Perham Health
Perham, MN
Board Operations Committee
Minutes

Date: November 30, 2011
Time: 5:30 p.m.
Place: Perham Health Board Room

Present:
Kathy Hemmelgarn
Gail Quittschreiber
Terry Marthaler
Eugene Jahnke
Alisyn Keil
Alfred Fresonke
Karen Field
Rich Richter
Bernice Genoch
Cyndy Rastedt
Jane Aschnewitz
Gilbert Ebner
Jerry Kunza
Cal Dockter
Marsh Korman, Sanford
Ellen Cooke, Sanford (via Telehealth)
Chuck Hofius
Brad Wurgler
Katie Lundmark
Dan Peterson
Bonnie Johnson
Dennis Happel
Marilyn Oelfke
Sue Von Ruden
Jim Rieber
Pam Mather
Tracy Hendrickx
Fred Delloye
Susan Tabor

Absent: Dr. Chuck Breen, Dr. Corey Nyhus

A. Call to Order

Chair Hemmelgarn called the meeting to order at 5:30 p.m.

B. Additions or Deletions

No additions or deletions to the agenda.

C. Board Education

Katie Lundmark, Dan Peterson, Susan Tabor (Behavioral Health Concepts), and Fred Delloye (Behavioral Health Concepts) presented information about Behavioral Health Concepts and geriatric behavioral health hospitals.

D. Consent Agenda

A motion was made by Aschnewitz, seconded by Korman, to approve the consent agenda as presented. Motion passed.

E. Reports

1. *Operating Reports*

a. Fiscal and Support Services
Brad Wurgler reviewed the October statistics noting that obstetrics was over-budget while surgeries and ancillary services were below-budget for the month. Overall, it was a normal October in terms of volume. The September Operating Statement and Balance Sheet were reviewed. Brad stated that it was a strong month with revenue from patient services over budget by 7.3%. Overall, there was a net operating loss of $332,956.39 due to increased expenses in anticipation of the new hospital move and the name change.

b. Patient Services
Bonnie explained that surgical numbers for the month were decreased due to Dr. Stolee's medical mission to Guatemala. Patient census increased and decreased dramatically throughout the month.

c. Long Term Care
No additions to the report.

d. Community Services
No additions to the report.

e. Move Consultant Report
Katie stated that a 4-day move is planned and Perham Health will be open in the new location on January 9.

2. *CEO Report*
Chuck showed a video from Blue on Blue Perham Hospital District Foundation Gala. The event sold out for the first time and the support of the Board Operations Committee is appreciated. Following the completion of the new hospital construction, Board meetings will be held in alternating locations, Perham Health and Perham Living. Perham Health will host the Board meetings on even months and Perham Living will host on odd months.

3. *Sanford Report*
Sanford is beginning a management agreement with the Northwood Deaconess Health Center in Northwood, North Dakota. The old Perham Health hospital will be utilized as a regional training center for Epic.

4. *Medical Staff Report*
No additions to the report.

5. *Quality Report*
Correction to the report of 9 readmits rather than 2. A motion was made Dockter, seconded by Marthaler, to approve the Quality Report with the correction. Motion carried.

F. <u>Old/Other Business</u>

1. *Construction Update*
Chuck reviewed the progress of the new hospital construction. The project is in its last phase of construction. The Minnesota Department of Health inspection cannot be scheduled until

all other inspections are completed. The contingency fund balance is approximately $400,000.

2. *Geriatric Behavioral Health Discussion*
   Chuck stated that a lot of research has been completed on the possibility of developing a geriatric behavioral health hospital in the old location and while there are some remaining considerations, the outlook is positive. A special Executive Committee meeting will be held prior to the December meeting to address any remaining questions.

3. *Legislative Update*
   The Supercommittee did not reach an agreement resulting in a 2 percent drop in all Medicare rates on January 1, 2013 if action is not taken.

G. <u>New Business</u>

1. *Credentialing*
   Ronica Wahl, FNP-C, Appointment until 11-30-12. Motion was made by Rastedt and seconded by Aschnewitz to approve Ronica Wahl for medical staff credentialing. Motion carried.

