



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR JUNE 19, 2025

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on June 19, 2025 at 9:03 a.m. in the Board Room of 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 and pursuant to Minnesota Statute §13D.05, subd. 3(c) to consider offers for the purchase or sale of real or personal property. Patty Winchell-Dahl seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from May 28, 2025, the Medical Staff Report from May 21, 2025 and the June 18, 2025 Credentials Committee Report were discussed. Also discussed was the possible purchase of property at 120 W. 2nd Street, Grand Marais, MN.

Reconvene - The North Shore Health Board reconvened in regular session at 9:54 a.m.

Roll Call

Members Present: Steve Frykman, Milan Schmidt, Sam Usem, Randy Wiitala and Patty Winchell-Dahl

Members Absent: None

Others Present: Kimber Wraalstad; Nicole Siegner; Troy Batchelor; Jason Yuhas; Michele Silence; Jason Hofker; Matt Anderson; Greg Ruberg; Karen Schultz; Doug Sanders; Mary Sanders; Kay Olson; Mike DeBevec; and Sharon Berglund

Approval of Minutes for May 22, 2025 – Randy Wiitala made a motion to approve the minutes from the May 22, 2025 meeting as presented and the motion was seconded by Patty Winchell-Dahl. The motion carried unanimously.

Financial Reports: Nicole Siegner, Interim Chief Financial Officer, presented the May 2025 financial statements. There was a Loss from Operations for the month of May of \$327K,

compared to the budgeted Loss from Operations of \$271K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.503M for the month of May was 9.0% higher than budget. Revenues from Inpatient and Outpatient were above budget for the month with Swing Bed, Home Care and Care Center being below budget. Contractual Adjustments and Other Deductions were \$533K compared to the budget of \$394K. Total Operating Revenue for the month was \$2.503M, 9.0% more than budget. Total Operating Expenses of \$2.311M were 6.0% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were also reviewed. Patty Winchell-Dahl made a motion to accept the May 2025 financial statements. The motion was seconded by Steve Frykman and the motion carried unanimously.

Old Business:

- a) **2024 - 2027 Strategic Plan Update:** The Scorecard for the Strategic Priorities #1 – Patient and Resident Experience: Quality and Safety. The areas with action and accomplishment were briefly reviewed. Specifically highlighted was that for the third consecutive year, North Shore Health was ranked as one of the Top 20 Critical Access Hospital for patient satisfaction, plans for implementation of PointClickCare Electronic Health Record in the Care Center and the server migration.
- b) **Board Confidentiality Statement Review:** A draft of the revised confidentiality statement was included with the board meeting materials and was briefly reviewed. Dr. Schmidt stated that he had additional recommended changes. The Confidentiality Statement was tabled until July.
- c) **Evaluation of Video Recording/Publishing of Board Meetings:** A summary of information gathered to address Virtual Attendance, Recording and Posting of Open Board Meetings was reviewed and discussed. Also shared were the comments from the members of the Board regarding their list of identified possible benefits to recording and posting of meetings. Each Board Member shared their thoughts regarding the various options. After a thorough review of this information and discussion, a motion to provide a virtual attendance option (Zoom) upon request, without recording or posting the board meetings while continuing the current practice of audio recording the meetings for minute purposes that are publically available upon request was made by Patty Winchell-Dahl. The motion was seconded by Randy Wiitala and the motion carried unanimously.

New Business:

- a) **Unbudgeted Capital Equipment – Boiler Surge Protector:** The memo from Jason Hofker, North Shore Health Facilities Director, and Kimber Wraalstad regarding the recommendation to purchase Boiler Surge Protectors as an unbudgeted capital item at a cost of \$26,233 that includes three UPS units (one for each boilers) and one UPS on the boiler control supply. This protection is essential for maintaining the reliability of our boilers in a critical facility. Sam Usem made a motion to purchase the Boiler Surge Protectors as recommended and the motion was seconded by Milan Schmidt. The motion carried unanimously.

Public Comments: Gerry Gamble and Doug Sanders provided public comment.

