MEETING MINUTES

**Stoughton Hospital Association Governing Board**

Friday, September 13, 2024 | 9:00 a.m. – 12:00 p.m.

MS Teams Link: [Click here to join the meeting](https://teams.microsoft.com/l/meetup-join/19%3Ameeting_ZTNlNTUyZTktNjkzZS00OGI3LTkwMGQtYzE4YTIwOTZjYWMy%40thread.v2/0?context=%7b%22Tid%22%3a%22367b5c1b-0570-438f-89d9-f701fb549e26%22%2c%22Oid%22%3a%22be3212bb-d10e-4597-b89a-85f8d35f20b9%22%7d) | Meeting ID: 218 884 156 156 | Passcode: EFGwpM

Or call in (audio only): 1-608-383-6164 | Phone Conference ID: 141 293 605#

# **Board Function and Members**

**Board Function:** Overall organizational governance. Assure adherence to organizations mission, vision, values and organizational purpose as defined in Article 1, Section II of SHA bylaws.

**Meeting Attendees:** Kris Krentz | Matt Kinsella | Dr. Ashish Rawal | Steve Peotter | Dawit Tesfasilassie | Donna Olson | Tim Rusch | Sue Vanderbilt | Glenn Kruser | Nick Probst (virtual) | Dr. Aaron Schwaab (virtual) | Dan DeGroot | Michelle Abey | Chris Schmitz | Amy Hermes | Mary Hermes | Laura Mays | Angie Polster

**Guest:** Jon Kammerzelt, Quarles & Brady

|  | Item # | Agenda | Time |
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|  |  | Call to Order(Donna Olson)Ms. Olson called the September 13, 2024 Governing Board meeting to order at 9:00 a.m. | 9:00 a.m.  |
| A |  | Review Minutes of July 24, 2024 Governing Board Meeting (Donna Olson)***Action: Ms. Vanderbilt made a motion to approve the July 24, 2024 Governing Board meeting minutes. Mr. Tesfasilassie seconded the motion. Motion carried.***  |  |
|  |  | Trustee Education 1. Board Compliance (Jon Kammerzelt, Quarles and Brady)

Ms. Abey introduced Mr. Jon Kammerzelt and provided a brief overview of his background. Mr. Kammerzelt provided the annual education on Board Compliance to the Governing Board.  |  |
|  |  | New Business 1. None
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|  |  | Old Business1. Construction Updates (Michelle Abey/Amy Hermes):
* Stoughton Health Outpatient Center (SHOC)

Ms. Abey shared we are anticipating a soft opening in late April 2025. The Main Street parking lot will be closed from October 7th to 25th so the parking lot can be completed, and job trailers will be removed. Workflow meetings continue as we prepare for changes expected with the new building, and the project is on budget with contingency remaining. * Cottage Grove

Ms. Hermes shared the Cottage Grove Urgent Care project is on budget. There will be a ribbon cutting on October 21st, with a grand opening on October 22nd at 8:00 a.m. Finally, she shared Medical Imaging equipment is scheduled to arrive the week of September 23rd. * Oregon Location Expansion

Ms. Hermes shared we hit a temporary pause to repair water damage caused by a leaking roof, which delayed the project by approximately two weeks. The damage has been mitigated and the landlord will pay for all repairs. The project is expected to wrap-up by January 2025 and the urgent care hours will not change until that time.* Operating Room (OR) #3

Ms. Hermes shared OR 3 is slated to open on October 22, 2024. * Sterile Processing Department (SPD)

Ms. Hermes shared the Sterile Processing Department will need to remain operational as we renovate. There will be a water softener installed to alleviate hard water issues with sterilizers moving forward, and the team is working on finalizing construction costs. The project is expected to wrap up in early spring.  |  |
|  |  | Committee Updates  |  |
|  |  | 1. Executive Committee (Donna Olson)
* Upcoming Meeting: Wednesday, October 23, 2024 at 7:15 a.m.
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| AA |  | 1. Finance Committee (Glenn Kruser/Michelle Abey)
* Overview of August 16, 2024 Finance Committee Minutes
* July 2024 Financials

***Action: Mr. Peotter made a motion to approve July 2024 Financials. Mr. Rusch seconded the motion. Motion carried.*** * FY2025 Budget Approval

