



Northfield Hospital
MEETING MINUTES RECORD

AMENDED 09/09

Meeting: Board of Directors

Date: July 30, 2009 Location: Conference Center Start time: 6:30 p.m. Adjourn time: 8:45 p.m.

Members present: Dixon Bond, Peggy Hoffman, Terry Gilbertson, John Lundblad, Brett Reese, Randy Reister, MD, James Schlichting, Curt Swenson

Members excused: Gina Washburn

Members absent:

Others present: Rhonda Pownell (Economic Development Authority), Jon Denison (City Council Liaison), Ken Bank, Mary Crow, Roger Stapek, Scott Richardson, Bobbi Jenkins (Recorder)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
Special Presentation			
View Holland, Michigan DVD	Rhonda Pownell attended the meeting as a spokesperson for Northfield's Economic Development Authority (EDA). She introduced a DVD on the community of Holland, Michigan. Holland's goal in making the DVD was to get people and businesses to move to their community.	None.	The DVD will be discussed later in the agenda.
Call to Order	The meeting was called to order at 6:30 p.m. by John Lundblad.	None.	Closed.
	Ken Bank requested approval to add "Update on Lakeville CSMR" to the agenda under "Discussion Items".	The request was approved.	Closed.
Discussion of DVD	<p>Rhonda Pownell thanked the Board for the opportunity to view the video and reported that the EDA would like to produce a similar video to showcase the City of Northfield in an effort to draw tourists, new residents and businesses to the community. The EDA is in the process of putting together an Request for Proposal and is looking for local businesses to partner with them to help support the cost of making the video. They asked for the Board to consider the following:</p> <ul style="list-style-type: none"> ➤ Financially partnering with the EDA on this project, ➤ Have the video accessible on the hospital's website, ➤ Provide input on the content of the video <p>The Board asked (1) what other businesses does the EDA anticipate supporting this project? (2) what is the cost to produce the video? And (3) what is the approximate shelf life of the video? Rhonda indicated that the process is not far enough along to answer these questions.</p>	<ul style="list-style-type: none"> ➤ Rhonda will investigate answers to the Board's questions. ➤ The Public Relations Committee will discuss interest in this project at their meeting in August and refer their recommendation to the Budget & Finance Committee for discussion at their meeting in September. 	Bring recommendation back to the Board in September.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
Quality & Patient Safety			
1. Safety Committee	Minutes from the 07/07/09 Safety Committee meeting were included in the Board packets (copy attached).	Information only.	Closed.
Action Items			
1. Approval of Minutes of 06/25/09 Regular Board Meeting	Minutes from the 06/25/09 Board meeting were included in the Board packets (copy attached). There were no changes noted to the minutes.	A motion was made, seconded and unanimously passed to approve the minutes as presented.	Closed.
2. Approval of Revisions to the Medical Staff Manual	Ken Bank reviewed revisions to the Medical Staff Manual. Detail of the recommended revisions was distributed at the June Board meeting.	A motion was made, seconded and unanimously passed to approve the revisions as presented.	Closed.
3. Addition to 2009 Strategic Goals and Organizational Objectives	<p>Ken Bank reviewed the proposal to add a strategic goal and related organizational objectives for 2009 related to succession planning (copy attached).</p> <p>Dixon Bond questioned whether there is sufficient money in the budget to cover the succession planning consultant and related expenses. Roger Stapek noted that there is \$150,000 in the budget under Purchased Services to cover the anticipated expenses. Dixon Bond questioned whether it would be helpful to have a specific line item for CEO recruitment so funds needed do not get used for other consultant fees. Following discussion, it was decided that \$100,000 of the general fund budget will be devoted to CEO recruitment.</p>	<ul style="list-style-type: none"> ➤ A motion was made, seconded and unanimously passed to approve the addition of the strategic goal and related organizational objectives as presented. ➤ Roger will make a modification in the budget by moving \$100,000 of the general fund budget to a separate line item for consulting expenses related to CEO recruitment. 	Closed.
4. Approval of Increase to Laboratory Analyzer Expense	Ken Bank reviewed the proposal for an increase to the laboratory chemistry analyzer budget from \$251,950 to \$261,201 due to increased remodeling costs (copy attached). The new total is still below the amount that we originally budgeted for these expenses.	A motion was made, seconded and unanimously passed to approve an increase in the budget for the chemistry-immunoassay analyzer project from \$251,950 to \$261,201.	Closed.

