

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic – Helen G. White Conference Center
Wednesday, February 27, 2019

Present: John Lammert, Vice Chairperson; Blake Combellick, Secretary. Trustees: Jerry Pfeifer, MaryAnn Harty, Laura Hulsebus, Gary Swedberg, 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 Officer; Paula Meskan, Chief Nursing Officer; Todd Prafke, St. Peter City Administrator; Samantha Pherson, Recorder.

Absent: Margie Nelsen, Chairperson; Stephen Grams, Trustee

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:30 p.m. by Vice-Chairperson John Lammert.

APPROVAL OF AGENDA

The February 27, 2019 Agenda was reviewed. There was one request to revise the agenda.

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

APPROVAL OF MINUTES

The January 23, 2019 Hospital Commission Minutes were reviewed.

ACTION: A motion was made by Gary Swedberg to approve the January 23, 2019 Hospital Commission Minutes. The motion was seconded by Laura Hulsebus and carried with all members voting in favor.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Acceptance of the February 20, 2019 Finance Committee Meeting Minutes.
- Acceptance of the February 20, 2019 Quality Committee Meeting Minutes.
- Acceptance of the February 21, 2019 Building Committee Meeting Minutes.

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

GENERAL VISITOR COMMENTS

Visitors: Nancy Madsen, Saint Peter Herald; Chuck Zieman, Mayor of Saint Peter.

COMMISSION EDUCATION REPORT

On February 12, 2019 the Hospital Commission was invited to attend a QHR Webinar titled: Cyber Security-Lesson Learned.

Hospital Commission Meeting Minutes

River's Edge Hospital & Clinic

February 27, 2019 Page 2

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:

Douglas P. Caldwell, MD

Parveen Kumar, MD

Brooke R. Long, CNP

Courtesy Staff, Teleradiology

Active Staff, IM/Hospitalist

Courtesy Staff/AHP, Surgical NP

Reappointment to the Medical Staff:

Richard S. Harrison, OPA-C

Evans O. Magambo, MD

John A. Springer, MD

Christie A. Van Hecke, CNP

Courtesy Staff/AHP, Orthopedic PA

Courtesy Staff, Emergency Medicine

Active Staff, Orthopaedic Surgery

Courtesy Staff/AHP, Emergency Medicine

Change in Category – Provisional to Full Membership: None

Provisional Membership: None

Increase in Privileges: None

Change in Staff Category: None

Withdrawn from Medical Staff:

Edwin Harrington, MD

Michael Kearney, MD

Laraine Klunder, CRNA

Lisa Schneider, MD

Active Staff, Orthopaedic Surgery

Active Staff, Orthopaedic Surgery

Courtesy Staff/AHP, Nurse Anesthetist

Courtesy Staff, Teleradiology

ACTION:

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

QUALITY REPORT

The Quality Management Committee minutes from the February 20, 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.

CONTINUED

Hospital Commission Meeting Minutes

River's Edge Hospital & Clinic

February 27, 2019 Page 3

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 January of approximately \$524,000, versus a month-to-date budget of \$564,000.
- Net Operating Income MTD is \$572,000 vs MTD budget of \$608,000.
- January results show an increase of cash on hand of \$994,000 resulting in balance of \$11,467,000 million. The 2019 Year End Budget goal is \$10.4M.

B. Statistical Dashboard.

The statistical report for January, 2019, was reviewed. Of the 17 measured activities, 13 are green. The monthly strategic report was also reviewed.

FINANCIAL REPORT

A. January Financial Summary.

Lori Zook presented the financial reports for January. The month of January had a Net Operating Income of \$571,726. Total Patient Revenue stands at \$6,898,742 over a budget of \$7,159,297. January Net Patient Revenue stands at \$3,974,962 with a budget of \$3,794,081. Monthly Net Operating Revenue stands at \$3,989,504, versus a budget of \$3,799,872. Monthly Operating Expenses stands at \$3,417,778 over budget of \$3,192,310.

Cash flow for January was positive at \$994,228. Days Cash On Hand is 106.19 days, and Days Revenue in Accounts Receivable stands at 43.86 days. Debt coverage is 3.06 for the month of January.

B. Write-Off to Collection.

Community Care grants totaled \$14,756.08, covering 21 accounts. Presumptive community care grants totaled \$86,834.74 covering 111 accounts. Year-to-Date Community Care grants total \$101,530.79. Collection activity approval totaled \$84,635.35. Year-to-Date \$9,682.49 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$1,243.74.

ACTION: A motion was made by Blake Combellick to accept the recommendation made by the Finance Committee for approval of \$14,756.08 in Community Care grants, \$86,834.74 in Presumptive Community Care grants and \$101,530.79 in write-offs to collection for January. The motion was seconded by Laura Hulsebus and carried with all members voting in favor.

C. Accounts Payable Review.

Accounts Payable review for January included a total of \$2,289,753.83 paid via check.

ACTION: A motion was made by MaryAnn Harty to recommend approval of checks totaling \$2,289,753.83. The motion was seconded by Blake Combellick and carried with all voting in favor.

CONTINUED

Hospital Commission Meeting Minutes

River's Edge Hospital & Clinic

February 27, 2019 Page 4

D. 2018 EIDE BAILLY AUDIT

Eide Bailly has again been selected to perform the annual audit and prepare the cost report. A proposal for \$37,450 plus out of pocket expenses was submitted by the firm. The annual audit is required under our financing arrangements.