Ms. Abey shared the FY2025 Budget which the Finance Committee had reviewed at its August meeting with one exception. Dean Health Plan has implemented a 30% increase and Quartz has implemented a 25% increase in health insurance costs effective January 1, 2025. Due to these steep increases, the Administrative Team has recommended an additional $450,000 in health insurance expense be added to the FY2025 budget, for a total budgeted operating income of $4.1M for FY2025. Discussion was held around the decrease in operating margin from FY2024. ***Action: Mr. Krentz made a motion to approve the FY2025 Budget as presented. Mr. Kruser seconded the motion. Motion carried.*** * Upcoming Meeting: Friday, November 22, 2024 at 7:15 a.m.
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|  |  | 1. Governance Committee (Kris Krentz)
* Meeting Cancelled: Thursday, October 17, 2024 at 7:15 a.m.
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|  |  | 1. Quality Committee (Donna Olson)
* QM Council Updates
* Review QM Council Minutes
* July 2024
* August 2024
* Review QM Council Dashboards
* Cohort B – July 2024
* Cohort A – August 2024
* Upcoming Meeting: Tuesday, September 24, 2024 at 9:00 a.m.
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|  |  | 1. Audit Compliance/Risk Management Committee (Kris Krentz)
* Overview of August 16, 2024 Audit Committee/Risk Management Meeting Minutes
* FY2024 Audit Communication and Engagement Letter
* Stoughton Hospital Association Tax Deferred Annuity 403(B) Plan Audit Report Draft Acceptance
* Internal Control Review: Accounts Payable & Wire Controls
* Upcoming Meeting: Friday, November 22, 2024 at 8:30 a.m. (immediately following Finance Committee Meeting)
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|  |  | Mr. Krentz provided the Board with an update from the August Audit Compliance/Risk Management Committee meeting, noting that the Committee had approved the engagement of Eide Bailly LLP as the financial statement auditors for FY2024. The Committee requested that the Hospital prepare a request for proposal (RFP) next spring in advance of the FY2025 audit.  |  |
|  |  | Administration Team Updates (Dan DeGroot, Michelle Abey, Amy Hermes, Laura Mays, Chris Schmitz) |  |
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|  |  | 1. CEO Summary Report (Dan DeGroot)
2. Service Line Provider Update
* Ortho
* Cardiology
* Podiatry
* Pain Management Group

Mr. DeGroot provided an overview on service line providers. He shared Korn Ferry has been vetting two Orthopedic Surgeons and noted it has been challenging to recruit for this role due to the market and the specific profile of the candidate that we are looking for. Mr. DeGroot shared Dr. Lind (Podiatry) will start on December 9th, and there is a separate group working on the potential Pain Management clinic in partnership with the Pain Management Group.  |  |
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| AA |  | 1. CFO Summary Report (Michelle Abey)
2. August Financial Statements ***(Attachment provided at meeting)***

Ms. Abey shared August 2024 Financial Statements which were distributed at the September 13, 2024 Governing Board meeting. She noted August was an exceptional month with operating income of $1.2M, which is approximately $800,000 above budget. She noted on the balance sheet, accounts receivable days are slightly up at 48 at the end of August. Ms. Abey shared our clearinghouse was purchased, and switchover to the merged company has not gone particularly well. She noted the estimated third-party settlement liability increased and we are likely to owe Medicare as that means our reimbursement rates with the Medicare Advantage plans are more favorable. Ms. Abey shared since the date of these financials, the FY2021 cost report was final audited so will pay approximately $41,000 where there is $200,000 accrued so there will be a increase in income as a result of paying less than estimated.Ms. Abey shared inpatient revenues was $231,000 ahead of budget as Geriatric Psychiatry has had a higher census, with close to an 89% occupancy rate. She stated on the outpatient side, Stoughton Health is nearly $1M above budget mainly attributed to medical imaging volumes being higher than budgeted. Mr. Tesfasilassie asked why CT would be this far above budget, and she noted much of this may be attributed to access issues at other facilities. Ms. Abey shared salaries and benefits were better than budget, part of this being driven by not having the second Ortho surgeon or other related staff hired yet. She noted there are travelers remaining in some areas and she referred to the table of Surgical Services. ***Action: Mr. Rusch made a motion to approve August 2024 Financial Statements. Mr. Tesfasilassie seconded the motion. Motion carried.*** 1. September Month-to-Date

Ms. Abey shared an overview of the September Month-to Date financials and stated the team anticipates that although we will have additional expenses this month related to the bonus paid out to staff, it is still anticipated that operating income will breakeven. 1. Stoughton Hospital Association Tax Deferred Annuity 403(B) Plan Amendment

Ms. Abey shared the current minimum age to participate in the Stoughton Hospital Association Tax Deferred Annuity 403(B) plan is 21 years old. She requested approval to amend the plan to adjust the minimum age requirement to 18 years old, effective January 1, 2025. This was a change request from the employee engagement survey meetings which the Administrative Team supports implementing as it comes with a relatively minor estimated cost.***Action: Mr. Tesfasilassie made a motion to authorize the CEO & CFO, as Plan Administrators, to execute a formal amendment to the Stoughton Hospital Association Tax Deferred Annuity 403(B) Plan effective January 1, 2025 to change the eligibility age for the plan and matching contributions to 18 years old. Mr. Peotter seconded the motion. Motion carried.***  |  |
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| AA |  | 1. CNO Summary Report (Amy Hermes)

