



## Legislation Details (With Text)

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**Type:** Information/Discussion Item      **Status:** Agenda Ready  
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**Title:** Discussion of Potential Charter Amendment Related to Hospital Board Membership.  
**Sponsors:**  
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Date	Ver.	Action By	Action	Result
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**City Council Meeting Date:** April 6, 2021

**To:** Mayor and City Council

**From:** Ben Martig, City Administrator

Discussion of Potential Charter Amendment Related to Hospital Board Membership.

### Action Requested:

Discussion on how to proceed related to the presented Charter Amendments.

### Summary Report:

The City/Hospital Governance Committee as referenced in the Playbook has been meeting as outlined in the Playbook. This group meets on a quarterly basis as outlined in Section 3 of the Playbook. As noted in the Playbook, the group will meet:

- Regularly as needed to give guidance on strategic issues related to the reserved powers; and
- To review the health of the City/Hospital Partnership; and
- To recommend updates and refinements to this Playbook to NH+C and the City Council; and
- To communicate the procedures outlined in this Playbook to the next generations of key stakeholders.

The current members of the City/Hospital Governance Committee includes the following:

#### *City Council Representatives*

Mayor Pownell

Councilor Peterson-White (also a voting member of the Hospital Board)

Councilor Ness (non-voting liaison to the Hospital Board)

City Administrator Martig

*Hospital Board Representatives*

Chair Rogers

Boardmember Peterson-White (also a City Councilor)

Boardmember Linstroth

One area that came up as a preliminary discussion out of that City/Hospital Governance Committee at their last meeting was exploration of a potential City Charter amendment to consider related to board membership. The two areas recommended by the committee to be pursued for changes included:

1. Allow for the appointment of up to three board members (not require) who reside outside the City of Northfield city limits but within the Northfield Public School District. The current limit is two; and
2. Modify the language to allow (not require) for an employed physician of the hospital to serve on the board. Currently, no hospital employee is allowed to serve on the board. Please note this also would be subject to the same residency requirements and limitations to that maximum.

The purpose of the recommended expansion of the number allowed to board members outside the district from up to three from two is to mainly allow for a little more flexibility to gain a larger applicant pool for prospective board members. There would still remain a majority members who reside in the City of Northfield which is an important consideration as a municipally owned hospital. Certainly, the medical center has a regional footprint and draw so some expansion outside city limits is well within the service area of the medical center. The hospital board work is complex and this would give at least an option, but not required, for a nomination to include up to three board members that reside outside the City.

The purpose of the addition of the ability to have a physician on the hospital is beneficial from having a medical credentials and perspective on the board. Hospital and medical operations can be very complex so having direct experience, as a practicing physician is useful related to their expertise in operations. Additionally, a hospital board does have a responsibility to ensure patient safety and quality of care that a practicing physician would also bring with their credentials. However, the current Charter restricts employees of the medical center to serve on the board. Generally, this is a common principal to restrict employees as hospital boards are governing bodies that serve in both an advisory and oversight capacity. Therefore, by design, boards are intended to act as independent agents of the hospital as an intermediary between executive management and owners (in our case the City of Northfield as the municipality). Identifying applicants that are physicians but not employees has been challenging though as there is an obvious past practice not to have competitive organizations physicians serving as a board member. Additionally, the residency requirements does limit pools of candidates. Therefore, that leaves retired physicians or some limited cases where a physician may practice in a service not provided by the medical center. Therefore, allowing an employee physician is being brought as a unique consideration as an option for a board member for the reasons previously explained.

Northfield Hospital & Clinics CEO Underdahl presented on behalf of the City/Hospital Governance Committee at the March 11<sup>th</sup> Charter Commission meeting. Other members including Mayor Pownell, Hospital Board Chair Rodgers, and Martig also were in attendance and spoke in support of the amendments. CC Linstroth also was in attendance as a Charter commission member but also serves on the City/City Hospital Governance Committee.

The Charter Commission assigned a committee of members Heisler, Hoschouer, and Oney to explore the issue further to then come back to the Charter Commission at their May 13<sup>th</sup> meeting to facilitate discussion and consideration of a proposed Charter amendment. Should they pursue this, the City Council would need to hold

a hearing and consider the ordinance by process established in state statutes. Additionally, statute requires a majority approval of the charter commission and unanimous approval of council to pass a charter amendment. There are other alternative charter amendment processes but this one is being explored by the charter commission at this time.

The Hospital Board had a discussion at their regular meeting of March 18<sup>th</sup>. They did not vote on the issue but rather had general discussion.

The intent is to have a general discussion of the topic of the City Council to determine if there are any questions, comments or concerns concurrent with the Charter Commission further review and deliberation of this topic.

**Alternative Options:**

Not applicable.

**Financial Impacts:**

Not applicable.

**Tentative Timelines:**

None provided.