



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR AUGUST 22, 2024

Call to Order – Kay Olson called the meeting of the Cook County Hospital District Board of Directors to order on August 22, 2024 at 9:02 a.m. in the Board Room of North Shore Health and via virtual technology at 446 Upper Road, Grand Portage, MN.

Recess to Closed Session – Mary Sanders made a motion to recess into closed session permitted pursuant to Minn. Stat. §145.64 subd. 1(d) to discuss decisions, recommendations, deliberations or documentation of a Review Organization; pursuant to Minn. Stat. § 13D.05, subd. 2 to discuss not public medical data. Randy Wiitala seconded the motion and the motion carried unanimously.

Closed Session Summary – The Medical Staff Report from July 17, 2024 and the August 21, 2024 Credentials Committee Report were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:29 a.m.

Roll Call

Members Present: Steve Frykman, Kay Olson, Mary Sanders, Randy Wiitala and Patty Winchell-Dahl (until 10:15 a.m. via interactive technology)

Members Absent: None

Others Present: Kimber Wraalstad, Troy Batchelor, Lori Ericson, Jason Yuhus, Michele Silence, Todd Ford, Kelly Swearingen, Nicole Siegner, Greg Ruberg, Doug Sanders and Sam Usem

Public Comments: Sam Usem provided public comment.

Approval of Minutes for July 18, 2024 – Mary Sanders made a motion to approve the minutes from the July 18, 2024 meeting as presented and the motion was seconded by Steve Frykman. A roll call vote was taken and the motion carried unanimously. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, Randy Wiitala and Patty Winchell-Dahl)

Updates:

- a. **Clinic Board:** Unable to attend the meeting, Kate Surbaugh shared a written summary of activities at Sawtooth Mountain Clinic (SMC). Kate shared that the Minnesota Department of Health recently presented data to the Minnesota Association of Community Health Centers showing some troubling trends in Minnesota primary care usage. Since 2019, uninsured and Medicaid patients in their 20s and 30s, especially those without chronic conditions, have forgone healthcare in larger numbers. Patients are not skipping preventative care and using urgent/emergency services; instead, these patients are not seeking healthcare anywhere at all. This aligns with SMC's data showing that many adult patients without chronic conditions are skipping preventative care and accessing acute care more sparingly than they did prior to 2020.

- b. **Board Members:** Mr. Frykman and Ms. Winchell-Dahl recently attended the Minnesota Hospital Association Summer Trustee Conference. Both shared highlights from the educational sessions and noted that networking with other Trustees and the speakers was both enjoyable and informative. Ms. Olson also shared information discussed at the recent Minnesota Hospital Association Trustee Council meeting. Challenges, both financial and workforce related continue but several organizations shared successes about recruitment and information about new programs and services.

2025 Levy Request: Ms. Ericson reviewed a 2025 pre-budget estimate. The revenue estimates are based upon the annualized 2024 revenue with a 10% increase in outpatient revenue and contractual adjustments estimated to be 17% of revenue. Operating expenses are expected to increase in all areas between 5% to 10%. A significant expense for 2025 is the Electronic Medical Record (EMR) transition. A placeholder of \$1.5M was included in the pre-budget but that is expected to be low given initial quotes of over 2.0M have been received. Without the levy included in the calculations, the net loss is projected to be \$3.4M. With the current levy of \$1,725,000 and other non-operating revenue, the loss is expected to be \$1.9M. The levy history was reviewed and levy options ranging from zero increase to a 15% increase were discussed. Ms. Ericson estimated the property tax impact of the various levy options. Following a lengthy discussion regarding the 2025 levy, Randy Wiitala made a motion to set the levy at \$1,897,500, a \$172,500 increase from 2024 and the motion was seconded by Steve Frykman. With a roll call vote, the motion carried unanimously. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, Randy Wiitala and Patty Winchell-Dahl)

Board Presentation – COVID-19 2024 – Troy Batchelor, RN – Hospital Director of Nursing and Jason Yuhas, CG(ASCP)CM - Infection Control Director/Quality Improvement Coordinator