**CONSENT AGENDA**1. MCE Meeting Minutes – August 2024
2. MEC Meeting Minutes – None

Ms. Hermes provided an overview of August 2024 MCE Meeting Minutes which can be found in the September 13, 2024 Governing Board packet. She noted there was one letter to a provider sent, and there was an issue with one of the endoscopes related to the device failing a cleaning test, so it was removed from service. 1. Quality/Safety:
* Report Cards
* Quality Safety Report Card – Q3 FY2024
* Quality Safety Report Card – P4P – Q3 FY2024
* Balanced Score Card – Q3 FY2024
* DVC Hospital Scorecard – August 2024

Ms. Hermes provided a brief recap of Quality/Safety Report Cards which can be found in the September 13, 2024 Governing Board packet. * Patient Safety
* Patient Safety Meeting Minutes – July 2024

Ms. Hermes provided a brief overview of Patient Safety Meeting Minutes, which can be found in the September 13, 2024 Governing Board packet. She noted there was an increase in controlled substance discrepancies, mainly in the anesthesia department, which is being investigated and worked on. The team continues to monitor barcode scanning of medication as well. Ms. Hermes shared there was a Safety Zone Portal occurrence event for excessive radiation exposure. A remediation report has been obtained. Ms. Vanderbilt asked about the controlled substance discrepancies and why they may be increasing. Ms. Hermes stated there have been issues with the documentation of wasting of pain medication.  * Infection Prevention
* Infection Prevention Meeting Minutes – July 2024

Ms. Hermes provided a brief overview of Infection Prevention Meeting Minutes, which can be found in the September 13, 2024 Governing Board packet. She shared the team continues to monitor COVID and noted they have recently seen an uptick in positivity rates, but not an increase in hospital admissions. Ms. Hermes shared the lab is working on an increase seen in blood draw contaminations, and stated they have not seen any trending, but they are piloting a device and monitoring whether the contaminations are related to that. She stated there has been a nationwide shortage of blood culture bottles. Finally, Ms. Hermes shared there has been an outbreak in avian flu in dairy cows, but thus far it has not been linked to human transmissions. 1. Root Cause Analysis (RCA), Tonsillectomy Bleed

Ms. Hermes shared a brief overview of the recent Root Cause Analysis (RCA) stemming from a tonsillectomy procedure that was done and subsequent bleeding by the patient. She noted staff reacted immediately and there was no harm to the patient. However, in talking with the surgical services manager, it was identified there was some confusion by staff on whether the patient should swallow or spit the blood, and a red popsicle was inadvertently given to the patient (which should not have been due to close resemblance in color to blood). Ms. Hermes shared the team is working with Dr. Lyons to review policy so that there isn’t confusion in the future. **APPROVAL OF CONSENT AGENDA** Ms. Hermes shared the suggested revisions to the medical staff bylaws which were included within the packet. ***Action: Mr. Peotter made a motion to approve the Consent Agenda. Ms. Vanderbilt seconded the motion. Motion carried.*** 1. Medical Staff By-Law Updates

***Action: Mr. Krentz made a motion to approve Medical Staff By-Law Updates. Mr. Rusch seconded the motion. Motion carried.***  |  |
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|  |  | 1. Foundation/Marketing/PR/Business Development Director Summary Report (Laura Mays)
2. Events

Ms. Mays reminded Board members of the upcoming Swinging for Health golf outing this Monday, and noted this fundraiser has been running for 20 years. She shared we have 129 golfers this year and she anticipates gross funds raised to be approximately $70,000 (after expenses $52,000 to $55,000). Ms. Mays shared we have 50+ card players and noted the online auction will close at 5:00 p.m. on Monday. Finally, Ms. Mays shared her team is working on securing sponsorships for the 2025 calendar raffle. 1. PR/Marketing Report

Ms. Mays shared Mr. Peotter and Mr. DeGroot will be recording a PR/Marketing video. She noted her team is preparing for direct mail pieces to be sent for Cottage Grove Urgent Care. The team is planning a ribbon cutting and open house for the facility, and the community is getting excited about the opening from what Ms. Mays has heard through the Chamber and other groups in the community. 1. Foundation Dashboard

Ms. Mays shared the Foundation met 100% of their goals for Foundation Board, Governing Board, managers, and administration giving in FY2024.  |  |
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|  |  | 1. VP, HR, Campus Planning, Operational Support Services Summary Report (Chris Schmitz)
2. Facilities Updates

Mr. Schmitz shared various facilities updates:* Love Lights ceremony will take place on December 5th
* Parking lot will provide 80 additional stalls
* Tricor building closing was pushed back but is expected to be finalized before the end of September.
* Some of the provisions are not agreeable in the draft solar panel contract.

