

**Meeting Name: Windom Area Health Board of Directors' Meeting**

**AGENDA**

<b>Purpose:</b> Provide governance for Windom Area Hospital d/b/a Windom Area Health	
<b>Date/Time/Location:</b>	<b>Monday, January 28, 2019 / 5:30 pm / Large Conference Room</b>
<b>Members:</b> All Governing Board members	Present: Absent: Others:
<b>Recorder:</b>	Janel Eichstadt
<b>Category / Topic</b>	<b>Action step(s) / Updates</b>
<b>STANDING ITEMS</b>	
Call to Order	Call Windom Area Health Governing Board meeting to order at 5:30 p.m. by Board Chairperson.
Minutes	Approve Windom Area Hospital Governing Board minutes from regular meeting of December 17, 2018.
<b>COMMITTEE REPORTS</b>	
Finance / Personnel / Labor Relations & Building & Grounds	Review committee activities.
Professional Practice / Quality & Planning	Review committee activities.
<b>OTHER REPORTS</b>	
Medical Staff	Dr S Buhler
City of Windom	Steve Nasby Joann Ray
Sanford Health Network	Terry Mahar
Administration	Sr.Mgmt Tm
WAH Foundation Board	Shelby M. / Alice H.
WAH Auxiliary	Shelby M.
<b>NEW &amp; OLD BUSINESS</b>	
New Business	Dr Michael Fisher
Old Business	Medical Staff By-law review update
Board Education	Wound Care Center presentation by Dr. S. Hartberg, WCC Medical Director & Nikkie Steen, WCC Clinical Director
<b>CONCLUSION</b>	
	Conclude meeting.
	Dr Michael Fisher

**Meeting Name: Windom Area Hospital Board of Directors' Meeting**

**MINUTES**

**Purpose:** Provide governance for Windom Area Hospital.

**Date/Time/Location:** Monday, December 17, 2018 / 5:30 pm / Large Conference Room

**Members:** All Governing Board members  
**Present:** Dr. Michael B. Fisher, Ann Bartelt, Nate Low, Cindy Espenson, Mary Holmen, Julie Brugman/Mt. Lake Advisory mbr, Kim Armstrong/ CFO, Emily Masters/CHRO, Shelby Medina/CEO, Terry Mahar/Sanford Health Network VP  
**Absent:** Kay Gross, Laura Fresk

**Recorder:** Dr. Steph Buhler/Chief of Medical Staff, Steve Nasby/City Administrator  
 Janel Eichstadt

**Category / Topic**      **Action step(s) / Updates**      **Leader:**

**STANDING ITEMS**

Call to Order

Windom Area Hospital Governing Board meeting was called to order at 5:30 p.m. by Board Chair, Dr. Michael Fisher.

Dr Michael Fisher

Minutes

M/S/C UNANIMOUSLY TO APPROVE WAH GOVERNING BOARD MINUTES FROM THE REGULAR MEETING OF NOVEMBER 19, 2018 AND THE SPECIAL MEETING OF DECEMBER 5, 2018, AS PRESENTED (LOW/ESPENSON).

Dr Michael Fisher

**COMMITTEE REPORTS**

M/S/C UNANIMOUSLY TO APPROVE THE NOVEMBER 2018 UTILIZATION AND FINANCIAL PERFORMANCE REPORTS AS PRESENTED (LOW/ESPENSON).

- Total Days Cash on Hand as of November 30, 2018 was 246.
  - FY2019 YTD net gain totaled \$193,947 on a projected budget of \$379,610.
- M/S/C UNANIMOUSLY TO APPROVE SENDING ACCOUNTS TOTALING \$46,189.74 TO REVENUE RECAPTURE AND APPROVE 9 FINANCIAL ASSISTANCE ACCOUNTS FOR WRITE-OFF TOTALING \$17,275.28 (LOW/BARTELT)
- Month 8 of FY2019, Financial Assistance write-offs totaled \$108,876.41 on a fiscal year budget totaling \$200,000.
- Authorization was granted for the transfer of \$26,600 from the Funded Depreciation account to WAH checking account for November capital acquisitions.

There were no Educational Assistance applications submitted for committee action.

M/S/C UNANIMOUSLY TO ACCEPT THE RESIGNATION FROM A PATIENT ACCOUNT REPRESENTATIVE EFFECTIVE DECEMBER 23, 2018 (LOW/HOLMEN).

New hires were reported to include 2 RN's. Start dates will be December 18, 2018 and January 8, 2019.

Bids were opened December 11<sup>th</sup> for the Rehabilitation Dept remodeling project. Shelby noted \$895,000 was budgeted for this project with submitted bids coming in below budget, totaling \$833,315.

M/S/C UNANIMOUSLY TO ACCEPT AND APPROVE BIDS AS PRESENTED FOR THE REHABILITATION DEPT REMODELING PROJECT (LOW/ESPENSON).

Shelby shared information regarding the OSHA meeting held December 3, 2018 in Mankato. Plans of Correction were accepted by OSHA representatives and citation fees are expected to be reduced by approximately 50%.

Emily gave an update on grant status. Windom Area Hospital has been notified it did not receive 2 grants, one in the amount of \$520,000 and a second grant totaling \$5300. She noted several other grant opportunities remain open and anticipate to hear an outcome of those opportunities in January/February 2019.

Marketing Dept is starting rebranding initiatives with banks and vendors to change the hospital's business name to Windom Area Health effective January 1, 2019.

M/S/C UNANIMOUSLY TO APPROVE A 1.9% AVERAGE WAGE SCALE ADJUSTMENT EFFECTIVE DECEMBER 23, 2018 FOR WINDOM AREA HOSPITAL NON-UNION EMPLOYEES FOR CY2019 (BARTELT/LOW)

A reminder was given to committee members that board meeting meetings will be held the 4<sup>th</sup> Monday of each month beginning January 28, 2019.

Kim Armstrong reviewed revisions to the Educational Assistance Plan and Articles. The following statement was added,

Finance / Personnel / Labor Relations & Building & Grounds

Nate Low

“Should an employee terminate employment at Windom Area Hospital but remain employed at the facility through a contracted service and have an Educational Assistance Plan balance, the outstanding balance can be set up on a payment plan with no interest.” This policy revision will allow a WAH contracted employee be eligible to receive educational assistance to advance their degree.

M/S/C UNANIMOUSLY TO APPROVE A REVISION TO THE EDUCATIONAL ASSISTANCE PLAN AND POLICY AS STATED ABOVE TO BECOME EFFECTIVE IMMEDIATELY (LOW/BARTELT).

Shelby led discussion regarding price transparency being required by CMS effective January 1, 2019. All hospitals will be required to place their charge masters on their website for the purpose of informing patients of medical service costs. Committee members discussed potential community health initiatives with City Administrator, Steve Nasby, that possibly can be done as a joint adventure between the City of Windom and Windom Area Hospital. No action was taken at this time.

M/S/C UNANIMOUSLY, UPON RECOMMENDATION FROM THE MEDICAL STAFF, TO APPROVE THE FOLLOWING: (HOLMEN/ESPENSON)

**APPOINTMENTS:**

Craig Holland, D.O.	Emergency Medicine	Emergency Services
Karen Juber, RN	Surgery	Allied Health Professionals
Jennifer Lucas, ST	Ophthalmology	Allied Health Professionals
Michelle Vanhove, FNP	Cardiology	Allied Health Professionals

**REAPPOINTMENTS:**

Paul Carpenter, M.D.	Cardiology	Consulting
Joseph Keenan, M.D.	Emergency Medicine	Emergency Services
Micara Kolarer, CRNA	Anesthesia	Allied Health Professionals
Holly Kotewa, CNP	Orthopedics	Allied Health Professionals
David Krusemark, CRNA	Anesthesia	Allied Health Professionals
Connie Morrison, M.D.	Surgery	Consulting
Mary Olson, M.D.	Family Practice	Senior Active

**SANFORD TELEMEDICINE REAPPOINTMENTS:**

Christopher Johansen, M.D.	Radiology	Telemedicine
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**vRAD TELEMEDICINE REAPPOINTMENTS:**

Taro Aikawa, M.D.	Teleradiology	Telemedicine
Jonathan Bold, M.D.	Teleradiology	Telemedicine
Ellen Hauptmann, M.D.	Teleradiology	Telemedicine
Michael Novick, M.D.	Teleradiology	Telemedicine

**RESIGNATIONS: (Informational Purposes Only)**

Michael McHale, M.D.	Oncology	Consulting
Theresa Mehrman, CNP	Oncology	Allied Health Professionals
Haider Yusufi, PA-C	Oncology	Allied Health Professionals

Dr. Buhler shared information from the Medical Staff meeting held earlier today. She noted discussions would begin in the near future regarding review of the Medical Staff Bylaws Committee minutes from the OB quarterly meeting was discussed. Dr. Elise In't Veld, Ophthalmologist from Ophthalmology LTD in Sioux Falls was introduced. There were no committee meeting minutes to be approved this month. Patient concern reports were reviewed and deemed to be appropriately addressed. Patient survey comments were reviewed. There were no reportable adverse events for the month. Rebranding initiatives will begin taking place January 1, 2019. An update regarding the OSHA meeting held December 3, 2018 was given by Shelby. Plans of Correction were accepted by OSHA representatives and citation fines are expected to be reduced about 50%. Pricing transparency was discussed as being mandated by CMS effective January 1, 2019. Windom Area Hospital will be

Professional Practice /  
Quality & Planning

Mary  
Holmen

	<p>complying with the CMS mandate and placing pricing for medical services on the hospital's website  A reminder was given to committee members that all board meeting meetings will be held the 4<sup>th</sup> Monday of each month beginning January 28, 2019.</p>	
<b>OTHER REPORTS</b>		
Medical Staff	Nothing to report.	Dr S Buhler
City of Windom	Jayeson Sherman and Bryan Joyce will be concluding their tenure on the Windom City Council Tuesday evening, December 18 <sup>th</sup> . They will be replaced by Jim Nelson and Jenny Quade. City of Windom is working with MN DOT on a corridor study traveling through Windom. During the summer of 2019, a mill overlay project will take place of the highway from Prime Pork to Hwy 71 South intersection in Windom.	Steve Nasby
Sanford Health Network	The Good Samaritan Center merger will take place January 1, 2019. The Lorraine Cross award was given to 2 physicians who were selected on their gene therapy research for the cure of blindness.	Terry Mahar
Administration	Executive reports were given by Sr. Management Team members ~ <u>Chief Financial Officer, Kim Armstrong</u> – Currently working on the Charge Master posting project to meet January 1, 2019 CMS guidelines. <u>Chief Human Relations Officer, Emily Masters</u> – A support program is starting in January called Healthy Living, which includes members living with chronic conditions. The fitness center will be starting their annual weight loss challenge in the near future. <u>Chief Executive Officer, Shelby Medina</u> – Noted items to report were included in her Executive Summary in the Board books.	Sr. Mgmt Team
WAH Foundation Board	Foundation Board is not meeting this month.	Shelby M.
WAH Auxiliary	There was no December meeting as the Auxiliary decorated the hospital for the upcoming holiday season. An Auxiliary Social was held December 6 <sup>th</sup> at River City Meetyery.	Shelby M.
<b>NEW &amp; OLD BUSINESS</b>		
New Business	There was no new business.	Dr Michael Fisher
Old Business	There was no old business.	Dr Michael Fisher
Executive Session	M/S/C UNANIMOUSLY TO CONCLUDE THE REGULAR BUSINESS MEETING AND ENTER INTO A CLOSED SESSION FOR THE PURPOSE OF DISCUSSING MEDICAL STAFF BY-LAWS AND A MEDICAL PROVIDER STATUS REVIEW. (FISHER/LOW) Meeting was re-opened to the public at the conclusion of the closed session.	Dr Michael Fisher
<b>CONCLUSION</b>		
Board Education	Meeting was concluded by Governing Board Chair, Dr. Michael Fisher. There was no board education.	Dr Michael Fisher Shelby M.

Signature \_\_\_\_\_, Ann Bartelt, Governing Board Secretary

**WINDOM AREA HOSPITAL**  
**GOVERNING BOARD EXECUTIVE SUMMARY**  
**as of January 24, 2019**  
**WAH MISSION: "Dedicated to Health"**

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**CHIEF EXECUTIVE OFFICER REPORT**

• **Organizational Updates**

- We received our final settlement document from OSHA. All conditions have been met and total penalty is \$6,375.00.
- Wound and Hyperbaric Healing Center YTD STATS:
  - 533 total encounters
  - 66 patients
  - 3 HBOT patients
  - Referral areas are as follows: Worthington, Lakefield, Fulda, St. James, Jackson, Pipestone, Westbrook, Rochester, Mankato, Twin Cities, Sioux Falls
- Outreach Clinics/ Outpatient Clinics:
  - Dawn Boss (Van Ruler) has added an additional clinic day in February due to increased clinic appointments
  - Ostomy Clinic: We have implemented an Ostomy clinic that is being staffed by Naomi Bach, NP, and WAH's outpatient nursing staff. This clinic is held on Monday mornings.

• **Industry Updates**

- MHA Issue Brief:
  - Please refer to information included in your board book.

**WINDOM AREA HOSPITAL**  
**GOVERNING BOARD EXECUTIVE SUMMARY**  
*As of January 24, 2018*  
**WAH MISSION: "Dedicated to Health"**

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**CHIEF FINANCIAL OFFICER REPORT**

**Budget**

- Managers are working on department expenses for budget year 2020. Projected statistics are in the Board packet.

**Prompt Pay**

- October 1, 2017 we began offering patients a prompt pay discount. The total for fiscal year 2018 was \$41,565.45. For 8 months in FY2019, the total is \$23,753.68.

**Med Data**

- MedData went live in July 2018. Through December 2018, 35 out of 174 assigned accounts were determined to be eligible for assistance. We have been paid \$13,558 to date.

**Price Transparency**

- Beginning January 1, 2019, the US Department of Health & Human Services and Centers for Medicare & Medicaid Services are requiring hospitals to post their current, standard charges online. The data presented shows individual charges and the charge description, but it may be difficult for patients to understand. Patients are encouraged to contact Windom Area Health to get answers to questions about billing, payments and insurance or to get a good faith estimate for a procedure. They are also encouraged to contact their insurance carrier to understand which costs will be covered and which will be the patient's responsibility.

