



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR JANUARY 19, 2017

Call to Order –Kay Olson called the meeting of the Cook County Hospital District Board of Directors to order on January 19, 2017 at 9:00 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 from December 2016 and Medical Staff Reports from December 2016 were discussed. The status of MNA Labor Arbitration was also provided.

Reconvene - The North Shore Health Board reconvened in regular session at 9:33 a.m.

Roll Call

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

Others Present: Kimber Wraalstad, Vera Schumann, Casey Bronikowski, Heidi Doo-Kirk (p), Rita Plourde (p), Brian Larsen (p)

Approval of Agenda – J. Mueller made a motion to approve the Agenda, R. Wiitala 2nd, all ayes.

Public Comments: None

Reorganization Meeting

a. Election of Officers:

Chair – Kay Olson, Incumbent (2015) J. Mueller nominated Kay Olson to remain as Board Chair, R. Wiitala 2nd, all ayes.

Clerk – Sharon Bloomquist, Incumbent (2016) K. Olson nominated Sharon Bloomquist to remain as Board Clerk, J. Mueller 2nd, all ayes.

Treasurer – Randy Wiitala, Incumbent (2016) J. Mueller nominated Randy Wiitala to remain as Board Treasurer, S. Bloomquist 2nd, all ayes.

b. Conflict of Interest Statements: Conflict of Interest Statements were distributed to Board Members. They will complete and return them to be kept on file. Ms. Wraalstad provided a revised Conflict of Interest Statement Policy. The only change being the facility name; Cook County North Shore Hospital and Care Center

to North Shore Health. J. Mueller made a motion to adopt the amended policy. R. Wiitala 2nd, all ayes.

- c. **2017 Calendar:** A draft of the 2017 Board calendar was distributed. Ms. Olson requested that Board Members look at their May Calendar for available dates to hold the 2017 Strategic Planning Session. Available dates should be emailed to Kimber Wraalstad.
- d. **Assignments:** Currently, Ms. Bloomquist attends the QA and Medical Staff Meetings as a Board Liaison. It was agreed she would remain the liaison for 2017.
- e. **Meeting Reimbursement Amounts:** K. Olson moved to maintain the Meeting Reimbursement Amounts at the same amount as in 2016, J. Mueller 2nd, all ayes.
- f. **Delegation to Administrator:** S. Nielsen moved to adopt the Cook County Hospital District dba North Shore Health Administrator/CEO Delegation Policy, J. Mueller 2nd, all ayes.

Approval of Minutes for December 15, 2016 – J. Mueller made a motion to approve the minutes for December 15, 2016, S. Nielsen 2nd, all ayes.

Updates:

- a. **Clinic Board:** Rita Plourde reported she just finished the continuation application for Federally Qualified Community Health Center funding. These are funds used support the Clinic; they underwrite all of the sliding fee scale dollars and they make it possible to provide an additional physician. Currently, there are approximately 1,500 community health centers, such as Sawtooth Mountain Clinic, throughout the United States. The Community Health Center funding will need to be reauthorization by September 31, 2017. If this does not happen, all FQHC's will be defunded by October 1, 2017. With the assistance of a BCBS grant, Sawtooth Mountain Clinic is hosting a Women's Leadership Group beginning January 20, 2017. The group was open to 16 individuals and the clinic received 32 applicants. Dr. Rust, Orthopedic Surgeon, will come to the Clinic once a month beginning February 10, 2017. Appointments are made by calling Dr. Rust's office. The plan is for Dr. Rust to offer these services in the new North Shore Health facility after construction is complete. Move-it February will have a presentation on February 16, 2017. Ginny Green is a dietician who will come up and offer some courses on Why Food Matters, cooking instructions, and providing her Food is Medicine course.
- b. **County Board:** Heidi Doo-Kirk stated that the County Levy was set at 11.1%. The County is offering their employees VEBA accounts to cover the gap that the 18 employees are seeing with the health insurance premium increases. Most budget cuts were made in the highway department. The County Board will hold a strategic planning session to help the commissioner's plan for the long term versus month to month. The Commissioners will work on earning each other's trust and work towards a culture change. Ms. Doo-Kirk states the Commissioners' goal is to earn the community's trust.
- c. **North Shore Health Care Foundation:** The NSHCF would like to hold a meeting with Ms. Wraalstad, Ms. Plourde and other members of the Board, hoping to meet in February. This meeting is to enhance communication between entities.
- d. **Board Members – MHA Trustee Conference:** Ms. Bloomquist presented Vera Schumann with a check to go towards Care Center TV's and Fireplaces. Ms. Bloomquist earned the funds from selling Holiday Fruitcakes. Kay Olson and Justin Mueller attended the MHA Trustee Conference from January 6 – 8, 2017 in Brooklyn Park. The subject of one class was the Opioid Crisis. It was reported 4 out of 5 heroin users began their addiction with prescribed opioids. Ms. Olson also

attended the Trustee Council. They are discussing redefining the H in MHA, from Hospital to Health. The AHA is also discussing redefining the "H".

