



COOK COUNTY  
**NORTH SHORE**  
HOSPITAL & CARE CENTER

**COOK COUNTY HOSPITAL DISTRICT**  
**BOARD MINUTES FOR JANUARY 21, 2016**

**Call to Order** – Kay Olson called the meeting of the Cook County Hospital District Board of Directors to order on January 21, 2016 at 8:59 a.m. in the meeting room.

**Adjourn to Closed Session** – The Board recessed from the regular session to a closed session for the Quality Improvement/Peer Review Report, Medical Staff Report and Labor Negotiation Update.

**Closed Session Summary** - The Quality Improvement/Peer Review Report, Medical Staff Report and Labor Negotiation update from November and December were reviewed and discussed.

**Reconvene** - The Cook County Hospital Board reconvened in regular session at 9:32 a.m.

**Roll Call**

**Members Present:** Sharon Bloomquist, Howard Abrahamson, Kay Olson, Tom Spence, and Justin Mueller

**Others Present:** Kimber Wraalstad, Vera Schumann, Sandra Barkley, Jennifer Dowden (p), Casey Bronikowski, Dr. Milan Schmidt (p), Heidi Doo-Kirk (p), Rita Plourde (p), Bob Willis (p), Caroline Hanford (p), Brian Larsen (p)

**Approval of Agenda** – T. Spence made a motion to approve the agenda for January 21, 2016. S. Bloomquist 2<sup>nd</sup>. All ayes.

**Public Comments:** None

**Reorganization Meeting**

**a. Election of Officers:**

- Chair - Kay Olson, Incumbent - was elected as Board Chair at the beginning of 2015. T. Spence made a motion nominating K. Olson for a second term as Board Chair. All ayes.
- Clerk – Howard Abrahamson, Incumbent (2013): T. Spence nominated S. Bloomquist serve as the Clerk. All ayes.
- Treasurer – Sharon Bloomquist, Incumbent (2013): T. Spence nominated H. Abrahamson move to the Treasurer position. All ayes.

**b. Conflict of Interest Statements:** The statements were distributed to the Board Members to be completed. When finished they should be returned to Kimber Wraalstad.

- c. **2016 Calendar – Retreat:** The 2016 Board calendar was reviewed. Ms. Olson requested the Strategic Planning Retreat utilize a two day process this year. Ms. Wraalstad will determine a date when all members and other participants will be available sometime during the Spring.
- d. **Assignments:** Sharon Bloomquist was assigned to attend the Quality Improvement/Peer Review Committee and Medical Staff meetings in 2015. Ms. Bloomquist agreed to continue attending these meetings in 2016.
- e. **Meeting Reimbursement Amounts:** Ms. Olson suggested that there should be no increase in meeting reimbursements for the year 2016. All Board Members were in agreement.

**Approval of Minutes for December 17, 2015 – T. Spence made a motion to approve the minutes of December 17, 2015. J. Mueller 2<sup>nd</sup>. All ayes.**

### **Updates:**

- a. **Clinic Board:** Rita Plourde stated that the clinic is currently in the process of updating their Electronic Health Record (EHR). Ms. Plourde is unsure how the upgrade will collaborate with Meditech but hopes that it will have a positive outcome for patients and nursing staff. Dr. Stover is reducing her hours to three days a week with minimum hours. Sawtooth Mountain Clinic is scheduled for a three day HRSA site review in September or October. This is part of the process that is required to remain a Federally Qualified Health Center (FQHC). Ms. Plourde stated that the Clinic has now completed their strategic planning process for the year 2015. February is Move-it Month. There will be a variety of wellness education opportunities including information from mindfulness to yoga to essential oils education.
- b. **County Board:** Ms. Doo-Kirk stated that Sue Futterer, Public Health and Human Services Supervisor, will be retiring on July 8, 2016. Next week's county meeting will include conversation regarding a strategic plan.
- c. **North Shore Health Care Foundation:** No report.
- d. **Board Members:** Tom Spence stated that he, Ms. Olson and Mr. Mueller attended the MHA Conference. There was one conference that dealt with mental health. Mental Health and Substance Abuse Providers don't always agree. Mental Health Providers don't want to treat people with Substance Abuse issues and Substance Abuse Professionals do not want to treat people with Mental Health issues. Ms. Olson then shared some of the information she learned at the conference. Ms. Olson stated that one of the sessions stated that hospitals aren't very upfront about asking for payment. It was also reported the charges for rural hospitals are often 20-40% less, so that looking at the chargemaster more frequently is a good idea. Mr. Mueller reported that Minnesota is one out of 24 states competing for a Mental Health Pilot Program.
- e. **Correspondence:** None.

