



COOK COUNTY HOSPITAL DISTRICT  
BOARD MINUTES FOR MAY 19, 2022

**Call to Order** – Kay Olson, Chair, called the meeting of the Cook County Hospital District Board of Directors to order on May 19, 2022 at 9:18 a.m. on Zoom and in the Board Room.

**Adjourn to Closed Session** – Kay Olson made a motion to adjourn into closed session for the Quality Improvement, Medical Staff, Credentials Committee report and Negotiation update. Patty Winchell-Dahl seconded the motion and the motion carried unanimously.

**Closed Session Summary** - The Quality Improvement/Peer Review Report from April 20, 2022; the April 20, 2022 Medical Staff Report; and the May 18, 2022 Credentials Committee recommendations were reviewed. Labor negotiations were also reviewed.

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

**Roll Call**

**Members Present:** Kay Olson, Randy Wiitala (arrived at 10:00 a.m.) and Patty Winchell-Dahl

**Members Absent:** Steve Nielsen and Mary Sanders

**Others Present:** Kimber Wraalstad; Paul Goettl; Greg Ruberg; Milan Schmidt, MD (p); David Mills (p); Doug Sanders (p); Tyler Johnson (p); Kelly Swearingen (p)

Due to the COVID-19 Pandemic members of the Board (Kay Olson, Randy Wiitala and Patty Winchell-Dahl); Dr. Schmidt, Dave Mills, Greg Ruberg, Doug Sanders and Tyler Johnson attended the meeting via Zoom technology with the ability to hear and see the other participants. Kimber Wraalstad, Paul Goettl and Kelly Swearingen attended the meeting at North Shore Health.

**Approval of Agenda:** Patty Winchell-Dahl made a motion to accept the meeting agenda as presented; it was seconded by Kay Olson. The motion carried unanimously.

**Public Comments:** None

**Approval of Minutes from April 21, 2022** – Randy Wiitala made a motion to approve the minutes from the April 21, 2022 meeting as presented and the motion was seconded by Patty Winchell-Dahl. The motion carried unanimously.

## Updates:

- a. **Clinic Board:** Kate Surbaugh was unable to attend the meeting due to a conflict. She forwarded an update to share. Last month SMC/PHHS moved the vaccination event location back to the Community Center to accommodate the new booster recommendations. The FDA has approved booster #1 for the 5-11 year old group so it is anticipated that the vaccination events will continue at the Community Center through June. The “test-to-treat” program continues to help prevent severe cases of Covid-19. SMC appears to have a steady supply of the oral antiviral Paxlovid from the federal government; at least through the summer months. Outreach efforts continue to remind the community to test early and to call with a positive home test. The SMC Board had an excellent strategic planning session and strategic objectives are being crafted into SMART (Specific, Measurable, Attainable, Relevant and Time-based) goals.
- b. **County Board:** Commissioner Mills shared changes occurring in the Highway Department. The County is embarking on a compensation study. Child care continues to be a community issue and a focus of Commissioner Mills. He notes that the PHHS Grant Program works well and might be transferrable to assist with child care issues. Commissioner Mills noted a report from Minnesota DEED that showed a 9.5% decrease in the workforce in Cook County.
- c. **Board Members:** Kay Olson shared that Steve Nielsen has announced that he will not be running again to serve as a Board Member from District 3. It was reminded that the election of Members from District 1, District 3 and District 5 will be held this year. The filing to run for election as a Board Member from these Districts will be from August 2 through August 16.
- d. **Correspondence:** A thank you letter from Anne Deneen was shared. Ms. Deneen thanked the Board for their gift to the employees.

## Board Presentation - 2021 Financial Audit – Tyler Johnson, CliftonLarsonAllen

Mr. Johnson, Principal with CliftonLarsonAllen (CLA) presented the 2021 Audit results via Zoom. Mr. Johnson shared CLA’s Audit Opinion: The financial statements present fairly, in all material respects, the financial position of Cook County Hospital District d/b/a North Shore Health as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. The results of CLA Professional Services were reviewed:

- Significant Transactions – During 2021, North Shore Health has the following significant transactions:
  - Provider Relief Funds
  - PERA Updates and Changes
- Audit Adjustments – There were no auditor proposed adjustments. Several client-proposed adjustments subsequent to CLA receiving the trial balance.
- Subsequent Events – No subsequent events identified.
- Internal Controls – No material weaknesses were noted.
- Required Communications –
  - Responsibility under Generally Accepted Auditing Standards.
  - Planned Scope and Timing of the Audit.
  - Other Information in Documents Containing the Audited Financial Statements.

- Significant Accounting Policies.
  - Significant Accounting Estimates.
  - Significant Financial Statement Disclosures.
  - Supplemental Information.
  - Management Representation Letter.
  - Other
    - No difficulties were encountered in performing the audit.
- Financial Ratios – Mr. Johnson presented several graphs showing industry benchmark data. The ratios (Operating Margin, Total Margin, Operating EBIDA, Days Cash on Hand, Net Days in Accounts Receivable, Percentage of A/R over 90 Days Old, Bad Debt and Charity Care as a Percent of Gross Patient Service Revenue, Debt Service Coverage, Debt to Capitalization, and Average Age of Plant) were shown comparing North Shore Health with CLA Small Size CAH Clients and Minnesota Critical Access Hospitals.

