

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

Date: 4-28-10  
Time: 5:30pm  
Place: PMHH Board Room

Present: Kathy Hemmelgarn, Gail Quittschreiber, Alisyn Keil, Terry Marthaler, Eugene Jahnke, Bernice Genoch, Alfred Fresonke, Gilbert Ebner, Jerry Kunza, Cal Dockter, Cyndy Rastedt, Jane Aschnewitz. Others present included: Chuck Hofius, Brad Wurgler, Jim Rieber, Bonnie Johnson, Marilyn Oelfke, Dan Peterson, Karla Kupfer, Sue Von Ruden, Marsh Korman (MeritCare), Paulette Amundson (via telehealth) and Chad Bormann (BHH Partners)

Excused: Rich Richter  
Karen Field

**A. Call to Order**

Chair Hemmelgarn called the meeting to order at 5:35 p.m.

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

Two items were added under New Business to the agenda – construction change orders and the purchase of an X-ray tube.

**C. Board Education**

Dr. Illene Reed and Dr. Robb Reed were unable to attend the board meeting as planned due to a family illness – they will plan to attend the May board meeting.

Marsh Korman from MeritCare introduced himself to the Board. Marsh will be taking over for Paulette Amundson as Chuck's supervisor.

**D. Consent Agenda**

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

**E. Reports**

*1. Operations Reports*

Brad reviewed the monthly statistics and financials. March saw a net gain from operations of \$148,797, compared to a budgeted gain of \$141,962. With the addition of the non-operating income, March finished with a total net gain of \$214,529, compared to a budgeted gain of \$218,842. This brings the facility to a year-to-date total net gain of \$697,166 for the first half of the fiscal year, compared to \$870,023 budgeted, a negative variance of (\$172,857) or -19.9%. Brad also reviewed the quarterly Financial Dashboard.

(a) *Patient Services Report*

An offer was extended to an applicant for the ultrasound position. We should hear if they accepted the offer by the end of the week.

(b) *Long Term Care Report*

Marilyn provided and reviewed her monthly report with the Board.

(c) *Community Services Report*

Dan noted that the Tristen Dolen Family fundraiser raised approximately \$11,000 and was very well organized and attended.

2. *CEO Report*

Chuck noted that he will be finishing up his master's program this summer, which includes the expectation of his full-time attendance in summer school from June 7-July 2. Because he won't be able to attend the June board meeting, the Executive Committee will handle an abbreviated board agenda and the Board will have board education by touring four stations throughout the building departments. More details regarding the June board meeting will follow as they become finalized.

3. *Medical Staff Report*

No medical staff were present.

4. *MeritCare Report*

Marsh commented that a new name for Sanford-MeritCare will take place in the near future. There will be some new staff serving the region, with more supportive services being provided. Negotiations of the management agreement will also begin.

Paulette shared that ongoing recruitment efforts continue. One female provider, who they were hopeful would sign, is less likely to sign after all. However, they are hopeful that another female provider will sign in May. There is also a current MeritCare physician that is interested in moving to this area and that interview will take place on May 12. Dr. Winston has found housing for the summer and will be practicing in Perham throughout the summer.

5. *Quarterly Community Relations Report*

A motion was made by Dockter, seconded by Ebner, to accept the Quarterly Community Relations Report as presented. Motion passed.

6. *Quarterly Strategic Goals Report*

A motion was made by Kunza, seconded by Marthaler, to accept the Quarterly Strategic Goals Report as presented. Motion passed.

**F. Old/Other Business**

1. *Hospital Construction Update*

Chuck provided an update on the construction project. Currently we are about four weeks behind schedule on the exterior shell due to the painting of the steel process; however, we're about two weeks ahead on the interior work, so we should be able to make that up. All seems to be going very well.

Jim illustrated how to see the construction in progress "live" on the webcam through the [pmhh.com](http://pmhh.com) website.

2. *MeritCare Definitive Agreement Update*  
There haven't been any meetings for the past 1 ½ months between PMHH and Sanford - MeritCare. More meetings have been scheduled for the month of May.
3. *Legislative Update*  
Chuck provided a handout of the most recent legislative update, taken from emails sent late this afternoon. Chuck encouraged board members to contact area legislators about the repeal of rate equalization and the dramatic proposed hospital increases of 7.5%. Chuck will keep the Board informed of any further updates.
4. *Public Comments*  
None.

**F. New Business**

1. *Credentialing*  
Upon the recommendation of the Medical Staff Executive Committee, a motion was made by Keil, seconded by Aschnewitz, to approve medical staff privileges for Dr. Peter J. Henry, ER Locum, reappointment until 4/30/12; Dr. Mohsin Hasnain, ER Locum, reappointment until 4/30/12; and Dr. Jane Winston, Family Practice, appointment until 4/30/11. Motion passed.
2. *Annual CEO Evaluation*  
Paulette reviewed Chuck's annual evaluation with the Board. The Board applauded Chuck for his excellent and strong leadership, and overwhelmingly expressed their appreciation for Chuck's loyalty and decision to return to PMHH.  
  
A motion was made by Kunza, seconded by Fresonke, to accept the CEO evaluation as presented. Motion passed.  
  
Chuck presented Paulette with a gift of appreciation for her many years of supervision and service to PMHH.
3. *Construction Change Orders*  
Chad Bormann summarized the change order requests. (Copies of the change orders are included with the official minutes).  
  
Change Order PR #1 – Total amount of \$72,700.11. Previously approved by Buildings and Grounds Committee, as per Board's Change Order policy.  
Change Order PR #3 – Total \$104,041.39. Upon the recommendation of the Buildings and Grounds Committee, a motion was made by Dockter, seconded by Marthaler, to approve Change Order PR #4, not to exceed a total amount of \$104,041.39. A roll call vote was taken with all voting in favor.  
Change Order PR #5 – Credit back of (\$23,145.28). No motion needed.  
Change Order PR #7 – Total \$47, 711.00. Previously approved by Buildings and Grounds Committee, as per Board's Change Order policy.  
Job #2502 – Materials price increases of \$125,795.00, due to asking the contractors to hold their bids longer than the 60-day period. Upon the recommendation of the Buildings and Grounds Committee, a motion was made by Dockter, seconded by Marthaler, to approve the price increases of \$125,795.00 on Job #2502 as presented. A roll call vote was taken with all voting in favor.

Chad also provided an update on the Commitment Status Report contingency fund, as provided by Nor-Son Construction.

4. *X-Ray Tube Purchase*

Bonnie explained that a tube on the x-ray machine needs to be replaced and the warranty has expired. The company has agreed to replace the tube for a discount of \$17,860, as long as we pay to extend the warranty.

A motion was made by Quittschreiber, seconded by Genoch, to approve the purchase of the x-ray tube, along with the continuance of the warranty. A roll call vote was taken with all voting in favor.

5. *Board Comments*

Kathy asked that all board members, whose terms expire at the end of 2010, show their intent to file no later than June so that other interested persons can be encouraged to file for any vacancies.

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 6:50 p.m.

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Katherine A. Hemmelgarn, Chair

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Jerry Kunza, Clerk

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Karla Kupfer, Recorder