### **Introduction:**

Bob Willis, Human Resources Director for Cook County North Shore Hospital and Care Center introduced himself to the Board. Mr. Willis has an extensive background in Human Resources having worked in mining, pharmaceuticals and health care. Ms. Wraalstad stated that we are very excited to have Mr. Willis join

our organization he has hit the ground running. Everyone welcomed him to Cook County North Shore Hospital and Care Center.

**Board Presentation** – Caroline Hanford – Radiology Department Manager

Ms. Hanford applied for and received a grant distributed by the Safety FiRST program for \$7,000 to improve or implement a safety initiative that would benefit its medical imaging technologists or radiation therapists. The grant submitted outlined specific safety concerns and how the grant would address those concerns and provide a safer work environment. The grant will pay for an x-ray imaging chair and an EZ Matt. Both pieces of equipment will help the technologist's transfer and position patients safely for examinations. "We have a small staff, and we provide a great deal of support for the emergency room, particularly after normal business hours when there is only one technologist on call and few people to help with moving patients," Ms. Hanford said. The goal of the addition of the equipment purchased with the grant is to reduce discomfort for patients and decrease the likelihood of injury to the technologists or other staff. The Board Members congratulated Ms. Hanford on having her picture on the cover of Scanner Magazine.

**Old Business**

- a. **2015 Strategic Plan Update:** Strategic Initiative 3 - Communication and Community Relations was reviewed and discussed.
- b. **Facility Planning Update:** A thorough Facility Update will be provided after the lunch break. Effective January 1, 2016, we now have our property insurance with business interruption insurance through Guide One Insurance.
- c. **Other:** None

**Financial Reports**

Vera Schumann presented the December 2015 Executive Summary and Financial Report. There was a loss in operations of \$221,152 for the month of December performing \$140,942 behind budget. Gross hospital patient revenues of \$1,207,345 are \$184,785 or 18% greater than budget with Care Center revenues are running 19% less than budget. With the non-operating income and tax levy monies, there was a net loss of \$140,475 for the month. December acute patient days of 30 are 2 days or 7% above budget with Swing Bed days of 64 running 8 days or 14.3% ahead of budget. Care Center resident days of 821 are 28% less than budget with occupancy of 72%. At or ahead of budget are ER visits, Colonoscopy, PT/OT modalities, Laboratory and CT/MRI. Below budget are Observation stays and billable Ambulance Runs. Year to date net income is \$67,363 compared with the budgeted net loss of \$53,175.

**New Business**

- a. **Audit Engagement Letter:** It is Kimber Wraalstad and Vera Schumann's recommendation that the Board accept the engagement letter from CliftonLarsonAllen to complete the 2015 audit of the Financial Statements and issue the Report on Minnesota legal compliance. T. Spence made a motion to engage CliftonLarsonAllen for the 2015 audit. J. Mueller second. All ayes.
- b. **Bank Designation:** T. Spence made a motion to authorize Grand Marais State Bank as the continued bank used by Cook County Hospital District. S. Bloomquist second. All ayes.

- c. **Board Bylaw Review Committee:** Ms. Olson asked if Mr. Spence would sit on this committee with her and he agreed. They will review the Bylaws and report to the Board with recommendations.
- d. **Governing Board Resolution – Rural Hospital Capital Improvement Grant:** Cook County North Shore Hospital and Care Center has applied for a grant to replace the radiographic equipment in Radiology. We have been selected to submit a full application. The application includes a resolution adopted by the Governing Board. T. Spence made a motion to adopt the Governing Board Resolution. H. Abrahamson second. All ayes.
- e. **Other:** None

**Management Report:** At the request of Ms. Olson, Ms. Wraalstad reviewed various new rules and requirements which come into effect during the last year. Highlighted were the following:

