



COOK COUNTY HOSPITAL DISTRICT  
BOARD MINUTES FOR JANUARY 23, 2025

**Call to Order** – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on January 23, 2025 at 9:01 a.m. in the Board Room of North Shore Health.

**Recess to Closed Session** – Milan Schmidt 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 and pursuant to Minn. Stat. § 13D.05, subd. 2 to discuss not public medical data. Sam Usem seconded the motion and the motion carried unanimously.

**Closed Session Summary** – The Quality Improvement/Peer Review Report from December 18, 2024, the Medical Staff Report from December 18, 2024 and the January 15, 2025 Credentials Committee Report were discussed.

**Reconvene** - The North Shore Health Board reconvened in regular session at 9:34 a.m.

**Roll Call**

**Members Present:** Steve Frykman, Milan Schmidt, Sam Usem, Randy Wiitala and Patty Winchell-Dahl

**Members Absent:** None

**Others Present:** Kimber Wraalstad, Nicole Siegner, Troy Batchelor, Jason Yuhas, Michelle Silence, Greg Ruberg, Todd Ford, Karla Pankow, Kay Olson, Doug Sanders, Stephen Aldrich, David Mills, Sharon Berglund, Mike DeBevec

**Public Comments:** Mike DeBevec provided public comment.

**Approval of Minutes for December 19, 2024** – Patty Winchell-Dahl made a motion to approve the minutes from the December 19, 2024 meeting as presented and the motion was seconded by Milan Schmidt. The motion carried unanimously.

**Board Presentation – Governance Review – Timothy Feeley, Attorney with Hall, Render, Killian, Heath & Lyman**

Mr. Feeley reviewed the board structure, governance and authority of the Cook County Hospital District. The Minnesota statutes applicable to Cook County Hospital District d/b/a North Shore Health (NSH) were reviewed including: Chapters 145 (Public Health), Chapters 317(A) (Non-Profit Corporations), Chapter 447 (Hospital Districts as Municipal Corporations), Chapter 445 (Hospital Districts as Political Subdivisions of the State), and Chapter 1205 (Department of Administration Data Practices). As a health care organization, NSH is also subject to the Medicare Conditions of Participation and regulations enacted by the U.S. Department of Health Services, including but not limited to the Office of Civil Rights regarding the Health Insurance Portability and Accountability Act (HIPAA) Privacy, Security, and Breach Notification Rules, and the Patient Safety Act and Rules. The broad powers of the District Board were reviewed noting that each hospital district created or reorganized under sections 447.31 to 447.37 has the powers necessary and convenient to acquire, improve, and run the hospital, nursing home facilities, and facilities described in section 447.45, subdivision 2, paragraph (b), as the hospital board finds expedient. Every district, acting through its hospital board, has specific powers that were reviewed by Mr. Feeley. Hospital districts also exercise nonprofit corporation powers and those were reviewed. Governance responsibilities such as board meetings, officer elections, officer duties, compensation and liability were highlighted. The Minnesota Open Meetings law was reviewed in detail, including the use of email, types of meetings, and meetings that must be closed. Mr. Feeley also discussed the recording and/or livestreaming of board meetings. The Minnesota Government Data Practices Act (MGDPA) was also reviewed in detail. The classification of various types of data was explained and Mr. Feeley noted that under the MGDPA, public access to information occurs through a process managed and controlled by the governmental entity's "responsible authority." For NSH, the responsible authority is the CEO/Administrator. The difference between governing versus managing was highlighted. The fiduciary duties of the Board Members include the duty of care meaning to act with appropriate information and deliberation, duty of loyalty meaning to act only in the best interests of the organization and avoiding conflicts of interest at all times, and the duty of obedience meaning to act in furtherance of the organization's central mission and corporate purposes. Mr. Feeley also highlighted the responsibility of confidentiality noting that it is an essential business practice. Confidentiality applies to all past and current information about the Board and corporate activities. Generally, only the Board chair or CEO are authorized spokespersons for the organization. The Board Members thanked Mr. Feeley for his detailed and informative presentation.

