

North Pine Area Hospital District

“Ensuring Local Access to Quality Health Care”

Board of Directors Meeting
September 24, 2019

CALL TO ORDER

Ron Osladil, Chair, called the regular meeting of the North Pine Area Hospital District (NPAHD) to order at 6:30 p.m. on Tuesday, September 24, 2019 in the EH Sandstone Classroom.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Board members present: Catherine Colsrud (Sandstone Township), Barb Fischer (Danforth Township), Gary Klein (Hinckley Township), Linda Kvasnicka (Park Township), Brenda Langseth-Perrault (Dell Grove Township), Fran Levings (New Dosey Township), Dennis Liebelt, City of Finlayson, Edith “Dode” Molgaard (City of Bruno), Myrna Nelson (Partridge Township), Wayne Oak (City of Sandstone), Bill Olson (Pine Lake Township), Keith Osgood (City of Hinckley), Ron Osladil (Finlayson Township)

Board members absent: Andrew Degerstrom-Hanley, Chris Ketchmark, Curt Nelson, and Steve Nelson.

Others attending: Chris Olson (NPAHD Admin. Director), Michael Hedrix (Essentia), Steve Schmidt (NPAHD Accountant), Alanea White (Pine County Courier), and Kris Sundberg (The Links Group)

APPROVE AGENDA

Osladil stated there was an addition to the agenda. He wanted to add the swearing in of Director Catherine Colsrud under Chairperson’s Report and add Communication Update under Committee Reports. Osladil called for a motion to approve the agenda with modification. Motion Oak. Second Liebelt. Motion carried.

APPROVE AUGUST 27, 2019 MINUTES

Osladil called for a motion to approve the minutes from August 27, 2019. Director Klein questioned why the minutes did not contain the date **July 23, 2019** in red letters. He jokingly stated he wanted the start date for the Admin/Ambulance Building to appear in red letters in all minutes going forward. 😊 Motion to accept the minutes as is Olson. Second Kvasnicka. Motion carried.

CHAIRPERSON REPORT

Osladil led Colsrud through the Oath of Office for the NPAHD Board. Catherine was welcomed to the board.

FINANCE REPORT

Financial Statements for the month ending August 31, 2019 were distributed to all directors. Steve Schmidt reported on the August financial statements and made note of the current profit and loss budget, balance sheet and transactions. Schmidt explained the rent entered for this month shows \$550 rather than \$350 because a check paid to our previous facility was not cashed for a couple months so it is showing up now. Olson pointed out there were some numbers mixed up between

consultant payments and Steve stated there was a line item shift that needed to be corrected and he would send a corrected copy to Chris Olson for the files. Schmidt addressed all questions. Levings motioned to accept the financial report with corrections. Second M. Nelson. Motion carried.

FINANCE COMMITTEE REPORT

Olson reports the finance committee has determined to meet on an every other month basis however, next month he is unable to meet at the scheduled time so their next meeting will be in November. He reports he has checks at this meeting that need to be signed so the bills can be paid. He asked a couple of the board members to stay after the meeting to sign checks.

CONSTRUCTION COMMITTEE

Klein reports it looks like the final rafters will be put into place before long, but added there has been many rain delays over the past weeks. The goal is to get the roof on and the building secured to be able to get the subcontractors inside. The November deadline, which was predicted, could be a bit short due to the delays.

GOVERNANCE COMMITTEE

Fischer opened her report by stating she hoped everyone had taken the time to review the documents distributed at last month's meeting. It included the summary of the By Laws additions and deletions and also the By Laws. She asked if there were any questions or items to be clarified. No questions were presented so she stated she would do two things today. She referred everyone to the Conflict of Interest document in their packet. Going forward this will be a document each director signs when they join the board and it may be a document reviewed and signed on a yearly basis. She asked the board to read it now, then sign it and date it. Turn it in and the secretary will countersign it and it will go on file in the hospital district office. If you desire a copy of the signed document just let Chris Olson know and she will get one to you.

The second item was a slight change in the bylaws as they were previously distributed. A change which was thought to have been done actually did not get done so it needs to be corrected now. The change is under the Building Committee area and we currently follow the stipulations as stated in our lease agreement which states the building committee consists of one member from the hospital district board and one member from Essentia. Each member can bring additional members to any meetings, however, the committee is a two member committee.

Kvasnicka asked for clarification under Vacancies 2.6 of the By Laws.

A vacancy on the Board shall occur upon a Board member's resignation or removal. If a member dies, resigns, fails to qualify, or moves from the District, a successor may be appointed by a majority of the remaining members of the Board. Notwithstanding the foregoing, if a Board member is removed for any other reason, such Board member's governing body shall by resolution appoint a member to the Board within thirty (30) days of notification from the Board of such removal. If such governing body fails to provide a resolution appointing a member to the Board within thirty (30) days of the date of the notification received from the Board, the Board by a majority vote of the remaining Board members may appoint a successor (who shall reside in the same city or town as the person whom he or she is succeeding or in the District as to the at-large member). All appointed Board members under this Section shall hold office until the first Monday in January after the next regular District election. At the election, a successor must be elected to fill the vacant Board member position.