ACTION: A motion was made by Jerry Pfeifer to recommend Eide Bailly complete the annual audit and Medicare cost report for \$37,450 plus out of pocket expenses. The motion was seconded by Gary Swedberg 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

- Endo construction is in progress.
- Finishes in South patient wing are in progress.
- Emergency department underground plumbing is complete.

Construction Update:

- Demolition in Endo is complete.
- Rough-in complete at South Wing.
- Drywall in South patient wing is complete.
- Roof Top Units installed at patient wings.

Upcoming Work

- Underground utilities at North addition.
- Slab on grade in North addition.
- Storefront installation at patient wings..
- Painting at South & East wings.
- Bathroom tile in the South patient wing.
- Flooring in South patient wing.
- Drywall in Phase 4 Endo.

Change Orders:

George Rohrich reviewed the change orders numbers:

- 56. Door and Hardware Show Dwg review/Approval Changes.
- 77. Reduce height of new dwl ceiling in OR Corr to clear exst MEP.
- 89. Reduce number of transition strips & replace with wider model.
- 110. Change fluid applied flooring in Kitchen for heat resistance.
- 113. Reduce amount of required cleanouts in SDS.
- 117. Wall Changes to coordinate with final Kitchen equipment shopdwg.
- 120. Revise Patient bathroom nitche size to coordinate with switch.
- 121. Add 3 elec receptacles Nurse Station & Secure Exam.
- 125. Change 18 double to 17 triple tier lockers in W01 Breakroom.
- 127. Add Steel reinforcement to low walls in Infusion.

ACTION: A motion was made by MaryAnn Harty to approval of change orders 56, 77, 89, 110, 113, 117, 120, 121, 125, and 127 to the Hospital Commission. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

CONTINUED

Hospital Commission Meeting Minutes

River's Edge Hospital & Clinic

February 27, 2019 Page 5

Alternate:

12A. ALT-M@ in-slab rough in for Snow Melt Pipping for the amount of \$38,540.

The Hospital commission reviewed the information for alternate 12A: In-slab rough in for snow melt pipping for the amount of \$38,540. This would allow the pipping to be installed where the patient sidewalks and entrance would be placed. This pipping would need to be installed before the sidewalk and entrance area are installed. The amount of \$38, 540 would only be for the pipping, the cost for the machinery is not included and is listed as another alternate to the expansion project.

ACTION: A motion was made by MaryAnn Harty to recommend approval of the 12A Alternate for in-slab rough in for snow melt pipping for the amount of \$38,540 to the Saint Peter City Council. The motion was seconded by Blake Combellick and carried with all members voting in favor.

ROUNDTABLE COMMENTS

Stephanie Holden:

1. River's Edge hosted Rich Bluni in January.
2. February Dr. Ereth did a presentation on Alzheimer's.
3. Business after Hours was on February 19th.
4. March 13th Presentation on Women's Pelvic Health by Kaylen Margotta.
5. March Food Drive.
6. April High-way Clean-up.
7. May Open house for new patient rooms.

Paula Meskan: Gustavus students were here for the month of January.

Janelle Rauchman:

1. The window for our periodic survey from DNV is open.
2. DNV survey for Hip & Knee will take place in May.
3. Baldrige will be here March 5, 6, and 7.

Lori Zook: Eide Bailly will be here for the audit the week of March 11th. The report should be ready by the April Commission Meeting.

EXECUTIVE SESSION

A. Resolution Calling for Closed Session to discuss CEO Evaluation.

ACTION: A motion was made by Jerry Pfeifer to adjourn to closed session for the purpose of discussing the Chief Executive Officer's Evaluation. Motion was seconded by Blake Combellick and carried with all voting in favor. Meeting was adjourned to closed session at 1:21 p.m.

B. Call Closed Session to Order

The closed session of the Hospital Commission was called to order at 1:23 p.m. by Vice Chairperson John Lammert.

C. Call Closed Session to Adjourn

The closed session of the Hospital Commission was adjourned at 1:30 p.m. by Vice Chairperson John Lammert.

CONTINUED

CALL BACK TO ORDER

The regular meeting of the Hospital Commission was called back to order at 1:31 p.m. by Vice Chairperson John Lammert.

CEO EMPLOYMENT AGREEMENT

The Hospital Commission reviewed the information provided by Todd Prafke relating to CEO George Rohrich's employment contract and compensation. The compensation request is to modify the contract for the year 2019 to the amount of \$237,500 and for the year 2020 to the amount of \$250,000.

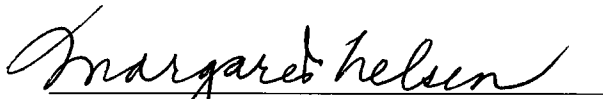
ACTION: A motion was made by Gary Swedberg to approve the salary modification for River's Edge Hospital CEO George Rohrich for the years of 2019 and 2020. The motion was seconded by Blake Combellick and carried with all voting in favor.

ADJOURNMENT

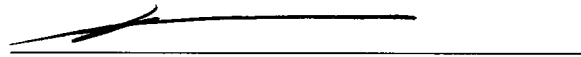
ACTION: A motion was made by Jerry Pfeifer to adjourn the meeting. Motion seconded by MaryAnn Harty and carried with all voting in favor. Meeting was adjourned at 1:36 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, March 27, 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, March 20, 2019, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.



Chairperson



Secretary