



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR FEBRUARY 20, 2020

Call to Order – Kay Olson called the meeting of the Cook County Hospital District Board of Directors to order on February 20, 2020 at 9:00 a.m. in the Board Room.

Adjourn to Closed Session – Justin Mueller made a motion to adjourn into closed session for the Quality Improvement/Peer Review Report, Medical Staff Report and Administrator Evaluation. The motion was seconded by Steve Nielsen and the motion carried with all ayes.

Closed Session Summary - The Quality Improvement/Peer Review Report from January 15, 2020, the January 15, 2020 Medical Staff Report with Credentials Committee information and the Administrator’s Evaluation were reviewed and discussed.

Reconvene – Kay Olson reconvened the North Shore Health Board in regular session at 9:30 a.m.

Roll Call:

Members Present: Sharon Bloomquist, Justin Mueller, Steve Nielsen, Kay Olson, and Randy Wiitala

Members Absent:

Others Present: Kimber Wraalstad; Vera Schumann; Greg Ruberg; Milan Schmidt, MD (p); Paul Goettl (p); Traci Allen (p); Carolyn Van Handel (p)

Approval of Agenda: Steve Nielsen made a motion to accept the meeting agenda as presented; it was seconded by Randy Wiitala. Motion carried with all ayes.

Public Comments: None

Approval of Minutes for January 23, 2020 – Steve Nielsen made a motion to approve the minutes from the January 23, 2020 meeting as presented and the motion was seconded by Randy Wiitala. Motion carried with all ayes.

Updates:

- a. **Clinic Board:** On behalf of Kate Surbaugh, Dr. Schmidt reported that Afton Bonin has been hired as the Nurse Manager at the Sawtooth Mountain Clinic. The Clinic continues to work on their staffing issues.

- b. **County Board:** No reports.
- c. **North Shore Health Care Foundation:** Steve Nielsen discussed the Relationships with the primary partners of the Foundation. Block grants are being given to Care Partners, EMS and Cook County Higher Ed. The primary focus of the Foundation for 2020 will be on Mental Health and Children, Aging Services and Transportation. The work of the Oral Health Taskforce was also discussed.
- d. **Board Members:** Ms. Olson requested a brief summary from each person who attended the LeadingAge Minnesota Annual Institute. She would like to know if they learned something new, what would they like to bring back to the facility, was the conference worth attending, would they recommend others to attend, etc. The responses will be shared at the March meeting.
- e. **Correspondence:** None.

Financial Reports: Ms. Schumann presented the January 2020 financial statements. Patient days in the Acute Hospital were under budget and Swing Bed days were over budget for the month. The Care Center days were over budget with 99% occupancy. Utilization in Observation, Emergency Department, CT/MRI, Home Health and Ambulance were under budget for the month with utilization in Colonoscopy, PT/OT and Lab above budget. Operating expenses for the month were 1,700K, \$12K or 1% over budget. Gross patient revenue of \$1,703K was \$126K under budget. Total deductions from revenue are \$203K, \$26K/11% under budget. Payer mix by service area was reviewed. Ms. Schumann commented there was nothing unusual for the month; essentially revenues were less than budget. FTEs are 110.6, 3.3 less than budget. Salary expense as a percentage of Net Patient Revenue is 42.5% compared to a budget of 39.8%. Days' cash on hand decreased 23.2 days but remain strong at 131.2. Ms. Schumann shared the 2020 forecast that will be presented each month. The forecast will incorporate the current financials and make any significant adjustments going forward.

Board Presentation – The State of American Hospitals – John Supplitt, Senior Director of the American Hospital Association (AHA) Rural Health Services
 Mr. Supplitt joined the Board using interactive video technology. He shared information about the old models of payment and delivery for hospital services. The various categories of hospitals services (Critical Access Hospitals, Sole Community Hospitals, Medicare Dependent Hospitals and Rural Referral Centers) were reviewed. Since 2010, 121 hospitals have closed with 19 closures in 2019; more than any previous year. Mr. Supplitt discussed the AHA interventions and the Rural Advocacy Agenda. He also noted that the AHA is no longer interested in saving rural hospitals; they want to ensure there is access to care. Examples of rural demonstrations with the CMS Innovation Center were discussed and Mr. Supplitt asked what type of demonstration projects might be valuable in a rural area such as Cook County.

Old Business:

- a) **2018 - 2019 Strategic Plan Update:** The Scorecard for the Strategic Priorities #1 – Quality and Patient/Resident Experience and #2 – Access were reviewed. A brief summary and arrows provide the status of the Priority. The current summary is shown in red and with the former updates shown in blue. The yellow highlighted areas are complete.
- b) **Other:** None.

New Business:

- a) **Pay Equity Report:** The Pay Equity report completed by North Shore Health was reviewed. The report indicates that North Shore Health is in compliance and pay equity has been maintained. Steve Nielsen made a motion to approve the submission of the pay equity report and authorized the signing of the implementation report. The motion was seconded by Sharon Bloomquist. Motion carried with all ayes.
- b) **Security Risk Assessment Overview – FRSecure:** Chad Spoden from FRSecure joined the meeting using interactive video technology. Mr. Spoden explained the areas covered by the Security Risk Assessment. These areas include Administrative Controls, Physical Controls, Internal Technical Controls and External Technical Controls. FRSecure has developed a roadmap to identify areas of vulnerability and recommendations that will have a significant positive impact on the risk assessment. A FISAScore is used by FRSecure to provide a comprehensive, authoritative and objective measure to define risk. Ms. Schumann and Gregory Johnson, IT Coordinator, are working with FRSecure to address recommendations made in the report.
- c) **Other:** None.

Management Report:

The Management Report for February 2020 included in the Board materials was reviewed. Joan Gardner-Goodno, Executive Director of the Lloyd K. Johnson Foundation and Board Member, Steve Surbaugh visited North Shore Health on February 11 to review the submitted grant application. Funding from this grant would go toward the completion of necessary infrastructure for the Serenity Garden. We would expect to hear about the receipt of the grant in mid-March. The Spirit of the Wilderness Episcopal Church will be holding their Annual Community Art Show at North Shore Health. The Art Show Opening and Reception will be held on February 21 at 5:30 p.m. The Minnesota Hospital Association released their annual report on the financial health of Minnesota's hospitals and health systems. The report shows the "median operating margins declined to 1.7% in 2018 from 2.3% in 2017.

Board Planning Update:

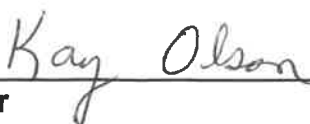
The North Shore Health Board of Directors continued the discussions to assist in the development of the strategic plan. Detailed information about Home Health services, revenues, expenses, client volume, location and employees was reviewed. It was requested that demographic information about the Cook County and Grand Portage area be obtained. The members of the Board commented they appreciated the information gathered. For the month of March, similar information will be provided for the North Shore Health Ambulance service.

Adjourn:

Steve Nielsen moved to adjourn to a closed session for the purpose of discussing the Administrator's evaluation.

The regular meeting adjourned at 1:23 p.m.

The next regular meeting will be held on March 19, 2020.



Chair



Clerk

