**North Dakota Hospital Association**

**Annual Business Meeting Minutes**

**October 4, 2016**

The annual business meeting of the North Dakota Hospital Association was called to order by Dr. Craig Lambrecht, NDHA Board Chair, at the Hilton Garden Inn in Fargo, ND on October 4, 2016. A quorum of members was present.

**Award Presentations**: Kathy Geist from LifeSource presented the hospital awards for outstanding achievement on organ and tissue donations. Brad Wehe accepted the 2015 Tissue Partner of the Year Award on behalf of Altru Health System. Jane Taylor, Donor Council Chair, accepted the 2015 Organ Donor Partner of the Year Award on behalf of Sanford Medical Center Fargo.

 Paul Muraca, AHA Region 6 Exec presented the American Hospital Association awards. The seventy-five year membership plaque was presented to Mariann Doeling, President of CHI St. Alexius Health Carrington Medical Center and the grassroots champion award was presented to Matt Grimshaw, President of CHI St. Alexius Health Williston Medical Center.

 The NDHA Award on Leadership in ND and Health Care was presented to Governor Jack Dalymple by Jerry Jurena. The Governor thanked the membership for this award. He mentioned the progress made in health care in ND and how the quality of care in our state is phenomenal. The need to continue to work on the workforce issue in the state and educating high school students on what a career in health care looks like. North Dakota’s good times are going to go on a pause do to the oil revenue reductions. The Governor mentioned he met with the association regarding Medicaid Expansion and got the message loud and clear on how important this is to hospitals and will need all the hospitals help with the state legislators on this issue. Floor was opened for questions.

**Approval of Minutes:** Dr. Lambrecht presented to the membership for approval the minutes of the October 6, 2015. Upon a motion duly made, seconded and adopted, the October 6, 2015 minutes were approved.

**Reports**:

* Board Chair – Dr. Craig Lambrecht informed the membership of the NDHA Board strategic planning session that was held. Focus on two priorities: 1) Workforce - The board discussed the shortage of nurses across the state. As a result of these discussions two objectives were approved. Do a survey to obtain an estimation of the nurse openings in the state and create a multi organizational committee to address the shortage. The committee broke into three subcommittees Delivery & Innovation chaired by Darrold Bertsch, Regulatory chaired by Stacey Pfenning from the ND Board of Nursing, and Training/Education chaired by Carla Gross from NDSU. Each subcommittee reported their recommendation to the NDHA Board and their reports have been posted on the NDHA website. 2) Reauthorization of Medicaid Expansion. This will be a big battle this year during our legislative session that we can’t afford to lose. To bring value to the membership the NDHA Board authorized lobbying help from John Olson and Kayla Olson-Efferts to help with Medicaid Expansion. The board also approved the hiring of Melissa Hauer as general counsel to NDHA and its members. The NDHA Board is very engaged and you are being represented.
* President – Jerry Jurena thank Dr. Lambrecht for everything he has done as NDHA Board Chair. Jerry recognized Pam Cook and the education committee for putting together this year’s convention and also acknowledged and thanked Mariann Doeling from CHI St. Alexius Health in Carrington; she has finished her second three year term on the NDHA Board.

In January there will be changes made to the AHA Delegate and Alternate Delegate to RPB 6 upon approval by AHA. The one change I can share with you at this time is Dave Molmen President of Altru Health in Grand Forks will be the Chair of Regional Policy Board 6 starting January 1, 2017. He will serve a three year term and he will also sit on the AHA Board.

So where are we going? What is on the horizon? Are there bumps in the road? As you all know Health Care is changing every day. Our goal over the next three days is to enlighten or shine a light on some of the changes coming at us. Not all the education will come from the speakers, many of you have ideas or answers and a knowledge base that is crucial to the survival of all the hospitals.

No hospital is an island and standing alone at this time is not the solution for survival. Isolating yourself or your hospital is not the right answer. Competition is here to stay; however, that does not mean you should not be networking with others whether that is another hospital or another provider. Networking and sharing ideas throughout the Convention is how we will survive. Everyone is trying to find that edge on how to survive. Networking is important and we have built in times for you to visit/share with your peers; networking is just as important as listening to the presentations.

The survival of your hospital depends on you, your knowledge of what changes are coming and your willingness to make calculated adjustments or enhancements to your hospital and then to educate your staff and community.

Upcoming legislative session will focus on Medicaid Expansion which sunsets on July 31, 2017. If there is not a bill to extend it the estimate of reduced reimbursement for the 2017-2019 biennium is between $188 - $200 million based on earlier revenue projections. Behavioral Health is not only a problem in ND but nationwide. The problem is inundating hospital outpatient departments and inpatient beds. The issue at hand; there is not enough providers to address the growing need and reimbursement is lagging behind the total expenditures. One solution is Tele-health within a state and from state to state. This past summer legislative committees have been addressing this issue. Solutions are not easy and it will take additional dollars going forward. With the reduced revenue predictions this will not be an easy task. Opioid Addiction**:** Again a nationwide epidemic. We do have committees and groups working on this in the state. The problem needs people and financial resources, both are in short supply in North Dakota.