Jason Yuhas and Troy Batchelor discussed the status of COVID-19 in 2024. The United States ended the COVID-19 pandemic public health emergency on May 11, 2023. Since then, neither the Centers for Disease Control and Prevention (CDC) nor the Minnesota Department of Health (MDH) track COVID-19 infections as they did in the past. However, local healthcare organizations were mandated to track respiratory illnesses and institute CDC/MDH suggested rules for outbreak status: isolation, mask mandates, return to work policies. Mr. Yuhas shared the policies regarding respiratory illness (Influenza A, Influenza B, RSV, COVID-19) tracking. The policies were developed with the involvement of members of

the Medical Staff. Mr. Yuhas also shared how masking has actually worked at North Shore Health and helped limit the spread of COVID-19 and our outbreak status. Mr. Batchelor commented that while COVID-19 tracking and response has decreased, it has increased for Influenza A, Influenza B and RSV.

Financial Reports: Prior to reviewing the financial statements, Nicole Siegner, from Eide Bailly was introduced. Ms. Siegner will serve as the interim Chief Financial Officer (CFO) at North Shore Health until a permanent CFO is hired. Ms. Siegner serves as a Senior Manager with Eide Bailly and previously served as a CFO in a Critical Access Hospital in rural Minnesota.

Ms. Ericson presented the July 2024 financial statements. There was an Income from Operations for the month of \$52K, compared to the budgeted Loss from Operations of \$91K. The Statements of Net Position, Statements of Revenue and Expenses and Change in Net Position were reviewed. Gross Patient Service Revenue of \$2.782M for the month of July was 17.83% greater than budget. Outpatient Revenues were above budget with Inpatient, Swing Bed, Care Center and Home Care being under budget. Contractual Adjustments and Other Deductions were \$672K compared to the budget of \$375K. Total Operating Revenue for the month was \$2.122M, 6.37% more than budget. Total Operating Expenses of \$2.070M were .76% less than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were reviewed by Ms. Ericson. Steve Frykman made a motion to accept the July 2024 financial statements. The motion was seconded by Randy Wiitala and the motion carried unanimously with a roll call vote. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, and Randy Wiitala)

The Members of the Board thanked Ms. Ericson for her work during the last year and wished her well in her future endeavors.

Old Business:

- a) **2024 – 2027 Strategic Plan:** The SMART goals for the Strategic Plan priorities were reviewed. The Executive Team in collaboration with the Department Leaders developed these goals. Beginning in September, an update of activities for each SMART goal will be presented. This will allow the entire Strategic Plan to be reviewed quarterly.
- b) **Other:** None.

New Business:

- a) **Unbudgeted Capital Equipment - EMS:** In January 2024, North Shore Health Emergency Medical Services (NSH EMS) began discussions with the county regarding an opportunity to apply for a public safety grant that would provide funding for vital equipment needs. During the July 9, 2024 County Board meeting, the request of \$68,600 of funding was approved. The funding will be used to purchase Powered Stair Chairs, LUCAS Chest Compression Devices, an AED and accessories. These items were not included in the 2024 Capital Budget and will be an unbudgeted expense. Mary Sanders made a motion to approve the unbudgeted capital purchase to purchase Powered Stair Chairs, LUCAS Chest Compression Devices, an AED and accessories at a cost not to exceed \$68,600. The motion was seconded by Steve Frykman and with a roll call vote, the motion carried unanimously. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, and Randy Wiitala)

b) Medical Staff Bylaw Revisions: Ms. Wraalstad reviewed the changes proposed to the Medical Staff Bylaws. In addition to grammatical and typographical changes, the significant change to the Bylaws was the section on Committees. The Committees section of the Bylaws now define the functions of the Medical Staff and state that when conducting the responsibilities assigned by the Board, the Medical Staff may act as a Committee of the Whole. The revisions were developed in conjunction with Jim Hogan, Attorney with Hall Render. The revised Bylaws were reviewed at the July 17, 2024 Medical Staff meeting. They were adopted and recommended for approval by the Medical Staff at their August 21, 2024 meeting. Mary Sanders made a motion to accept the Medical Staff Bylaw Revisions as presented and the motion was seconded by Randy Wiitala. Following a roll call vote, the motion carried unanimously. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, and Randy Wiitala)

c) Other: None.

