

**Perham Memorial Hospital and Home  
Perham, MN  
Board of Trustees  
Minutes**

Date: 8-25-10  
Time: 5:30pm  
Place: PMHH Board Room

Present: Kathy Hemmelgarn, Gail Quittschreiber, Alisyn Keil, Terry Marthaler, Eugene Jahnke, Bernice Genoch, Alfred Fresonke, Jane Aschnewitz, Jerry Kunza, Cal Dockter, Karen Field, Gilbert Ebner and Rich Richter. Others present included: Chuck Hofius, Brad Wurgler, Jim Rieber, Bonnie Johnson, Sue Von Ruden, Dan Peterson, Karla Kupfer, Dennis Happel, Dr. Robb Reed, Marilyn Oelfke, Mary Mayer, and Marsh Korman and Rick Giesel (Sanford Health)

Excused: Cyndy Rastedt

**A. Call to Order**

Chair Hemmelgarn called the meeting to order at 5:30 p.m. Kathy welcomed Rick Giesel, Sanford Chief Operating Officer (COO) for the Fargo Region, who is replacing Doug Vang. Rick and the Board introduced themselves.

**B. Additions or Deletions to the Agenda**

Upon previous recommendation by the Finance Committee, New Business Item #7 – Sleep Study House remodel was added to the agenda.

**C. Consent Agenda**

A motion was made by Dockter, seconded by Fresonke, to approve the consent agenda as presented. Motion passed.

**D. Board Education**

Paulette Amundson reviewed the recruitment process and gave an update on recent recruitment visits, as well as potential candidates. There is one very promising lead right now; a contract will be ready to go out tomorrow to this candidate. Ronica Wahl will be coming back from maternity leave of absence to work the Ottertail Clinic one day a week, and work the rest of the week in OB with Dr. Deraney in Detroit Lakes. Sanford will be hiring an NP/PA to replace Ronica in Perham. Paulette strongly encouraged board members to reach out to potential candidates and their families and then to pass on any possible leads to either Chuck or herself.

Dennis Happel suggested adding that Perham is one of the Top 100 Hospitals and maybe list some of the awards the nursing home has received in the Practice Description under the Perham community section in the recruitment packet.

**E. Reports**

*1. Operations Reports*

Brad reviewed the monthly statistics and financials for July. July saw a net gain from operations of \$210,753, compared to a budgeted gain of \$220,776. With the addition of

the non-operating income, July finished with a total net gain of \$285,222, compared to a budgeted gain of \$297,656. This brings the facility to a year-to-date total net gain of \$1,801,099 for the first ten months of the fiscal year, compared to \$1,843,508, a negative variance of (\$42,409) or -2.3%. Brad reported that \$6,522,623.40 has been paid out to date on the project.

(a) *Patient Services Report*

There were no additions to the report.

(b) *Long Term Care Report*

Marilyn handed out her board report and added that Carol Nelson and Karen Laughlin did an excellent job speaking on the nursing home model of care to people from all over the country at the recent Pioneer Network national conference.

(c) *Community Services Report*

Dan invited the board to participate in the upcoming PAC drive activities. A silent auction will be held in the Town Center the week of September 13, as well as a caramel apple sale and a lunch provided by our vendors. Donations of gift baskets or services to be auctioned off, or monetary donations payable to one of three PAC organizations, are strongly encouraged. Representative Paul Theisen, House Policy Chair, will be here to tour the facility on September 14.

2. *CEO Report*

We still have not received any information from the State on the potential funding for government nursing homes but we do need to have board action by the end of September. Chuck handed out a survey of hospital districts showing we are about at the average with the amount we tax.

We will be offering flu vaccines to board members prior to the September board meeting. Karla will send a reminder with the board packet in September.

3. *Medical Staff Report*

Chuck reiterated what Paulette said in that the recent recruitment visit seemed to go very well. This candidate would be a great fit with our organization.

Dr. Robb Reed gave an update on how chiropractic business is doing in Pelican Rapids. He also met with the New York Mills School regarding sports medicine services.

4. *Sanford Report*

Marsh shared that Kathy Hemmelgarn met with Becky Nelson, the Sanford COO from Sioux Falls. Kathy suggested having Becky come here and do an educational session on healthcare reform at the regional level. She would also like to discuss the topic of what we, as a board, can anticipate happening within the five year period of the Management Services Agreement between Sanford and PMHH, or what has happened in situations similar to ours in the past. She also suggested a special board meeting be held in October to get some of these questions answered and Becky welcomed the opportunity to participate.

5. *Quarterly Quality Report*

A motion was made by Kunza, seconded by Aschnewitz, to accept the Quarterly Quality report as presented. Motion passed.