Changes at NDHA: In March of this year we added DataGen to our services. DataGen is out of the New York Hospital Association, they are now used by 47 state associations and the AHA. They analyze financial data and we are excited; we can how tell how a policy or specific bill will affect the hospitals across the state, individually or collectively.

As we continue to prepare for the future I want to tell you about a new position at NDHA and introduce you to Melissa Hauer. She was added to the NDHA team as of October 1, 2016. Melissa is an attorney and comes to NDHA with a history of wealth of health care experience. She has worked in the Insurance Commissioner’s Office, with MedCenter One and with Sanford Health. We look forward to having Melissa on board to help with education and legal expertise.

This last year Amerinet our For-Profit GPO was bought out by Inter-Mountain Health Care in Salt Lake and is now called Intalere. They are expanding their services to all expenses less salaries. There are a lot of new offerings that will be coming our way.

* Budget – Kelly Cermak, Finance Manager presented the proposed NDHA Budget for 2016-2017 fiscal year. This year’s budget approved by the NDHA Board of Directors includes a 2% dues increase.
* Legislative – Keith Heuser, Committee Chair presented the annual report. The Legislative Committee began meeting regularly in anticipation of the upcoming biennium as well as a result of the state “Budget Crisis” and the 4.5% reduction to the state Human Services Budget. This resulted in removal of the annual inflator and reductions in the physician fee schedule and the Medicaid Expansion rates. The committee discussed many issues that could be resolved/impacted by legislative action. These discussions resulted in the following priorities for NDHA advocacy: 1. Protecting Medicaid Expansion, 2. Workforce Issues including the creation of three work teams (Delivery and Innovation, Education, and Training & Regulatory) and 3. Behavior Health and opioid addiction.

NDHA’s Hospital Advocacy Day at the Capitol is scheduled for Tuesday,

January 31st. Our influence is strongest when we speak in unison. Each member is called to be an active participant in our advocacy efforts. When we speak together, state legislators will listen and respond to the issues that impact our patients, our staff, our community and our hospitals.

 Keith thanked those who have contributed to the NDHA PAC campaign and explained the important role PAC plays in our advocacy efforts.

* ND Health Information Network (NDHIN) update presented by Sheldon Wolf. NDHIN contracted with CedarBridge Group to help develop a five year strategic business plan. Sheldon reviewed the proposed five year plan and funding contingencies.
* Foundation Report was presented by Pete Antonson, Foundation Board Chair. The board consists of 6 members and is under the umbrella of NDHA however it is independent in its decision making process. The goal of the Foundation is to provide a source of funding for projects to support the advancement of health care through education and awareness. The Foundation is financially sound with an investment balance as of August 2016 of $5.1 million. Sources of income include a charitable contribution from NDHA’s for-profit subsidiary HSIsolutions and investment income.

This last fiscal year the Foundation projects included providing $5000 for speakers for the convention, $5000 towards the NDHA long-term strategic planning session and $1000 awarded to each NDHA member hospital to help offset items such as registration fees for education events, scholarships for staff, consulting expense assistance and workforce assistance.

For the new fiscal year the Foundation Board approved a $500 award to each member hospital, $5,000 towards education costs for convention speakers, financial support of the annual salary survey and economic hospital impact report, and $46,000 towards NDHA’s general counsel position that has been added.

The Foundation is also the mechanism through which all grants are administered. These grants help support the not-for-profit status of the foundation.

* HSIsolutions report presented by Kim Granfor, Vice President of HSIsolutions. HSIsolutions is the for-profit subsidiary of NDHA and is broken down into five divisions: Physician Peer Review, Collections, Group Purchasing, Business Linx and Physician Recruitment. Kim explained what each division does.
* AHA Advocacy and Washington Update presented by Paul Muraca, AHA Region 6 Exec and John Flink, NDHA Washington Consultant. They talked about the upcoming elections. Health care has not been a central theme in the presidential election but it is a key part of each party’s platform. AHA’s strategy is to remain neutral on the presidential election and to be a resource to all candidates and to raise questions on key health care issues. John mentioned he is NDHA member’s eyes and ears in Washington and please call if you have any questions or concerns.
* HEN 2.0 & HIIN - Barb Groutt, CEO of Quality Health Associates of North Dakota presented an update on the HEN 2.0 & HIIN project.

Governor Candidate Rep. Marv Nelson addressed the membership. He was unhappy during the special session and the cuts made to Medicaid. He is in support of Medicaid Expansion, but the big problem is the funding. He discussed mental health, building North Dakota’s economy other than oil, and having affordable child care. His pledge is to support Medicaid Expansion and return Medicaid funds to the way it was.

**Adjournment -** There being no further business, the meeting was adjourned.

Lori Schmautz

Recording Secretary