**WINDOM AREA HOSPITAL**  
**GOVERNING BOARD EXECUTIVE SUMMARY**  
**as of January 21, 2019**  
**WAH MISSION: "Dedicated to Health"**

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**CHIEF HUMAN RELATIONS OFFICER REPORT**

**Human Resources**

- We are currently recruiting for the following positions:
  - Maintenance Technician
  - Respiratory Therapy Coordinator
  - Fitness Specialist
  - Dietary Aide/Cook
  - LPN
- Employee engagement survey results were just released. Details will be provided to the Board in February.
- WAH has participated in the Medi-Sota, HHRAM, and MHA Workforce wage studies for 2019.

**Marketing/Public Relations/Foundation**

- We hosted Chamber Connections on January 24<sup>th</sup>. The event has a new format and provides more networking for attendees. We spoke about the rebranding.
- A new billboard is up featuring the Wound & Hyperbaric Healing Center. The billboard is on the westbound Hwy 60 coming into town by Dollar General.
- Some new promotional items have been ordered featuring the new branding, including lanyards/badge pulleys and items for the wound center.
- A new bulletin board has been mounted near the main entrance that will feature health and hospital related information topics monthly. Several departments will share in keeping this board updated.

**Community/Employee Health and Wellness**

- The new "Healthy Together" prevention classes are full with 15 members. A late summer or fall session will be offered.
- Water in Motion classes have started. Mon/Wed sessions are full. Tues/Thurs sessions start in February and have already been booked by the Windom Schools for their staff to take part in.
- We are providing biometric screenings to Windom and Mt. Lake public school staff in January and Feb. We are going on site to the schools to increase their participation. Lab and wellness team up for these screenings. New this year will be an aggregate report back to the school of their staff's health trends.
- Monthly taste tests have been scheduled for staff through 2019, featuring healthy options and education.

**Dec – Donations/Events**

- Donated first aid supplies to the varsity Hockey team.
- The employee's donated \$273 from the jeans fund to the K-9 Unit with the Windom Police Department. WAH matched \$250 for a total of \$523 donated to this effort.





**Meeting Name: Windom Area Health Finance / Personnel / Labor Relations & Building & Grounds Committee**  
**AGENDA**

**Purpose:** Review and recommend annual operating budget and capital expenditure plan, review and recommend capital expenditures, review and evaluate monthly financial reports, review and recommend approval of annual audit report, and recommend board approval to agenda items as requested.

**Date/Time/Location:** Monday, January 28, 2019 / 3:00-4:30pm / Nursing Conference Room

**Members:** Ann Bartelt, Nate Low, Cindy Espenson, Dr. Michael Fisher-ex officio, Julie Brugman/Mt Lk Advisory Mbr, Kim Armstrong/CFO, Emily Masters/CHRO, Shelby Medina/CEO

**Present:**  
**Absent:**  
**Others:**

**Facilitator:** Nate Low, Chairperson  
**Recorder:** Janel Eichstadt

Category / Topic	Action step(s) / Updates	Leader:
<b>STANDING ITEMS</b>		
Call to Order	Call Finance/Personnel/Labor Relations & Building & Grounds meeting to order at 3:00 p.m. by Committee chair.	Nate L.
Minutes	Approve minutes from regular meeting of December 17, 2018. (Cmte Motion)	Nate L.
Statistical & Financial Performance Reports	Review & recommend approval of reports. (Cmte Motion / Bd Motion)	Kim A.
Revenue Recapture & Financial Assistance	Review & recommend approval of accounts. (Cmte Motion / Bd Motion)	Kim A.
Funded Depreciation Transfer	Review & approve Funded Depreciation account transfer. (Cmte Motion)	Kim A.
Educational Assistance Applications	Review & recommend approval of application(s) for educational assistance. (Cmte Motion)	Kim A.
Employee Resignations	Review & recommend acceptance of resignations / terminations. (Cmte Motion / Bd Motion)	Shelby M.
New / Dept Transfer Employees	Report of employees recently hired / transferred.	Shelby M.
<b>FOLLOW-UP ITEMS</b>		
Therapy Department Renovation	Update on Therapy Dept remodel project.	Shelby M
OSHA Survey Update	OSHA survey final judgement.	Shelby M
Price Transparency	Hospital standard charges for items and services on website.	Kim A.
City Initiatives	Discussion on City projects.	Shelby M
<b>CURRENT ITEMS</b>		
Board Retreat	Strategic Planning Retreat in March.	Shelby M

<b>CONCLUSION</b>				
		Conclude meeting.		Nate L

**Meeting Name: Windom Area Hospital Finance/Personnel/Labor Relations & Building & Grounds Committee MINUTES**

**Purpose:** Review and recommend annual operating budget and capital expenditure plan, review and recommend capital expenditures, review and evaluate monthly financial reports, review and recommend approval of annual audit report, and recommend board approval to agenda items as requested.

**Date/Time/Location:** Monday, December 17, 2018 / 3:00-4:30pm / Nursing Conference Room

**Members:** Ann Bartelt, Nate Low, Cindy Espenson, Dr. Michael Fisher-ex officio, Julie Brugman/Mt Lk Advisory Mbr, Kim Armstrong/CFO, Emily Masters/CHRO, Shelby Medina/CEO

Present: Ann Bartelt, Nate Low, Cindy Espenson, Dr. Michael Fisher-ex officio, Julie Brugman/Mt Lk Advisory Mbr, Kim Armstrong/CFO, Emily Masters/CHRO, Shelby Medina/CEO, Terry Mahar/Sanford Health Network VP  
Absent:

Others: Steve Nasby, City Administrator

**Facilitator:** Nate Low, Chairperson

**Recorder:** Janel Eichstadt

Category / Topic	Action step(s) / Updates	Leader:
<b>STANDING ITEMS</b>		
Call to Order	Finance/Personnel/Labor Relations & Building & Grounds meeting called to order at 3:00 p.m. by Committee chair, Nate Low.	Nate L.
Minutes	M/S/C UNANIMOUSLY TO APPROVE MINUTES FROM THE REGULAR MEETING OF NOVEMBER 19, 2018 (BRUGMAN/ESPENSON).	Nate L.
Statistical & Financial Performance Reports	Review of November 2018 statistical and utilization graphs was completed. The month's total patient revenue was below budget projections; contractual adjustments as a percentage of revenue were below budget projections; total operating expenses were below budget expectations; net operating revenue and expenses factored together left a net gain totaling \$193,947. FY2019 year-to-date net income totals \$109,448 on a projected budget of \$379,610. Days in A/R were 42.84 and Days Cash on Hand totaled 246. M/S/C UNANIMOUSLY TO RECOMMEND APPROVAL OF THE NOVEMBER 2018 STATISTICAL AND FINANCIAL PERFORMANCE REPORTS AS PRESENTED (BARTELT/BRUGMAN)	Kim A.
Revenue Recapture & Financial Assistance	M/S/C UNANIMOUSLY TO RECOMMEND APPROVAL TO SEND ACCOUNTS TOTALING \$46,189.74 TO REVENUE RECAPTURE AND RECOMMEND THE FOLLOWING ACCOUNTS FOR FINANCIAL ASSISTANCE: TOTAL OF 4 NEW APPLICATIONS WITH 2 APPLICATIONS AT 100% WRITE OFF TOTALING \$7772.64; 1 APPLICATION AT 75% WRITE OFF TOTALING \$2124.59; AND 1 APPLICATION AT 50% WRITE OFF TOTALING \$3882.43; AND APPROVE 2 PREVIOUSLY APPROVED FINANCIAL ASSISTANCE ACCOUNTS TOTALING \$1364.90; AND APPROVE 3 ACCOUNTS WITH BALANCES UNDER \$1500 TOTALING 2130.72; WITH ALL FINANCIAL ASSISTANCE ACCOUNTS SUBMITTED FOR WRITE-OFF TOTALING \$17,275.28 (BARTELT/ESPENSON). In month 8 of FY2019, accounts totaling \$108,876.41 have been approved for Financial Assistance on a budget of \$200,000.	Kim A.
Funded Depreciation Transfer	M/S/C UNANIMOUSLY TO AUTHORIZE THE TRANSFER OF \$26,600 FROM FUNDED DEPRECIATION TO THE CHECKING ACCOUNT FOR NOVEMBER 2018 CAPITAL ACQUISITIONS (BRUGMAN/ESPENSON)	Kim A.
Educational Assistance Applications	There were no Educational Assistance applications submitted for committee action.	Kim A.
Employee Resignations	M/S/C UNANIMOUSLY RECOMMEND APPROVAL TO ACCEPT THE RESIGNATION OF A PATIENT ACCESS REPRESENTATIVE EFFECTIVE DECEMBER 23, 2018 (ESPENSON/BRUGMAN).	Emily M.
New / Dept Transfer Employees	The following new hires were reported: 2 RN's, one beginning employment December 18, 2018 and the second RN to begin employment January 8, 2019.	Emily M.
<b>FOLLOW-UP ITEMS</b>		
Therapy Department Renovation	Shelby noted bid opening for the Rehabilitation Dept remodeling project took place December 11 <sup>th</sup> . The approved budget for this project was set at \$895,000. Bids were opened showing the total project bids came in totaling \$833,315. M/S/C UNANIMOUSLY TO RECOMMEND ACCEPTING THE BIDS AS PRESENTED FOR THE REHABILITATION DEPT REMODELING PROJECT TOTALING \$833,315 (BARTELT/ESPENSON).	Shelby M

OSHA Survey Update	Shelby noted a meeting was held December 3, 2018 with OSHA representatives to discuss and negotiate violations and citation fees noted in October when they presented at Windom Area Hospital for an inspection. Shelby noted the OSHA representatives accepted the hospital's Plans of Correction on noted violations and citation fees were negotiated with OSHA to total approximately one-half of what the citation fees were at the initial conclusion of their inspection. Currently, she is waiting for the final letter from OSHA, which will indicate the exact amount of fines Windom Area Hospital will be responsible to pay. Emily stated she has been informed Windom Area Hospital did not receive a radiology grant totaling \$520,000 and she also received correspondence another grant for the amount of \$5300 was not awarded to WAH. She noted several other grants have been applied for and are still actively being considered. She is expecting to hear information on these opportunities in January/February 2019.	Shelby M
Grant Update	Kim noted she and Emily are working with banks and vendors to change Windom Area Hospital's name to Windom Area Health effective 1-1-19. Kim noted bylaws for the hospital and foundation will be changed in the near future to reflect the documents name to state Windom Area Hospital d/b/a/ Windom Area Health.	Emily M
Name Change	Kim reviewed revisions to the Educational Assistance Plan and Articles. The following statement was added, "Should an employee terminate employment at Windom Area Hospital but remain employed at the facility through a contracted service and have an Educational Assistance Plan balance, the outstanding balance can be set up on a payment plan with no interest." These policy revisions are being submitted for approval, which will allow a WAH contracted employee be eligible to receive educational assistance to advance their degree.	Kim A.
Policy Revision	M/S/C UNANIMOUSLY TO RECOMMEND APPROVAL OF THE REVISIONS AS STATED ABOVE TO THE EDUCATIONAL ASSISTANCE PLAN AND ARTICLES EFFECTIVELY IMMEDIATELY (BRUGMAN/BARTELT).	Kim A.
<b>CURRENT ITEMS</b>		
2019 Govg Bd/Medical Staff Mtg Dates	Shelby reminded committee members the next date for WAH Governing Board meetings will be Monday, January 28, 2019. She noted Medical Staff meetings and Governing Board meetings would be held the fourth Monday of each month beginning in January 2019 as was decided upon at the October Governing Board meetings.	Shelby M
Communication	Shelby introduced an opportunity for Dr. Myra Gotto from Crossing Life's Bridges, to come and speak to board members on effective communication techniques.	Shelby M
2019 Market Adjustments	Emily shared a WAH wage scale analysis for non-union employees was recently completed. Upon review of wage market information, a recommendation was made for a wage scale average adjustment of 1.9% be made to non-union employees effective 12/23/18 for calendar year 2019. M/S/C UNANIMOUSLY TO RECOMMEND APPROVAL OF A 1.9% AVERAGE WAGE SCALE ADJUSTMENT EFFECTIVE DECEMBER 23, 2018 FOR WINDOM AREA HOSPITAL NON-UNION EMPLOYEES FOR CY2019 (ESPENSON/BRUGMAN).	Emily M.
MHA industry updates	Shelby shared information gleaned from being a member on the MHA Policy and Advocacy Committee regarding new mandates pertaining to price transparency requirements established by CMS. Effective January 1, 2019, all MN hospitals are required to publish on their websites prices of all medical and outpatient services/procedures offered throughout Windom Area Hospital. Work is currently taking place to meet this January 1, 2019 requirement. Shelby also noted a mandate is being implemented by Blue Cross/Blue Shield stating that patients in need of having an EGD or colonoscopy procedure will be required to go to the closest outpatient surgery center to receive these services. BC/BS is seeking opportunities for financial savings and believe patients receiving these services in an outpatient setting is a money saving option in comparison to a hospital setting. She noted Windom Area Hospital has received an exemption from BC/BS for approximately one year since WAH is classified as a Critical Access Hospital	Shelby M
City of Windom (4:15p)	Committee members discussed opportunities with City Administrator, Steve Nasby that may exist between Windom Area Hospital and the City of Windom to promote community wellness through a joint venture. Future discussions will be held.	Shelby M
<b>CONCLUSION</b>		
	Committee chair, Nate Low, concluded the meeting of the Finance/Personnel/Labor Relations & Building & Grounds Cmte.	Nate L