2. *Shoulder Arthroscopy Equipment Purchase*
   The shoulder arthroscopy equipment is necessary to allow Dr. Nelson to begin performing additional orthopedic procedures at Perham Health. He currently is able to do knee arthroscopies and will begin performing shoulder arthroscopies in January. This equipment will also be used by our podiatrist, Dr. Andrew Johnson. Based on the recommendation of the Finance Committee, a motion was made by Kunza, seconded by Quittschreiber, to approve the capital purchase of Shoulder Arthroscopy Equipment at a cost of $53,615.95. A roll call vote was taken with all in favor. Motion carried.

Ellen Cooke was disconnected at this time.

3. *Gynecare Versapoint/Hysteroscope System Purchase*
   Dr. Perkerewicz, OB/GYN, has expressed desire to perform hysteroscopies at Perham Health. The equipment will make this possible. Based on the recommendation of the Finance Committee, a motion was made by Kunza, seconded by Fresonke, to approve the capital purchase of the Gynecare Versapoint/Hysteroscope System at a total cost of $14,381.35. A roll call vote was taken with all in favor. Motion carried.

4. *Glidescope Purchase*
   An additional Glidescope is needed in the Emergency Department. The more comprehensive package is requested, which will allow the equipment to be utilized on all patients, regardless of size in order to meet a higher standard of care in the Emergency Department. Based on the recommendation of the Finance Committee, a motion was made by Kunza, seconded by Richter, to approve the capital purchase of the Glidescope at a cost of $17,838.75.

5. *Board Comments*

Keil stated that she has heard positive comments regarding Chuck's letter-to-the-editor. Board members also shared concern that the Perham Health logo is too small on the current billboards. Chuck and Sue clarified that new advertising will be coming soon and the name will be larger.

A motion was made by Kunza and seconded by Fresonke to adjourn the meeting. Motion carried.

There being no further business, the Operations Committee meeting adjourned at 7:39 p.m.

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Katherine A. Hemmelgarn, Chair

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Gail Quittschreiber, Clerk

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Tracy Hendrickx, Recorder

District Board Meeting
Minutes

Present:	Kathy Hemmelgarn	Chuck Hofius
	Gail Quittschreiber	Brad Wurgler
	Terry Marthaler	Katie Lundmark
	Eugene Jahnke	Dan Peterson
	Alisyn Keil	Pam Mather
	Alfred Fresonke	Dennis Happel
	Karen Field	Bonnie Johnson
	Rich Richter	Sue Von Ruden
	Bernice Genoch	Jim Rieber
	Cyndy Rastedt	Tracy Hendrickx
	Jane Aschnewitz	Marsh Korman, Sanford
	Gilbert Ebner	
	Jerry Kunza	
	Cal Dockter	

Chair Hemmelgarn called the District Board meeting to order at 7:39 p.m.

1. *Sanford Management Agreement Amendments*
   A motion was made by Kunza, seconded by Dockter, to adopt the two Sanford Management Agreement Amendments as presented. Motion carried.

2. *2012 Final Tax Levy*
   Changes in state law have eliminated the homestead tax credit from previous years resulting in lower property values, thus lowering the net tax capacity. The recommendation of the finance committee is to follow the proforma and tax $765,000 rather than 4.0% of the net tax capacity which would decrease the amount of taxes collected by the hospital. Committee members expressed some concern over increasing taxes at this point. Chuck clarified that it is not actually an increase from the planned 4% in policy. Because of the change in state law, the 4.4% or $765,000 that the Finance Committee is recommending would be equal to the 4% under the old system, which was in place when the policy passed. A motion was made by Field, seconded by Rastedt, to continue to tax at 4% of the net tax capacity, decreasing taxes for 2012 to $690,683. A roll call vote was taken with Rastedt, Ebner, Jahnke, Aschnewitz, and Field voting yes. Hemmelgarn, Quittschreiber, Marthaler, Keil, Fresonke, Richter, Genoch, Kunza, and Dockter were opposed. Motion failed. A motion was made by Kunza, seconded by Fresonke, to keep the 2012 tax levy at the 2011 tax levy amount of $721,000. A roll call vote was taken with Keil, Ebner, Rastedt, Aschnewitz, Kunza, Fresonke, Marthaler, Richter, Dockter, Genoch, Quittschreiber, and Hemmelgarn voting in favor. Jahnke and Field were opposed. Motion carried.

A motion was made by Kunza, seconded by Field, to adjourn. Motion carried.

There being no further business, the meeting of the District Board adjourned at 8:06 p.m.

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Katherine A. Hemmelgarn, Chair

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Gail Quittschreiber, Clerk

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Tracy Hendrickx, Recorder