 1. Recruitment and Staffing Updates

Mr. Schmitz shared 60 employees have been hired since 1/01/2024 and noted we are projecting 91 hires this year. He added 26% came from employee referrals, 24% from the Stoughton Health website, 19% are internal transfers, and the remaining candidates are from Indeed or rehires.  * CEO Recruitment Update

Mr. Schmitz shared there are four finalist candidates who will be interviewing for the CEO position in the coming weeks. He noted the morning of each interview there will be a social from 7:30 a.m. to 8:15 a.m. to allow the Governing Board members the ability meet and mingle with the candidate. The day long interviews will involve the Selection Committee, the Administrative Team, Physicians, and finally our Cultural Heroes. The fourth and final candidate will interview on September 30, 2024. 1. Health Insurance Benefit Renewal for 2025

Mr. Schmitz shared a brief overview of Health Insurance Benefit Renewals for 2025. He noted insurance rates are expected to increase significantly (Dean premiums are up 30% and Quartz premiums are up 20% effective January 1, 2025).  |  |
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| AA |  | Chief of Staff Report (Dr. Ashish Rawal) 1. One Year Appointments:
2. Alexandra Erdmann, MD, Pediatric Cardiology, UW Health, Courtesy
3. Timothy Rolle, MD, Radiology, Madison Radiology, Courtesy
4. Jen Mora, APNP, Stoughton Health, AHP
5. Nicole Maroon, PA, SWEA, AHP
6. Tessa Mersberger, APNP, SWEA, AHP

Flagged Files: None at this time***Action: Mr. Peotter made a motion to approve One-Year Appointments. Mr. Tesfasilassie seconded the motion. Motion carried.*** 1. Two Year Re-Appointments:
2. Deb Dahlke, CRNA, Stoughton Hospital, AHP
3. Nicholas Rabe, CRNA, Independent, AHP
4. Judith Schmidt, CRNA, Stoughton Hospital, AHP
5. Michael Accavitti, MD, Cardiology, UW, Courtesy
6. Shianne Strommen, PA, Emergency Medicine, SWEA AHP
7. Paul Sabel, PA, SWEA, AHP
8. Katherine Ketterhagen, PA, SWEA, AHP
9. Jacalyn Nelson, MD, Sleep Medicine, SSM Health, Courtesy
10. Timothy Vanderbilt, MD, Orthopedic Surgery, SSM Health, Active
11. Joel Mendelin, MD, Pathology, Associated Pathologists, Courtesy
12. Christopher Kinonen, MD, Pathology, Associated Pathologists, Courtesy
13. Adam Morgan, MD, Pathology, Associated Pathologists, Courtesy
14. Kabeer Shah, MD, Pathology, Associated Pathologists, Courtesy
15. Amy Connell, MD, Psychiatry, Stoughton Health, Active
16. Sally McKinnon, MD, Radiology, Madison Radiology, Courtesy
17. Alessandro Rossi, MD, Radiology, Madison Radiology, Courtesy
18. Christopher Wedding, MD, Madison Radiology, Courtesy
19. Adam Figi, MD, Madison Radiology, Courtesy
20. Neil Kennedy, MD, Radiology, Madison Radiology, Courtesy
21. Kimberly Johnson, MD, Sleep Medicine, SSM Health, Courtesy
22. Tanya Guntly, PA, Sleep Medicine, SSM Health, AHP

Flagged Files: None at this time.***Action: Mr. Peotter made a motion to approve Two-Year Reappointments. Mr. Krentz seconded the motion. Motion carried.***  |  |
|  |  | SSM Updates(Matt Kinsella/Dawit Tesfasilassie/Sue Anderson)Ms. Sue Anderson, President/CEO of SSM Health of Wisconsin, introduced herself and the attending Board and Administrative Team members provided brief introductions as well. Ms. Anderson provided a SSM Health update and noted that affiliate relationships will be part of SSM Wisconsin’s future strategic planning. | 11:30 a.m. |
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| A |  | Adjourn***Action: Mr. Peotter made a motion to adjourn the September 13, 2024 Governing Board meeting at 12:05 p.m. Mr. Rusch seconded the motion. Motion carried.***  | 12:00 p.m.  |

Respectfully submitted,



Glenn Kruser

Secretary/Treasurer