e. Correspondence: None

Old Business

- a. **2016 Strategic Plan Update:** Strategic Initiative 1. Quality and Strategic Initiative 2. Access were reviewed and discussed.
- b. **Facility Update:** A detailed facility update will be provided following the board agenda.
Change Order Review: Ms. Wraalstad reviewed the Change Order details for the Board.
- c. **Works of Art Project:** Ms. Wraalstad stated that this project is ongoing. She received information from Amy Demmer, Executive Director of the Grand Marais Art Colony. Ms. Wraalstad will gather the basics of the project and present at the February Board Meeting.
- d. **Other:** Ms. Olson stated that at a recent conference, a question was posed, "Do you know your Mission, Vision, and Values Statements?" Ms. Olson is requesting that these items be printed with each Board Packet.

Financial Reports

Vera Schumann presented the December 2016 Executive Summary and Financial Report. North Shore Health experienced a loss from operations of \$81,467 for the month of December, performing \$57,976 ahead of budget. Gross hospital patient revenues of \$1,052,515 are at budget. Care Center revenues are 7% ahead of budget. With the non-operating income and tax levy monies, there was a net loss of \$32,522 for the month. December acute patient days of 18 are 10 days or 36% behind budget with swing bed patient days of 70 running 25 days or 56% ahead of budget. Care Center resident days of 898 are 4% ahead of budget with occupancy of 78% compared to a budget of 76%. At or ahead of budget are Emergency 6%, Colonoscopy 0%, PT/OT 3%, CT/MRI 33%, and Ambulance 36%. Behind budget are Observation 42%, Laboratory 9%, and Home Health 36%. Operating expenses are \$57,976 or 42% greater than budget. Areas with budget variances greater than 10% or in an amount greater than \$5,000 were reviewed. The December 2016 year-to-date loss from operations of \$273,613 is \$754,067 or 73% ahead of budget and 61% ahead of 2015 Year End loss of \$705,381. Ms. Schumann noted these are interim financial reports and subject to audit adjustments.

New Business

- a. **Bank Designation:** Annually, the Board designates a financial institution to be used for routine banking actions such as the deposits of daily receipts and the withdrawal of accounts payable and payroll expenses. The current financial institution used by North Shore Health for this purpose is Grand Marais State Bank. Kimber Wraalstad and Vera Schumann recommended Grand Marais State Bank continues as the designated bank for 2017. S. Bloomquist made a motion to continue using Grand Marais State Bank as the designated bank for North Shore Health, R. Wiitala 2nd, all ayes.
S. Nielsen made a motion to amend Board Resolution Check Signatures to reflect the current Board Officers, K. Olson 2nd, all ayes.
- b. **Governing Board Resolution – Rural Hospital Capital Improvement Grant:** K. Olson moved to adopt the Governing Board Resolution, S. Nielsen 2nd, all ayes.
- c. **Pay Equity Report:** Minnesota state law requires all public jurisdictions such as hospital districts to eliminate any sex-based wage inequities in compensation and submit reports to Minnesota Management and Budget. These reports must be

completed every three years. The compliance report completed by Bob Willis indicates that NSH has an underpayment ration of 88.7. The minimum requirement to pass the statistical analysis test is an underpayment ratio of 80. The Salary Range Test is 100.00 and needs to be either 0 or 80 or more to pass the test. J. Mueller made a motion to approve the submission and authorize the signing of the implementation report, S. Bloomquist 2nd, all ayes.

- d. **Ratification of MNA Contract:** R. Wiitala made a motion to accept the ratified MNA Contract effective January 2016, J. Mueller 2nd, all ayes.
- e. **25 Questions – Justin Mueller:** Mr. Mueller would like to pose questions to the Board for discussion. Questions can be submitted to Ms. Olson and will be put on the agenda for the following month. This process was discussed during the MHA Trustee Conference.
- f. **Other:** Paul and Carol Schaap made a generous donation of \$12,000 to complete the funds toward the purchase of fireplaces and TVs for the Care Center living areas.