**New Business:**

**c) Employee Engagement Survey Review – Corrie Searles, MPT, with Rural Wisconsin Health Cooperative**

Ms. Searles, Leadership Development Educator, with Rural Wisconsin Health Cooperative, shared the results of the Employee Engagement conducted by the Workforce Research Group between August 16 – 30, 2024. There was an excellent participation rate with 88 of 129, 68% of employees completing the survey. The overall agreement by category was reviewed by Ms. Searles with "Your Job" receiving the highest rating at 79% and "Leadership of this Organization" receiving the lowest rating at 54%. The overall percent agreement by generation, length of employment, job status, job level and department were reviewed. The highest satisfaction, moderate, low moderate and lowest satisfaction questions were also reviewed. Strengths highlighted by Ms. Searles included:

- Staff have connection to and with their coworkers. They treat each other as family—there is teamwork and cooperation that is well appreciated.
- Staff are proud of the services and compassion extended to patients in their community and they would recommend care at your facility.
- There's a strong sense of purpose that echoes in a strong tie and commitment to serving the community.
- Staff feel as though their roles match their abilities well and they have a drive to do well within those roles. They enjoy their work and feel supported by management to grow in their roles.
- Employees value the salary and benefits offered, as well as the stability of the work/schedules.
- Appreciation for diversity is embraced at your facility.

Opportunities included the following:

- Greater transparency & timeliness of communication to employees by leadership.
- Need to strengthen culture of inclusion and appreciation.
- Greater involvement by employees in decisions that impact them.
- Promote more fun and celebrations, appreciation, sense of value.
- Increase safety to share opinions and concerns without fear of reaction.
- Improve support for coaching & feedback for employee growth.
- Increased training opportunities.
- Exploration of modification to on-call process and use of traveler staff.
- Greater encouragement for taking breaks and attention to employee well-being.

This information has been shared with employees in three different sessions and in a working session with department leaders. Ms. Searles is assisting department leaders in developing a shared action plan in addition to department specific action plans. Leaders are now meeting with their teams to engage employees to help design and implement meaningful, relevant action plans. The action plans are due to Human Resources by February 7. Plans for sustaining ongoing efforts were reviewed. Ms. Searles will be participating in follow-ups on March 5 and June 16. At these times, there will be an opportunity to celebrate progress made and/or discuss and address hindrances to progress. Progress on the action plans can also be discussed during the monthly coaching calls with Auxier Group. The employee engagement surveys will be conducted annually to track progress and continue improvements. Ms. Searles thanked the Board for the opportunity to work with North Shore Health; there are many strengths in addition to opportunities to improve and she believes there is acceptance of room for growth. She appreciates the commitment of the leaders desiring to respond to and improve future scores.

**Financial Reports:** Nicole Siegner, Interim Chief Financial Officer, presented the December 2024 financial statements. There was a Loss from Operations for the month of \$541K, compared to the budgeted Loss from Operations of -\$430K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.4M for the month of November was 26.0% higher than budget. Revenues from Swing Bed, Outpatient and Home Health were above budget while revenue from Inpatient and Care Center were below budget for the month. Contractual Adjustments and Other Deductions were \$905K compared to the budget of \$270K. Ms. Siegner spoke in detail about the Deductions from Revenue. Total Operating Revenue for the month was \$2.110M, 28.0% more than budget. Total Operating Expenses of \$1.625M

were 2.0% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were also reviewed. Patty Winchell-Dahl made a motion to accept the December 2024 financial statements. The motion was seconded by Milan Schmidt and the motion carried unanimously.

#### **Old Business:**

- a) **2024 - 2027 Strategic Plan Update:** The Scorecard for the Strategic Priorities #4 – Workforce were reviewed. The directional arrows and brief summary provide the status of each goal.
- b) **MHA Trustee Conference:** Mr. Frykman, Dr. Schmidt and Mr. Usem attended the Minnesota Hospital Association Winter Trustee Conference. They shared highlights from the sessions and commented one of the sessions they found particularly interesting was the Future of Workforce panel presented by Dr. David Herman of Essentia Health, Dr. Jakub Tolar of the University of Minnesota Medical School, Dr. Jill Amsberry of the University of Minnesota Medical School/CentraCare Regional Campus, and John Poe, Mayo Clinic. Though she was unable to attend the conference to be recognized, Mr. Frykman presented Patty Winchell-Dahl with her certificate of successful completion of the trustee certification program. Congratulations was offered to Ms. Winchell-Dahl.
- c) **Other:** None.

