

**Perham Health  
Perham, MN  
Operations Committee of the Board  
Minutes**

Date: July 30, 2014  
Time: 5:30 p.m.  
Place: Perham Living Board Room

Present: Jerry Kunza  
Terry Marthaler  
Alisyn Keil  
Kathy Hemmelgarn  
Deb Cullen  
Gil Ebner  
Alfred Fresonke  
John Halvorson  
Eugene Jahnke  
Jeremy Kovash  
Staci Malikowski  
Rich Richter  
Ellen Cooke (Sanford) - video  
Dr. Chuck Breen (Sanford) - video  
Marsh Korman (Sanford)  
Chuck Hofius  
Brad Wurgler  
Jim Lee  
Pat Sjolie  
Bonnie Johnson  
Sue Von Ruden  
Dennis Happel  
Jim Rieber  
Erik Hiedeman  
Megan Olson  
Amber Hallberg

Absent: Jane Aschnewitz, Cyndy Rastedt, Dr. Tim Studer (Sanford)

**A. Call to Order**

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

**B. Additions/Deletions to the Agenda**

Delete G.5 2015 Draft Operating Budget.

**C. Board Education**

The Income Statement Overview was presented by Wurgler.

**D. Consent Agenda**

A motion was made by Halvorson, seconded by Kovash, to approve the consent agenda as presented. Motion carried.

**E. Reports**

1. *Operating Reports*

a. Fiscal and Support Services

Wurgler reviewed the June financials, stating that June saw a net loss from operations of (\$161,001), compared to a budgeted gain of \$14,596. With the addition of non-operating income, June finished with a loss of (\$265,338), compared to a budgeted gain of

\$124,524. This brings the facility to a total net increase of \$285,254 for the first nine months of the fiscal year, versus a budgeted increase of \$79,639, a positive variance of \$205,615. The main reason for the negative operating budget this month was a onetime \$193,000 loss on the sale of the Mills Clinic, LLC that needed to be recognized.

Malikowski inquired if we were confident that the sale of the Mills Clinic, LLC, needed to be recognized as a loss. Hofius responded that two accounting firms were consulted prior to the decision but will further discuss it with CliftonLarsonAllen.

Hemmelgarn inquired about the decrease in gift shop revenue. Hofius stated the revenue was affected in part by the Infinium payroll system upgrade, which did not provide an interface for payroll deduction in the gift shop and resulted in a decrease in employee purchases. Von Ruden added that payroll deduct has since been reinstated.

- b. Patient Services  
No additions to the report.

Kovash congratulated Johnson on her Perham Rotary Club President nomination. Johnson will serve as president in 2016-17.

- c. Long Term Care  
Lundmark highlighted several Perham Focus articles featuring Perham Living.

Hemmelgarn inquired about the configuration of the Perham Living Master Planning Team. Hofius stated it is currently an internal team, but Board members could be added to the committee.

- d. Ancillary Services  
No additions to the report.

## 2. *CEO Report*

Hofius stated that a strategic planning retreat will be held next spring. The Executive Committee recommended Olivia Mastery as the retreat facilitator. Hofius added that Von Ruden is working on a community perception survey, which will provide feedback used during the strategic planning retreat. Board Education will begin this winter and will focus on changes and trends in the healthcare industry.

Perham Health had a shoplifting incident in July. Signs reminding patrons of security camera use will be posted as a result.

Both the digital sign and the pharmacy drive through have had mechanical issues in July, but both will be fixed this week.

Despite an increase in services, Home Care has been impacted by payment decreases from two insurance payors.

Johnson will retire effective October 31, 2014. Recruitment efforts are underway for her replacement.

3. *Medical Staff Report*  
No additions to the report.
4. *Sanford Report*  
Korman stated there will be an Enterprise Physician Leadership Summit for Sanford physicians and leadership on September 12 – 13 in Sioux Falls.
5. *Community Relations Report*  
No additions to the report.
6. *Human Resources Report*  
No additions to the report.
7. *Strategic Goal Report*  
No additions to the report.

A motion was made by Hemmelgarn, seconded by Fresonke, to accept the Quarterly Strategic Goals Report as presented. Motion carried.

F. **New Business**

1. *Credentialing*  
Upon recommendation by the Executive Committee of the Medical Staff, a motion was made by Marthaler, seconded by Halvorson, to approve medical staff privileges for Dr. Kevin Wentworth until March 31, 2016; Dr. Timothy Rittenour until May 31, 2016; and Dr. Tim Kufahl, Kevin Swenson, P.A., Dr. Richard Leach, Dr. Shree Subedi, Dr. Allison Clapp, Dr. Timothy Studer, Dr. Eric Promersberger, Dr. Ryan Reynolds, Dr. Richard Catalan, and Dr. Peter Biegler III until July 31, 2016. Motion carried.
2. *CAH Performance Analysis*  
Wurgler reviewed the 2013 CAH Performance Analysis prepared by CliftonLarsonAllen.
3. *Market Share Analysis*  
Hiedeman reviewed the 2013 Market Share Analysis for the Perham Hospital District.
4. *2015 Strategic Goal Planning*  
Hofius reviewed the proposed 2015 Strategic Goals. Three new goals include cost transformation, public awareness of services, and the Perham Living Master Facility Plan. All of the 2015 Strategic Goals will have specific measures, which will be recommended by the committees.

Happel inquired about employee engagement. Hofius stated the employee survey completed in January 2014 indicated fairly high employee engagement overall, but did highlight a couple areas for improvement.

A motion was made by Kovash, seconded by Marthaler, to recommend the 2015 Strategic Goals to the District Board. Motion carried.

5. *2015 Draft Statistical Budget*

Wurgler reviewed projections for 2015, which account for continued, steady growth.

6. *MHA Trustee Conference Reports*

Reports from the Board members who attended the July MHA Trustee Conference were distributed or presented.

7. *Board Comments*

Hemmelgarn inquired about the location of signage for the emergency room. Hofius stated this has been reviewed and appears to be accurate.

A motion was made by Fresonke, seconded by Keil, to adjourn the meeting. Motion carried.

There being no further business, the meeting adjourned at 7:23 p.m.

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Jerry Kunza, Chair

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Katherine Hemmelgarn, Clerk

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Amber Hallberg, Recorder

**District Board Meeting  
Minutes**

Present:	Jerry Kunza	Chuck Hofius
	Terry Marthaler	Brad Wurgler
	Alisyn Keil	Jim Lee
	Kathy Hemmelgarn	Pat Sjolie
	Deb Cullen	Bonnie Johnson
	Gil Ebner	Sue Von Ruden
	Alfred Fresonke	Dennis Happel
	John Halvorson	Jim Rieber
	Eugene Jahnke	Erik Hiedeman
	Jeremy Kovash	Megan Olson
	Staci Malikowski	Amber Hallberg
	Rich Richter	

Absent: Jane Aschnewitz, Cyndy Rastedt

A. **Call to Order**

Chair Kunza called the meeting to order at 7:24 p.m.

B. **2015 Strategic Goals**

Upon recommendation of the Operations Committee, a motion was made by Hemmelgarn, seconded by Jahnke, to approve the 2015 Strategic Goals as presented. Motion carried.

C. **Adjournment**

A motion was made by Kovash, seconded by Keil, to adjourn the District Board meeting. Motion carried.

There being no further business, the meeting adjourned at 7:24 p.m.

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Jerry Kunza, Chair

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Katherine Hemmelgarn, Clerk

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Amber Hallberg, Recorder