Fischer explained the distinction was with the reason for the vacancy (dies, resigns, fails to qualify, or moves from the district) constitutes appointment by the remaining members of the hospital district board. Any other reason would fall under the other replacement procedure.

Kvasnicka's second question for clarification was with Treasurer 4.8 of the By Laws.

The Treasurer shall be the custodian of all money received by the Hospital District and shall pay out money only on orders signed by the Chair and Secretary/Clerk. Each order must state the nature of the claim for which it is issued, the name of the payee, and the fund on which it is drawn. It may be drawn so that when signed by the Treasurer in an appropriate place it becomes a check on the depository of funds of the District. In case of absence, inability or refusal of the Chair, Secretary/Clerk or Treasurer to execute and disburse orders in payment of a claim duly allowed by the Board, the Board may declare any of their offices vacant and fill them by appointment. The Treasurer shall perform all other duties as assigned by the Chair or the Board

VS Fiscal Management 6.4 Checks

Checks – All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness in the name of the Hospital District shall be signed the Chair, Treasurer, Finance Committee Member or any other person by a resolution approved by the affirmative vote of the Board. In the absence of the Chair, Treasurer or Finance Committee Member, the Vice Chair may act on the Chair's behalf. The check must state the name of the payee and the purpose for which it is issued.

Olson stated the 4.8 section was supposed to be removed as the way the board currently operates is as stated in section 6.4. Fischer stated she felt the attorney left it in so it was an option for the board to use. Olson stated that was not how it reads, as it says the board "shall" pay out orders signed by the Chair and Secretary which is not happening. He further explained the board has a resolution in place authorizing members of the finance committee, which includes the Chair of the NPAHD Board signing privileges for the checks issued. Fischer stated she will go back to the attorneys to validate checks do not have to be signed by the secretary.

It was determined a motion to accept the By Laws would be delayed until these corrections and validations are completed.

Fischer then moved on to the NPAHD Handbook. This handbook has been worked on by both the governance committee and the executive committee to come to what is being handed out tonight. This handbook is a comprehensive, working document. You can add monthly to its contents as further information is distributed at the monthly board meetings.

A huge shout out to Kris Sundberg for the final product. The committees gave input and provided materials but she did all the work of putting it all together.

Kris Sundberg then distributed the handbooks to the board and reviewed the sections. These handbooks, going forward, will be given to new board members and periodically you will receive updated material to replace outdated information. The board background piece is still being worked on so that will be forthcoming.

STRATEGIC PLAN SUBCOMMITTEE'S

Fran Levings, Health Care Services Growth Committee, reports she did deliver the check to the Sandstone Food Shelf and the woman receiving the check had tears in her eyes. Levings informed her the board would be delivering a check each month for the next five months. The committee is

considering and trying to find out if something can be worked out with the Bruno Food Shelf. A representative from Bruno will be at their next committee meeting and it will be investigated. Any action on this will most likely not start until February or later. This food shelf also has a need and they are part of our district geography.

Secondly, Levings gave an update on what is happening with the Therapeutic Services Agency which is now operating out of Gateway Clinic. The therapist is currently seeing seven clients. Two of them were referred from doctors, two were self-referrals, two were clients she brought with her, and one was referred by Pine County Health and Human Services. The committee felt it was showing good success for the first month.

COMMUNICATIONS UPDATE

The handbooks have been Sundberg's main focus lately with more information still coming. Today there was a meeting called by Kathy George, Sandstone Administrator to discuss transportation. There was good representation of the entire county attending the meeting. The meeting was to investigate the potential use of "dial a ride" in the Sandstone area. There was a lot of discussion and the discussion will continue with another meeting in another month. Kris will report back to Fran's committee first and then the entire board and just see where it goes.

The bios are underway and she is still working on it. She stated she had bios from most of the Executive Board. She will continue work on the document and then distribute it. The executive committee will provide contact information to be shared on the website but the remainder of the board will not need to as there is a NPAHD contact email and any individual requests for other members can be forwarded to you. She will call those directors with missing bios and take the information over the phone. All directors will have approval of the bios prior to anything going on the website. Lastly, this is not mandatory, so if a director prefers not to provide a bio that is acceptable.

Flyers were made and distributed to publicize the addition of Therapeutic Services Agency (TSA) at Gateway.

Now that the handbooks are almost finished she will get back to other normal activities e.g. Fall Newsletter, City and Township outreach etc.