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5. Approval of Donation Recommendation	Ken Bank reviewed a recommendation from the Budget & Finance Committee in response to a request from the Northfield YMCA for donations in 2009 and 2010 (copy of proposal attached). Given the current economic climate, the committee feels the hospital is not in a position to fund unbudgeted donations. If this situation changes later in the year, donated funds should be directed to social services agencies.	A motion was made, seconded and unanimously passed to approve the recommendation from the Budget & Finance Committee that the request for funding in 2009 be denied and that the request for funding in 2010 be reconsidered after the 2009 financial results are known.	Closed.																																				
6. Approval of Applications for Medical Staff Membership/Privileges	<p>Ken Bank reviewed the following medical staff applications in Dr. Holt's absence:</p> <p style="text-align: center;"><u>Appointment</u></p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;"><u>#</u></th> <th style="text-align: left;"><u>Specialty</u></th> <th style="text-align: left;"><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3657</td> <td>Teleradiology</td> <td>Courtesy</td> </tr> </tbody> </table> <p style="text-align: center;"><u>Reappointments</u></p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;"><u>#</u></th> <th style="text-align: left;"><u>Specialty</u></th> <th style="text-align: left;"><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3424</td> <td>Family Practice</td> <td>Active</td> </tr> <tr> <td>3454</td> <td>Radiology</td> <td>Courtesy</td> </tr> <tr> <td>7163</td> <td>Internal Medicine/ Gastroenterology</td> <td>Active</td> </tr> <tr> <td>2867</td> <td>Anesthesia</td> <td>Courtesy</td> </tr> <tr> <td>7110</td> <td>Ob/Gyn</td> <td>Courtesy</td> </tr> <tr> <td>7439</td> <td>Nurse Practitioner</td> <td>Allied Health: Independent</td> </tr> </tbody> </table> <p style="text-align: center;"><u>2-Year Advancement from Provisional</u></p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;"><u>#</u></th> <th style="text-align: left;"><u>Specialty</u></th> <th style="text-align: left;"><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3424</td> <td>Family Practice</td> <td>Active</td> </tr> <tr> <td>3454</td> <td>Radiology</td> <td>Courtesy</td> </tr> </tbody> </table>	<u>#</u>	<u>Specialty</u>	<u>Category</u>	3657	Teleradiology	Courtesy	<u>#</u>	<u>Specialty</u>	<u>Category</u>	3424	Family Practice	Active	3454	Radiology	Courtesy	7163	Internal Medicine/ Gastroenterology	Active	2867	Anesthesia	Courtesy	7110	Ob/Gyn	Courtesy	7439	Nurse Practitioner	Allied Health: Independent	<u>#</u>	<u>Specialty</u>	<u>Category</u>	3424	Family Practice	Active	3454	Radiology	Courtesy	A motion was made, seconded and unanimously passed to approve the appointment and reappointments for membership and privileges, as well as the advancement from provisional status as recommended by the Credentials Committee and the MEC.	Closed.
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Discussion Items																																							
1. Report on IRS Review of Bond Issue	Roger Stapek reported that the IRS conducted an examination of our 2006 hospital revenues bonds and confirmed that the bonds continue to meet the standards for tax exemption (copy of letter from the IRS attached). The Board commended Roger for his hard work and dedication in getting this accomplished.	Information only.	Closed.																																				