Management Report

The Statement of Deficiencies from the Critical Access Hospital survey completed on December 8, 2016, was received on Tuesday, January 3, 2017. The Plan of Correction was required to be submitted on January 13, 2017. North Shore Hospital received 13 Statement of Deficiencies with the areas of focus being on Surgical Services (Colonoscopy), Pharmacy, Infection Control, and Nursing. Specific issues include policy development and review, employee training and competency documentation. Amy Lacina, Jennifer Dowden, and DeeDee Larock-Muggley are doing outstanding work in their efforts to complete the actions necessary to achieve the Plan of Correction in addition to daily operations. North Shore Care Center was surveyed on December 8 and 9, 2016 by the Office of Health Facilities Complaint regarding a self-reported incident. A report was submitted regarding a resident fall resulting in injury. A Statement of Deficiency was received on Thursday, January 5, 2017. The Plan of Correction for the one Statement of Deficiency was submitted on Thursday, January 12, 2017. The Plan of Correction includes resident assessments on a quarterly basis, policy development and staff training and competency documentation. PolicyStat, the software policy management system, went live on Thursday, January 5, 2017. The implementation of ADP, Human Resources Information Technology program, is scheduled to “go live” with payroll and employee time documentation “clocking” on Sunday, January 22, 2017.

Construction Update –

Josh Christiansen, Shelly Peterson, Brain Miller and Josh Kostick from Boldt Construction and John Geissler from DSGW were present to provide a construction update.

The Construction Progress Report for January 2017 was then presented. The following areas were highlighted and discussed in detail:

- Safety Risks and Concerns – 1 report since the last month. A carpenter damaged ligaments to his knee.
- Lost time – None
- Project Update
 - Phase 1 - Care Center (southeast and northwest)
 - Continuing with Punchlist Items
 - Phase 2 - Care Center
 - Installed sheeting on new mono trusses
 - Continued mechanical, electrical, plumbing and fire protection in-wall and above ceiling rough-ins

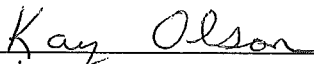
- Started installation of new LVL structural members for new flat roof
 - Completed finish installations in new salon, janitorial closet, Clean Utility Room, Material Storage Room and Entry 2000
 - NSH relocated old Clean Utility Room to New Clean Utility Room
 - Phase 1 - Hospital (Inpatient Wing)
 - Zone 1**
 - Drywall installations complete with exception to Hospital Room 1107 and Hospital Bathrooms 1108 & 1110
 - Completed taping, finishing and painting installations
 - Started Ceramic Tile Installations
 - Started ceiling grid installations
 - Started casework installations
 - Started installing doors and hardware
 - Started electrical and mechanical trim out installations
 - Zone 2:**
 - Completed demolition of old 300 Corridor
 - Started layout and installation of interior walls
 - Started installation of interior soffit framing
 - Phase 1 – Hospital (Kitchen)
 - Completed installations in new hospital kitchen and Corridors
- Planned work
 - Phase 1 - Care Center (southeast and northwest)
 - Continue Puchlist Items as areas are available and convenient for Residents
 - Phase 2 - Care Center
 - Continue demolition of existing roof framing in the old Day Dining area and above old Clean Utility Room
 - Continue installation of new flat roof structural LVL members
 - Continue mechanical, electrical and plumbing in-wall rough-ins
 - Phase 1 – Hospital
 - **Zone 1:**
 - Complete finish installations in In-Patient Rooms and corresponding Corridors
 - **Zone 2:**
 - Complete interior wall framing installations
 - Complete soffit framing installations
 - Complete mechanical, electrical and plumbing in-wall rough-ins
 - Start drywall installations
 - Phase 2 – Hospital (Emergency Department)
 - Paint Corridors
 - Start demolition activities
 - Install new concrete masonry unit wall adjacent to old hospital kitchen
 - Start interior wall layout and framing installations

- RFIs – 129 requests for information to the Architect, 3 RFIs open at this time
- ASIs – Twenty Architect's Supplemental Instructions
- RFPs – 66 requests for proposals
- Submittals – Log reviewed
- Risks/Opportunities – Reviewed
- Field Manpower – Jobsite total – 51
- Equipment Onsite – Reviewed
- Financial Update
 - Pay application #17 (12-01-2016 to 12-31-2016) for \$748,090.41 was approved on January 5, 2017 and is waiting to be paid.
- Contingency Usage – The contingency log was reviewed in detail and it was noted the contingency amount has been fully used and exceeded.
- Communication Plan – 26 Notes from Boldt have been sent and the average Blog Site views are 12 per day.

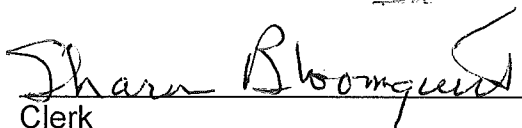
Photos of the project and the project phasing were reviewed.

Adjourn

The regular meeting adjourned at 12:52 p.m.



Chairman



Clerk