	
3. Revenue recapture for the month	<u>\$ 13,711.13</u>				

Community and Presumptive Care Grants - YTD

2019	\$ 438,788
2018	\$ 573,648
2017	\$ 532,153
2016	\$ 351,783
2015	\$ 86,713
2014	\$ 152,079
2013	\$ 239,465

Revenue Recapture experience

2019	\$ 135,810
2018	\$ 196,664
2017	\$ 233,972
2016	\$ 196,887
2015	\$ 199,340
2014	\$ 193,899
2013	\$ 178,823

Collections YTD Activity

2019	\$ 387,544
2018	\$ 1,097,294
2017	\$ 1,012,481
2016	\$ 1,297,499
2015	\$ 906,627
2014	\$ 885,568
2013	\$ 830,210

Gross Bad Debt Recovery

2019	\$ 174,494
2018	\$ 317,947
2017	\$ 367,518
2016	\$ 294,106
2015	\$ 275,788
2014	\$ 324,569
2013	\$ 271,225

Bad Debts are written off in the following month from the month they are approved. (Example: November bad debts post to December books.)

Community Care and Collections
Detail by Month

Community & Presumptive Grants			Collection Activity for Board			Revenue Recapture			Bad Debt Recovery		
	2018	2019		2018	2019		2018	2019		2018	2019
Jan	56,161.70	101,590.79	Jan	74,001.32	84,635.35	Jan	2,890.20	1,243.74	Jan	8,973.14	9,682.49
Feb	67,794.84	9,694.97	Feb	64,578.32	15,430.33	Feb	61,539.72	52,908.77	Feb	68,007.81	60,715.13
Mar	34,803.08	8,982.71	Mar	69,468.82	87,099.06	Mar	43,808.35	35,884.12	Mar	52,160.83	40,817.56
Apr	30,963.30	185,046.41	Apr	74,120.82	123,221.42	Apr	29,854.33	32,062.48	Apr	35,131.23	39,162.05
May	22,912.78	133,473.55	May	66,819.95	77,158.28	May	14,116.15	13,711.13	May	26,794.34	24,116.96
Jun	47,761.90		Jun	109,721.03		Jun	4,210.26		Jun	12,898.01	
Jul	60,840.98		Jul	109,620.10		Jul	4,186.70		Jul	14,607.91	
Aug	77,114.78		Aug	101,425.70		Aug	17,873.61		Aug	25,795.13	
Sep	26,585.39		Sep	128,950.50		Sep	10,676.80		Sep	17,875.83	
Oct	49,376.70		Oct	109,710.30		Oct	3,854.98		Oct	16,870.69	
Nov	57,544.20		Nov	67,437.90		Nov	2,032.55		Nov	18,035.71	
Dec	41,787.19		Dec	121,439.05		Dec	1,620.52		Dec	20,796.34	
	<u>\$ 573,646.84</u>	<u>\$438,788.43</u>		<u>\$1,097,293.81</u>	<u>\$ 387,544.44</u>		<u>\$196,664.17</u>	<u>\$135,810.24</u>		<u>\$317,946.97</u>	<u>\$174,494.19</u>

River's Edge Hospital and Clinic
May 2019

Top 5 Vendors Paid

	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
1 Check	NATIONAL GOVERNMENT SERVIC Total	2,954,121.00	Medicare Settlement
2 Checks	ALLINA HEALTH SYSTEM Total	281,103.87	ED/UC Providers, Training, Support
5 Checks	STRYKER ORTHOPAEDICS Total	242,112.42	Implantables
2 Checks	ORTHOPAEDIC & FRACTURE CLI Total	223,617.55	Professional Services Agreement
5 Checks	CARDINAL HEALTH 110, LLC Total	119,438.21	Pharmacy

Top 5 Checks Paid

<u>Check</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
71205	NATIONAL GOVERNMENT SERVIC	2,954,121.00	Medicare Settlement
71156	ORTHOPAEDIC & FRACTURE CLI	219,617.55	Professional Services Agreement
71173	ALLINA HEALTH SYSTEM	188,726.64	ED/UC Providers, Training, Support - Apr inv
70947	ALLINA HEALTH SYSTEM	92,377.23	ED/UC Providers, Training, Support - March Inv
70981	STRYKER ORTHOPAEDICS	81,274.87	Implantables

