



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR NOVEMBER 21, 2024

Call to Order – Kay Olson called the meeting of the Cook County Hospital District Board of Directors to order on November 21, 2024 at 9:01 a.m. in the Board Room of North Shore Health.

Recess to Closed Session – Steve Frykman 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. Mary Sanders seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from October 16, 2024, the Medical Staff Report from October 16, 2024 and the November 20, 2024 Credentials Committee Report were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:31 a.m.

Roll Call

Members Present: Steve Frykman, Kay Olson, Mary Sanders, Randy Wiitala and Patty Winchell-Dahl

Members Absent: None

Others Present: Kimber Wraalstad, Nicole Siegner, Greg Ruberg, Todd Ford, Val Littfin, Doug Sanders, Milan Schmidt and Sam Usem

Public Comments: None.

Approval of Minutes for October 24, 2024 – Mary Sanders made a motion to approve the minutes from the October 24, 2024 meeting as presented and the motion was seconded by Randy Wiitala. The motion carried unanimously.

Updates:

Clinic Board: Kate Surbaugh shared a written summary of activities at Sawtooth Mountain Clinic (SMC) since she was unable to attend the meeting.

Board Members: Ms. Olson also shared information discussed at the recent Minnesota Hospital Association Trustee Council meeting. Ongoing challenges were shared as were successes being experienced by organizations throughout Minnesota.

Financial Reports: Nicole Siegner, interim Chief Financial Officer, presented the October 2024 financial statements. There was a Loss from Operations for the month of -\$475K, compared to the budgeted Loss from Operations of -\$90K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.5M for the month of October was 6.0% higher than budget. Revenues from Swing Bed and Outpatient were above budget while revenue from Inpatient, Care Center and Home Care were below budget for the month. Contractual Adjustments and Other Deductions were \$860K compared to the budget of \$375K. Ms. Siegner discussed the Deductions from Revenue at length. Total Operating Revenue for the month was \$1.655M, 17.0% less than budget. Total Operating Expenses of \$2.131M were 2.0% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were reviewed by Ms. Siegner. Patty Winchell-Dahl made a motion to accept the October 2024 financial statements. The motion was seconded by Randy Wiitala and the motion carried unanimously.

Board Presentation – Preliminary Budget Presentation – Nicole Siegner, Interim Chief Financial Officer

Ms. Siegner shared the draft 2025 capital budget in detail. The operating budget is still being completed. Ms. Siegner discussed the philosophy and methodology she is using to develop the operating budget. She is still in the process of meeting with department leaders to incorporate their information in the budgets. The finalized draft of the 2025 proposed Capital and Operating Budget will be presented at the December Board meeting.

Old Business:

- a) **2024 - 2027 Strategic Plan Update:** The Scorecard for the Strategic Priorities #1 – Patient and Resident Experience: Quality and Safety was reviewed. The update focuses on goals due for action to be completed in the next six months. The brief summary and arrows provide the status.
- b) **Board Meeting Locations:** During the last year, Board meetings have been held in various locations throughout the County and up in Grand Portage. Attendance was low and Ms. Olson posed the question if the Board wanted to continue this process regarding meeting locations. After discussion, it was agreed to table this discuss and re-access again in 2025.
- c) **Other:** None.

New Business:

- a) **Election Results:** Congratulations were offered to Milan Schmidt, District 1 and Sam Usem, District 4 on their election to the Cook County Hospital District Board. The unofficial results from the Secretary of State's Office and Cook County Auditor's Office were included in the Board materials. Ms. Winchell-Dahl recommended that both Dr. Schmidt and Mr. Usem consider attending the Minnesota Hospital Association Winter Trustee Conference. The dates are January 8 – 10, 2025 but the conference brochure is not yet available. Possible dates for a special meeting in early January is being investigated to swear in the new members and allow for a reorganizational meeting of the Board.
- b) **Other:** None.