#### **New Business:**

- a) **Audit Engagement Letter:** The engagement letter for the Fiscal Year Ending 2024 financial audit from CliftonLarsonAllen was discussed. The cost of the audit is \$30,000 and it is anticipated that the representatives from CLA will complete their fieldwork virtually during the first two weeks of March. Milan Schmidt made a motion to engage CliftonLarsonAllen to complete the Fiscal Year Ending 2024 financial audit. The motion was seconded by Steve Frykman and the motion carried unanimously.
- b) **Bank Designation:** The Board annually designates a financial institution to be used for routine banking actions. The current financial institution used by North Shore Health for the deposits of daily receipts is Grand Marais State Bank. The majority of receipts are received electronically. Security State Bank was helpful in assisting North Shore Health to secure the Paycheck Protection Program loan. As such, Ms. Wraalstad recommends the two banks serve as the designated banks for North Shore Health in 2025. Patty Winchell-Dahl made a motion to use Grand Marais State Bank and Security State Bank as the designated banks for North Shore Health. The motion was seconded by Milan and the motion carried unanimously.
- d) **Other:** None.

#### **Management Report:**

The Management Report for January 2025 included in the Board materials was reviewed. The Ambulance service has a new Medical Director, as of January 1, 2025. Dr. Ameen Taleb, who also serves as the Emergency Department Medical Director, assumed the role as the Medical Director of the Ambulance service. After 30 years of service, Dr. Paul Terrill expressed an interest in stepping aside from that role when a Physician who is working in the Emergency Department might be more comfortable taking on that role. North Shore Health would like to thank Dr. Terrill for his 30+ years of service and dedication to the Ambulance

service. He has guided and supported the service from an all-volunteer EMT service, to an employed ambulance service that includes paramedics. Later this spring, the Ambulance service and North Shore Health will have a formal recognition of Dr. Terrill. North Shore Health is pleased to have received a \$20,000 grant from the Lloyd K. Johnson Foundation to support the purchase of a new Overhead Body Weight Support Track System. Patrick O'Neil and the Rehabilitation Team identified the need for an overhead track system to assist with the treatment of relearning to walk without the risk of falling and causing further harm. Patrick completed the grant application that would allow for the purchase of this equipment. With the successful receipt of the grant, the overhead track system has been purchased and installed in the therapy gym. Patrick was recognized for his vision and work on this grant and implementation of the equipment to support our patients. North Shore Health is grateful to share that Hugh and Nancy Magill made a significant donation to our organization in memory of Bob Olson and in honor of Kay Olson for her long and dedicated service on the Hospital Board of Directors. At Kay's request, we have queried our Department Leaders for ideas how these funds may best be utilized at North Shore Health. Those thoughts will be shared with Kay and her opinion will be considered in how the funds will be used. North Shore Health received our property, inland marine, boiler & machinery, and auto insurance renewal for January 1, 2025, with Travelers Insurance Company. The renewal rate is \$70,859 compared to the expiring premium of \$63,711; an 11.2% increase. The property premium increased 11.3% with the replacement value increasing almost \$2M. The inland marine stayed flat, the boiler & machinery increased 2.9% with the deductible increasing from \$5,000 to \$10,000. Commercial auto increased 11.1% with the coverage and deductible amounts remaining the same. The original proposal was an increase of greater than 12% with increases in the deductible and reduced coverage. Marsh McLennan/Vaaler, our agent, negotiated for these better terms. Work has begun with the Culture Transformation program at North Shore Health. The kickoff workshop with Bill Auxier from the Auxier Group was held on January 7, 2025. Dr. Auxier reviewed the process for this program and also reviewed organizational culture as defined in this program. The results of the culture and gaps analysis at North Shore Health previously shared with the Board was reviewed. Participants completed a Myers-Briggs Communication Style assessment and received their specific associated reports. The participants began the process of identifying a team goal and will be working with their Executive Coach to develop their own personal goal. The Team will develop a consensus to identify, "what one behavior if our team improved on, would make the biggest impact". The workshops for the entire year have been scheduled with the next workshop being on Tuesday, February 4.

**Adjourn:**

A motion to adjourn the meeting was made by Sam Usem and seconded by Patty Winchell-Dahl.

The next regular meeting will be held on February 20, 2025 in the Board Room at North Shore Health.

The regular meeting adjourned at 1:52 p.m.

  
Chair

  
Clerk

