

North Pine Area Hospital District

Board of Directors Meeting

August 22, 2017

CALL TO ORDER

Ron Osladil, Chair, called the regular meeting of the North Pine Area Hospital District (NPAHD) to order at 6:33 p.m. on Tuesday, August 22, 2017 in the EH Sandstone Classroom.

PLEDGE OF ALLEGIANCE

Chairperson Osladil led the board and other attendees in reciting the pledge of allegiance.

ROLL CALL

Board members present: Jane Brown (District at Large), Andrew Hanley (City of Askov), Scott Hendricks (Danforth Township), Gary Klein (Hinckley Township), Linda Kvasnicka (Park Township), Fran Levings (New Dosey Township), Edith "Dode" Molgaard (City of Bruno), Curt Nelson (Clover Township), Myrna Nelson (Partridge Township), Wayne Oak (City of Sandstone), Bill Olson (Pine Lake Township), Ron Osladil (Finlayson Township), and Ray Thieling (Ogema Township)

Board members absent: Merv Becker, Brent Henry, Dr. Chris Ketchmark, Steve Nelson, Keith Osgood, and Chuck Sprado.

Others attending: Chris Olson (NPAHD Admin. Asst.), Michael Hedrix (Essentia), Ty Erickson (Essentia), Scott Nigon (Essentia), Steve Schmidt (NPAHD Accountant), Kris Sundberg (The Links Group), Tim Franklin (Pine County Courier), Lisa Krahn (Senior Partners Care), Pete Spartz (City of Sandstone).

APPROVE AGENDA

Osladil stated he wanted to add Levy Resolution as 6B and City of Sandstone as 6C on the agenda. He then called for a motion to approve the agenda as amended. Motion Olson. Second Hendricks. Motion carried.

APPROVE JULY 25, 2017 MINUTES

Chairperson Osladil called for a motion for approval of the minutes from July 25, 2017. Motion Oak. Second Thieling. Motion carried.

CHAIRPERSON'S REPORT

The Chair began his report by addressing the current status of several health care facilities in the area. He said PHASE is doing a great job. The census of people being assisted by PHASE is currently around 350 people. Eighty two of those are at the Sandstone location. Osladil reported Sandstone Health Care Center is doing very well and continue to add to their numbers, as well as Golden Horizons. Golden Horizons has an open house on Thursday, August 24 from 2:00-6:00 pm and he encourages anyone who is available to stop in to support them. He stated the board would be sending over a plant congratulating them on their great start up.

UPDATE ON MHA CONFERENCE

Ron then asked Andrew Hanley to give an update to the board on his recent participation in the MHA Conference which he and Brent Henry attended. Hanley stated it was a wonderful experience. He enjoyed mingling with other volunteers and stated there was a great comradery. The general session gave the attendees an update of what is happening in Washington with regards to health care but reminded everyone it is constantly changing. Hanley reported they learned by comparison, United States spends more on health care than other comparable countries (e.g. Sweden, Switzerland, and Canada). He said the speaker reported in the near future the cost will be \$15,000 per person per year in the USA.

At the conference, Andrew and Brent had the opportunity to attend mini-sessions which they selected. He stated it might be interesting to report back to the board on those sessions. Maybe selecting one session per month. He highly recommended other board members take advantage of attending a conference in the future.

LEVY RESOLUTION

Levings made a motion for the board to retain the levy as it currently is for the next year. Second Brown. Discussion included the consensus that by keeping the levy as it is, this will allow the directors time to figure out where the NPAHD Board is going in the future. The strategic planning will begin and the board will use the outcome of the strategic plan as a guide. Hendricks reminded all directors the cost per household for the levy is approx. \$24-\$25 per year. Molgaard questioned if it was the intent of the board to raise the levy after this year and she was assured by Osladil that is not the direction the board is looking to go. At the conclusion of the discussion the motion carried.

REPORT FROM CITY OF SANDSTONE-PETE SPARTZ

Pete Spartz, Mayor of Sandstone, came to report to the board regarding the concerns that have been expressed involving the signage for the hospital. He stated the DOT has approved 4 "hospital signs" for the hospital even though they only usually allow 2 per hospital. Work orders are in for the permanent placement of those signs. The City of Sandstone will be putting reflectors by the bridge to assist drivers at night. On Lundorff and 23 they are installing a highway light to assist in lighting up that intersection at night. He stated understanding of the disappointment in the monument sign for the Sandstone Business District. The city shares in that disappointment. There is hope to be able to change the top of the sign, possibly light the sign, and work at changing it to include emergency signage. The city council is receptive to any and all ideas to work together to make all signage better than it currently is now. He added MnDOT is currently doing a required traffic study for the request to amend (reduce) the speed limit on the section of road coming to the intersection of the turn to the hospital.

SENIOR PARTNERS CARE PROGRAM LETTER

Brown reported we just received a response from Essentia regarding the letter sent to them from the NPAHD Board and members have not had a chance to review it. She inquired as to whether Lisa Krahn had anything she wanted to say. Lisa offered to answer any questions the board may not have gotten answered at the last meeting. Osladil shared his disappointment in Essentia's stand to continue with no contract with Senior Partners Care (SPC). He wondered why they could not have both their in-house program AND the SPC Program at the same time. Hendricks agreed with Osladil and felt without utilizing the SPC Program there could be a very vulnerable group unserved, the poor base group. He felt they may not go for care without the assurance of the bills being covered. Levings suggested the board take the time to review the letters and revisit the subject at next month's meeting. Curt Nelson commented Essentia is in charge of running the hospital and they know their business.

