



Vision

The North Dakota Hospital Association will take an active role in major Healthcare issues.

Mission

The North Dakota Hospital Association exists to advance the health status of persons served by the membership.

North Dakota Hospital Association Board of Directors Meeting Minutes September 29, 2023

Directors Present*: Tim Blasl, Ben Bucher, Mike Delfs, Marianne Doeling, Tiffany Lawrence, Nikki Lindsey, Richard Vetter, M.D., and Todd Schaffer, M.D.

Others Present*: Kelly Cermak, Melissa Hauer, Troy Nelson, Erik Rasmussen, Elizabeth Summy, Lori Wangler.

*All participated by video conferencing.

A regular meeting of the Board of Directors of the North Dakota Hospital Association (NDHA) was called to order at 9:03 a.m., Central time, on September 29, 2023, by Mariann Doeling, Chair-elect of the Board. A quorum of directors was present.

Ms. Doeling asked if there were any perceived or known conflicts of interest as per items listed on the agenda for this meeting. There were none.

Agenda Approval: Upon a motion duly made, seconded, and adopted an amendment to the agenda to add an investment update; move the federal update forward on the agenda to follow the investment update; and include a report by Melissa Hauer, General Counsel/VP, regarding the North Dakota Supreme Court's ruling on the State Office of Management and Budget's appropriations bill was approved.

Investment Update: Troy Nelson, Financial Advisor, Edward Jones, provided an update on the corporation's investment performance. He informed the board that his strategy to reduce investments in bonds and increase holdings of dividend stocks, large capital stocks, and international stocks resulted in a loss of 10% in 2022. That loss is considered a good result, given that in 2022 the U.S. experienced the worst bond market since the Great Depression. Mr. Nelson had trimmed holdings in technical stocks also. The gain on NDHA's investments resulted in an increase in income.

Mr. Nelson's current recommendation is to invest \$100,000 cash in the Pacer US Cash Cows Exchange Traded Fund (ETF) and \$100,000 cash in the Pacer Global Cash Cows Dividend ETF. According to Mr. Nelson, the investment is within NDHA's current investment policy.

Upon a motion duly made, seconded, and adopted, Mr. Nelson's recommendation to invest \$100,000 in the Pacer US Cash Cows ETF and \$100,000 in the Pacer Global Cash Cows Dividend ETF was approved.

Approval of Minutes: Ms. Doeling presented to the Board for approval the minutes from the June 23, 2023, board meeting. Upon a motion duly made, seconded, and adopted, the minutes of the June 23, 2023, meeting were approved.

Federal Update: Erik Rasmussen, NDHA's federal affairs consultant, gave an update on recent Hill activity in Washington, D.C., including recent prescription drug pricing reforms, the threatened government shutdown on October 1, the current balance of parties in each chamber of Congress, the current unwinding of the COVID-19 Public Health Emergency, and the loss of Medicaid coverage for many North Dakotans.

NDHA Financials: Kelly Cermak, Finance Manager, presented NDHA's financial statements as of June 30, 2023. Upon a motion duly made, seconded, and adopted, the financial statements as of June 30, 2023, were approved as presented.

Mr. Cermak presented the proposed budget for the 2023-2024 fiscal year. He reported to the board that he has been in discussion with the North Dakota Long Term Care Association (NDLTCA) about the possibility of NDHA contracting to perform accounting services for NDLTCA.

Upon a motion duly made, seconded, and adopted, the budget was approved as presented.

Bylaws Revisions: Ms. Hauer reviewed proposed revisions to the NDHA bylaws as recommended by the Bylaws Committee as summarized in the meeting materials. Upon a motion duly made, seconded, and adopted, the proposed bylaws revisions were approved. The proposed revisions will now be taken to the membership for approval.

North Dakota Hospital Foundation Board Appointment: Mr. Blasl recommended Lukas Fischer, CEO/Administrator, Linton Hospital, Linton, and CEO, South Central Health, Wishek, be appointed to fulfill the unexpired term of Beverly Vilhauer, which ends on October 1, 2023, on the North Dakota Hospital Foundation Board. Upon a motion duly made, seconded, and adopted, the appointment of Lukas Fischer to the unexpired term of Beverly Vilhauer on the North Dakota Hospital Foundation Board of Directors was approved.

Reports

- a. HSI Board Appointments Right of Refusal: Mr. Blasl reported that Alyson Kornele, CEO, West River Health Services, Hettinger; Lisa LeTexier, CEO, Pembina County Memorial Hospital, Cavalier; and Jody Nelson, CEO, St. Luke's Medical Center, Crosby, were elected to the Hospital Services, Inc. (HSI) Board of Directors. Ms. Hauer explained that the NDHA Board of Directors has the right of refusal of any director elected to the HSI board. There was no further discussion of the right of refusal.
- b. Nominating Committee: Ms. Hauer reported that the Nominating Committee presented to the voting membership Nikki Lindsey, CEO, Dakota Regional Medical Center, Cooperstown; Ms. Doeling; and Michael Delfs, President/CEO, Jamestown Regional Medical Center, Jamestown, as the slate of nominees for election to the NDHA Board of Directors. Ballots were sent to the voting members and 45 have been returned, all in approval of the slate. The new directors' terms will begin on October 1.
- c. Subsidiaries Reports:
 - i. North Dakota Hospital Foundation.