6. *Personnel Report*

A motion was made by Ebner, seconded by Genoch, to accept the Personnel Report as presented. Motion passed.

**F. Old/Other Business**

1. *Hospital Construction Update*

Chuck gave an update on the hospital project. Most of the project seems to be on schedule; however, the glass for the top floor is somewhat behind due to the delays in the steel framing. All board members are encouraged to attend the Chamber Business After Hours open house and tours from 5-7 p.m. on September 9.

2. *Sanford Health Definitive Agreement Update*

Kathy noted that the recent meeting with Sanford went very well. Verbal agreements are complete, and after the attorneys tweak the final language there will be a special board meeting held in mid September to review the final agreement.

3. *Otter Tail County Notification to Tax Clinic*

Dennis Happel has been in contact with the County Assessor's office regarding taxing of the clinic. Dennis does not believe the clinic is taxable since we are a hospital district, but the law is unclear as the precedent across the state varies. The total taxes for next year will be \$9,500. The recommendation of both Dennis and Chuck is to pay the taxes for 2011 and continue to work with the county auditor for next year. Because the deadline for appeal is August 19, 2010, the Executive Committee took action on behalf of the Board to approve paying the taxes on the clinic for this year.

4. *ER Trauma Survey Report*

PMHH had a survey of our Level IV Trauma Center. Bonnie highlighted the Minnesota Department of Health ER Trauma Survey results. All criteria have been met with its suggestions as a goal of making our center even better.

5. *Public Comments*

None.

**G. New Business**

1. *Credentialing*

Upon the recommendation of the Medical Staff Executive Committee, a motion was made by Keil, seconded by Fresonke, to approve medical staff privileges for Dr. Jerry J. Baldwin, Pathology, reappointment until 8-31-12; Dr. Stella U. Ekong, ER Locum, reappointment until 8-31-12; Dr. Mitchell B. Goldstein, Surgeon, reappointment until 8-31-12; Dr. Larry B. Okerlund, ER Locum, reappointment until 8-31-12; and Dr. Chad G. Thiel, Active Family Practice Staff, reappointment until 8-31-12. Motion passed.

3. *2011 Strategic Goals*

A motion was made by Aschnewitz, seconded by Marthaler, to approve the 2011 Strategic Goals as presented. Motion passed.

4. *2011 Operating Budget Draft*

Brad reviewed the 2011 Operating Budget draft and explained how the budget process is done. He will finalize the budget and present it for approval at the next board meeting. He anticipates ending the year very close to budget.

Chuck explained the nursing home is still operating at a loss due to reductions in state reimbursement. Because of this lost revenue, we have only included salary increases for longevity in this budget and no market increases.

5. *Certify Initial Tax Levy*

Upon the recommendation of the Finance Committee, a motion was made by Quittschreiber, seconded by Kunza, to table certifying the tax levy until November. Motion passed.

6. *Commitment to Support Interchange Project*

Chuck reported that there is encouraging news regarding support from MNDOT, and some possible state/federal funding for construction of the 34 Interchange. However, in order to submit an application by the end of September deadline, there would have to be a private/public partnership formed to support it, along with a \$1.5 million pledge in order to get the federal match. Other community businesses that will greatly benefit from the interchange are also willing to help pledge their share.

Upon the recommendation of the Finance Committee, a motion was made by Quittschreiber, seconded by Genoch, to give the CEO the authority to commit up to \$150,000 toward the interchange project by the September deadline. Motion passed.

7. *Fetal Heart Monitor Purchase - \$14,205*

This item has been on the capital budget for the past couple of years and is due to be replaced. Upon the recommendation of the Finance Committee, a motion was made by Quittschreiber, seconded by Kunza, to purchase the fetal heart monitor for an amount not to exceed \$14,205 as presented. Motion passed.

8. *Sleep Study House Remodel - \$9,275*

There are some much needed repairs to be done to the exterior on the Sleep Study house. Three local bids were received for the project with R.L. Miller submitting the lowest bid at \$9,275.

Upon the recommendation of the Finance Committee, a motion was made by Quittschreiber, seconded by Field, to approve the repairs made to the Sleep Study House for an amount not to exceed \$9,275. Motion passed.

9. *Board Comments*

Chuck reminded the Board to attend the Business After Hours event from 5-7 p.m. on September 9.

A motion was made by Kunza, seconded by Genoch, to adjourn the meeting. Motion passed.

There being no further business, the meeting was declared adjourned at 7:15 p.m.

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Jerry Kunza, Clerk

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Karla Kupfer, Recorder