



North Dakota Hospital Association (NDHA) Board of Directors Meeting Minutes
June 8, 2018

Directors Present: Keith Heuser, Reed Reyman, Pat Branco, Dan Kelly, Jerry Jurena, Andy Lankowicz*, Tim Saylor*, Darrold Bertsch*, Alan O'Neil* and Jeff Herman*.

*Present via telephone

Also Present: Jen Porter*, John Flink*, Tim Blasl, Melissa Hauer, Kelly Cermak and Lori Schmutz.

A regular meeting of the North Dakota Hospital Association was called to order at 10:05 a.m., Central Time, on June 8, 2018 by Keith Heuser, Board Chair, at the NDHA office located at 1622 E. Interstate Avenue, Bismarck, ND. A quorum of directors was present.

Agenda: The agenda was reviewed and consideration of an associate membership application was added.

Board Minutes: Mr. Heuser presented to the Board for approval the minutes of the March 9, 2018, meeting. A correction of the Directors will be made to reflect that Alan O'Neil attended in person. Upon a motion duly made, seconded and adopted the minutes were approved as corrected.

Financials: Kelly Cermak, Finance Manager, presented the March 31, 2018, financial statements. Mr. Heuser mentioned that he approved an additional \$2,500 to be paid to Yaffee & Company to complete the new president contract. Upon a motion duly made, seconded and adopted, the March 31, 2018, financial statement was approved.

Action Items:

Trinity Kenmare Membership Dues - Jerry Jurena, President, brought forth for Board consideration the termination of Trinity Kenmare's membership due to delinquent dues in the amount \$3,767. NDHA sent invoices for dues to Trinity Kenmare at the beginning of the fiscal year and monthly thereafter. Mr. Jurena made two phone calls to the CEO of Kenmare and left messages, with no response. Mr. Jurena also sent a letter to the CEO on April 10, regarding the delinquent dues and received no response. Upon a motion duly made, seconded and adopted, the membership of Trinity Kenmare was terminated.

HSI Bylaw Changes – Melissa Hauer, General Counsel, reviewed the amendments proposed to the Hospital Services, Inc., Bylaws (HSI) by the HSI Board of Directors. If it accepts the recommended

changes, the NDHA Board is required to approve them. Upon a motion duly made, seconded and adopted, the amended HSI Bylaws were approved.

Legislative Committee – Reed Reyman, President, CHI St. Alexius Health Dickinson Medical Center, NDHA Legislative Committee Chair, provided a summary of the recent work of the Legislative Committee and reviewed its recommended list of legislative priorities. Upon a motion duly made, seconded and adopted, the Legislative Committee’s recommended list of legislative priorities was approved. Mr. Heuser explained that there will be time set aside on each NDHA Board agenda to discuss legislative issues.

The Associate Membership Application received from Michael Stein, Financial Services Representative, MassMutual Central U.S., a financial services company that offers insurance, retirement and investment packages, was reviewed. Upon a motion duly made, seconded and adopted, the associate membership of Michael Stein was approved.

Dan Kelly, CEO, McKenzie County Healthcare Systems, requested that Dave Molmen, CEO, Altru Health System, give periodic updates to the NDHA Board on the state of the Medicaid Managed Care project. Mr. Jurena will relay the request to Mr. Molmen.

Information/Reports:

- AHA Advocacy – Jen Porter, American Hospital Association (AHA) Region Six Executive, gave an update on federal advocacy and regulatory issues.
- Washington Update – John Flink, NDHA Federal Affairs Consultant, gave an update on what is happening in Washington, D.C. A discussion was held regarding contribution to the North Dakota candidates for U.S. Senate. Upon a motion duly made, seconded and adopted, the Board approved scheduling a special meeting via telephone on June 11 in order to allow absent directors to participate in further discussion regarding contributions. Upon a motion duly made, seconded and adopted, with Mr. Kelly abstaining, the Board also approved allowing Mr. Jurena to determine whether contributions should be made if a quorum of directors is not present on the June 11 call.
- Subsidiary Board Reports –
 - Kim Granfor, Vice President, HSI, gave an update on collections, the vendor partner program, GPO, and peer review.
 - Intalere Contract – Mr. Cermak provided an update on the status of the Intalere contract.
 - Foundation – Tim Blasl, Vice President, gave an update on the grants and projects of the Foundation.
 - Medicaid Managed Care – Mr. Jurena gave a status report on the Medicaid Managed Care project. The coalition members met on June 5 to consider different models of managed care. The coalition is working with Leavitt Partners to develop a model that can be recommended to the North Dakota legislature. The Health Care Reform Review Committee will meet on June 28 and Mr. Molmen will give a presentation.