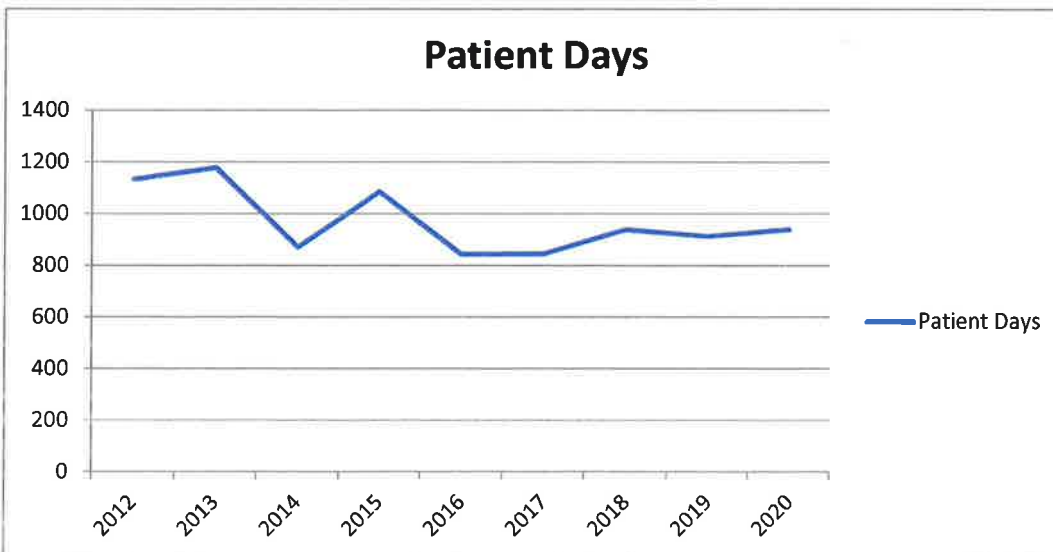
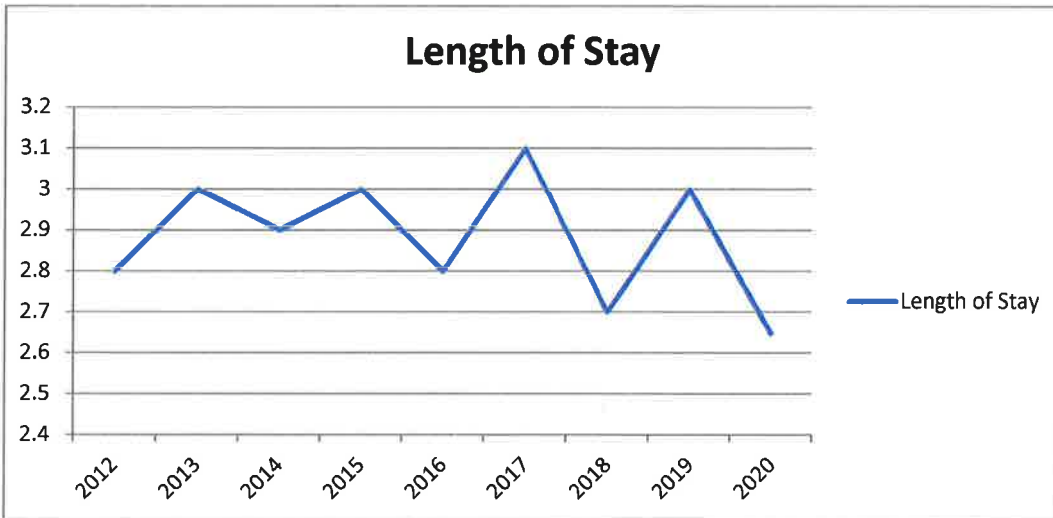
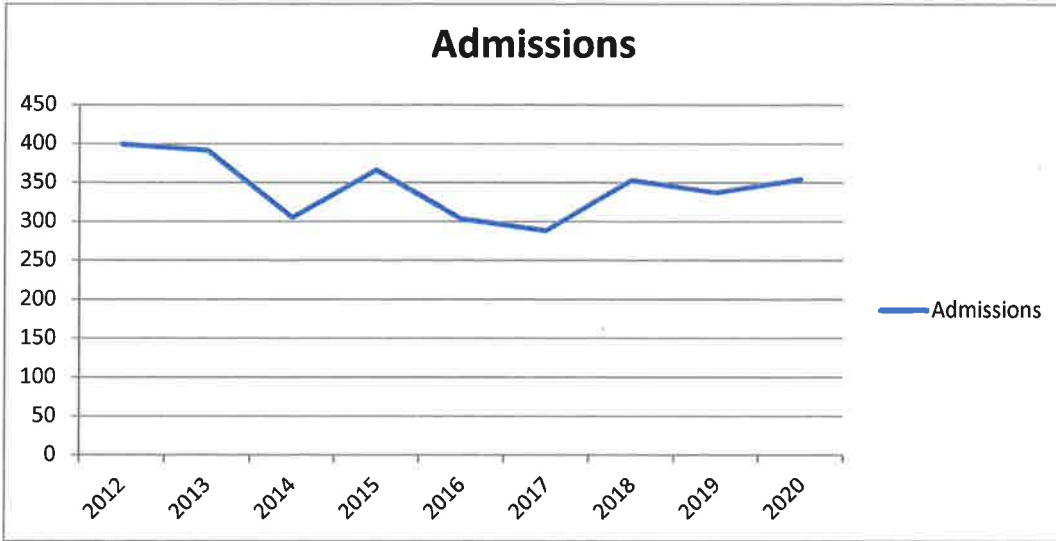
Windom Area Hospital  
INCOME STATEMENT

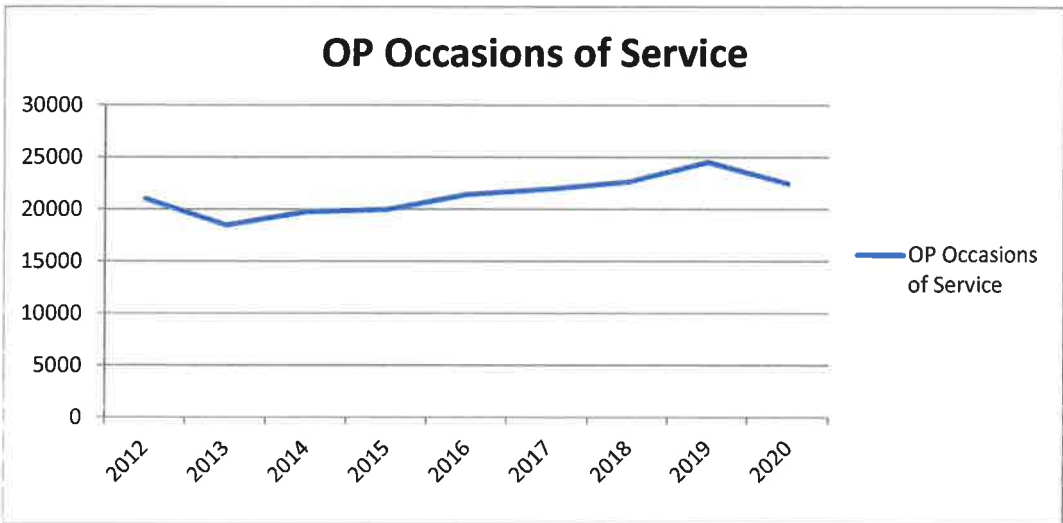
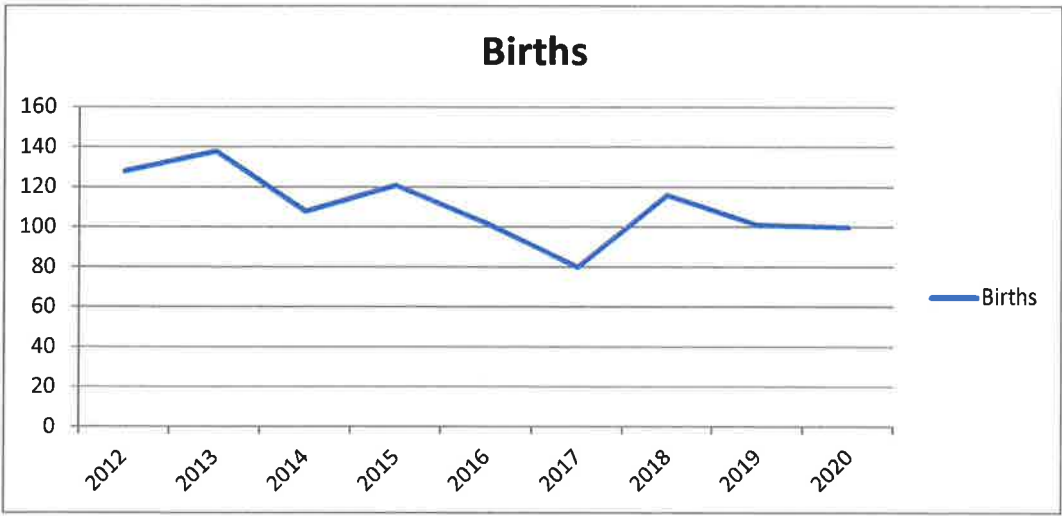
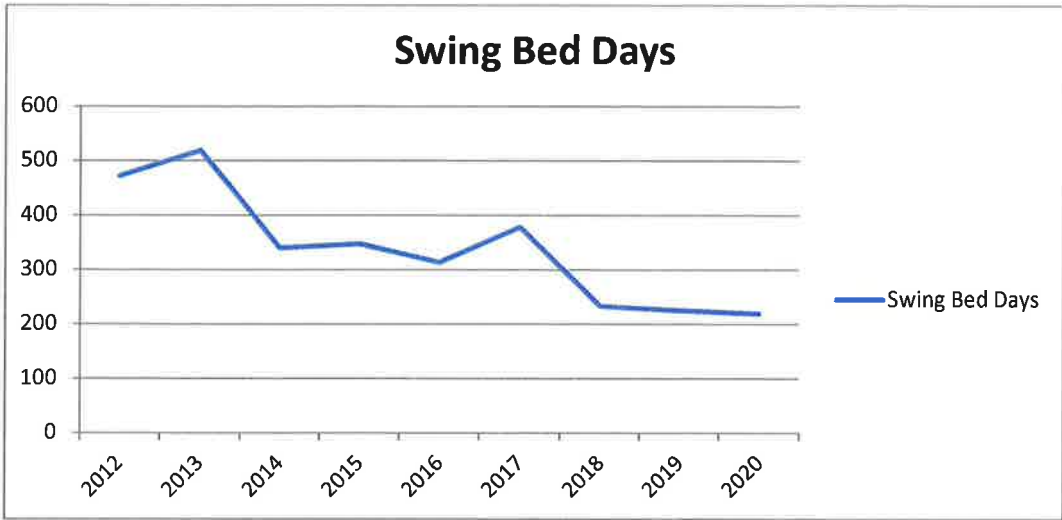
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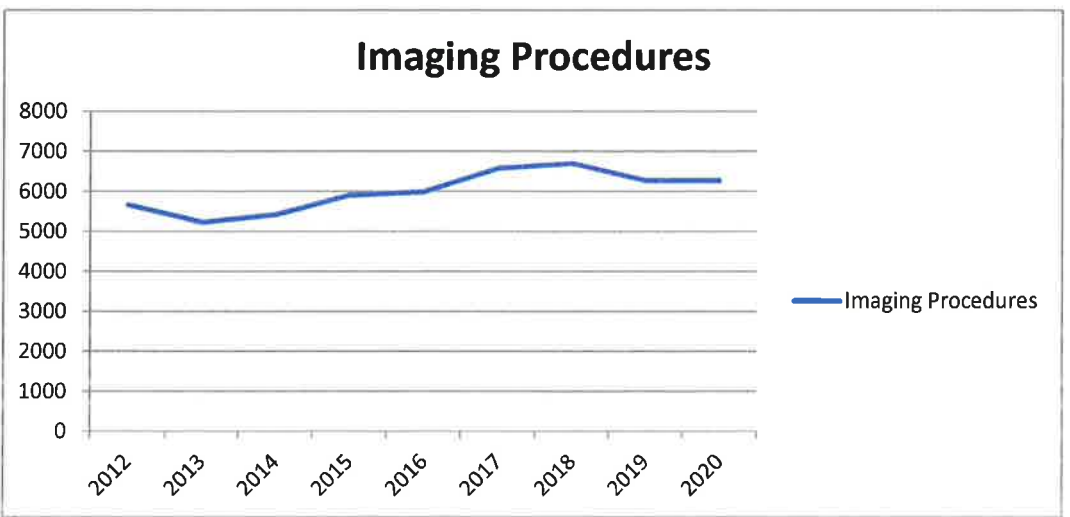
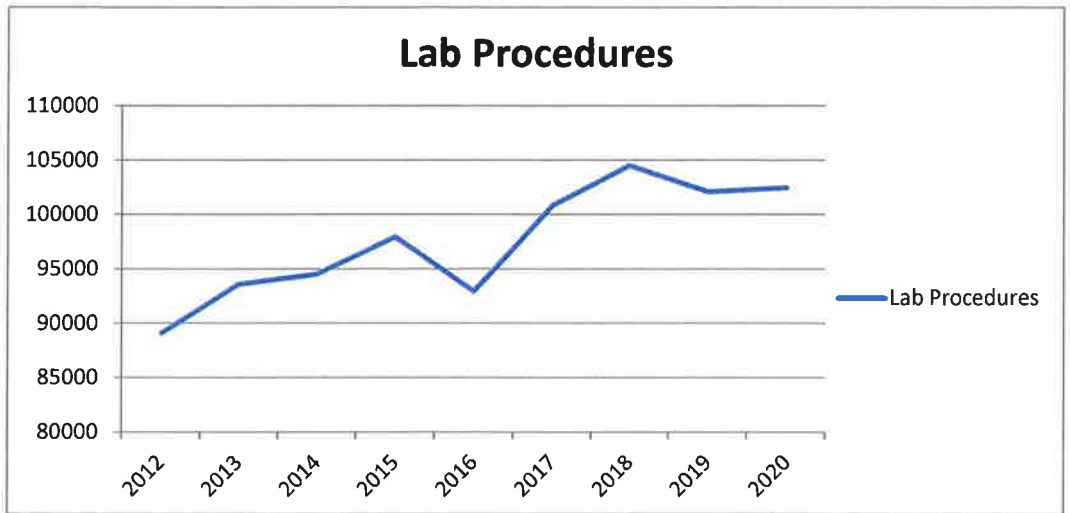
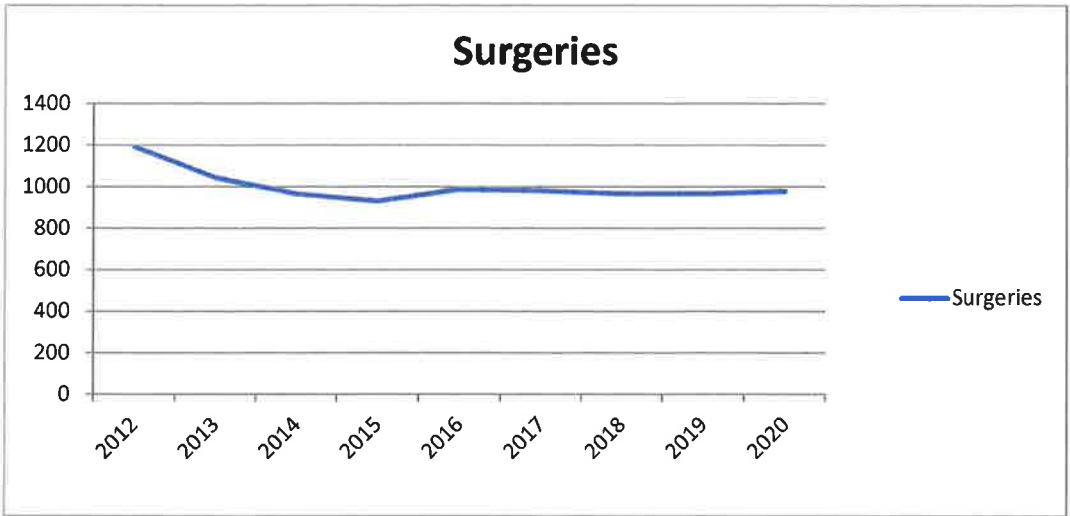
	12/31/2018		Budget 2019		Y-T-D 2018		Budget 2019		Revenue Comparison	
	Revenue	Comparison	Revenue	Comparison	Revenue	Comparison	Revenue	Comparison	Revenue	Comparison
<b>PATIENT REVENUE</b>										
Inpatient Revenue	\$927,582	29.65%	\$486,948	17.65%	\$4,996,208	21.85%	\$3,895,584	21.85%	\$3,895,584	17.65%
Outpatient Revenue	\$2,200,411	70.35%	\$2,272,315	82.35%	\$17,872,930	78.15%	\$18,178,520	78.15%	\$18,178,520	82.35%
Total Patient Revenue	\$3,127,993	100.00%	\$2,759,263	100.00%	\$22,869,138	100.00%	\$22,074,104	100.00%	\$22,074,104	100.00%
Contractual Adjustments*	\$1,376,773	44.01%	\$1,090,186	39.51%	\$9,662,503	42.25%	\$8,721,488	42.25%	\$8,721,488	39.51%
Other Income	\$15,220	0.49%	\$12,767	0.46%	\$104,448	0.46%	\$102,136	0.46%	\$102,136	0.46%
<b>NET OPERATING REVENUE</b>	<b>\$1,766,440</b>	<b>100.00%</b>	<b>\$1,681,844</b>	<b>100.00%</b>	<b>\$13,311,083</b>	<b>100.00%</b>	<b>\$13,454,752</b>	<b>100.00%</b>	<b>\$13,454,752</b>	<b>100.00%</b>
<b>EXPENSE</b>										
Employee Salaries	\$626,455	35.46%	\$643,239	38.25%	\$4,797,798	36.04%	\$5,145,912	36.04%	\$5,145,912	38.25%
Employee Benefits	\$199,339	11.28%	\$186,569	11.09%	\$1,451,623	10.91%	\$1,492,552	10.91%	\$1,492,552	11.09%
Pharmaceuticals	\$81,775	4.63%	\$76,667	4.56%	\$832,548	6.25%	\$613,336	6.25%	\$613,336	4.56%
Supplies	\$170,869	9.67%	\$106,433	6.33%	\$909,899	6.84%	\$851,464	6.84%	\$851,464	6.33%
Rents & Utilities	\$28,958	1.64%	\$28,205	1.68%	\$217,756	1.64%	\$225,640	1.64%	\$225,640	1.68%
Purchased Services	\$330,785	18.73%	\$317,279	18.86%	\$2,657,747	19.97%	\$2,538,232	19.97%	\$2,538,232	18.86%
Purchased Services Interco	\$15,334	0.87%	\$16,433	0.98%	\$133,323	1.00%	\$131,464	1.00%	\$131,464	0.98%
Other Direct Expenses	\$108,874	6.16%	\$108,880	6.47%	\$809,432	6.08%	\$871,040	6.08%	\$871,040	6.47%
Provision for Bad Debts	\$43,292	2.45%	\$16,667	0.99%	\$306,215	2.30%	\$133,336	2.30%	\$133,336	0.99%
Depreciation	\$126,896	7.18%	\$123,947	7.37%	\$910,999	7.37%	\$991,576	7.37%	\$991,576	7.37%
<b>Total Operating Expense</b>	<b>\$1,732,577</b>	<b>98.08%</b>	<b>\$1,624,319</b>	<b>96.58%</b>	<b>\$13,027,340</b>	<b>97.87%</b>	<b>\$12,994,552</b>	<b>97.87%</b>	<b>\$12,994,552</b>	<b>96.58%</b>
<b>Income (loss) From Operations</b>	<b>\$21,639</b>	<b>1.23%</b>	<b>\$57,525</b>	<b>3.42%</b>	<b>\$189,361</b>	<b>1.42%</b>	<b>\$460,200</b>	<b>1.42%</b>	<b>\$460,200</b>	<b>3.42%</b>
Investment Income	\$9,446	0.53%	\$4,714	0.28%	\$62,643	0.47%	\$37,712	0.47%	\$37,712	0.28%
Other Revenue/(Expenses)	(\$23,017)	-1.30%	(\$8,009)	-0.48%	(\$134,486)	-1.01%	(\$64,072)	-1.01%	(\$64,072)	-0.48%
Non Operating Rev/Exp	(\$13,570)	-0.77%	(\$3,295)	-0.20%	(\$71,843)	-0.54%	(\$26,360)	-0.54%	(\$26,360)	-0.20%
<b>Increase in Net Assets</b>	<b>\$8,069</b>	<b>0.46%</b>	<b>\$54,230</b>	<b>3.22%</b>	<b>\$117,518</b>	<b>0.88%</b>	<b>\$433,840</b>	<b>0.88%</b>	<b>\$433,840</b>	<b>3.22%</b>

