

# Jan 2015 Hospital Board Meeting Summary

## Critical registered nurse shortage

- New Doctors alerted board that RN shortage is affecting hospital performance
- Hospital staffed at 12 of 16 positions – 75%
- Nursing Home staffed at 3 of 6 positions – 50%
- Operation continues with very high overtime + using the 2 supervising nurses as fill-in
  - o Lowered morale of staff working high hours
- Exit interviews pinpoint low pay and high health insurance cost to be problem areas
- Cook pay rate is more than \$3/hr lower than Virginia & Hibbing
- Board approved additional retention bonus based on years at Cook
- Cost estimated at \$45k-\$50k but we are spending more than that in overtime
- Changes in addition to retention plan already implemented
  - o Eliminated Nursing Home RN differential
  - o Bonus pay for RNs training new recruits
  - o Retention bonuses – we will double the amount – exit interviews indicated they were inadequate
- We continue to work toward RN school at Cook Hospital to improving staffing with locals

## Jim Gray – new director of ambulance services – introduction to board at January meeting

- Technology background is refining software to greatly reduce computer input per run
- Revamping emergency preparedness
- Is implementing plan to take advantage of 4 – 5 additional first responders
- Four first responders are nearing completion of EMT training

## Board Education

- Eric Pederson certified at January MHA Conference
- 7 of 14 members are now certified trustees – Enzmann, Potter, Pederson, Hyppa, Sanborn, Johnson, Blake
- Shirley Conway and Wendy Long are nearing certification – complete next conference
- Liz Dahl is on track toward certification

## Board Election of Officers – 2 year term

- Don Potter replaces Judy Pearson as President
- Wendy Long elected Vice-President
- Julian Broznowski remains as Secretary
- Michael Enzmann remains as Treasurer
- Judy Pearson assumes newly created Executive Committee position of Immediate Past President

## Medical Staff Elections

- Dr. Matthew Holmes – Chief of Staff
- Dr. Nicholas Vidor – Chief of Trauma Services
- Dr. Bruce Garbisch – Medical Director for Cook Ambulance and Nursing Home

## Nursing Home

- McGough, manager of our last project, conducted a cost review in conjunction with our architect DSGW
  - o Selected because of experience & previous evaluation of our Nursing Home
  - o 16,377 additional square feet
  - o 2 households of 14 people each
  - o Remodel existing public toilets for accessibility
  - o Nursing home parking lot with 10 spaces
  - o Privatized rooms with individual bathing
  - o Construction cost \$5.7m
  - o Total Project Cost \$6.2m - \$6.7m
    - Additions include legal & professional fees, re-roofing existing NH portion, patient lifts, replace outbuildings, improvements to north wall, relocation

## 2014 Hospital Year in Review (by number of days or procedures, not by revenue)

- Patient days +7%
- ER visits +11%
- Nursing Home Days +6%
- Laboratory Procedures -2%
- Radiology Procedures +6%
- Physical Therapy +9%
- Occupational Therapy +13%
- Cardiac Rehab -36%
- Adult Day Care +1%
- Telemedicine +8%
- Pharmacy -2%
- Outpatient Surgery -17%
- Sleep Study +31%
- Infusions/Injections -47%

## Revenue Sources

|              |       |       |
|--------------|-------|-------|
| - Payer      | 2013  | 2014  |
| - Medicare   | 49.5% | 52.9% |
| - Medicaid   | 14.0% | 17.8% |
| - Blue Cross | 19.8% | 16.9% |
| - All Other  | 16.7% | 12.4% |

## Financial Summary

- \$5.1m cash on hand – 166 days vs 167.2 Minnesota Rural average
- \$5.2m long term debt
- 2014 (\$947k) Operating Margin vs (\$958k) Budget
- 2014 Net Income \$445k vs \$211 budget (after levy)