Management Report:

The Management Report for August 2024 included in the Board materials was reviewed. During the week of July 29, 2024, the Care Center received our unannounced standard Federal survey and a complaint survey from the Minnesota Department of Health. The Statement of Deficiencies was received on August 8 and the Plan of Correction will need to be submitted by August 18. It is expected that the Fire Marshal will conduct a revisit to verify the correction of the Life Safety Code tags. During the survey, four residents were diagnosed with COVID-19 who then needed to be quarantined. The number of COVID-19 cases also met the criteria in our infection control plan to require facility-wide masking. With all of that happening, North Shore Health did not receive a deficiency in the area of infection control. This was an excellent survey. We are pleased to announce the selection of Jean Marie Modl as the new Activities Director for North Shore Health. During the onsite review for the Strategic Operational Financial Assessment by Eric Shell with Stroudwater, the suggestion of outsourcing a majority of the business office functions was raised. Kelly Swearingen, Business Office Manager, recommended working with Tegria. Tegria has a deep knowledge of our software system, have worked well with North Shore Health for over 20 years and has a Minnesota presence. North Shore Health will continue to employ at least one patient account representative to complete the billing functions not outsourced to Tegria such as Care Center billing, Home Health billing, client billing, and processing Community Care applications. Tegria assumed responsibility for the billing function as of August 15, 2024. As the discussions were ongoing about outsourcing the billing functions, we tragically lost one of our Health Information Management employees with the death of Lynn Christensen. Medical record coding is also a specialized area and Kathy Bernier, Health Information Management Manager, suggested that medical record coding also be outsourced. Tegria also has the ability to provide medical record coding and assumed responsibility for coding as of August 1, 2024. The proposal from Dr. Bill Auxier with the AUXIER Group regarding the culture transformation program has been reviewed and signed. Dr. Auxier will provide the culture transformation program for 12 Department Leaders. We will begin this program in January 2025. The Employee Engagement survey with Workforce Research Group (WRG) began on Friday, August 16. Employees will receive an email link directly from WRG. The survey will stay open through September 1 and it is anticipated that the results will be available by the end of October. Since 2022, North Shore Health has been working on the process of immigration petitions for Dietary and Housekeeping positions. A prevailing wage request was submitted to the Department of Labor. That determination has been received and now specific cases have been submitted to the Office of Foreign Labor Certification with the

United States Citizenship and Immigration Services (USCIS). As of August 15, 2024, four Form ETA-9089 Applications for Permanent Employment Certification have been submitted. Each of these applicants are family members or friends of current members of our Team. The Nursing Home Workforce Standards issued proposed minimum nursing home wage standards. Ms. Wraalstad reviewed the comments she submitted to the Minnesota Office of Administrative Hearings regarding the proposed workforce standards. Representatives from Rural Health Innovations (RHI) are scheduled to be in Cook County during the week of September 30, 2024. At that time, they will conduct key stakeholder and focus group interviews. In collaboration with Kate Surbaugh from Sawtooth Mountain Clinic, it has been decided to hold the four focus group sessions in Grand Marais, Grand Portage, Gunflint Trail and the West End of Cook County. This will allow for broad representation of the community. Any citizen of Cook County is encouraged to participate in the focus groups. Advertising of the dates, times and location of the focus groups will occur during the end of September. North Shore Health has received three ventilators from the Strategic National Stockpile. The Federal Office of Rural Health Policy coordinated the opportunity for rural hospitals to receive these ventilators free of charge. The value of these ventilators is \$34,270. North Shore Health participated in the Fisherman's Picnic parade. It was exciting to have two residents from the Care Center participate in the parade. Anita Gavic rode in the Electrobike with Corey Hudler as her pilot. Char Anderson was a passenger in one of the ambulances with Paramedic, Nate Siem, as her driver. Both Anita and Char stated they had an enjoyable time, waving to the crowds and hearing their name called out. We handed out 500 slinkies, 500 fruit snacks and three dozen Frisbees.

Adjourn:

A motion to adjourn the meeting was made by Steve Frykman and seconded by Mary Sanders. A roll call vote was taken and the motion carried unanimously. (Ayes - Steve Frykman, Kay Olson, Mary Sanders, and Randy Wiitala)

The next regular meeting will be held on September 26, 2024 at North Shore Health. It was noted that the September meeting is not on the normal schedule due to the LeadingAge Minnesota Annual Meeting.

The regular meeting adjourned at 11:47 a.m.


Chair


Clerk