



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR FEBRUARY 19, 2026

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on February 19, 2026 at 9:08 a.m. in the Board Room at 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. Patty Winchell Dahl seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from January 21, 2026; the Medical Staff Report from January 21, 2026 and the February 18, 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: Milan Schmidt, Sam Usem (virtual), Randy Wiitala and Patty Winchell-Dahl (virtual)

Members Absent: Steve Frykman

Others Present: Kimber Wraalstad, Nicole Siegner, Megan Thurston, Jason Yuhas, Michele Silence, Karen Schultz, Danielle Hefferan, Brian Hady, Steve Underdahl, Doug Sanders, Mary Sanders

Mission and Vision: Randy Wiitala read the North Shore Health Mission and Vision Statements to begin the meeting.

Public Comments: Doug Sanders provided public comment.

Approval of Minutes for January 22, 2026: Milan Schmidt made a motion to approve the minutes from the January 22, 2026 meeting as distributed and the motion was seconded by Patty Winchell-Dahl. The motion carried unanimously.

Board Presentation – Radiology Update – Brian Hady BSRT(R), Director of Diagnostic Imaging

Mr. Hady shared information regarding the new radiographic equipment. The benefits of new X-ray equipment include the following:

- Lower radiation dose to everyone involved
- Less radiation needed to produce diagnostic images
- Cameras and AI to help prevent repeats and speed up exams.
- Better post exposure image manipulation and processing, allowing for images to be altered to provide high quality images even if technical factors or position were slightly off.
- Allowing for different effects to accentuate different parts of anatomy
- Better image quality with much greater detail
- The portable needs less power to provide better images than previous machine

Mr. Hady shared image comparisons from previous equipment to the new equipment. Also highlighted was the use of AI to highlight areas for review by the Physicians. The Board thanked Mr. Hady for his efforts in upgrading the equipment in the Imaging Department and his work on the Rural Capital Improvement Grant.

Financial Reports: Nicole Siegner, Chief Financial Officer, presented the January 2026 financial statements. There was a Loss from Operations for the month of January of \$678K, compared to the budgeted Loss from Operations of \$319K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.366M for the month of January was 5.0% lower than budget. Revenues from the Care Center was slightly above budget for the month with Inpatient, Swing Bed, Home Care and Outpatient being below budget. Ms. Siegner highlighted circumstances that specifically affected outpatient volumes in January. Contractual Adjustments and Other Deductions were \$538K compared to the budget of \$353K, a 52% variance. Total Operating Revenue for the month was \$1.850M, a 14.0% negative variance from budget. Total Operating Expenses of \$2.528M were 3% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were also reviewed. Ms. Siegner reviewed the decline in days of cash on hand in detail. The Revenue Less Than Expenses is a negative \$501K for the month of January 2026, the budgeted amount of a negative \$157K and the 2025 amount of a negative \$111K. Milan Schmidt made a motion to accept the January 2026 financial statements. The motion was seconded by Patty Winchell-Dahl and the motion carried unanimously.

Old Business:

- a) **Big Rock/Strategic Plan Discussion:** Steve Underdahl join the meeting to continue the discussion regarding North Shore Health's strategic priorities ("Big Rocks"). Mr. Underdahl reviewed the Strategic Plan update which includes a Profile Summary; Strategic Plan Purpose; Mission, Vision and Core Values; Core Strategic Priorities; and Support Strategies, Tactics and Work-Plans.

The North Shore Health Strategic Plan is intended to serve as a practical and flexible tool to guide the prioritization of organizational work. The core strategies reflect the focus of the Board of Directors and the senior leadership team. These priorities also help inform the development of additional goals, objectives, and tactics. The support strategies and tactics represent a broad range of initiatives that are essential to the mission and operation of North Shore Health. The strategic priorities identified include the following:

- Priority 1 - Establish the most effective and useful strategic partnerships and relationships. This priority recognizes the importance of critically evaluating our current relationships and potentially identifying new ones that can help North Shore Health thrive.
- Priority 1A - Electronic Health Record (EHR) platform selection. An EHR platform is the anchor (clinical, operational, and analytical) tool for the organization and is a generational investment. The spectrum of options deserves significant consideration but is also influenced by choices about strategic partners in Priority 1.
- Priority 2 - Attract and retain the best talent and develop succession plans. Staffing and talent are existential issues for North Shore Health. We need adequate numbers but also the best and brightest team members. Additionally, succession planning is crucial in a small organization that is only one deep in many key roles.
- Priority 3 - Update the safety net plan for the care center. Our nursing home and related services are a rare and fragile resource for the entire region. An updated plan is key to supporting this critical service.

Mr. Underdahl also reviewed the proposed actions and timelines associated with each strategic priority. In addition, the Support Strategies, Tactics, and Work Plans from the current Strategic Plan, which has been in place since 2024, were presented. These principles and ongoing efforts remain critically important and include the following areas of focus:

1. Ensure the highest patient and resident experience.
2. Ensure our service profile meets the community needs and values.
3. Ensure the health and viability of the North Shore Health organization.
4. Ensure a stable, high-quality workforce.

