

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

Date: 1-27-10

Time: 5:30pm

Place: Board Room

Present: Kathy Hemmelgarn, Gail Quittschreiber, Karen Field, Terry Marthaler, Eugene Jahnke, Bernice Genoch, Alfred Fresonke, Jerry Kunza, Cal Dockter, Jane Aschnewitz, Cyndy Rastedt, Gilbert Ebner, Rich Richter, Alisyn Keil. Others present included: Judy Dulski, Brad Wurgler, Dennis Happel, Bonnie Johnson, Marilyn Oelfke, Jim Rieber, Dr. Corey Nyhus, Sue Klabo, Sue Von Ruden, Darla Medeck-Johnson, Doug Vang, Marsh Korman, Les Wietstock, Tony Stoll, Tom Mayfield, Dave Schuh and Karla Kupfer

**A. Call to Order**

Chair Hemmelgarn called the meeting to order at 5:30 p.m.

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

The Wanderguard security purchase will be deleted from the agenda. The LAWCO audit report will be moved up to after the consent agenda so that the auditor can leave the meeting if he chooses to do so.

**C. Board Education**

Sue Von Ruden reviewed the community perception survey, conducted recently by DH Research.

**D. Consent Agenda**

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

Dave Schuh, from Larson Allen, gave an overview of the 2009 Audit Report. PMHH once again received a clean unqualified opinion, which is the highest possible. According to LAWCO's requirements, PMHH is very close to achieving the *Gold Standard* rating, which is the highest rating in comparison to others in the industry. A motion was made by Keil, seconded by Dockter, to accept the audit report as presented. Motion passed unanimously.

**E. Board Reports**

1. *Operating Reports*

Brad reviewed the monthly statistics and financials. December saw a net gain from operations of \$257,904, compared to a budgeted gain of \$122,184. With the addition of the non-operating income, December finished with a total net gain of \$323,171, compared to a budgeted gain of \$200,064. This brings the facility to a year-to-date total net gain of \$271,320 for the first three months of the fiscal year, compared to \$491,654 budgeted, a negative variance of -\$220,334.

(a) *Patient Services Report*

There were no additions to the report.

(b) *Long Term Care Report*

There were no additions to the report. Marilyn introduced Sue Klabo who will assume the position as the Interim CEO/Administrator for the Nursing Home until a new CEO is hired.

(c) *Community Services Report*

There were no additions to the report.

2. *CEO Report*

Judy mentioned that managers had an educational training day on January 26, with training provided by MeritCare and The Village. Delores Rust, a HUC from the hospital, recently completed 35 years of service. Judy noted that she is thoroughly enjoying working at PMHH and commended the organization for making the transition so easy on her. Reminder that the annual meeting has been set for February 24 with either Becky Nelson or Kelby Krabbenhoft from Sanford-MeritCare as the featured speaker.

3. *Medical Staff Report*

Dr. Nyhus commented that the physicians are very happy with the weeknight call change with Dr. Thiel and the ER Locums. As a result of Dr. Thiel's evening schedule, there are less middle of the night transfers for EMS. Dr. Illene (Porath) Reed will begin practicing in Perham on March 1. Another female candidate may be coming this summer. Student internships are also going very well.

4. *MeritCare Report*

Doug Vang from MeritCare presented handouts regarding the CEO hiring process and timelines. The list of candidates should be reduced to a "short list" by mid February. The Board, senior leaders, medical staff, and administrative colleagues will be part of the final interview selection process. Doug also gave an update on the Sanford-MeritCare merger. It is their overall intent to grow their service area and to become one of the leading healthcare providers in the nation. Doug introduced Marsh Korman as the Vice President of the Regional Hospitals, who will oversee the PMHH CEO. Les Wietstock was also introduced as the Chief Financial Officer of this region. As a result of the Sanford-MeritCare merger, PMHH will be provided with more and better services, mentioning specifically the technology infrastructure and finance and materials supply areas.

5. *Strategic Goal Quarterly Report*

There were no changes to the quarterly Strategic Goal report.

6. *Community Relations Quarterly Report*

There were no changes to the quarterly Community Relations report.

**F. Old/Other Business**

1. *Hospital Financing Update*

Tom Mayfield, from National Healthcare Capital Finance, provided an update on the hospital financing. The closing should be completed by late February or early March.

2. *Hospital Construction Update*

Tony Stoll provided an update on the construction project. The actual “size” of the project should be showing soon as steel erection is coming along well.

3. *MeritCare Definitive Agreement Update*  
The next meeting between PMHH and MeritCare is scheduled for February 5. More details continue to be worked out in the Definitive Agreement.
4. *Appointment of the official newspaper, attorney and bank*  
A motion was made by Fresonke, seconded by Aschnewitz, to approve *EOT Focus* as the official newspaper, Dennis Happel as the official attorney, and United Community Bank as the official banking institution. Motion passed unanimously.
5. *Public Comments*  
There were no comments from the public.

#### **F. New Business**

1. *Credentialing*  
Upon the recommendation of the Medical Staff Executive Committee, a motion was made by Kunza, seconded by Aschnewitz, to approve medical staff privileges for Jennifer Lessman, P.A., appointment until 1-31-11; Dr. Corey L. Nyhus, Family Practice, reappointment until 1-31-12; Dr. Thomas Strinden, Ophthalmology, reappointment until 1-31-12; and Judy Bellanger-Dahl, PAC, reappointment until 1-31-12. Motion passed.
2. *Bond Hearing*  
A public hearing was held regarding the proposal that the District issue its health care facilities revenue obligations, in one or more series, under Minnesota Statutes, Chapter 447, in order to finance the cost of a project. The hearing was conducted and recorded as duly held. There were no comments expressed by any hospital district constituents.
3. *Trustee Conference Reports*  
Jerry Kunza, Terry Marthaler, Eugene Jahnke and Jane Aschnewitz provided highlights from the Minnesota Hospital Association Trustee Conference they recently attended. Karla will try to obtain a copy of one of the videos from the conference for board education.
4. *Board Comments*  
Jerry K. – heard very positive comments about Chuck and Judy at the Trustee conference.  
Rich R. – questioned how often Dr. Robb Reed, Chiropractor, will be in Pelican Rapids. Dr. Reed is planning to work out of the Pelican Rapids clinic two days a week.  
Kathy – the Board received a thank-you from the Radiology Dept. for answering to their needs for equipment.

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

There being no further business, the meeting was declared adjourned at 7:20 p.m.

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Jerry Kunza, Clerk

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Karla Kupfer, Recorder