Management Report:

The Management Report for June 2025 included in the Board materials was reviewed. During the Special Legislative Session on Monday, June 9, both the House and Senate passed the Health and Human Services Omnibus Bill, which includes North Shore Health's proposed swing bed language. The Governor is expected to sign the bill into law. This legislation, proposed by North Shore Health, provides swing bed flexibility by allowing a portion of Care Center beds to be reclassified as hospital beds. This change has the potential to provide over \$800,000 in additional Medicare reimbursement, annually, at no additional cost to the State of Minnesota. By changing the areas of costs between the hospital and nursing home differently (on paper), it changes how North Shore Health allocates costs thus increasing reimbursement from Medicare. There will be no physical change to the building or beds. The residents will stay in their same room, in their same bed. The only thing that will change is the name of the location – hospital versus nursing home. This legislation will take effect on January 1, 2026, or upon receiving federal approval, whichever occurs later. North Shore Health will need to work closely with the Minnesota Department of Human Services to encourage timely engagement with the Centers for Medicare and Medicaid Services (CMS) regarding the necessary State Plan amendments. Special thanks to Senator Grant Hauschild, Representatives Roger Skraba and Natalie Zeleznikar, and John Berns, lobbyist for the Cook County Chamber, for their invaluable assistance. Their support and advocacy were instrumental in making the passage of this legislation a reality. PointClickCare (PCC), an Electronic Health Record (EHR) for the Care Center, is scheduled to "go live" on July 1, 2025. Implementation and training has been ongoing since March 2025. An agreement has been executed with Tegria to host North Shore Health's Meditech servers. This project involves migrating the full production Meditech Client/Server 5.67 environment, which consists of 48 servers. An initial kickoff meeting was held in March, with project work beginning in June. Weekly meetings are now underway to monitor partner requirements and track progress against the project timeline. The go-live (cutover) date is currently scheduled for November 14, 2025. Additionally, a Meditech Priority Pack update is also scheduled. Because a code freeze is required during the migration, the proposed November go-live may be delayed until December. North Shore Health has received the renewal rates for our General/Professional Liability and Cyber Insurance policies, both effective July 1, 2025. The premium for General/Professional Liability and Umbrella coverage will increase 0.72% and Cyber Insurance will have no increase for the second consecutive year, following a 16% increase in 2023 and a 59% increase in 2022. As part of the renewal process, we are also taking this opportunity to evaluate our current coverage limits to ensure they continue to meet our needs. Allen Brent Mendez, MD, has assumed the role of Laboratory Medical Director. Dr. Mendez recently relocated to Duluth to join Laboratory Medicine Specialists of Duluth and currently practices at Aspirus St. Luke's. We are pleased to welcome Dr. Mendez to North Shore Health and look forward to his leadership in supporting our laboratory services. Grand Portage will be hosting their annual Wellness Fair on Saturday, June 21, at the Grand Portage Community Center. North Shore Health is pleased to be participating in this event to share information about our services. The remodel of the employee sleep quarters in the Lodge (Blue Building) has been successfully completed. Special thanks to our Maintenance team, especially Corey Hudler, for taking on this project and completing it efficiently and under budget. The North Shore Health Board plans to continue its practice from 2024 of holding three board meetings each year in various locations throughout the County. Chair Bobby Deschampe of the Grand Portage Tribal Council has selected the October 23, 2025,

meeting to be held in Grand Portage at the new ferry terminal. In coordination with Ann Sullivan and Barb Tuttle, the August 21, 2025, meeting will take place at the Schaap Community Center on the Gunflint Trail. The July meeting will be held at the Lutsen Town Hall in Lutsen.

Adjourn:

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

The next regular meeting will be held on July 24, 2025 at the Lutsen Town Hall in Lutsen, MN.

The regular meeting adjourned at 11:30 a.m.

Chair

A handwritten signature in black ink, appearing to be 'Sam Usem', written over a horizontal line.

Clerk

A handwritten signature in black ink, appearing to be 'Patty Winchell-Dahl', written over a horizontal line.