North Shore HEALTH
COOK COUNTY | MINNESOTA

COOK COUNTY HOSPITAL DISTRICT

BOARD MINUTES FOR JUNE 18, 2026

Call to Order – Patty Winchell-Dahl called the meeting of the Cook County Hospital District Board of Directors to order on June 18, 2026 at 9:00 a.m. in the Board Room at 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 and pursuant to Minn. Stat. § 13D.05, subd. 2 to discuss not public medical data. Milan Schmidt seconded the motion and the motion carried unanimously (5-0).

Closed Session Summary – The Quality Improvement/Peer Review Report from May 27, 2026; the Medical Staff Report from May 20, 2026 and the June 17, 2026 Credentials Committee Report were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:30 a.m.

Roll Call
Members Present: Steve Frykman, Milan Schmidt, Sam Usem, Randy Wiitala (virtual) and Patty Winchell-Dahl

> Randy Wiitala participated remotely while traveling. Due to intermittent connectivity, he was periodically unavailable during portions of the meeting and did not participate in all discussions and votes.

Members Absent:

Others Present: Kimber Wraalstad; Nicole Siegner; Megan Thurston; Jason Yuhas; Michele Silence; Ameen Taleb, MD; Cecilia Bloomquist; Greg Ruberg; David Muhs; Karen Schultz; Danielle Hefferan; Doug Sanders; Mary Sanders; Robert Padzieski; Sharon Berglund; Kay Olson

Mission and Value: Patty Winchell-Dahl read the North Shore Health Mission and Value Statements to begin the meeting.

Public Comments: Doug Sanders offered public comment.

Approval of Minutes for May 21, 2026: Milan Schmidt made a motion to approve the minutes from the April 23, 2026 meeting as distributed and Steve Frykman seconded the motion. The motion carried unanimously with a vote of 5-0. (Ayes - Steve Frykman, Sam Usem, Milan Schmidt, Randy Wiitala and Patty Winchell-Dahl).

Board Presentation – Behavioral Health Collaborative Update –
Cecilia Bloomquist, MSW, LICSW – SMC Behavioral Health Director

Cecilia Bloomquist, Sawtooth Mountain Clinic, presented an overview of an interagency behavioral health collaboration project being developed as part of her University of Minnesota Master of Healthcare Administration capstone project. Ms. Bloomquist provided the background of the project, noting the behavioral health care coordination gaps within Cook County. The desired outcomes are to have consistent, reliable response to behavioral health needs, stronger care coordination across systems, with improved staff confidence and preparedness. While these are low volume situations, they are complex. Work that has been accomplished to date includes the development of standardized emergency department behavioral health workflows, creation of universal release of information forms to facilitate interagency communication, development of crisis planning protocols and emergency department checklists, credentialing of behavioral health staff to provide services within the emergency department, creation of a dedicated behavioral health treatment space in the Emergency Department and planned staff education, including de-escalation and psychiatric hold training. This continues to be an ongoing collaboration with North Shore Health, Sawtooth Mountain Clinic, Cook County Public Health & Human Services, Grand Portage Health Services, First Call for Help, law enforcement, and other community partners. The Board expressed appreciation for the collaborative work and recognized the project's potential to improve continuity of behavioral health care throughout Cook County.

Big Rocks/Strategic Plan Discussion:

The Board reviewed progress on the three strategic priorities:

a. Priority 1 - Establish the most effective and useful strategic partnerships and relationships.
    - Strategic Partnership Discussion – Ms. Winchell-Dahl presented the following proposed summary statement reflecting the Board's June strategic planning discussion regarding strategic partnerships: *After thoughtful discussion regarding strategic partnerships, the North Shore Health Board reached a consensus to maintain the current strategic direction while continuing to strengthen and optimize our existing partnerships. The Board also affirmed its commitment to remaining open to evaluating future collaborative opportunities that align with North Shore Health's Mission of providing community access to compassionate care and that enhance our ability to serve our community.* Board members discussed whether the proposed statement accurately reflects the discussion at the June strategic planning session. Ms. Wraalstad indicated that the discussion provided sufficient direction for administration to continue work related to strategic planning and the evaluation of EHR options. As the meeting facilitator, Matt Anderson will be requested to assist Board Members in reviewing and refining the proposed summary statement for future consideration.

b. Priority 1A - Electronic Health Record (EHR) platform selection. Ms. Wraalstad provided an update on the Rural Health Transformation Program grant proposal, highlighting that it includes information technology enhancements and planning initiatives designed to strengthen the organization's readiness for a future electronic health record (EHR) transition.
c. Priority 2 - Attract and retain the best talent and develop succession plans. Michele Silence, Director of Human Resources, reported that implementation of the UKG Human Resources Information System remains the department's highest priority and has temporarily delayed the development of a formal succession planning framework. She noted that she has been researching consulting firms and other resources that could assist North Shore Health in developing a comprehensive succession planning process. While succession planning remains an organizational priority, the anticipated timeline for completing this initiative has been extended into 2027 to allow the department to focus on the successful implementation of the UKG system.
d. Priority 3 - Update the safety net plan for the care center. Ms. Wraalstad reported that CMS has approved Minnesota's State Plan Amendment that will support North Shore Health's swing bed initiative. This represents another significant step toward strengthening the long-term sustainability of senior services. We are now meeting with the Engineering Division from the Minnesota Department of Health regarding physical plant requirements that may require waivers.