Total Check Register \$ 5,024,317.74

Summary of Capital Expenditures - 2019

Approved Capital Amount - Budget 2019	\$ 750,000.00
Stryker System 8 Saws and Drills	\$ 88,152.75
UPS for Computer System	15,302.95
Scanner - HIMIS	9,056.22
Zero Turn Lawnmower	7,200.00
Cisco 9400 Switch	64,532.04

Requests through 5/15/2019	\$ 184,243.96
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Remaining Balance	<u><u>\$ 565,756.04</u></u>
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To: REHC Hospital Commission

Date: 6/17/2019

From: Lori Zook, CFO

RE: VersaBadge

Action/Recommendation

The Hospital recommends purchasing the VersaBadge Tracking System for \$3,000 per month .

Background

A portion of the calculation for the Medicare Cost Report is the amount of time the ED physicians spend on stand-by and with patients. This is currently being tracked via time studies which is inefficient and not very accurate. Other hospitals that have implemented have seen a \$200,000-\$400,000 increase in their Medicare settlement because of the accuracies and efficiencies gained.

Fiscal Impact

Vendor	Price
VersaBadge	\$36,000 per year

Community Impact

This increases the reimbursement to the facility through the Medicare cost report.

Alternatives/Variations

Do Not Act: We will lose the opportunity for more reimbursement.

Negative Vote: Same as not acting.

Modification: This is always an option of the Commission.



To: REHC Hospital Commission

Date: 6/17/2019

From: Lori Zook, CFO

RE: Hologenic Selenia 3D Mammography machine

Action/Recommendation

The Hospital recommends leasing a 3D Mammography machine from CDML. This is at an estimated net yearly cost of \$20,000 after equity return.

Background

A new Hologenic Selenia 3D Mammography machine will allow both 2D and 3D mammograms. This is a service that is important to our community. Three different machines and three different leasing options were compared to purchase and this is the lowest cost impact of all of the options. Under the leasing options, we pay a fee per test, collect what we can from insurance then quarterly receive a return of equity from the joint venture holding the lease. The numbers below reflect the annual net cost to the facility.

Fiscal Impact

Vendor	Price
Hologenic Selenia 3D Mammography Machine	\$20,000
Fuji 3D 5-year lease	\$30,000
Siemens 5-year lease	\$25,000

Community Impact

This provides a preventative test as an outreach to the community.

Alternatives/Variations

Do Not Act: We will not be able to provide 3D mammograms.

Negative Vote: Same as not acting.

Modification: This is always an option of the Commission.

Rivers Edge Hospital Expansion and Renovation



Monthly Status Report #14 • 6-20-2019



EXECUTIVE SUMMARY



Project Highlights:

Emergency Department MEP rough in is complete
Courtyard steel structure is complete
Demo at the new Kitchen/ Pharmacy is in progress
Demo for the new PACU space is in progress

SCOPE



SCHEDULE



BUDGET



QA/QC



SAFETY



PAY APPLICATIONS



Pay Application number #13 has been submitted through May 31st

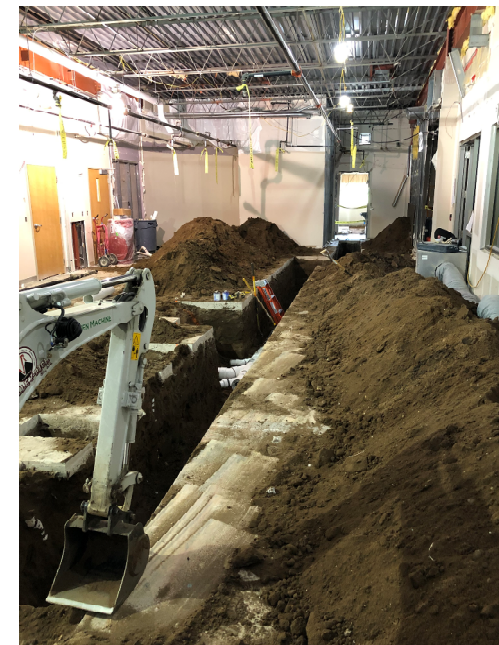
Total billing for pay app #13 is \$1,309,708