The Board engaged in a lengthy discussion regarding how updates on the Strategic Priorities ("Big Rocks") should be incorporated into future board meetings.

Milan Schmidt made a motion to adopt the Strategic Priorities as presented and to include a standing item on the Board agenda dedicated to discussion of the "Big Rocks"/Strategic Priorities. The agenda item will allow approximately ten minutes per priority for updates, discussion, and meaningful dialogue rather than serving solely as a report. The motion was seconded by Patty Winchell-Dahl and the motion carried unanimously.

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. Milan Schmidt 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 Sam Usem and the motion carried unanimously.

- b) **Governing Board Resolution – Ambulance Grant:** North Shore Health is submitting an Ambulance Operating Deficit Grant from the Office of Emergency Medical Services. Randy Wiitala made a motion to adopt the Governing Board Resolution and it was seconded by Sam Usem. The motion carried unanimously.
- c) **Unbudgeted Capital Equipment – Rehabilitation Treadmill:** The Rehabilitation Department at North Shore Health is requesting approval to purchase a replacement treadmill due to the unexpected failure of existing equipment. The current treadmill experienced a technological failure and warranty coverage was not honored by the manufacturer. As a result, replacement of this equipment is required sooner than anticipated. The treadmills are used daily and are essential for Physical Therapy, Cardiac Rehabilitation, and Occupational Therapy services. The unavailability of the second treadmill has reduced the department's ability to provide these services efficiently. Patty Winchell-Dahl made a motion to approve the unbudgeted capital purchase of a Precor TRM 731 Treadmill EXP P31 at a cost of \$8,027. The motion was seconded by Milan Schmidt and carried unanimously.

Management Report:

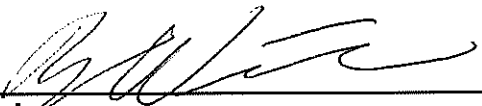
The Management Report for February 2026 included in the Board materials was reviewed. North Shore Health is collaborating with Avel Hospitals and Wapiti Medical Group to transition responsibility for daily rounds and discharges to virtual hospitalists. This model will allow Emergency Department physicians to focus more fully on emergency care while continuing to provide on-site support for hands-on procedures as needed. The agreement with Avel is in the final stages of review, with implementation of the new process anticipated in early March. North Shore Health has also entered into an agreement to implement UKG as its Human Resources Information System (HRIS). The system will modernize human resources operations, improve payroll and workforce management efficiency, enhance reporting and compliance capabilities, and support employee recognition. The system is expected to go live in October 2026, with billing beginning in February 2027. Progress continues on the implementation of the bi-directional interface between North Shore Health and Sawtooth Mountain Clinic (SMC) for laboratory and radiology orders and results. Weekly coordination meetings are being held with project partners. At SMC's request, laboratory integration was prioritized with User Acceptance Testing beginning the week of February 9, 2026 and a targeted go-live of March 3, 2026. The radiology interface is currently scheduled to go live on April 7, 2026. Planning for the behavioral health collaboration with SMC is ongoing. Representatives from both organizations are working to develop standardized procedures and operational guidelines. A referral process for patients being discharged from North Shore Health to SMC has been established, and a care team checklist has been drafted to support consistent implementation. Opportunities to involve the Cook County Public Health and Human Services Mobile Crisis Response team are also being evaluated. A pilot of the behavioral health intervention process is anticipated to begin in April. Jean Marie Modl retired from her role as Activities Director for North Shore Health. Appreciation was expressed for her service and contributions. Dan Ryan has joined North Shore Health as Interim Activities Director. He is a licensed Occupational Therapist who recently relocated to Grand Marais. Five staff members from North Shore Care Center attended the LeadingAge Minnesota 2026 Institute and Expo held February 11–12, including Flavia Alvarez Maldonado, Sarah Groth, Sue Spies, Kimber Wraalstad, and Jason Yuhas.

Adjourn:

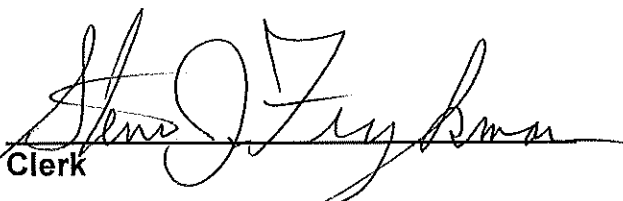
A motion to adjourn the meeting was made by Milan Schmidt and seconded by Patty Winchell-Dahl. The motion carried unanimously.

The next regular meeting will be held on March 19, 2026 in the Board Room at North Shore Health.

The regular meeting adjourned at 11:35 a.m.



Chair



Clerk