Old Business:

a) **Board Financial Education:** Nicole Siegner, Chief Financial Officer, presented a proposed schedule of monthly Board financial education topics for the remainder of the year. Topics will include revenue cycle, contractual allowances/swing bed economics, expenses: variable vs. fixed; service line highlights, capital planning and operational budgets. The Board Members supported incorporating brief educational sessions into monthly financial presentations. Sam Usem made a motion that following each Board meeting, the CFO (or designee) will electronically distribute the financial presentation slides to the Board Members. Milan Schmidt seconded the motion and the motion carried unanimously with a vote of 5-0. (Ayes - Steve Frykman, Sam Usem, Milan Schmidt, Randy Wiitala and Patty Winchell-Dahl).

b) **Possible Board Governance Committee Development:** An extensive discussion was held regarding the potential creation of a Board Governance Committee. Board members discussed whether a governance committee could provide a dedicated forum to address governance matters, including Board structure, committee organization, governance education, Board self-assessment, and recommendations for improvements to Board processes. Several members expressed the view that a governance committee could help improve meeting efficiency by allowing governance issues to be developed and refined before being presented to the full Board. Other members expressed concern that establishing an additional committee would increase time commitments without addressing the underlying challenges affecting Board alignment. Perspectives were shared regarding the role of Board committees, the effectiveness of current meeting structures, and approaches used by other healthcare organizations. It was suggested that additional governance education or facilitation could assist the Board in improving its effectiveness and working relationships. The importance of strengthening communication, alignment, and the working relationship among the Board themselves and between the Board and Administration was shared. Mr. Ruberg stated that a better level of trust and collaboration between Board members

and Administration is fundamental to the success of any committee structure, and that without addressing those underlying relationship concerns, a governance committee may not achieve its intended purpose. Sam Usem made a motion to establish a Board Governance Committee consisting initially of two Board members to develop recommendations regarding committee responsibilities and governance processes. Milan Schmidt seconded the motion and the motion failed with a tie vote of 2-2. (Ayes - Sam Usem and Milan Schmidt. Nays – Steve Frykman and Patty Winchell-Dahl). It was agreed that this item would be tabled and will be included on the July Board agenda.

New Business:

a) **Medical Staff Bylaws, Rules and Regulations Revisions:** Ms. Wraalstad presented revisions to the Medical Staff Bylaws and Rules and Regulations recommended by the Medical Staff. Changes were primarily administrative and editorial in nature, including updates to terminology and pronoun usage. Milan Schmidt made a motion to accept the Medical Staff Bylaw, Rules and Regulations Revisions as presented and the motion was seconded by Steve Frykman. The motion carried unanimously with a vote of 4-0. (Ayes - Steve Frykman, Sam Usem, Milan Schmidt and Patty Winchell-Dahl).

Financial Reports: Ms. Siegner presented the May 2026 financial statements. Gross patient service revenue exceeded budget by $448,000, and total operating revenue was $251,000 above budget. Operating expenses were $82,000 above budget. Overall, operating performance exceeded budget expectations, with revenues exceeding expenses by $100,000 for the month. Ms. Siegner also reviewed key financial indicators and year-to-date financial performance with the Board. Key financial indicators and year-to-date performance were reviewed. Ms. Siegner provided the Board with an overview of payor mix and reimbursement and their impact on North Shore Health's financial performance. She noted that reimbursement refers to the amount paid by insurers for the services provided and that the combination of payor mix and reimbursement methodologies is a key driver of the organization's financial health. Ms. Siegner further explained the primary reimbursement methodologies. She also discussed how shifts in the organization's payor mix can significantly affect overall revenue even when patient volumes remain unchanged. Steve Frykman made a motion to accept the May 2026 financial statements. The motion was seconded by Sam Usem and the motion carried unanimously, 5-0. (Ayes - Steve Frykman, Sam Usem, Milan Schmidt, Randy Wiitala and Patty Winchell-Dahl).

Management Report:

The Management Report for June 2026, included in the Board materials, was reviewed. Ms. Silence was recognized for receiving statewide recognition at the Minnesota Hospital Association Summer Conference and an update was provided on the progress of Leadership Academy Cohort II. The results of the recent Care Center annual survey was reviewed. An insurance renewal update was provided, including renewal of liability coverage and increased cyber insurance premiums. The addition of orthopedic outreach services with Dr. Phillip Thomas of Orthopaedic Associates of Duluth was highlighted. North Shore Health will be participating in the upcoming Grand Portage Wellness Fair. Information was shared regarding the filing dates for the upcoming Hospital District election.

Adjourn:

A motion to adjourn the meeting was made by Steve Frykman and seconded by Patty Winchell-Dahl. The motion carried unanimously, 5-0. (Ayes - Steve Frykman, Sam Usem, Milan Schmidt, Randy Wiitala and Patty Winchell-Dahl).

The next regular meeting will be held on July 23, 2026 in the Board Room at North Shore Health.

The regular meeting adjourned at 12:35 p.m.

Patricia Winchell-Dahl
Chair

Steven J Frykman
Clerk