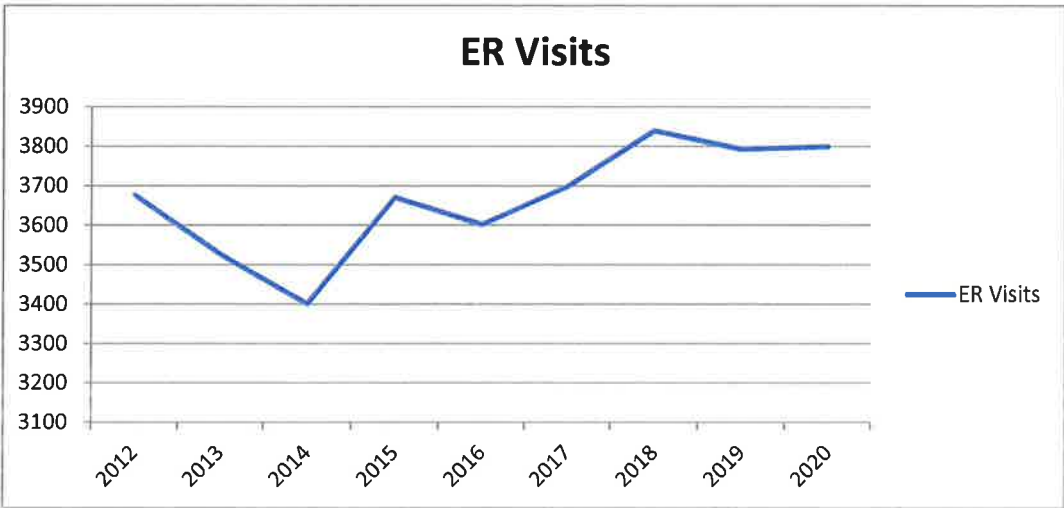
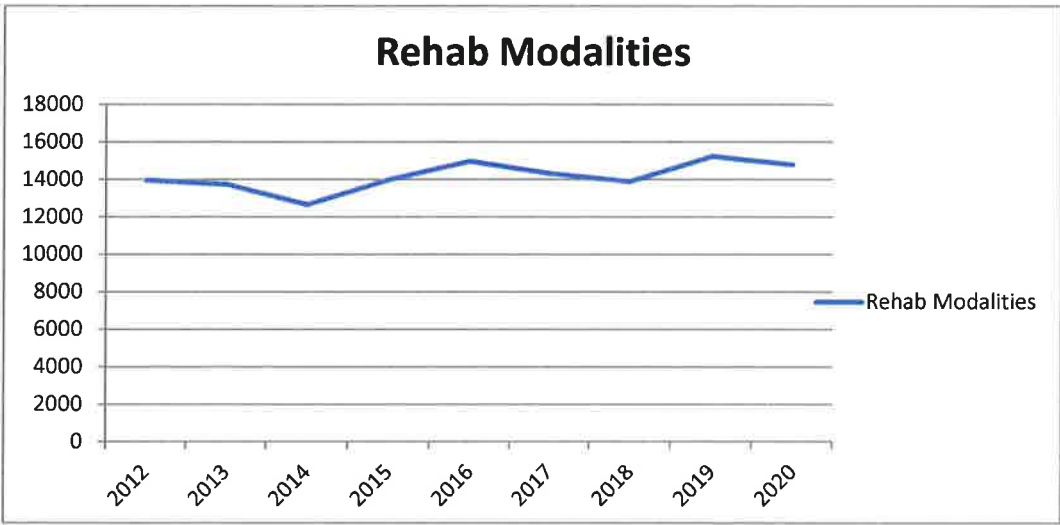
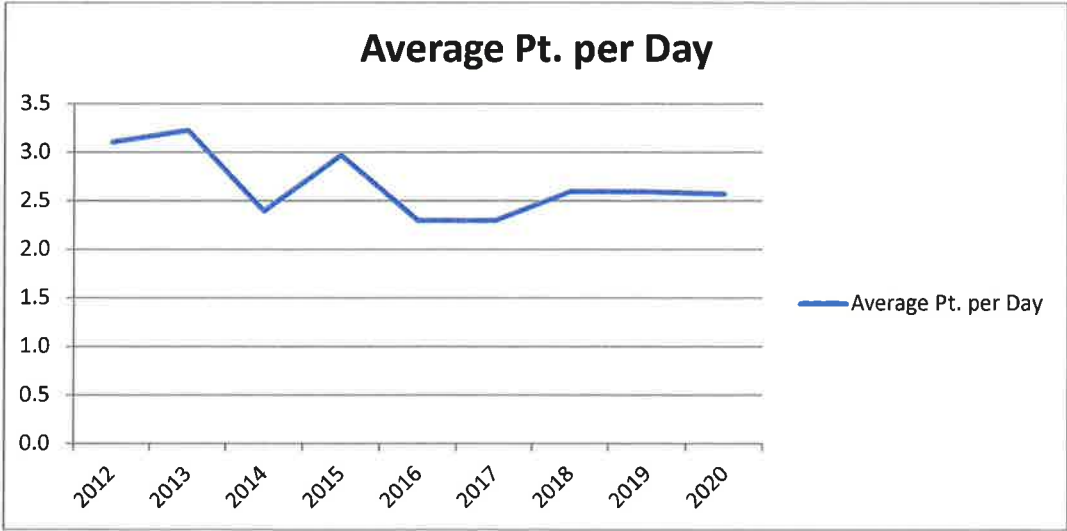
FY 2019 CAPITAL ASSET ACQUISITIONS											
Yrs. Capital Asset	Vendor	Asset class	May	June	July	August	September	October	November	December	
20 Boiler Chiller Project	Kraus Andersen	Fixed	77,584.78								
20 Roof Work for Wound Center	Bargen X 2	CIP	3,526.17								
Wound Center Pay App	Kraus Andersen	CIP	154,890.07								
Wound Center Architech Fees	I & S Group	CIP	5,654.40								
Therapy/Conf Rm Reno	I & S Group	CIP	1,832.94								
Wound Center	Kraus Andersen	CIP		225,896.66							
Therapy/Conf Rm Reno	I & S Group	CIP		2,683.15							
Therapy/Conf Rm Reno	I & S Group	CIP		10,108.84							
15 Wound Clinic Furniture	Canfield Buisness	CIP			17,442.55						
Wound Center	Kraus Andersen	CIP			158,862.59						
Wound Center Architech Fees	I & S Group	CIP			1,881.70						
Therapy/Conf Rm Reno	I & S Group	CIP			9,710.44						
Wound Center	Canfield Buisness	CIP			4,798.83						
Therapy/Conf Rm Reno	I & S Group	CIP				9,060.00					
Wound Center Architech Fees	I & S Group	CIP				275.00					
Wound Center	Kraus Andersen	CIP					53,163.21				
Therapy/Conf Rm Reno	I & S Group	CIP					6,500.00				
Therapy/Conf Rm Reno	I & S Group	CIP						30,854.50			
Therapy/Conf Rm Reno	I & S Group	CIP						51,317.98			
5 Dexascan	NXC	Maj Mov						8,894.00			
4 Pickup	Marthaler	Vehicle							26,600.00		
3 I-Heal Software	Sanford Health	Maj Mov									
Wound Center	Kraus Andersen	CIP									
Therapy/Conf Rm Reno	I & S Group	CIP									62703.3
<b>Total</b>			<b>\$ 243,488.36</b>	<b>\$ 238,688.65</b>	<b>\$ 192,696.11</b>	<b>\$ 9,335.00</b>	<b>\$ 59,663.21</b>	<b>\$ 91,066.48</b>	<b>\$ 26,600.00</b>	<b>\$ 65,084.67</b>	

