

Northfield Hospital + Clinics

December Board of Directors Executive Summary

Notice: Given the early meeting this month, certain elements are not available to be included in the packet:

- Medical staff applications
- Budget Recommendation
- EHR presentation
- November month-end financials

As the documents become available, they will be added to the portal.

Consent Agenda

- Faribault Orthopedic Lease
An item of note is the Faribault orthopedic lease. This is to approve a small office lease that we are assuming from Summit Orthopedics in Faribault. It is in the complex that we occupy in Faribault, and is used to accommodate the extra space that was required when we moved the orthopedic practice into our existing ENT clinic. It may very well not be a long-term solution, but a short-term extension of this lease is required to practice in the manner that we are today.

Reports

- Medical Staff
I am not aware of any atypical issues in this month's reports/recommendations.

Presentations / Discussions / Action Items

- Operational and Capital Budgets for 2019
The Budget & Finance Committee has reviewed and vetted the proposed budgets for 2019. In general, a more encouraging plan than last year. Scott Edin will review the details of the plan, and seek approval.
- Annual Donation Pool
The Budget & Finance Committee has reviewed and recommended annual donation pool dollars for 2019. The amount in the pool has stayed the same at \$70,000 for many years. The committee is recommending a modest increase to \$75,000.

Strategic Discussion

- EHR Recommendation

An update will be provided on our evaluation of an EHR. An EHR system selection is more than a decision about software. It is a generational decision that would impact all staff, providers and patients. Our ultimate goal: The best EHR that satisfies end users, maintains compliance, facilitates excellent patient care, is affordable, and can be easily updated to stay current and functional as technology evolves. Choosing the best EHR option is a long, deliberate process that required vetting multiple options based on a set of criteria including

Faribault Orthopedic Clinic Lease

<p>S</p>	<p>Situation: With taking on the orthopedic clinic in Faribault, NH+C will need to lease the office space Summit previously leased.</p>
<p>B</p>	<p>Background: While Summit Orthopedics leases space from NH+C for a clinical practice in Faribault, Summit also leases office space in an adjacent building. This office space is leased for staff who support the ortho clinic. There is not enough space available in the NH+C owned suite for these supporting staff.</p>
<p>A</p>	<p>Assessment: We have evaluated the space needs of the program and have determined the current NH+C owned space cannot support the staff required to support the Ortho clinic.</p> <p>Options:</p> <ol style="list-style-type: none"> 1. Lease additional, adjacent, space allowing the clinic to operate as it has been operating. Owner desires a three-year term. Negotiated to year-to-year. 2. Purchase/lease additional space adjacent to NH+C owned space. Would allow us to improve the patient and staff experience. Would allow us to grow both orthopedic and ENT services. The estimated expense to purchase and remodel the adjacent space is cost prohibited. A lease option for the adjacent space is still being evaluated. 3. Relocate the programs (ortho and ENT) to a new setting in Faribault. We have identified a new location large enough to support the programs and allow for growth. Still requires time to negotiate terms and complete the financial evaluation.
<p>R</p>	<p>Recommendation/Request:</p> <p>Recommending the option of leasing the Summit office space. This allows for the program to continue and time to fully vet other options.</p> <p>Request: Enter a year-to-year lease with Duane Geiger Company for 657sq feet of office space located in Suite 101, 1645 Lyndale Avenue North, Faribault, MN 55021. The 2019 rate would be \$1,025.00 per month.</p> <p>This then would go to City Council for approval.</p>