Staff Reports:

- IHS 100% FMAP project – Mr. Blasl gave an update on the Indian Health Services 100% FMAP project. While efforts to roll the project out statewide have been slow, the two Bismarck PPS hospitals and Great Plains Area IHS have entered into care coordination agreements and the two hospitals are submitting claims to Medicaid.
- Legal Activities – Ms. Hauer provided an update to the Board on the following:

- A ballot to extend the terms of the current NDHA directors by one year in order to assist with succession of the new President was sent to the membership and approved.
- Association Health Plan – NDHA has met with several brokers and insurance companies to explore options available to offer an association health plan. NDHA would be the policy holder and member hospitals would be able to offer health insurance coverage to their employees through the association health plan. NDHA will issue a Request for Proposals for development of such a plan, assess the proposals that are submitted, and make a recommendation to the Board.
- Ms. Hauer provided antitrust education to the Board, including a summary of the article “Your Momma’s Rules ...to Keep Other People From Getting You and Your Association Into Antitrust Trouble” and the NDHA Antitrust Statement. The NDHA Antitrust Statement will be added to each Board meeting agenda as a reminder. A discussion was held regarding conflicts of interest. Upon a motion duly made, seconded and adopted, the board approved a clarification to the NDHA conflict of interest policy that requires a director with a conflict of interest to leave the meeting during which a discussion and vote on the subject matter of the conflict is held.
- Committee Charters – Ms. Hauer reviewed draft committee charters for the four standing committees required by the Bylaws (Finance, Nominating, Legislative and Bylaws Committees). There was discussion of re-naming the Finance Committee the “Executive Committee” and changing the membership to provide that substitute members may be appointed by the Board if the past two chairs are not available to serve on the committee. It was noted that these changes will require the Bylaws to be amended.
- Allied Attorney Meeting – Ms. Hauer gave an update on various topics discussed at the AHA Allied Attorney meeting she attended recently in Washington, D.C. Efforts by other state legislatures to require hospitals to provide price transparency to patients were discussed at the meeting. Also discussed was that the Internal Revenue Service is performing informal audits of nonprofit hospital websites to ensure they have performed community health needs assessments and the plan is easily accessible on the hospital’s website. The Department of Justice is also auditing hospitals’ website for ADA compliance. It was also reported at the meeting that Alaska may try to roll back its Medicaid Expansion eligibility to 100 percent of Federal Poverty Level, but it is anticipated that CMS will not approve it. Oklahoma will have an initiated measure on its November ballot to provide that an employer may not drug test an employee for marijuana use unless he or she shows clear signs of being impaired. North Dakota is likely to have an initiated measure on the November ballot to legalize marijuana and NDHA is watching the measure language carefully.

Other:

- Mr. Kelly requested that NDHA carry out a member engagement survey yearly to see how NDHA is doing on delivering the benefits and programs that members value. Upon a motion duly made, seconded and adopted, the Board approved a yearly NDHA member engagement survey.
- Tim Saylor, COO, Essentia Health, mentioned that the Noridian Mutual Insurance Company (NMIC) Board of Directors has an opening for a provider representative. If any CEO is interested, he or she should contact Tim Huckle, President and CEO, NMIC.

Executive Session: The Board met in executive session beginning at 1:35 p.m. During the executive session, the Board discussed finalizing the President Search Committee work since Mr. Blas’s

acceptance of the President position beginning September 1, 2018, under the terms and conditions of the employment contract offered to him. Upon a motion duly made, seconded and adopted, the Board returned to full session at 2:00 p.m.

Adjournment: There being no further business, the meeting was adjourned at 2:02 p.m.

Lori Schmartz
Recording Secretary