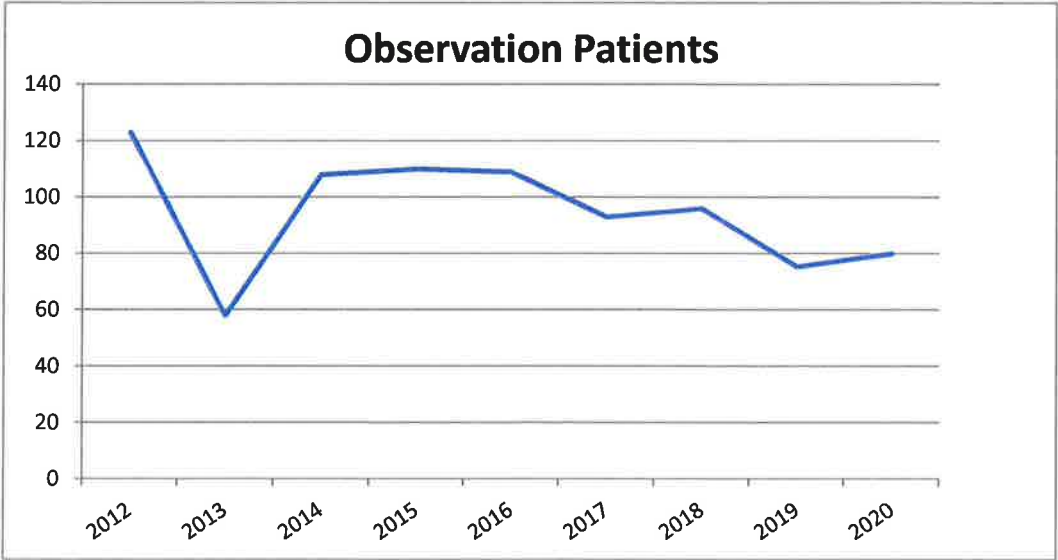
Statistics											
	2011	2012	2013	2014	2015	2016	2017	2018	Projected		Budget
									2019	2020	
Admissions	436	400	392	306	367	304	289	354	338	355	
Length of Stay	2.7	2.8	3	2.9	3	2.8	3.1	2.7	3.0	2.6	
Patient Days	1161	1134	1179	871	1086	843	845	939	914	940	
Swing Bed Days	289	473	520	341	348	314	379	234	226	220	
Births	120	128	138	108	121	102	80	116	101	100	
OP Occasions of Service	20122	21020	18510	19769	19998	21438	21970	22672	24555	22500	
Surgeries	1161	1194	1046	968	932	990	983	850	967	980	
Lab Procedures	91620	89119	93612	94547	97970	92977	100851	104526	102125	102500	
Imaging Procedures	6158	5672	5233	5423	5908	5994	6590	6705	6276	6275	
Average Pt. per Day	3.2	3.1	3.2	2.4	3.0	2.3	2.3	2.6	2.6	2.6	
Rehabilitation Modalities	13577	13975	13747	12673	14007	14988	14332	13907	15249	14800	
ER Visits	3544	3677	3526	3401	3671	3602	3698	3840	3794	3800	
Observation Patients	136	123	58	108	110	109	93	96	75	80	













**Meeting Name: Windom Area Health Professional Practice / Quality & Planning Committee**  
**AGENDA**

**Purpose:** Oversee hospital compliance with regulations and laws, receive recommendations from the Medical Staff, oversee preparation and implementation of strategic plans, receive and consider all quality reports, and recommend board approval to agenda items as requested.

**Date/Time/Location:** Monday, January 28, 2019 / 4:30-5:30 pm / Nursing Conference Room

**Members:** Laura Fresk, Kay Gross, Mary Holmen, Dr. Michael Fisher-ex officio, Julie Brugman /Mt Lake Advisory Mbr, Emily Masters/CHRO, Kim Armstrong/CFO, Shelby Medina/CEO, Dr. S. Buhler/Chief of Med Staff

Present:  
 Absent:  
 Others:

**Facilitator:** Kay Gross, Chairperson  
**Recorder:** Janel Eichstadt

Category / Topic	Action step(s) / Updates	Leader:
<b>STANDING ITEMS</b>		
Call to Order	Call Professional Practice/Quality & Planning Committee meeting to order at 4:30 p.m. by Committee Chair.	Kay Gross
Minutes	Approve minutes from regular meeting of December 17, 2018 (Cmte Motion)	Kay Gross
Medical Staff Credentialing	Review & recommend approval of appointments & reappointments. (Cmte Motion / Bd Motion)	Dr. Steph Buhler
Medical Staff Meeting Update	Review of Medical Staff meeting business.	Dr. Steph Buhler
Hospital Committees	Review & recommend approval of hospital committee meetings. (Cmte Motion / Bd Motion)	Shelby M.
Patient Concern Reports	Review patient concern reports and patient survey comments.	Shelby M.
Patient Safety	Review patient safety activities.	Shelby M.
<b>FOLLOW-UP ITEMS</b>		
OSHA Survey Update	OSHA survey final judgement.	Shelby M
MHA Updates	Legislative updates and potential.	Shelby M
Board Retreat	Strategic Planning Retreat in March.	Shelby M
Therapy Renovation	Update on Therapy Department and conference room renovation	Shelby M
Organizational staffing	Maintenance Department staffing	Shelby M
<b>CURRENT ITEMS</b>		
<b>CONCLUSION</b>		
	Conclude meeting.	Kay Gross

**Meeting Name: Windom Area Hospital Professional Practice / Quality & Planning Committee**  
**MINUTES**

**Purpose:** Oversee hospital compliance with regulations and laws, receive recommendations from the Medical Staff, oversee preparation and implementation of strategic plans, receive and consider all quality reports, and recommend board approval to agenda items as requested.

**Date/Time/Location:** **Monday, December 17, 2018 / 4:30-5:30 pm / Nursing Conference Room**

**Members:** Laura Fresk, Kay Gross, Mary Holmen, Dr. Michael Fisher-ex officio, Julie Brugman /Mt Lake Advisory Mbr, Brugman /Mt Lake Advisory Mbr, Emily Masters/CHRO, Kim Armstrong/CFO, Shelby Medina/CEO, Dr. S. Buhler/Chief of Med Staff, Terry Mahar/Sanford Health Network VP  
**Absent:**  
**Other:**

**Facilitator:** Mary Holmen, Acting Chairperson

**Recorder:** Janel Eichstadt

Category / Topic	Action step(s) / Updates	Leader:
<b>STANDING ITEMS</b>		
Call to Order	Call Professional Practice/Quality & Planning Committee meeting to order at 4:30 p.m. by Acting Chair, Mary Holmen.	Mary H
Minutes	M/S/C UNANIMOUSLY TO APPROVE MINUTES FROM THE REGULAR COMMITTEE MEETING OF NOVEMBER 19, 2018 AS PRESENTED (BRUGMAN/ESPENSON). M/S/C UNANIMOUSLY, UPON RECOMMENDATION FROM THE MEDICAL STAFF, TO APPROVE THE FOLLOWING AS PRESENTED: (Low/ESPENSON) <b>APPOINTMENTS:</b> Craig Holland, D.O.                      Emergency Medicine                      Emergency Services Karen Juber, RN                            Surgery                                          Allied Health Professionals Jennifer Lucas, ST                        Ophthalmology                              Allied Health Professionals Michelle Vanhove, FNP                    Cardiology                                      Allied Health Professionals	Mary H
Medical Staff Credentialing	<b>REAPPOINTMENTS:</b> Paul Carpenter, M.D.                      Cardiology                                      Consulting Joseph Keenan, M.D.                      Emergency Medicine                      Emergency Services Micara Kolarer, CRNA                      Anesthesia                                      Allied Health Professionals Holly Kotewa, CNP                           Orthopedics                                      Allied Health Professionals David Krusemark, CRNA                    Anesthesia                                      Allied Health Professionals Connie Morrison, M.D.                      Surgery                                              Consulting Mary Olson, M.D.                              Family Practice                                Senior Active	Dr. Steph Buhler
	<b>SANFORD TELEMEDICINE REAPPOINTMENTS:</b> Christopher Johansen, M.D.                Radiology                                        Telemedicine	
	<b>vRAD TELEMEDICINE REAPPOINTMENTS:</b> Taro Aikawa, M.D.                            Teleradiology                                    Telemedicine Jonathan Bold, M.D.                        Teleradiology                                    Telemedicine Ellen Hauptmann, M.D.                    Teleradiology                                    Telemedicine Michael Novick, M.D.                        Teleradiology                                    Telemedicine	
	<b>RESIGNATIONS: (Informational Purposes Only)</b> Michael McHale, M.D.                        Oncology                                          Consulting Theresa Mehrman, CNP                      Oncology                                          Allied Health Professionals Haider Yusufi, PA-C                           Oncology                                          Allied Health Professionals	

Medical Staff Meeting Update	Dr. Buhler reported the Medical Staff was introduced to Dr. Elise In't Veld, ophthalmologist, who is affiliated with Dr. David West from Ophthalmology LTD in Sioux Falls. OB Committee report was reviewed. A discussion was held regarding processes of reviewing WAH Medical Staff Bylaws for the purpose of updating them as it has been several years since the bylaws have been reviewed. Discussion was held regarding Emergency Dept updates and how to proceed with these changes.	Dr. Steph Buhler
Hospital Committees	Shelby reported there were no hospital committee meetings to report this month.	Shelby M.
Patient Concern Reports	Patient concern reports and patient survey comments for November 2018 were reviewed and found to be appropriately addressed. Shelby noted there was a misname by a V-rad who labeled an X-ray with the incorrect patient name. This issue was addressed and corrected, including notifying the company of this incident.	Shelby M.
Patient Safety	There were no patient safety activities to report for the month. Shelby noted there were no reportable adverse events for the month.	Shelby M.
<b>FOLLOW-UP ITEMS</b>		
WAH Rebranding	Emily noted employee meetings were held last week to share information with hospital staff of rollout plans for the rebranding initiative. Emily shared the timeline of upcoming press releases, radio ads, logo changes, etc. of when the "soft rebranding" will take place. She noted the official date when Windom Area Hospital will be known as Windom Area Health would be January 1, 2019.	Emily M.
OSHA Survey Update	Shelby noted a meeting was held December 3, 2018 with OSHA representatives to discuss and negotiate violations and citation fees noted in October when they presented at Windom Area Hospital for an inspection. Shelby noted the OSHA representatives accepted the hospital's Plans of Correction on noted violations and citation fees were negotiated with OSHA for about a 50% reduction of citation fees were at the initial conclusion of their inspection. Currently, she is waiting for the final letter from OSHA, which will indicate the exact amount of fines Windom Area Hospital will be responsible to pay.	Shelby M
MHA Updates	Shelby shared information gleaned from being a member on the MHA Policy and Advocacy Committee regarding new mandates pertaining to price transparency requirements established by CMS. Effective January 1, 2019, all MN hospitals are required to publish on their websites prices of all medical and outpatient services/procedures offered throughout Windom Area Hospital. Work is currently taking place to meet this January 1, 2019 requirement. Shelby also noted a mandate is being implemented by Blue Cross/Blue Shield stating that patients in need of having an EGD or colonoscopy procedure will be required to go to the closest outpatient surgery center to receive these services. BC/BS is seeking opportunities for financial savings and believe patients receiving these services in an outpatient setting is a money saving option in comparison to a hospital setting. She noted Windom Area Hospital has received an exemption from BC/BS for approximately one year since WAH is classified as a Critical Access Hospital	Shelby M
2019 Govg Bd/ Medical Staff Mtg Dates	Shelby reminded committee members the next date for WAH Governing Board meetings will be Monday, January 28, 2019. She noted Medical Staff meetings and Governing Board meetings would be held the fourth Monday of each month beginning in January 2019, as was decided upon at the October Governing Board meetings.	Shelby M
<b>CURRENT ITEMS</b>		
	There were no Current Items to report.	
<b>CONCLUSION</b>		
	Acting Chair, Mary Holmen, concluded the meeting of the Professional Practice/Quality & Planning Committee.	Mary H

*Statement of Confidentiality: Records, data, and knowledge, including minutes collected for and by individuals or committees, or committees assigned peer review functions, are confidential, not public records and are not available for court subpoena in accordance with Minnesota MSA 145.61-145.67.*

**WINDOM AREA HEALTH  
CREDENTIALING**

**JANUARY 28, 2019**

**REAPPOINTMENTS:**

Jesse Botker, M.D.	Orthopedics	Courtesy
Kathy Harder, FNP	Family Practice	Allied Health Professionals
Kristi Metzger, CNP	Cardiology	Allied Health Professionals
Shelly Palmer, PA-C	FP, Wound & Hyperbaric	Allied Health Professionals
Kayla Pineda, CNP	Family Practice	Allied Health Professionals

**SANFORD TELEMEDICINE REAPPOINTMENTS:**

Kenneth Bassett, D.O.	Emergency Medicine	Telemedicine
Michael Keppen, M.D.	Internal Medicine	Telemedicine
Michelle Vanhove, FNP	Cardiology	Telemedicine

**vRAD TELEMEDICINE APPOINTMENT:**

Michael Grant, M.D.	Teleradiology	Telemedicine
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**vRAD TELEMEDICINE REAPPOINTMENTS:**

Joshua Blunck, M.D.	Teleradiology	Telemedicine
Jacob Gebrael, M.D.	Teleradiology	Telemedicine
Elaine Khatod, M.D.	Teleradiology	Telemedicine
Joe Parkey, M.D.	Teleradiology	Telemedicine

**RESIGNATIONS:**

Mary Betterman, M.D.	Teleradiology	Telemedicine
Deanna Engelkes, LPN	Surgery	Allied Health Professionals
Holly Korsvik-Wysocki, M.D.	Teleradiology	Telemedicine
John Odom, M.D.	Emergency Medicine	Emergency Services
John Stewart, M.D.	Teleradiology	Telemedicine
Terri Williams-Weekes, M.D.	Teleradiology	Telemedicine

**\*\*Responses documented in this report are typed exactly as was received in the survey.\*\***

## EMERGENCY DEPARTMENT

1. Everything was good. I was satisfied.
2. Nurse was rude, she kept telling me to not breathe. So hard and then the machine would stop beeping. well that was the whole reason why i was there.to me it seemed liked i was a bother to her..(nurses) the person who took my blood was not friendly smelled like smoke, rude. (tests)

## INPATIENT

1. It was necessary to keep room shade down during most of stay as the room window leaked cold air so much. (Room) Dietary staff very kind and so accommodating for requests of food items. Great staff & thanks for your care!! (Meals) Nursing staff were top notch during my stay. Always right there to help me out for a fast recovery from my joint replacement surgery. (Nurses) Saw family MD once during stay & spoke w/surgeon once on phone during stay. This was disappointing as had questions for dr. but relied on nurses to help w/answers. (Doctors) Knowing I could call the hospital w/questions during my recovery at home was a great comfort. (Discharge) Very good experience, especially the nursing staff & dietary staff - never made me feel like a bother to them. (Overall)
2. Very friendly people. (Registration) Workers always ask if you know where you are going and if you need help. (Facility) I don't have any concerns when using the Windom Area Hospital. They know how do things and always treat patient's with respect. All staff are concerned and caring. Very friendly. (Overall) (Lab)

## OUTPATIENT

1. was pre-registered. good experience (Registration) (Therapy)
2. No waiting at all. Very pleasant registration process. (Registration) Very nice person (Tests) Receptionist who registered me in. 😊
3. I went in the old entrance and had to walk all the way down the hall to the registration. That was a long walk from their. I figured there would be registration at both ends. (Facility) The gal who works at the front desk, normally doesn't normally do the registration. But she took over and did it in no time. Very accommodating, and the same at the Lab. (Registration) (Lab)
4. I will not be coming back to the WAH for any treatments or hospital needs. I'm so disappointed in the nursing staffs lack of compassion or just all around to give off the feeling of caring. it has changed so much since my last experience there. it is sad a few bad eggs ruin the overall outlook as I know there are so many good staff members there. being someone that has always been a huge cheerleader for the WAH & fundraiser it is sad to me for the end result. I can't & refuse to go somewhere where staff makes you feel unwanted an inconvenience & worst like you are choosing to have a body that needs medical needs. I hope voicing my opinion that things change & some are held accountable as I do wish the best for the WAH & it's staff. (Other)

## DECEMBER 2018 COMMENTS

5. I did not have to register. (Registration) My overall experience with physical therapy was great. (Overall)
6. Totally great experiences. (Echo)
7. Not really customer friendly. (Registration) (Lab)
8. Jeni Beckle, Rachael Fast and Kate Axford were all VERY comforting, professional and my care was exemplary. (Tests/treatment) (Other)

\*We added a question on our surveys in July asking if there was a staff member that they wanted to recognize for going above and beyond what they expected to meet their needs and provide excellent care.