Scott Nigon asked to address the issue prior to moving on to the next agenda item. Scott stated Essentia has an excellent charity care program and some positives to address include the fact that the Essentia Program is available to everyone, not just senior citizens. Their program also has a graduated policy percentage meaning if you do not qualify for 100% coverage, you may qualify for 75% or 50% or 25%. It is not an all or nothing program. Nigon also addressed the issue of being pre-screened prior to admission and stated anyone could come in to have an evaluation prior to admission and would then know if they have qualified. Obviously, this is not available for emergencies but works for all other health care.

This topic will be revisited next month after all directors have had adequate time to review the letters.

FINANCE COMMITTEE

Financial Statements for the month ending July 31, 2017 were distributed to all directors. Steve Schmidt reported and made note of the current profit and loss budget, balance sheet and checkbook register.

Olson distributed the audit reports along with the review letter from the auditors. The reports just arrived today so no one has had the opportunity to look it over. Bill explained the finance committee is debating about whether to launch the next years audit with the same company. There is not total satisfaction with the company because of various issues, however, the advantage with going one more year with them would be because they are now very familiar with the audit including the construction portion. We have one more year where the audit will include the construction. His recommendation is to use them for this additional year and during this year research other companies we may rather contract with in the future. The motion to do this was seconded by Hendricks, however, during further discussion Olson amended the motion to postpone the recommendation regarding the audit company until next month and allow the finance committee to discuss it further. Second Brown. Motion carried.

CONSTRUCTION UPDATE/JOINT BUILDING COMMITTEE

The board was provided with financial paperwork containing details regarding the contingency status.

The Contingency Status numbers currently are:

Budgeted Contingency (Total)	\$ 1,028,725
Approved Expenditures	\$ 1,031,475
Anticipated Expenditures	\$ 45,350
Total Available Contingency	\$ -48,100

Olson reports there has not been a final decision regarding the negative contingency but all members involved are still in discussion and there currently is some push back on the architect as some of the issues should have been caught earlier due to them being code issues. The feeling from the board was the engineers and architects need to step up to these costs and make good on them. Olson restated that solution is being discussed. These costs do not directly involve the NPAHD.

Scott Hendricks asked what is being done regarding the lack of phone service in the hospital. Olson stated the construction committee is very aware of the problem and continue to look into a solution. They are currently getting estimates for boosters to aide in phone service.

Bill stated McGough will be paying for the final brush clearing along the freeway in September. They are waiting for final permit from MnDOT.

Hendricks added he has heard many wonderful compliments on how beautiful the new hospital turned out.

COMMITTEE ESTABLISHMENT REPORT

Levings asked the board members to look at the Committee Document which listed the various committee opportunities available to the NPAHD members. She encouraged every member to sign up for a committee. She noted two committees (Governance Committee and Foundation Committee) which are just being formed which could use additional participation.

STRATEGIC PLANNING COMMITTEE

Olson stated the preliminary contract for the strategic plan consultant is being sent to our legal for review. The next meeting of the Strategic Plan Committee is Tuesday, Sept. 5, 2017 at 5:30 pm at Sandstone Health Care Center.

COMMUNICATIONS REPORT

Kris Sundberg reports the story regarding the Senior Partners Care Program was carried in the Duluth and Brainerd papers. Lisa Krahn's letter to the editor has been/will be in all three local papers.

Kris states the NPAHD Newsletter is complete and at the printer. The distribution of the newsletters was discussed at the executive committee and they are asking each director to take 50 copies and distribute to your cities and township boards and around your community wherever you would think people might enjoy picking one up. Ideas shared are churches, gas stations, restaurants/cafés, convenience stores etc.

Sundberg is also in the process of pulling together a NPAHD Board Handbook which will be a three-ring binder with pertinent information regarding the board inserted.

She also reports the website has become much more active. It had 89 hits in July, double from the previous month. Two thirds of those visits were first time visits so it is exciting to see people are starting to be aware of the NPAHD Board.

Kris continues to check on getting the geographic update on Google maps. Currently Lundorff Drive is not on there even though the hospital has been added. She will keep checking.

PINE MEDICAL CENTER REPORT

Michael Hedrix reports the employees are very thankful for the new building and all it offers them professionally. He reports they are picking up new patients including new patients from Pine City. Essentia has hosted some meetings and conferences for outside groups and they have gone very well.

There is a new physician joining in October and Gateway and Thrifty White will be officially opening at the new location on October 2nd and 3rd.

Hedrix distributed a packet highlighting trends in the new facility, a community impact report, EHS financial/statistical update and EHS FY18 quality report. He walked the board through the document explaining each report and pointing out areas where they have excelled and areas to work on in the future.

Lastly, he gave an update on the Kettle Café (Bistro). The sign for the Bistro is coming on August 30. Their goal is to have the Kettle Café open for the public by the time Gateway moves over. The challenge continues to be staffing.

OLD BUSINESS

No old business.

NEW BUSINESS

No new business.

NEXT MEETING

The next NPAHD general board meeting is scheduled for September 26, 2017.

ADJOURN

Motion Thieling, second Olson, to adjourn the meeting at 8:39 p.m. Motion carried.

Submitted by Fran Levings, Board Secretary _____