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2. Report on MDH Nursing Home Report Card	Mary Crow reported that the Long Term Care Center was rated number one in the state along with only three other nursing homes. We scored 31 points out of a total of 35. The Board commended staff for the excellent work.	Information only.	Closed.
3. Trauma Designation	Mary Crow reported that Northfield Hospital Emergency Department recently received a Level IV Trauma Designation. This means ambulances can bring trauma patients to the ED to stabilize before transferring to a higher level facility. We received this designation as the result of 18 months of work by Dr. Jeff Meland, ED Medical Director, and Deb Maestri, ED Nursing Director. In order to keep the designation, we need to continually meet specific criteria. The Board congratulated the staff on this advancement.	Information only.	Closed.
4. Update on Lakeville CSMR	<p>Ken Bank reported that the building we lease for CSMR services in Lakeville has fallen into foreclosure. We are one of three businesses operating out of this building. We are current in our lease payments and believe as long as we are current, we are able to continue business in the building.</p> <p>The Board questioned how things are going with the expansion/remodeling of the Northfield CSMR building. Ken reported that construction has temporarily stopped while we wait for a plumbing permit from the State. This is not expected to significantly delay the project schedule.</p>	Information only.	Closed.
Informational Items			
1. Medical Staff Report	<p>Minutes from the 07/21/09 MEC were included in the Board packets (copy attached).</p> <p>Ken Bank reported on the following work of the MEC:</p> <ul style="list-style-type: none"> ➤ Discussed MRSA surveillance and the proper screening, monitoring and data collection related to it. ➤ Discussed the best way to communicate the recently approved Harassment & Intimidating Behavior policy to the medical staff. They concluded that email would be the mechanism for which we communicate this policy and other information in the future. The policy was emailed to the medical staff with a request for a return receipt indicating that the email was read. A hard copy will be mailed to those who did not read the email. ➤ Discussed the best way to get input on a plan for future services and technology, which is one of the hospital's organizational objectives. An electronic 	Information only.	Closed.

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	survey will be sent to the medical staff asking for input.		
2. Administrative Report			
<ul style="list-style-type: none"> June Statistical Reports 	June revenues were \$644,000 under-budget while deductions from revenue were \$422,000 under-budget and operating expenses were \$277,000 under-budget. Operating income was (\$88,000) vs. a budget of (\$148,000), and total net income was (\$178,000) vs. a budget of (\$69,000) due to reduced valuation of investments.	Information only.	Closed.
<ul style="list-style-type: none"> EMS Call Volumes 	The monthly EMS call volume report was included in the Board packets (copy attached). We are slightly behind in runs compared to last year and about 200 less than budget.	Information only.	Closed.
<ul style="list-style-type: none"> Operations Report 	There were no additional items to report.	None.	Closed.
<ul style="list-style-type: none"> Regional Clinics Update 	<ul style="list-style-type: none"> ➤ We continue to work on recruiting of a family practice physician for the Farmington clinic. Call tends to be an issue for some physicians. ➤ We are currently working with a recruiter to help with recruitment of a general surgeon. Dr. Fulco has some help with call, but is currently taking more call than he wants to since Dr. Rainiero left. Allina has expressed interest of having Dr. Fulco serve their general surgery needs. We currently don't have enough work in the community for two full-time surgeons, but need two to cover call. ➤ Dr Kris Matson will be leaving to attend a fellowship at the U of M in the fall. She will continue to do some casual work here as needed. ➤ Sports physicals have been bringing many new families to the clinics. ➤ Dr. Dana Olson (Ob/Gyn) started in late July. She will be working mostly in Lakeville and some in Northfield. 	Information only.	Closed.
<ul style="list-style-type: none"> Capital Purchase Summary – 2nd Qtr. 	Roger Stapek reviewed the second quarter capital purchase summary (copy attached). Terry Gilbertson questioned the line item "space lab monitors" and suggested the name be changed. Mary explained that it is the brand name for the cardiac monitors, but we could easily change the title to cardiac monitors	Roger will change "Space Lab Monitors" to "Cardiac Monitors".	Closed.
3. Committee Reports			
<ul style="list-style-type: none"> Public Relations 	The Public Relations Committee did not meet during the last month.	None.	Closed.

