

# Meeting Minutes Record

## Meeting: Board of Directors - Hybrid: In-Person/Virtual Meeting

**Date:** January 25, 2024

**Location:** Virtual Meeting

**Start Time:** 5:06pm

**End Time:** 7:35pm

**Board Members Present:** Sarah Carlsen- Board Chair, Michael Hemesath- Vice-Chair (virtual), Rick Estenson (virtual), Katie Lane, Robert Morrison (participate as observer only), Crystal Mulvihill, Jami Reister (virtual), Fred Rogers (virtual)

**Staff Present:** Steve Underdahl- CEO, Jerry Ehn- COO, Jeff Meland- CMO, Monty Seper, Eric Guth- Interim CFO, Tammy Hayes- CNE, Betsy Spethman- Director of Community Relations, Kelly Velandar (Recorder), Vern Loughheed- ITS

**Others Present:** Teresa Knoedler- Legal Counsel

**Guests:** Anne Larson

**Board Members Absent:** Rhonda Pownell,

**Staff Absent:** Ben Flannery- MD

**Others Absent:** Ben Martig- City Administrator

## Call to Order and Approval of the Agenda

The board meeting was called to order by board chair Sarah Carlsen at 5:06 p.m.

Meetings will now take place in hybrid format. Board members that joined virtually were: Michael Hemesath.

The locations of board members attending by electronic means were included in the public notice of the meeting.

Sarah indicated at the conclusion of the open session meeting, there will be a closed session pursuant of Minn. Stat. 144.581, subd.5 Marketing: To discuss marketing activity related to the hospitals competitive position with other health care providers that offer similar services.

Items on the consent agenda (available on the portal):

- Meeting minutes (approve)

- Board meeting (December 28, 2023)
- Meeting minutes (accepted)
  - Quality Committee (November 27, 2023)

**Action: Motion was made by Fred Rogers and seconded by Katie Lane to approve the agenda and consent agenda as presented. With board members participating virtually, a roll call was performed. Motion carried.**

**Follow-up/Resolution: Closed.**

## **Reports**

### **Hospital Chief of Staff Report**

**Action: No updates provided**

**Follow-up/Resolution: Closed.**

### **Approval of Applications for Medical Staff Membership/Privileges**

The medical staff applications from the Credentials Committee were presented for approval by Dr. Meland in the absence of Dr. Flannery.

#### **Appointments:**

- 4283: Telemedicine, eHospitalist- Horizon

#### **Reappointments:**

- 3760: Active, Emergency Medicine
- 3926: AH:I, Behavioral Health
- 3939: Affiliate, Pathology
- 3942: Telemedicine, Teleradiology
- 4027: AH:I, Behavioral Health
- 2739: Active, Ophthalmology
- 3938: AH:D, Orthopedics

#### **Request for additional privileges:**

- 3896: Active, OBGYN- Stent Placement

**Action: A motion was made by Katie Lane and seconded by Jami Reister to approve the medical staff files as presented. With board members participating virtually, a roll call was performed. Motion carried.**

**Follow-up/Resolution: Closed.**

# Executive and Committee Reports

## CEO Report

Steve Underdahl, CEO, reported on the following:

### Strategic Update:

- Recapped headlines from 2023. Toughest financial outcomes, here and around the country in years.
- Mitigation actions included service line assessments, payor analysis, negotiating strategies and growing and shrinking programs and services.
- Mitigation efforts represented the majority of our strategic and tactical actions.
- An Updated vision statement, continuation and maturing of DEI efforts, maturing of SDOH efforts, development of workforce plans, and significant progress being made in the scope of practice efforts were examples given of other important work done in 2023.
- Mental Health assets program is up and running in the Faribault clinic.
- Very fortunate to have a devoted and talented team that carries us forward regardless of the obstacles over the last three years.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

## Financial Report

Eric Guth, Interim CFO, presented the November financial report.

Eric presented the 2024 Budget as recommended by the Budget & Finance Committee for review and approval.

### November Key Drivers

- Inpatient Admits were 1% under forecast.
- Emergency Dept visits were 5% over forecast.
- Surgery procedures were 22% over forecast.

### Financial Outcomes:

- Gross Operating Revenues were \$690K over forecast.
- Deductions were \$18K over forecast.
- Bad Debt was \$4K under forecast.
- Net Revenues were \$676K over forecast.
- Operating expenses were \$1.2M over forecast.
- Net operating loss was \$488K vs. a forecast gain of \$88K.

**Action: A motion was made by Rick Estenson and seconded by Robert Morrison to approve the 2024 Budget as presented. With board members participating virtually, a roll call was performed. Motion carried.**

**Follow-up/Resolution: Closed.**

### **Budget and Finance Committee (verbal report)**

Fred Rogers provided a brief update from the recent Budget & Finance Committee meeting to include the recommendation being brought forward to review and accept the 2024 budget.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

### **Roundtable, Announcements and Questions**

No discussion.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

### **Closed Session.**

A brief break was taken prior to the start of Closed session, everyone was excused from the meeting except board members.

At 6:07 pm the Board went into Closed Session pursuant to of Minn. Stat. 144.581, subd.5 Marketing: To discuss marketing activity related to the hospitals competitive position with other health care providers that offer similar services.

**Action: A motion was made by Fred Rogers and Crystal Mulvihill to move into Closed Session. A roll call vote was performed. Motion carried.**

**Follow-up/Resolution: Closed.**

### **Adjourn**

The meeting was adjourned at 7:35 p.m.

**Action: A motion was made by Crystal Mulvihill and seconded by Fred Rogers to adjourn the open meeting session. A roll call vote was performed. Motion carried.**

**Follow-up/Resolution: Closed.**