### EMPLOYEE RECOGNITION

1. Dorothy Lee, Alaina Reynolds, Amanda Nolte, Dr. Keenan
2. \*Kathy Barker was the best aide ever! Thanks for all you did during my stay.
3. \*Mitch & \*Nicole from rehab were so kind and a pleasure to work with during my post-op.
4. Cindy Gehl Mitchell Boeck Joel Riordon
5. The therapists.
6. Hard to select just one. They all go above and beyond.
7. \*Lairidee Herding in physical therapy. I have not had any pain in my left hip since our last appointment.
8. Dr Goldberg
9. Windom Area Hospital
10. Dr. Jonson's assistant . I believe her name was Stephanie
11. They were all good. (CT)
12. Cindy Gehl. she is always such a delight & makes you feel welcome
13. \*Nicole Sammons - She was informative, caring and patient.
14. Jeni Beckle, Rachael Fast, Kate Axford

**Windom Area Hospital Auxiliary Meeting  
November 12, 2018**

The Windom Area Hospital Auxiliary held their monthly meeting Monday, November 12<sup>th</sup>, 2018 at 6:00 p.m. in the Large Conference Room. The meeting was called to order by President Mary Klosterbuer and a welcome was given to all present followed by the Auxiliary Prayer and Pledge of Allegiance. 23 members were present and reported their volunteer hours.

Our speaker for the evening was Sheriff Jason Purrington. Jason began his employment with Cottonwood County as a Deputy in 1994 when Glen Ward was Sheriff. He shared information on the history of the "911 system" and changes made through the years resulting in the present day Enhanced System. Today about 80% of calls are from cell phones. He noted if a person is in an accident, please call 911. The department has easy access to reach out immediately to other emergency services if assistance is needed. Windom's Law Enforcement Center was built in 1992 and has capacity to house 22 inmates; there are 12 to 15 in the jail daily. Hy Vee caters lunch and supper meals and breakfast is cold cereal. At one time, the sheriff lived at the jail and his wife did the cooking for the inmates but this has all changed in this day and age.

M/S Betty Olson/Judy Woizeschke to approve the agenda. Motion carried.

**Recording Secretary's Report – Marlene Smith, Recording Secretary**

- M/S Dona Olson/Diane Vellema to approve the minutes as presented of the October 8, 2018 meeting. Motion carried.

**Treasurer's Report – Gerri Burmeister**

- Balance on hand on October 31, 2018 was \$3,374.54. M/S Linda Dawson/Rozanne Gronseth to approve the September Treasurer's Report. Motion carried.
- Customers are now able to use a credit card for Gift Center purchases. Kim Armstrong did a lot of research to accomplish this. Gift Center funds go directly into our bank account. Signage regarding this method of payment will be displayed in the near future. M/S Pat Lenz/Karla Taber to proceed with implementing credit card use process. Motion carried.

**Auxiliary Liaison – Emily Saffert**

- Chamber Connections (formerly Chamber Coffee) will now be once a month. Membership is \$100.00.
- The hospital has received permission from the city for proceeding with a rebranding initiative. This will be a gradual process starting January 2, 2019. The purpose for doing this initiative is healthcare is changing and the hospital provides a variety of outreach services and not specifically an inpatient hospital as was in the past. Emphasis on "Health" in name and logo across the state. Each service can use this, and will include the Windom Area Hospital Auxiliary. Will this mean a name change for the Auxiliary?

**Corresponding Secretary – Betty Olson**

- Cards were sent to Marlene Smith for her 80<sup>th</sup> birthday and a get-well card was sent to Vicki Burmeister.
- A Christmas card will be sent to Freddie Hoppert, who is now a resident in the Good Samaritan Center.

**Membership – Nete Grunewald**

- Membership remains at 43 Active and 42 Associate members.
- Patron letters are being worked on. The letter is requesting a \$25.00 contribution from each business.
- Members were reminded that annual membership dues are to be paid before May 1, 2019.

**Program – Rozanne Gronseth**

- Next month will be the Christmas Social at River City Eatery.
- Joanne Kaiser will speak in January about the Cottonwood County Animal Rescue program.

**Gift Center – Karla Taber**

- Karla reported November has been a good month for the Gift Center. The Gift Center has been rearranged with new items.

**MAHV – Minnesota Association of Hospital Volunteers – Marlene Smith, District E Chairperson**

- Connie McCarthy gave a report on the MAHV Fall Forum held in Worthington.
- Marlene Smith reported she attended the state convention in St Cloud.

**Administrator's Report – Shelby Medina**

- Shelby was absent so Mary Klosterbuer gave her report.
- Shelby thanked the Auxiliary for their part in helping Windom Area Hospital achieve the Chamber of Commerce award given at the Chamber Gala.
- The Trunk or Treat event was a success.
- The hospital has added a psychologist to Outreach services which comes monthly to the hospital.

**Old Business: Committees:**

- **Pecans** – Marlene Smith reported she wasn't sure when the pecans will arrive. An email notice will be sent out when they come in.
- **Halloween Bake Sale** – Karen Skarphol reported the bake sale profit was \$1,406. This was the Auxiliary's best bake sale ever!
- **Craft and Bake Sale** – Gerri Burmeister reported this event will be held Monday, December 3. Thirteen tables have been reserved. Auxiliary members are encouraged to donate baked goods.
- **Christmas Auxiliary Social** – Sue Curley reported the Social will be held Thursday, December 6, from 5:00 to 8:00 at River City Eatery. Cost will be \$9.00 per person. Committee members include Pat Lenz and Sue Curley
- **Christmas Stockings for Newborns:** Jane Boyer is making 15 stockings for December newborns. Gerri Burmeister is knitting red and white caps for the babies.
- Rozanne Gronseth reported the lobby hostess vests are done.
- Decorating for Christmas – members have volunteered to decorate for all areas of the hospital.
- Hostesses – a sign up sheet to provide treats at future meetings was passed around.

Meeting adjourned at 7:30 p.m.

Hostesses for tonight - Pat Lenz and Sue Curley

Hostesses for January – Nete Grunewald and Marge Paschke

**Upcoming Events**

- December 6 - Christmas Social at River City Eatery
- Monday, January 14, 2019 – Next meeting

Marlene Smith, Recording Secretary  
Assisted by Marge Paschke



## **Windom Area Hospital Auxiliary Christmas Social**

**December 6, 2018**

The Windom Area Hospital Auxiliary enjoyed our second annual Christmas Social on Thursday evening, December 6<sup>th</sup>, 2018. The event was held at River City Meetery, a patron member, starting at 5:00 p.m. Attendees included 28 active and associate members.

We were served delicious appetizers to enjoy with lemonade and water. Event chairpersons, Pat Lenz and Sue Curley, planned the event and did an awesome job of decorating.

After eating, we played "Family Bingo" and several were lucky enough to win a prize. Pat and John Lenz made and decorated a wooden candleholder for each person in attendance.

A good time was enjoyed by all. Thank you, Pat and Sue!

Marlene Smith, Recording Secretary



*Minnesota Hospital Association*

# **MHA Issue Brief: The Financial Health of Minnesota Hospitals and Health Systems in Fiscal Year 2017**

***December 2018***

## **Introduction**

Minnesota's hospitals and health systems have earned a national reputation as leaders in delivering high-quality, lower-than-the-national-average cost of care and meeting the needs of their communities. This is the third annual report the Minnesota Hospital Association (MHA) has produced related to our members' financial health and trends. This report is the most accurate depiction of Minnesota hospitals' and health systems' financial positions because it draws from standard, independently audited data.

MHA's membership includes 142 hospitals and health systems in Minnesota. All but two<sup>1</sup> of MHA's members are operated as either private, not-for-profit charities or as government-owned organizations and are driven by missions dedicated to strengthening the health of the communities they serve. The hospitals and health systems discussed in this report provide a wide array of services that span the entire continuum of care, from ambulance and primary care to hospice and mental health services – and from the most specialized and complex care, like organ transplants and burn care, to more routine preventive care and chronic disease management services that impact the largest portions of our population and help control the overall costs of care.

Therefore, while some of the statistics and trends summarized in this report pertain to hospitals specifically, MHA has gathered data and financial performance indicators reflecting these organizations' full scope of operations to provide the most complete picture possible. For accuracy of reporting, MHA's data are derived from hospitals' and health systems' independently audited 2017 financial statements, as well as publicly available information collected by the Minnesota Department of Health (MDH).

## **Data sources, methodology and context**

### **Analysis based on the most reliable sources**

Data used for this report were abstracted from hospitals' and health systems' audited financial statements. This information is collected by MHA as part of hospitals' reporting requirements under the state-mandated Health Care Cost Information System (HCCIS). MDH maintains similar information as mandated by Minnesota Statutes sections 144.695-144.703.

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<sup>1</sup> There are two for-profit specialty hospitals operating in Minnesota: Regency Hospital of Minneapolis and PrairieCare.

To the greatest extent possible, MHA relies on audited financial statement data because they are rigorously scrutinized by independent, third-party, certified public accounting firms to ensure the data's accuracy and consistency following generally accepted accounting practices and reporting standards.<sup>2</sup> This data source is considered the most reliable and optimal for comparing financial performance – the gold standard.

The hospital listing reflected in this report is comprised of margins from multihospital systems and individual independent hospitals. The system-level reporting is necessary for organizations for which financial records and accounting are reported as a single entity, making it difficult to obtain or carve out audited and comparable hospital-level data. For a few exceptions, MHA has reported system-affiliated hospitals, such as those that are part of the St. Luke's, Ridgeview Medical Center and Avera Health systems, as separate entities because their hospital-level audited financial statements are available. In addition, for systems that are primarily headquartered in other states, MHA has shown the hospital-level detail to more accurately reflect the Minnesota portion of their systems' activities. Catholic Health Initiatives (CHI) and Sanford Health represent the expanded reporting at the hospital level for 2017.

This year's report shows an expanded set of hospitals including hospitals that in previous years were contained within system-level reporting as noted above. The expanded set of hospitals is reflected in the trends over time for consistency; therefore, the trend graphs may differ from previous reports given the expanded number of entities analyzed.

General, acute care community hospitals are the basis of MHA's analysis of operating margins. State- and federal-operated hospitals, such as Minnesota's Community Behavioral Health Hospitals and the Veterans Administration medical centers, are excluded from this review because they are financed and operated in different ways from community hospitals, making any statistical comparisons of financial performance confusing or even misleading.

To supplement this report's statewide information, MHA has included comparable national statistics when relevant and available to place Minnesota's results and trends into a larger context. Numerous data companies, consultants, lending institutions and credit ratings agencies produce financial comparison data targeted for hospitals of varying sizes, service types and locations. To maintain a consistent approach, MHA has relied on PiperJaffray, an investment bank with expertise in health care, to supply the Standard & Poor's (S&P) medians as an appropriate source for national comparison data benchmarks.

### **Selecting the most meaningful measure of financial performance: operating margins v. net margins**

Most often, the operating margin is the ratio MHA relies on to evaluate hospitals' and health systems' financial performance. The operating margin is a measure of an organization's revenues compared with its expenses that are related to patient care services and activities. While many indicators are relevant for a thorough analysis of financial health and performance, the operating margin is the most recognizable, succinct, bottom-line measure. While there is no specific benchmark operating margin established for not-for-profit or government organizations, a positive operating margin is necessary to ensure their ongoing ability to serve patients in their community, to maintain strong credit ratings and affordable access to capital, and to recruit and retain the highly educated and skilled workforce necessary to care for patients.

Another factor referred to in this report is the net margin. An organization's net margin goes beyond performance on patient care operations by adding revenues and expenses related to nonpatient care activities, such as receiving donations, earning investment income or experiencing financial gains or losses from the disposal of assets. This report primarily focuses on organizations' operating margins because providing patient care services is the focus of each of our members and because operating margins are the most relevant and comparable measure of financial performance related to patient care services.

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<sup>2</sup> There are instances in which audited financial data are not available or would not be comparable. In these situations, MHA used either internal financial statements or Hospital Annual Report data reported through HCCIS.

This report's analysis of the financial performance of hospital organizations, in conformance with the practice of many national sources, utilizes the median value of margins. The median figure represents the statistical middle value, whereby 50 percent of organizations had margins above the median value and 50 percent had margins below this amount. Using the median value eliminates some of the statistical bias or skewing that a simple average can have, especially when there is great variation between small and large organizations.