Total billed to date is \$16,463,050 or 65%

CONSTRUCTION UPDATE



- **Work Completed Last month**
 - » Stone Veneer at the Emergency Department is complete
 - » Courtyard roof enclosure is complete
 - » South parking lot and sidewalks are complete
- **Upcoming Work**
 - » Drywall and painting at the Emergency Department
 - » Underground Plumbing in the Kitchen/Pharmacy Area
 - » Framing at the Kitchen/Pharmacy Area
 - » MEP rough in at the Kitchen/ Pharmacy Area
 - » Demo and Framing at the Dining/ Waiting Area
 - » Exterior landscaping at South site





SCHEDULE

■ KEY MILESTONE DATES:

- » Kitchen and Pharmacy Demo Complete - July 2019
- » Decontam and OR-4 Demo Complete – July 2019
- » PACU Drywall Complete – August 2019
- » Courtyard Concrete Complete - July 2019
- » Dining and Waiting Glass Complete – August 2019
- » Emergency Department Ceiling Complete– August 2019

River's Edge Hospital				AHFD	
Saint Peter, MN		2/22/18	5/16/19		6/20/19
Budg. Code	Item	Approved GMP Bud	Working Budget	Cost To Date	Difference Apvd vs Wk
100	Development Costs	104,030	118,112	54,392	14,082
200	Building Construction	24,704,924	25,795,696	15,859,680	1,090,772
300	Professional Fees/Reimburs.	2,781,684	2,899,990	2,300,794	118,306
400	Administrative & Legal	106,000	170,291	135,514	64,291
500	Equipment	2,969,200	2,913,923	365,333	(55,277)
600	Furnishings	711,122	471,510	204,835	(239,612)
700	Telecomm. Systems	1,079,217	1,152,195	385,387	72,978
800	Financing	By Owner	By Owner	-	-
900	Project Contingency	1,343,823	278,282	-	(1,065,541)
	TOTAL	33,800,000	33,800,000	19,305,936	-
Notes:	Excludes Financing and Inflation				
	% Design+Bid+Const Cont -	5.5%	3.5%		
	New S.F. -	38,258	38,258		
	Renovation S.F. -	39,458	39,458		
	Gross Squar Footage -	77,716	77,716		
	Bldg \$ / GSF -	314.34	314.57		
	Proj \$ / GSF -	434.92	434.92		
	Bid Date -	3/2/18	3/2/18		
	Duration (Months) -	26.0	26.0		

River's Edge Hospital							PROPOSAL REQUEST LOG				AHFD, Inc.	
Saint Peter, MN							USDA			6/20/19		
No.	Date	Alt / ASI	Description	Low	to	High	Rec Appvl	CO	Time	Approved	CM Resv	
135	3/19/19	ASI-71	Relocate 2 sterilizer disconnects to hallway Add switch & light to Hallway	2,500			4,287					
141	4/26/19	ASI-76	Delete up-swing grab bars	(500)			(435)					
144	5/15/19	ASI-82	Wan Door revisions	25,000			20,980					
145	5/15/19	ASI-83	Add surge protection to 2 elec panels	7,500			2,550					
148	5/1/19		Add heat trace to roof drain at Front Entry Canopy				7,904					
150	5/31/19		Lower top of strom drain structure C9 12" in South Parking Lot				2,992					
151	5/14/19		MEP roughin through ED for snow melt mechanical eqpt room				22,304					
152	5/1/19		Conduit for low voltage cables through ambulance garage				1,148					
153	4/19/19		Phase 4 - Add heat relief vents in 4 cabinet doors in Endo				242					
154	5/17/19		Replace door frame E60C at interior CMU wall - 4" header				494					
155	5/13/19		Exterior sheathing and moisture proofing in lieu of dwl at garage doors				847					
156	6/5/19		Add 2 duples elec outlets to Trauma				321					
158	6/7/19		Add steel edging at plant beds				6,203					
159	5/31/19	ASI-84	Lower Garage Door 6" to match door height revisions in COR#114				2,658					
161	6/6/19	ASI-88	Add 1 emergency power outlet in ED E63 EMS Office				106					
165			Add blinds to Patient Corridor end windows				8,185					
Pending & Apprv. COR's / CM Resv Bal				80,786								