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<ul style="list-style-type: none"> Governance & Planning 	<p>The Governance and Planning Committee met tonight prior to the Board meeting and discussed the following:</p> <ul style="list-style-type: none"> ➤ Employee Turnover Report ➤ Evaluation of Non-credentialed Employees ➤ 2010 Organizational Objectives ➤ Succession Planning ➤ Clinic Management ➤ Board Policies ➤ D & O Insurance ➤ 2010 Board Meeting Schedule 	Information only.	Closed.
<ul style="list-style-type: none"> Budget & Finance 	Minutes from the 06/25/09 Budget & Finance Committee meeting were included in the Board packets (copy attached).	Information only.	Closed.
Roundtable Discussion	<p>John Lundblad asked whether there were any other issues anyone wanted to discuss. Jon Denison reported that the Charter Commission has voted to go into a hiatus due to so many members on vacation. They can; however; call a special meeting if the need arises.</p> <p>John Lundblad asked the Board to notify himself if there is anything in the future they would like to see on the agenda so he can get it added. Board members are also always welcome to discuss other items at the meeting during the roundtable discussion.</p>	Information only.	Closed.
Board Recess	The Board took a short recess before going into Executive Session.	None.	Closed.
Executive Session	Everyone except Board Members, Ken Bank, Mary Crow and Roger Stapek were excused from the Executive Session.	None.	Closed.
Reconvene Public Session <ul style="list-style-type: none"> Report from Executive Session 	<p>Following the Executive Session, the Board reconvened in Public Session.</p> <p>John Lundblad reported that the Board</p> <p style="padding-left: 40px;">Approved the minutes from the 06/25/09 Executive Session,</p> <p style="padding-left: 40px;">Adopted the 2010 Organizational Objectives.</p>	<p>Information only.</p> <p>A copy of the objectives that do not address strategic marketing issues is attached.</p>	<p>Closed.</p> <p>Closed.</p>
Selection of CEO Search Firm	John Lundblad reviewed the Governance & Planning Committee's recommendation on the selection of a search firm to guide the recruitment of a new President/CEO (copy of proposal, agreement, and best case time targets and milestones attached). The recommendation is to engage MSA Executive Search under the terms of the proposed agreement.	A motion was made, seconded and unanimously passed to approve the engagement of MSA Search for the recruitment of a new President/CEO under the terms of the proposed contract	John Lundblad will inform MSA Executive Search of the Board's decision, as well as the other firms the committee interviewed.

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	<p>A question was raised regarding the firm's policy on retention. It was noted that if the person hired does not stay for a minimum of 12 months, the firm will conduct a new search at no charge. To date, the firm has never had to replace a candidate. The consultant also stays in contact for some time after the hire to ensure a smooth transition and to help the facility with any issues or glitches during the transition.</p> <p>The Board reviewed the Best Case Time Targets and Milestones and after discussion recommended the following change to item E:</p> <ul style="list-style-type: none"> ➤ <u>Position Profile approved by recommended by the Search Committee and approved by the Board. Position compensation range recommended by the Governance & Planning Committee and approved by the Board</u> Board/Search Committee. 	and the Best Case Time Targets & Milestones with the change noted to E.	
<ul style="list-style-type: none"> • Approval of Search Committee Members 	A copy of the Governance & Planning Committee's recommendation for the ten-member Search Committee was distributed (copy attached). The committee also recommended that John Lundblad serve as the Committee Chairperson and Dixon Bond serve as the Committee Vice Chairperson.	A motion was made, seconded and unanimously passed to approve the appointment of the Search Committee, as well as the appointment of the Chairperson and Vice Chairperson, as recommended by the Governance & Planning Committee.	John Lundblad will send letters to the Search Committee members notifying them of their appointment along with a list of the committee members and officers.
Adjournment	The meeting was adjourned at 8:45 p.m.	None.	Closed.