Management Report:

The Management Report for November 2024 included in the Board materials was reviewed. North Shore Care Center had an on-site audit of our Minnesota Case Mix Classifications. A surveyor from the Minnesota Department of Health audited MDS assessments for accuracy. There was one change made to the case mix rate and a few minor changes were made to the Minimum Data Set (MDS). These were excellent results with a nice complement from the Surveyor. Congratulations to Cathy Crosby and the members of the Interdisciplinary Team for their good work. The certification survey for the Critical Access Hospital (CAH) and Swing Bed services at North Shore Health occurred from Monday, October 14, 2024 through Friday, October 18. North Shore Hospital received 14 Statement of Deficiencies with the areas of focus being on Record Systems (Colonoscopy), Infection Control, QAPI and Restraint and Seclusion. Specific issues include policy development and review, employee training and competency documentation. Troy Batchelor, Andrea Brobst, Meghan Flynn and Jason Yuhas are doing outstanding work in their efforts to complete the actions necessary to accomplish the Plan of Correction. There were also Life Safety Codes Statement of Deficiencies received with the areas of focus on items in egress areas, clearance from sprinkler heads, smoke barrier penetrations and the use of extension cords. Brook Lessard, Jason Hofker and the Maintenance Team have already completed the Plan of Correction. The 2025 renewal rates for health insurance from Blue Cross Blue Shield have been received. The initial proposed rate increase for the VEBA plan and the High Value Network was 19.0%. Our health insurance broker, USI, negotiated with Blue Cross Blue Shield by reviewing the current status of the high dollar claims. Blue Cross Blue Shield provided a revised renewal rate increase of 12.0% for 2025. It was reported that Jason Hofker was selected as the new Facilities Director for North Shore Health. Jason has been in Cook County as the owner/operator of Cedar and Stone building and remodeling homes. He worked as the Chief Operating Officer for Redwood Management Group in Medford, OR and Maintenance Supervisor for Greystar Property Management in Minneapolis, MN. Jason also holds a Minnesota building contractor license. Troy Batchelor has been steadily vaccinating employees for influenza. As of November 14, 2024, 47% of employees are vaccinated for influenza. Our goal remains to have over 90% of our employees vaccinated against influenza, which will help protect our residents, patients and each other. The return of the consent forms for the Care Center residents have been slow so another reminder has been sent. North Shore Health submitted our intention to participate in the Equitable Cost-Sharing for Publicly Owned Nursing Facilities (ECPN) Program for 2025. This program increases the room rates for all residents, including private pay. The rate adjustment in 2024 was \$23.27 per day and the 2025 rate adjustment is \$15.21. North Shore Health is proceeding with the migration of the electronic health record servers that are currently hosted by Aspirus St.

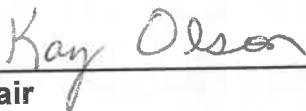
Luke's. Earlier this year, Aspirus St. Luke's gave notice to North Shore Health that they would no longer host our Meditech software after December 31, 2025. A Technology Steering Committee was convened and that Committee is currently evaluating the various options that are available to North Shore Health. During this process, it became apparent that the process to evaluate the options, make the best decision and make a relatively smooth transition would not occur before December 31, 2025. Therefore, the Technology Steering Committee has decided to move forward with migrating our servers to another location, thus providing North Shore Health with the time needed to make a fully informed choice and allow the necessary time for the build and migration to a new electronic health record. Rural Health Innovations (RHI), specifically Rhonda Barcus and Precious Fritz, are in the process of finalizing the Health Care Needs Assessment report. They are planning to meet with the Leadership Teams from North Shore Health and Sawtooth Mountain Clinic on November 22. At that meeting, they will review the report, work with the Leadership Teams to identify the health care priorities and assist in beginning to prepare for action planning of identified priority areas. The tentative meetings dates for 2025 North Shore Health Board meetings were reviewed and will be finalized during the January 2025 meeting. It was reminded that Board meetings are routinely held on the second to the last Thursday of the month.

Adjourn:

A motion to adjourn the meeting was made by Mary Sanders and seconded by Randy Wiitala.

The next regular meeting will be held on December 19, 2024 in the Board Room at North Shore Health.

The regular meeting adjourned at 11:05 a.m.



Chair



Clerk