For proper context, it is important to recognize the nonprofit or public status of the organizations under discussion. Unlike for-profit entities, not-for-profit and government-owned hospitals are not pressured to maximize shareholders' income or to disperse available margins to pay dividends, for example. Instead, net margins at not-for-profit or government-owned hospitals are reinvested back into the facilities and services that advance their community service missions and support access to high-quality medical services. For example, most of Minnesota's hospitals are part of an organization that provides other kinds of medical services that often generate low or even negative margins, such as clinics, nursing homes, ambulance services, mental and behavioral health care, home health care and hospice services. Therefore, to meet these high-priority community needs, a positive margin earned from hospital patient care services is used to cross-subsidize and financially support some of these nonhospital health care services.

### **Factors that often influence operating margin**

A hospital's mix of payer sources significantly impacts its ability to achieve a positive and sustainable operating margin. Serving a community with higher poverty rates, for example, tends to result in the hospital or health system receiving less revenue because it is caring for more uninsured or underinsured patients. Hospitals across the state all care for low-income, elderly and disabled residents in their communities, many of whom are covered by the state's Medicaid program, called Medical Assistance, and the MinnesotaCare program. The Medical Assistance program's provider reimbursement rates are below the actual cost for delivering patient care. The most recent estimate from the state is that the Medical Assistance program's payments for inpatient care, for example, are only 71 percent of the actual costs hospitals incurred to provide that care.<sup>3</sup>

The federal Medicare program, which provides coverage for the majority of Minnesotans over age 65 and for disabled individuals, is another example of an underfunded government program that routinely reimburses hospitals below the actual costs of care they provide.

Other factors that might result in lower revenues include each organization's commitment to providing services that are needed in the community but that have low or even negative margins. Examples of low- or negative-margin services often include mental and behavioral health care, nursing home services or home health agencies. Because these services result in lower revenues without decreasing expenses for patient care, the organization will face greater challenges to achieve or maintain a positive operating margin.

Uncompensated care costs, in the form of charity care write-offs and bad debt expenses, are a key challenge to a hospital's ability to achieve a positive operating margin. As health insurance companies increasingly enroll people in high-deductible health plans, which place greater financial responsibility on individual patients and their families, hospitals and health systems shoulder losses from unpaid expenses. Often, patients are unable to pay the deductible amounts they owe under the coverage terms established by their health plans. In addition, Minnesota still has an estimated 6.3 percent of the population lacking any health insurance coverage, according to the most recent Minnesota Health Access Survey published by MDH.<sup>4</sup>

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3 Data based on work performed by the state's inpatient rates consultant, Navigant Consulting.

4 MDH's Minnesota Health Access Survey published February 2018 based on 2017 results.

On the expense side, health care delivery systems are heavily dependent on a highly educated and skilled workforce to deliver the sophisticated and lifesaving care patients need. In addition, Minnesota's teaching hospitals invest in medical education to train the next generation of caregivers. To recruit and retain these talented caregivers and employees, jobs at hospitals and health systems typically pay higher wages and salaries than other sectors, according to data from the U.S. Bureau of Labor and Statistics. Approximately 52 percent of hospitals' expenses are in the form of wages and benefits to recruit and retain all the members of the care team necessary to deliver great patient care. In many communities across Minnesota, workforce shortages in key clinical areas further increase compensation costs.

Health care, especially the complex level of care provided in hospitals, is a capital-intensive undertaking and requires hospitals and health systems to get capital bonds or loans to finance major projects or expensive equipment. In emergency and life-sustaining situations, providers depend on high-tech diagnostic imaging, sophisticated laboratory equipment, increasingly expensive pharmaceuticals, medical devices, scopes and scanners – along with highly skilled medical providers – to achieve the best outcomes for patients. Much of the technology and equipment utilized by hospitals is subject to constant upgrade needs in line with technological advancements. At the same time, models of care are ever-improving, migrating from inpatient to outpatient settings as facilities, equipment and medical techniques advance and regulatory requirements for construction and renovation of facilities continue to evolve.

While buildings and capital equipment are critical for patient care, their impact on an organization's margin, reflected in financial statements as annual interest and depreciation expenses, generally represents less than 6 percent of the average hospital's cost structure. The organizations that provide loans for capital projects and equipment, like bond agencies, charge higher interest rates for loans they make to organizations with low or negative operating margins and lower interest rates to organizations that generate positive operating margins. Accordingly, the ability for hospitals and health systems to get capital loans at lower interest rates increases the importance of achieving and maintaining positive margins. Steve Proeschel, managing director and head of health care finance at PiperJaffray, explained the importance of margins in this regard:

*A hospital's ability to access the capital markets is dependent, amongst other things, on an ability to demonstrate a consistent history of strong earnings from operations. Failure to do so can limit ability to borrow or greatly increase capital costs. Ultimately, this can lead to a downward spiral in which hospital facilities cannot be maintained or reinvested in, resulting in further declines in revenue and profitability. Investors look at operating margin as a leading indicator of fiscal health and long-term viability.*

Remaining expenses associated with patient care activities that affect margins include the costs of supplies, utilities, insurance and other related operating needs. Hospitals' and health systems' margins, therefore, are affected when external market forces increase supply costs, such as the rapidly increasing cost of pharmaceuticals, or electricity and gas prices.

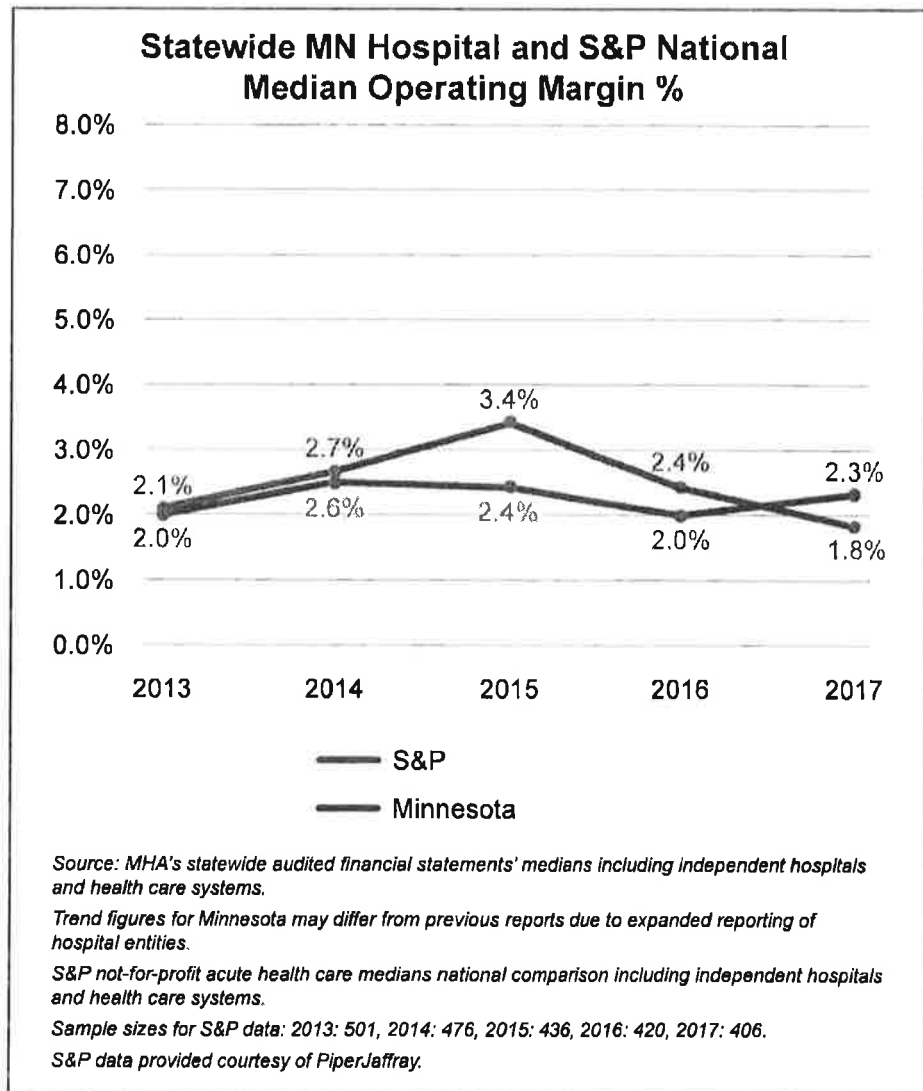
## Minnesota hospitals' operating margins improved in 2017

Since 2013, the trend of overall median hospital operating margin in Minnesota has remained steady at just over 2 percent. The median operating margin moved to 2.3 percent in 2017 – a positive signal that Minnesota's hospitals and health systems have managed costs prudently to match lower revenue expectations.

While 56 of Minnesota's hospitals and health systems shown on this report generated positive operating margins in 2017, MHA noted that 26 hospitals, or 31 percent of hospitals and health systems statewide, experienced negative operating margins. This number compares with 29 showing negative operating margins in 2016.

When stratifying margins based on individual hospitals versus multihospital health systems, 17 individual hospitals shown in this report had negative operating margins in 2017, while 9 hospitals that are part of multihospital systems had negative operating margins.

There remains ongoing concern with the continued growth of uncompensated care costs from Minnesota's remaining uninsured population and its increasingly underinsured population, patients with high deductibles and copayment obligations they cannot afford. In addition, Minnesota's hospitals are seeing an increasing proportion of patient utilization with coverage through government-sponsored programs such as Medicare, Medicaid and MinnesotaCare. With reimbursement rates from government-sponsored programs typically below the cost of care, this puts pressure on hospitals to cross-subsidize losses through negotiated rates with commercial insurance products.



### Urban and rural median operating margins are narrowing

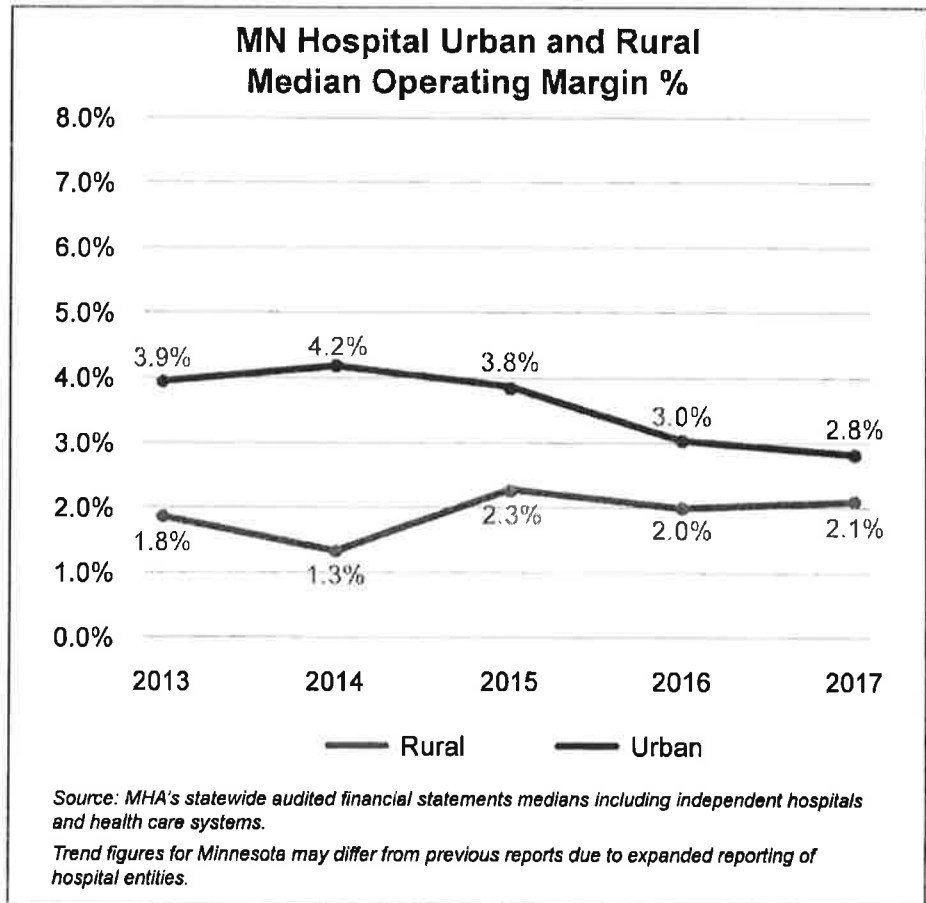
MHA's members include 34 urban hospitals and 108 rural hospitals. Of the 108 rural hospitals, 77 are critical access hospitals with 25 or fewer inpatient beds.

Historically Minnesota's urban hospitals have had higher margins than rural hospitals; however, the gap has narrowed in recent years. Rural hospitals experience lower margins, on average, due to the smaller volumes of patients they treat and scope of services they provide. Many rural hospitals also cross-subsidize a larger portion of their total operations to support other nonhospital health care services their communities need, such as nursing homes, ambulances, free-standing clinics and home health care.

Typically, rural hospitals serve communities with comparatively older populations and, on average, lower incomes. This leads to a higher proportion of patients covered by government-sponsored health care programs, such as Medicare and Medicaid, rather than commercial market health plans. As noted earlier, Medicare and Medicaid routinely reimburse hospitals at rates set below the actual cost of care. Consequently, hospitals must rely on higher reimbursement rates from commercial health plans to cover this government underfunding. This need to collect higher rates from a part of the market to offset underpayments imposed by another sector of the market is referred to as the "cost shift."

In recent years, Minnesota's commercial health plans have taken measures to cut payments to hospitals, especially rural hospitals, despite the role this cost shift plays in ensuring access to care. The combination of more patients covered by government programs and reimbursement cuts from commercial health plans increases the likelihood of hospitals experiencing low or negative operating margins.