Mr. Johnson thanked Paul Goettl and Kelly Swearingen for their assistance during the audit. He reiterated that the audit shows that the monthly financial statements are accurately presented and are able to be relied upon when making strategic decisions for North Shore Health.

**Financial Reports:** Paul Goettl presented the April 2022 financial statements. Patient days in the Acute Hospital were 23 days or 63.9% less than budget with inpatient revenue for the month being \$42K less than budget. Swing Bed days were 5 more than budget with revenue \$8K more than budget. Care Center days were 12 less than budget and revenue \$31K less than budget. The temporary pause on admissions due to staffing continues at the Care Center with the current census being 31 residents. Outpatient revenue of \$1,117K was \$2K more than budget. CT was above budget while Emergency Department, Rehab, Lab, Home Care and Ambulance were less than budget. Gross Patient Revenue was \$68K less than budget. Deductions from Revenue were \$91K more than budget. Net Operating Revenue of \$1,319K was 9.0% less than budget. Total Operating Expenses of \$1,728K were 1.0% less than budget. The Net Loss from Operations for the month of April 2022 of -\$386K was \$117K more than budget. Year-to-Date Gross Patient Revenue of \$6,628K was \$4K above budget with Deductions from Revenue Year-to-Date being \$721K or 20% less than budget. Year-to-Date Operating Expense were \$72K below budget with the Net Loss from Operations Year-to-Date being \$931K, \$286K or 23% less than budget. The Year-to-Date Net Loss of \$681K was \$236K less than budgeted. FTEs are 96.9 and days' cash on hand was 288 days. The current ratio was 4.27 compared to our benchmark of 2.5.

Patty Winchell-Dahl made a motion to accept the April 2022 financial statements. The motion was seconded by Randy Wiitala and the motion carried unanimously.

**Old Business:**

- a) **Other:** None.

**New Business:**

- a) **Accept 2021 Financial Audit:** Randy Wiitala made a motion to accept the 2021 Audited Financial Report for North Shore Health. The motion was seconded by Patty Winchell-Dahl and the motion carried unanimously.
- b) **MHA Legislative Update Video:** A video from Mary Krinkie, Senior Vice President at the Minnesota Hospital Association was shared. Ms. Krinkie provided an update of the 2022 legislative session and issues of importance to health care.

c) Other: None.

**Management Report:** The Management Report for May included in the Board materials was reviewed.

As of May 12, 2022, there have been nine hundred fifty-eight (958) confirmed cases of COVID-19 affiliated with Cook County; including self-reported positive antigen tests and Lab PCR reported tests. There has been a significant increase in COVID-19 cases during the last month. However, there has not been increased hospitalizations associated with the cases at neither North Shore Health nor the rest of Minnesota.

The quieter air scrubbers have been received and are now operational in the Care Center! The second booster doses were administered to Care Center resident on May 13. North Shore Living continues to have a pause on admissions due to staffing issues with our current census being 31 of 37 available rooms. To provide our own employees a much needed break, we have received 30 days of support of temporary workers. The opportunity of having temporary healthcare workers has just been made available to nursing homes for non COVID-19 outbreak situations. Previously this temporary staffing only supported facilities with a COVID-19 outbreak. We are grateful for the support of the temporary staff.

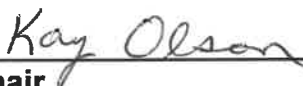
North Shore Health is beginning to explore opportunities for immigration of possible employees. Discussions are occurring with two different Immigration Attorneys to determine if this is a feasible alternative for North Shore Health knowing this is a one to two year process. The North Shore Health Ambulance has recently completed an Emergency Medical Responder (EMR) course with six new EMRs. In addition, an Emergency Medical Technician – Basic (EMT-B) course is ongoing with five students. Classes will be arranged for interested individuals. The Ambulance service is experiencing staffing challenges and we encourage anyone willing to serve the community as an EMR or EMT-B to contact Tom Fleming. The Serenity Garden is beginning to wake up from this long winter! Plants are beginning to poke up from the ground, trees are budding and plants are becoming green. Dave Seaton has installed the two benches in the Garden. The benches are made from tamarack wood and use small boulders as the support. A meeting between the Collaboration Committee for Sawtooth Mountain Clinic and the North Shore Health Board is being scheduled for June or July. The bill supported by North Shore Health to exempt all critical access hospitals with an attached nursing home from the bed moratorium and the state public interest review has been moved into the larger Senate Health and Human Services Omnibus bill. The bill has also been included in the House’s Health and Human Services Omnibus bill, HF 4706. It will now be up to the Conference Committee if North Shore Health is exempt from the bed moratorium and the state public interest review process.

**Adjourn:**

Patty Winchell-Dahl moved to adjourn to a closed session for the purpose of acting on the Credentials Committee report. The regular meeting recessed at 11:32 a.m.

The closed session adjourned at 11:33 a.m. Randy Wiitala made a motion to adjourn the regular session. The meeting adjourned at 11:34 a.m.

The next regular meeting will be held on June 23, 2022.

  
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Chair

  
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Clerk