PINE MEDICAL CENTER REPORT

Michael Hedrix gave a wonderfully informative overview of what is happening concerning Essentia. The report stated:

1. Financial – Our first two months of FY20 have been strong; our YTD Net Revenue is above budget by 9.1%, while our FY20 operating expenses are a favorable -2.1% below budget, resulting in a YTD operating margin of \$369,274, or 9.5%, well above budget.
2. Admin./Ambulance Building- The rafters are up and the interior framing is about to begin. Completion is scheduled for the beginning of December, delayed due to our many recent rainfalls. The building includes: 3 garage bays, EMS staff call quarters, and administrative offices for a total of 4,408 Sq Ft. costing 1.1M. The NPAHD is contributing \$350K towards this project. Contractor is Ray Riihiuoma Construction.
3. Infusion Center – Has had 103 visits through the first two months compared to a budget of 60.

4. Medical Staff – Gateway has recruited 2 more primary care physicians who will start of the next 2-3 years. There are efforts proceeding on a new Essentia urologist to start in Sandstone, hopefully yet this year.
5. Facilities – Work is taking place on expanding the hospital’s backup generator system to include CT, Café and Infusion Center. There have been several power outages this summer.
6. Essentia Health – Vision Northland construction has begun. Please visit Essentia’s website for parking instructions.
7. Personnel – Essentia is pleased to announce the successful recruitment of a 3rd physical therapist and a respiratory therapist. Their occupational therapist and speech therapist have both increased their time spent in Sandstone. They have also reached a wage increase agreement with their United Steel Workers union.
8. Essentia Health Foundation – The Essentia Health Foundation (EHF) now includes Sandstone. Local donations to the EHF can be designated for Essentia Health Sandstone. In this regard, EHS has already received a few thousand dollars in donations with additional donors also offering support.
Special Invitation from Essentia Health Foundation: Is there someone from our area that would like to serve on the EHF Board of Directors? If you know of someone who might be interested or has questions, please have them contact Essentia.
9. Mercy Hospital – Mercy Hospital has issued a Request for Proposals to ascertain which health system may be interested in a full affiliation relationship with Mercy. To confirm, Essentia Health is a RFP recipient and is working hard to develop a proposal for the Mercy Board.

Bill Olson inquired if Essentia would have someone from Essentia Health Foundation come back and give a presentation to the board. It has been several years and many board members have not had the opportunity to hear what they can offer. Hedrix thanked him for the invite and will pass that on.

Hedrix concluded his report by going over Revenue and Utilization Metrics as of June 30, 2019 including a breakdown by departments.

Klein inquired as to if the grant application for first responders, fire, EMT’s etc. is on the Essentia Website. Hedrix responded it was on the site. Klein asked if Joe Newton or someone from the Essentia ambulance crew could come to one of his committee meetings. Hedrix stated he and Joe Newton do a yearly report for the county commissioners in November and it would also be an excellent report for this board. Hedrix stated the committee which meets regarding the budget for assisting first responders has determined there is such a great need for AED’s for so many areas that is where they will focus spending the dollars on for this year. Levings reminded Hedrix the NPAHD dollars need to only go to the cities and townships which are members of the hospital district. Hedrix recommendation would be that the donation, since it is technically being added as a donation to an existing Essentia Health operation (the hospital district can legally give to Essentia Health) that Essentia could use it for the service area their ambulances service (which does include areas not members of NPAHD). Klein commented that while what Hedrix is proposing may be technically all legal, the actual intent of the committee is to provide dollars to assist the northern rural areas which does include our hospital district members. Pine City and Hinckley have services which have much more equipment than the smaller townships e.g. Duxbury and that is where the hospital district wants the dollars directed. Hedrix stated the district would need to establish “donor intent” which would specify the area the hospital district dollars are used for. E.g “area north of Hinckley” or “area north of Sandstone”. If that is the case the NPAHD needs to have that be specified as “donor intent”. The objective of the grant review committee

is to cover the entire service area. NPAHD is welcome to have a member sit on the grant review committee to assist in distributing the NPAHD donation.

Olson asked how this assistance is being marketed to the outlying communities. Hedrix answered they have not gotten to that point yet, but they have relied on the ambulance personnel and their personal relationships with the service area.

Liebelt mentioned another way to assist the first responder groups is by possibly replacing the pads for the AED's. The pads expire before the machines themselves so that is another possibility.

OLD BUSINESS

The opening for District at Large was brought up and Ron stated he would contact Larry Johnson and offer to meet with him to answer questions and give him general information regarding the NPAHD Board. The hope is he will attend the October meeting and the entire board can meet him.

NEW BUSINESS

There was no new business.

NEXT MEETING

The next NPAHD general board meeting is scheduled for October 22, 2019.

ADJOURN

Motion Olson, second Liebelt, to adjourn the meeting at 8:02 p.m. Motion carried.

Submitted by Brenda Langseth-Perrault, Board Secretary _____