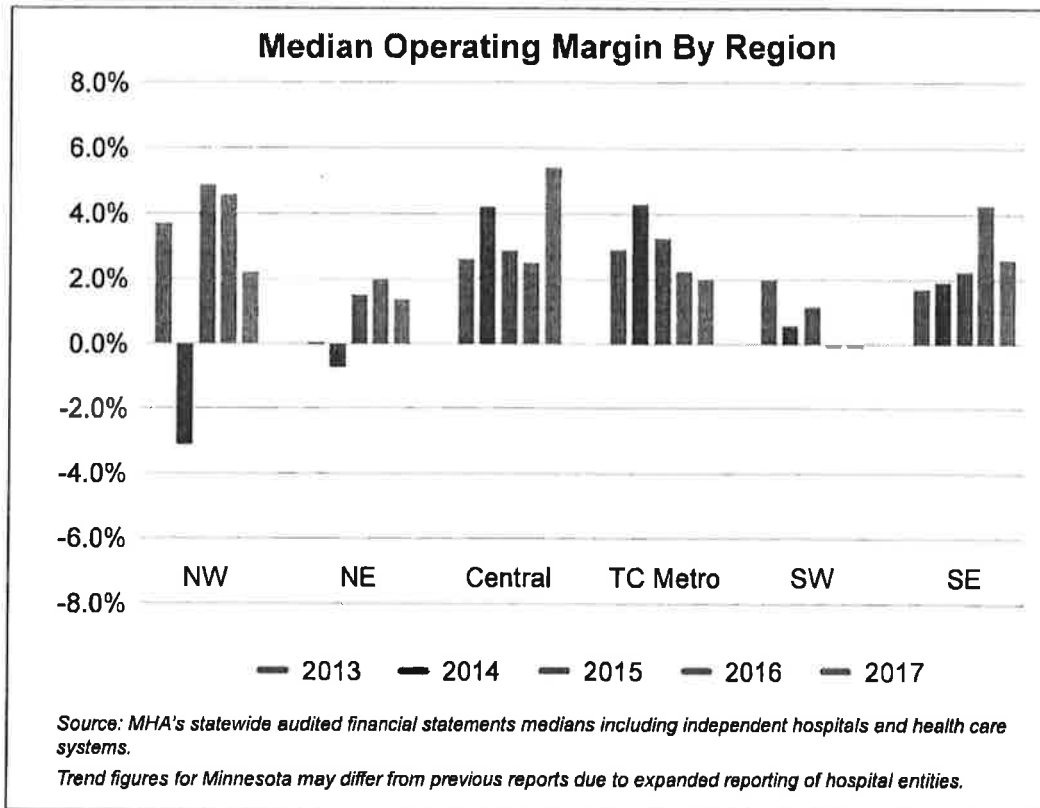
While urban and rural hospital median operating margins have been divergent, the trend in recent years has shown a slight decline at urban hospitals and a slight uptick at rural hospitals.



### Operating margin trends by geographic region

Much of the variation in operating margins in geographic regions of the state reflects differences in hospitals' size and local population mix. MHA's regional map (see Appendix A) was used to identify hospitals by region.

From 2013-17, the six regions of the state have seen slightly differing operating margin results. Despite the variation noted, hospitals' positive median operating margins remain largely below 4 percent across the state. For 2017, the Central region experienced a median operating increase compared with 2016. On the other hand, hospitals in the southwestern region of the state have seen back-to-back years of negative median operating margins among a relatively large number of rural hospitals.



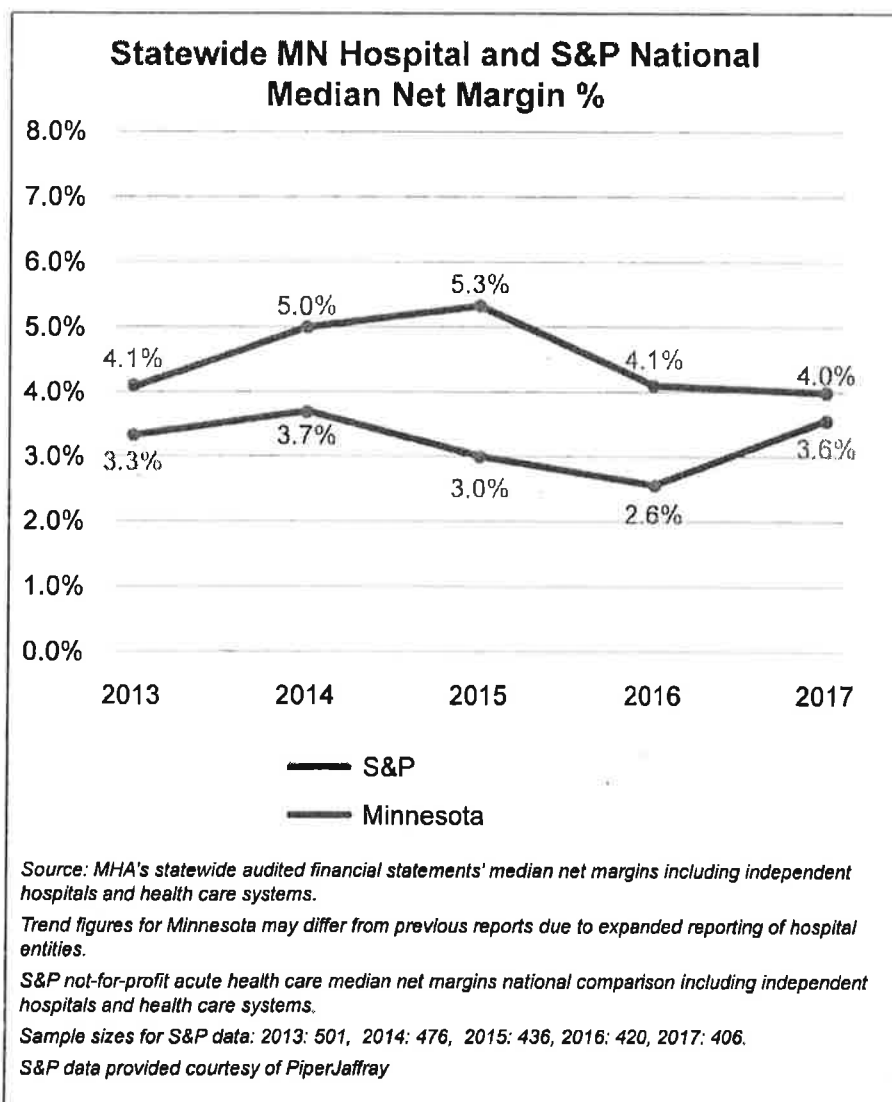


### Hospital net margins rebounded

As mentioned previously, the net margin reflects the overall financial impact of all revenues over all expenses during the fiscal year reporting period. It is comprised of both patient care-related and nonpatient care-related revenues over expenses, including donations, investment performance and disposal of assets, for example.

Minnesota hospitals' and health systems' net margin trend has been relatively stable for the five-year period, with a noticeable uptick in 2017 to break two straight years of decline. In addition, the gap between Minnesota's median and the national median has closed slightly, making Minnesota's hospitals more on par and competitive with providers in other states.

The uptick in net margin may be attributed to a variety of factors. Certainly, investment performance can be a leading indicator. While the investment market was relatively stable in 2017, some hospitals may have experienced other financing activities that produced varying results, such as disposal of assets, refinancing bonds or changing pension obligations.



## Hospital- and health system-specific operating and net margins

The chart below lists both the operating margin and net margin in total dollars and as percentages for each of Minnesota's hospitals and health systems. Detailed information about individual hospitals within multihospital health systems is not available because it is generally not presented in audited financial statements. In a few exceptions, MHA has reported system-affiliated hospitals such as those that are part of Catholic Health Initiatives (CHI), Sanford Health, St. Luke's, Ridgeview Medical Center and Avera Health as separate entities because separate audited financial statements were available or because their system headquarters are primarily located outside of Minnesota. The figures presented below are based on the fiscal year-end operating period that ended in 2017.

Hospital	FY2017 Operating Margin Dollars	Operating Margin %	FY2017 Net Margin Dollars	Net Margin %
Allina Health	145,867,000	3.5%	295,402,000	6.6%
Alomere Health	8,444,085	5.6%	7,759,529	5.1%
Appleton Area Health Services	(1,996,832)	-18.1%	(2,046,604)	-18.4%
Avera Marshall Regional Medical Center	2,024,766	2.5%	5,029,465	6.0%
Avera Tyler	(543,274)	-5.1%	(473,446)	-4.4%
Bigfork Valley Hospital	(1,389,760)	-6.3%	(1,233,124)	-5.4%
Carris Health - Rice Memorial Hospital	2,277,187	2.1%	2,351,618	2.1%
CentraCare Health	42,214,000	3.3%	130,111,000	9.6%
CHI LakeWood Health	(1,593,161)	-11.1%	(277,389)	-1.8%
CHI St. Francis Health	2,895,041	8.9%	8,479,344	22.3%
CHI St. Gabriel's Health	3,601,116	4.9%	4,410,194	5.9%
CHI St. Joseph's Health	3,128,122	6.2%	6,555,803	12.3%
Children's Minnesota	22,836,132	2.8%	82,136,320	9.4%
Chippewa County-Montevideo Hospital	(2,832,381)	-7.4%	(3,642,149)	-9.4%
Community Memorial Hospital	794,013	1.4%	1,201,409	2.1%
Cook Hospital & Care Center	(742,120)	-5.7%	495,873	3.5%
Cuyuna Regional Medical Center	5,041,260	4.3%	4,937,409	4.2%
Ely-Bloomenson Community Hospital	(106,004)	-0.6%	243,728	1.4%
Essentia Health	33,368,000	1.7%	151,375,000	7.2%
Fairview Health Services	98,474,000	1.9%	456,922,000	8.1%
FirstLight Health System	4,372,284	5.4%	4,175,078	5.2%
Gillette Children's Specialty Healthcare	1,461,387	0.6%	13,066,840	5.1%
Glacial Ridge Health System	1,458,711	4.2%	1,232,431	3.5%
Glencoe Regional Health Services	(2,085,592)	-3.5%	2,569,128	4.0%
Granite Falls Health	(499,089)	-2.1%	(676,409)	-2.9%
HealthPartners, Inc.	175,549,000	2.6%	175,549,000	2.6%
Hendricks Community Hospital Association	564,079	4.0%	617,199	4.3%
Hennepin Healthcare	(29,086,000)	-3.0%	(27,338,000)	-2.8%
Hutchinson Health	712,895	0.7%	2,527,878	2.4%
Johnson Memorial Health Services	1,137,760	6.5%	1,458,385	8.1%
Kittson Memorial Healthcare Center	35,470	0.2%	203,727	1.4%
Lake Region Healthcare	(1,726,739)	-1.2%	2,756,195	1.9%
Lake View Hospital	1,840,289	10.8%	3,574,163	19.1%
Lakewood Health System	13,542,097	11.7%	13,601,640	11.7%
LifeCare Medical Center	2,705,105	5.9%	3,474,389	7.4%
Madelia Community Hospital Inc.	(697,189)	-6.6%	(380,934)	-3.5%
Madison Healthcare Services	509,893	3.0%	693,997	4.0%

Hospital	FY2017 Operating Margin Dollars	Operating Margin %	FY2017 Net Margin Dollars	Net Margin %
Mahnomen Health Center	(453,158)	-5.5%	(157,592)	-1.9%
Maple Grove Hospital	28,220,092	14.9%	27,819,662	14.6%
Mayo Clinic	707,000,000	5.9%	1,421,000,000	11.1%
Meeker Memorial Hospital	2,158,144	6.1%	2,546,457	7.2%
Mercy Hospital, Moose Lake	986,011	2.8%	585,415	1.6%
Mille Lacs Health System	187,797	0.5%	287,035	0.7%
Murray County Medical Center	(509,418)	-3.0%	(460,237)	-2.7%
North Memorial Health Hospital	(12,064,886)	-1.5%	27,562,794	3.3%
North Shore Health	(1,559,797)	-10.4%	(1,464,356)	-9.1%
North Valley Health Center	(1,138,871)	-12.1%	(1,088,846)	-11.5%
Northfield Hospital	(2,140,911)	-2.0%	(1,462,729)	-1.4%
Olmsted Medical Center	7,822,497	4.0%	13,921,177	6.9%
Ortonville Area Health Services	1,902,578	6.2%	557,589	1.8%
Perham Health	3,495,667	6.4%	1,409,092	2.5%
Pipestone County Medical Center	(1,093,993)	-4.0%	(319,541)	-1.1%
Prairie Ridge Hospital and Health Services	907,104	4.6%	1,018,615	5.1%
Rainy Lake Medical Center	(14,932)	-0.1%	102,776	0.4%
RC Hospital & Clinics	3,308,615	11.5%	2,753,924	9.4%
Redwood Area Hospital	1,708,549	6.4%	1,882,696	6.9%
Regency Hospital of Minneapolis	4,108,442	9.5%	4,238,891	9.8%
Ridgeview Le Sueur Medical Center	203,761	1.7%	253,014	2.0%
Ridgeview Medical Center	5,400,728	2.0%	10,307,949	3.7%
Ridgeview Sibley Medical Center	294,680	2.0%	511,682	3.4%
River's Edge Hospital & Clinic	1,474,961	4.3%	1,120,284	3.3%
RiverView Health	3,680,749	6.0%	3,572,790	5.8%
Riverwood Healthcare Center	1,256,968	2.1%	2,590,801	4.3%
Saint Elizabeth's Medical Center	297,729	1.0%	249,248	0.8%
Sanford Bagley Medical Center	1,541,001	11.9%	1,880,999	14.1%
Sanford Bemidji Medical Center	6,026,178	2.2%	5,749,578	2.1%
Sanford Canby Medical Center	808,402	3.8%	932,746	4.3%
Sanford Jackson Medical Center	1,771,219	16.0%	1,772,415	16.0%
Sanford Luverne Medical Center	2,619,097	10.2%	2,657,362	10.3%
Sanford Thief River Falls Medical Center	6,060,869	7.4%	6,101,145	7.4%
Sanford Tracy Medical Center	(689,925)	-7.4%	(498,311)	-5.2%
Sanford Westbrook Medical Center	(65,504)	-1.0%	52,489	0.8%
Sanford Wheaton Medical Center	1,259,570	14.4%	1,255,089	14.4%
Sanford Worthington Medical Center	(7,123,299)	-17.7%	(7,144,320)	-17.7%
Sleepy Eye Medical Center	(1,140,256)	-7.4%	(1,116,889)	-7.2%
St. Luke's Hospital	16,846,235	3.7%	18,828,608	4.1%
Stevens Community Medical Center	1,378,576	3.5%	1,605,304	4.0%
Swift County-Benson Health Services	(2,121,534)	-12.6%	(2,237,136)	-13.1%
Tri-County Health Care	3,554,368	5.6%	4,024,653	6.3%
United Hospital District	1,044,551	3.3%	1,250,536	3.9%
Windom Area Hospital	362,663	2.0%	392,566	2.2%
Winona Health Services	(4,463,180)	-3.6%	1,277,726	1.0%

# Appendix A

## MHA regional map