- A patient can now bring action against a hospital that used extraordinary collection efforts and has not provided, in plain language, a summary of their financial assistance policy.
- Intractable pain was added to the medical cannabis use list. However, federal law has not changed and CMS can exclude providers for payment for breaking federal law.
- Employers must now file a form 1094 (1094-C for employers with greater than 50 employees) with the IRS and provide forms 1095 to our employees.
- Enforcement on the Physician Supervision requirement was delayed through December 31, 2015. Enforcement of this issue has been delayed since 2001 and proposed law changes are included in the Protecting Access to Rural Therapy Services (PARTS) Act and Critical Access Hospital Relief Act.
- Terminal patients have the "Right to Try" FDA investigational drugs.
- Nursing Homes may now conduct bingo more than two times per week.
- Minnesota became a member of the interstate medical licensure compact that will expedite the licensing process for qualifying physicians.
- CMS Proposed Rule: Revising the Requirements for Long-Term Care Facilities. CMS published the proposed rule in the Federal Register on July 16, 2015. Comments were due back to CMS on September 14, 2015. CMS has not issued any final rules to date. It is estimated the cost per facility to comply with the revised rules will be \$46,491 in the first year and \$40,685 in the second year and thereafter. Prior to receiving comments, CMS estimated it may take longer than 12 months to implement the provisions once the rules are finalized.

Ms. Wraalstad noted one of the values of belonging to the Minnesota Hospital Association, LeadingAge Minnesota, American Hospital Association and the National Rural Health Association is information they provide regarding the legal and regulatory changes that are occurring continually and how we can prepare ourselves to comply with the laws, rules and regulations. A Trained Medication Aide (TMA) course is being offered at Cook County Higher Education through Lake Superior College. Robert Willis has been selected as the new Director of Human Resources for Cook County North Shore Hospital and Care Center. The application for amendment to our Assumed Name has been filed with the Minnesota Secretary of State. We are waiting to hear from the Secretary of State's Office regarding the next steps. Giant Voices has provided a brand standards document and a logo pack which is being slightly modified. They have provided samples of business documents that

will be reviewed by the Presence in the Community Committee. We are planning to have a formal transition to our new name and logo by April 1, 2016.

**Break for Lunch:** 11:53 a.m.

**Reconvene:** 12:13 p.m.

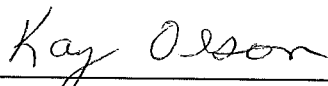
**Construction Update** - Shelly Peterson; Mike Ellingson & Mike Knudsen, Boldt  
Ms. Peterson reported there was a change at Boldt and Ms. Drake will no longer be working on this project. Mike Ellingson was involved with this project from the very beginning and will assume the Project Manager role. Ms. Peterson, Mr. Ellingson and Mr. Knudsen presented the January 2015 Progress Report for the Building Project. The following areas were highlighted:

- Safety Risks and Concerns – One carpenter slipped on ice and injured his shoulder
- Lost time – None
- Project Update
  - Care Center (southeast)
    - Set the beam to carry trusses and started the truss tie-in
    - Completed the vapor barrier and of the bottom of the trusses and started drywall
    - Started temporary heater
  - Care Center/Hospital (northwest)
    - Started electrical feeder
    - Started structural stud wall framing
  - Site
    - No new work planned until Spring
  - Tunnel Work
    - Restarted piping and hanger installation
  - Mezzanine
    - Continued setting structural steel
  - Boiler Room
    - Completed existing boiler demolition
    - Poured housekeeping pads for water heaters
    - Set water heaters permanently
    - Set stairs and grating
- Planned work for February 2016
  - Care Center (southeast)
    - Continue drywall bottom of trusses
    - Start hangers/rough-in of mechanicals
  - Care Center/Hospital (northwest)
    - Complete structural stud framing
    - Start wall sheathing
    - Set trusses
  - Tunnel
    - Continue piping
  - Mezzanine
    - Complete setting structural steel and start decking
  - Boiler Room
    - Continue main feed piping to switchgear

- RFIs – 31 requests for information to the Architect, 0 RFI open at this time
- ASIs – Eight Architect's Supplemental Instructions
- RFPs – Eight requests for proposals, pricing is being reviewed
- Subcontractor Contracts – 99% bought out; still waiting to purchase tile flooring
- Submittals – Log reviewed
- Risks/Opportunities – Reviewed
- Field Manpower – Jobsite total – 30
- Equipment Onsite – Reviewed
- Contingency Usage – Reviewed
- Communication plan and blog site – Reviewed
- Financial Update
  - Pay application #5 (12-01-2015 to 12-31-2015) for \$634,587.21 was approved on January 7, 2016.

**Adjourn**

The regular meeting adjourned at 1:06 p.m.

  
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Chairman

  
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Clerk