Mr. Blasl reviewed the changes to the Foundation Board. Jody Nelson will leave the Foundation Board to sit on the HSI board, and Lukas Fischer will be added to the Foundation Board.

Mr. Blasl updated the Board on the Foundation's projects in the past fiscal year. A key project for the coming year will be an economic impact study. NDHA will contract with a consultant to perform the study. An electronic survey request for data will be sent out soon. The data gathered will be used to educate legislators, board members, and community leaders. The cost of the study is expected to be \$20,000 to \$25,000. The critical access hospital financial analysis will be conducted in the spring of 2024. The cost is estimated at \$5,000. The cost of the annual salary survey is estimated to be \$10,000.
 - ii. Hospital Services, Inc.

Mr. Blasl updated the Board on the transition of duties from Kim Granfor to Rob Field. Aaron Brennan will now manage the Strategic Business Partners program. HSI hopes to increase its debt collection services to providers.
 - iii. NDHA Health Benefits Trust.

Mr. Blasl informed the Board that health plan premium rates are being determined

for 2024 with Blue Cross Blue Shield, and the Trust has also requested rates from other health plan providers.

President's Evaluation: Ms. Doeling requested that board members complete and return their President evaluation forms and return them to her by Monday, October 2.

AHA Update: Elizabeth Summy, American Hospital Association (AHA) Region Six Executive, updated the Board on AHA's advocacy priorities. The AHA's 340b Hospital Commitment to Good Stewardship Principles letter went out to all member hospitals. She reported regarding the status of the federal government shutdown deadline, AHA's focus on preventing site-neutral cuts, cyber security, and the 340B drug payment program clawback due to CMS's underpayment. A new AHA television ad targeted at members of Congress was launched on September 27 to elevate stories of the positive impact of hospitals in response to negative press.

President's Report

Mr. Blasl reported on NDHA's current priorities. He said that working with the Health Care Task Force (Task Force) is NDHA's current primary priority. He worked with Representative Mike Lefor to increase the number of hospital representatives on the Task Force by two. Senator Kyle Davison is chair of the Task Force. Tiffany Lawrence informed the Board she received a meeting invitation for a call with the consultant who is the facilitator for the Task Force before the Task Force's meeting next month. Mr. Blasl told the Board he will schedule a planning session prior to the October 19 meeting of the Task Force.

Mr. Blasl told the Board that the legislature may have the information in the North Dakota Insurance Commissioner's 2020 study of health care in North Dakota updated since funding is available. He has reached out to Representative Lefor to suggest that NDHA and the Task Force work together on a report instead. He has also been speaking with consultants about doing an independent, neutral, third-party study. He informed the Board that such a study will cost around \$90,000 to \$105,000 so it may require the participation of the group. He said he is not concerned about the cost of the study, but the turnaround time in completing it if we want it to be complete by February 2024.

There was discussion in favor of doing the study regardless of the turnaround time or the cost, and support for being aggressive in getting the data ready.

Mr. Blasl reported on the following interim legislative activities:

Health Care Committee: the committee is studying contract nursing, and hospital representatives from Jamestown Regional Medical Center and Sanford testified at the last meeting in August. The committee is also studying prior authorization which may be considered at the next meeting, which has not yet been scheduled.

Human Services Committees: The committee met on August 29. Their next meeting is not yet scheduled but NDHA members plan to testify regarding behavioral health treatment in

the state. The committee is also studying the expansion of Federally Qualified Health Centers, which NDHA will track.

Health Services Committee: The committee studies of interest to NDHA include emergency medical services and a report regarding Medicaid Expansion reimbursement rates. The committee met last on August 31. The next meeting is not yet scheduled.

Annual Convention: Mr. Blasl reported that the number of registrants for the annual convention is up from last year. There is more vendor interest in displaying at the trade show than booth space available. The annual member meeting will be held on October 11. CHI has a meeting in Omaha at the same time, so Chair-elect Doeling is unable to attend the annual meeting. Mr. Blasl will chair the annual meeting in Chair-elect Doeling's absence.

Mr. Blasl reported regarding the recent creation of the Rough Rider High-Value Network, a clinically integrated network, by most of the independent critical access hospitals in the state. Mr. Blasl invited Rough Rider High Value-Network President, Alfred Sams, to provide a presentation at a future board meeting regarding the network.

Other Business: Ms. Hauer reported the North Dakota Supreme Court yesterday struck down the Office of Management and Budget (OMB) appropriation, 2023 Senate Bill no. 2015. The impact it will have is unclear but the bill had several appropriations that impacted health care including funds for the creation of an office of immigration to help with workforce, health professional scholarships, a study concerning guardianship, and a behavioral health facility in the western part of the state. We have spoken with leaders of the House and Senate and they expect to have a special session to come back and pass bills that contain the appropriations that were struck down by the opinion.

There being no further business, the board meeting was adjourned at 11:45 a.m., Central time.

Lori Wangler
Recording Secretary