



Lifeline

A Mercy Hospital Publication
WINTER 2011

A Letter to Our Hospital District

Mercy Hospital is a special place. Our employees are exceptional, both highly skilled and compassionate. They are committed to providing the best care to our patients. As a mission-driven, non-profit community hospital, we are focused on meeting the needs of our patients and serving our community at large.

A recent newspaper advertisement placed by the Board and Administration of Gateway Family Health Clinic was critical of recent decisions made by our hospital board and administration. The advertisement, however, overlooked and misconstrued key elements of our decision making process, decisions that were laborious and difficult to make and allowed for the preservation of services and jobs while avoiding a hospital district tax levy.

RETAIL PHARMACY

It is true that Mercy sold its retail pharmacy operation in Moose Lake and Sandstone. The pharmacy faced a number of significant challenges. The implementation of Medicare Part D, while good for patients, created a challenging and unsustainable business model for a small, independent pharmacy. In addition, recruitment of pharmacists to a small, rural retail pharmacy proved nearly impossible. The retail pharmacy was sold at a benefit to Mercy of \$1.2 million, money that is reinvested into equipment and services for the community. Most importantly, retail pharmacy services remain in both communities and jobs were retained. This was a good business decision for both Mercy and the community.

NURSING HOME & KENWOOD PLACE

After a lengthy process taking several years, Mercy

recently transferred ownership of the nursing home and Kenwood Place to Augustana Care Corporation. This difficult decision was not made lightly. The hospital district was losing over \$2 million every year from nursing home operations, a staggering amount that threatened our ability to provide hospital services in the future. In fact, early in the process we received an email in support of this decision from a Gateway physician in a leadership position. Finding an alternative business model for the nursing home with an organization that shares our mission and commitment was a positive step for our community. Again, important services were retained and, although benefit packages differ, jobs were preserved. To help ease the transition, Mercy provided a loyalty bonus to nursing home employees based on years of service. Finally, it is exciting to see Augustana's commitment to the community as they develop their plans for future improvements in senior services.

LEADERSHIP/ DUPLICATION OF SERVICES

Over the last few years, there have been no changes in executive leadership at Mercy. But Gateway has seen significant change, including the departure of five physicians and the addition of a new administrator. While Gateway continues to retain talented physicians, the community

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principles and leadership characteristics upon which the clinic was founded appear to have been put aside. One example is the increasing duplication of certain services long offered by the hospital.

ER SERVICES

In the past, our organizations had a history of negotiating in good faith and compromise in order to see each other's organization thrive. Gateway's approach to contract issues has changed significantly. For years, Mercy has contracted with Gateway for ER coverage. In last year's ER contract negotiations, Mercy's key issue was the need to complete our strategic planning process before entering into a long-term contract. Although Gateway had previously agreed to two short-term contract extensions, they rejected Mercy's request. Instead, on June 2 they presented a three-year contract with a 3% raise for each year with the request to accept or decline the contract by June 7. Mercy's Board declined. A one-year contract, at cost savings of \$140,160, was negotiated with Wapiti, a physician group that Gateway Clinic used for years to supplement up to 25% of its ER coverage. Gateway physicians were invited to staff any or all Wapiti shifts.

Gateway charges that continuity of care has been compromised because local physicians are not staffing the ER. This is a troubling assertion. We do know Wapiti provides ER coverage to 24 communities throughout Minnesota, including Cloquet, Aitkin, Crosby, Onamia, Mora and Two Harbors.

With the change in ER contract, Gateway requested, for the first time ever, physician compensation for on-call c-section and obstetric coverage at the hospital in the amount of \$195,000. Through mediation, a \$130,000 on-call c-section and ob coverage agreement was reached in order to prevent the loss of that service to the families of our area.

POSSIBLE AFFILIATION

Finally, Gateway states they have not been asked to participate in discussions regarding Mercy's possible affiliation with Essentia Health. First, it is important to note that these discussions are just getting underway. Second, Gateway administration curtailed communication with Mercy's leadership in early November.

SERVING OUR COMMUNITY

We believe Mercy and Gateway share a common goal to provide quality care to our community. Our approach in providing these services, however, differs. Gateway is a private, for profit organization. Mercy is a non-profit, critical access hospital that provides greater than \$13 million per year in community benefit through subsidized care, charity care and community health initiatives. We have an elected board with open board meetings to oversee our operations. We welcome questions as we explore opportunities to improve and expand needed health services for the communities we serve.

Mercy Board of Directors and Administration

Q&A: Mercy Talks With Essentia Health About Possible Affiliation

Leaders at Mercy Hospital recently announced that they are exploring the possibility of starting a new relationship with Essentia Health, based in Duluth. The two organizations signed a memorandum of understanding in December, formally kicking off a process to determine whether they will enter into an official affiliation agreement.

Mercy is committed to keeping its employees and the community informed as the integration talks continue. Please watch for periodic updates. In the meantime, Mercy leaders welcome any questions.

Listed below are answers to some of the commonly asked questions about the possible affiliation.

1. Mercy Hospital has a history of independence and financial stability. Why is Mercy's Board considering this affiliation?

Examining this option with Essentia Health allows us to consider new ways of meeting the challenges that healthcare reform will bring to smaller hospitals. This affiliation would allow us to continue our commitment to the community,

while discovering new and more cost-effective opportunities to offer more coordinated care.

An affiliation also would allow for an enhancement in services, including more specialized care coming to the community. By coming together, we believe we can bring both stability and growth to the healthcare community in the Moose Lake area.

We're not the only community hospital in Minnesota seeing the benefit of exploring this kind of relationship. It's becoming a common model across the state.

2. Is this affiliation a “done deal”?

No. While both parties support the concept of integration, no final documents have been agreed to, drafted, or signed. Actual terms of any agreement will need to be worked out in coming months.

3. Is this possible affiliation related to the sale of the nursing home?

No. Although the timing of these developments seems to dovetail, the decisions regarding the future of the nursing home and the hospital were made separately for different reasons. The sale of the nursing home was driven by operating losses in the nursing home that threatened the viability of both the nursing home and hospital.

The hospital's possible affiliation with Essentia Health is driven by health reform efforts that will require new ways of providing cost effective, coordinated care to our patients. In both cases, however, the goal was and is to keep needed medical services in the community, with an eye to the long-term viability and growth of both the nursing home and the hospital.

4. Why did Mercy choose to talk with Essentia Health?

We approached Essentia Health about the possibility of a new affiliation for a number of reasons. Essentia has demonstrated a commitment to providing high quality care that's close to patients' homes. This is in line with our values and goals. Also, we have found that a majority of our patients seek specialty care from Essentia Health, which made it a natural fit.

5. How would this affiliation work? Who owns the hospital?

In the scenario currently under discussion, the local hospital district would continue to own the assets of the hospital. Essentia Health would then lease the assets and operate the facility.

6. What level of local control will remain in the community?

A new integrated organization would be formed with local representation to operate the hospital.

7. Would Mercy become a Catholic hospital if an affiliation agreement is reached?

No. Essentia Health includes both Catholic and secular facilities, and Mercy would remain a nonprofit, critical access hospital without a religious affiliation.

8. What does this mean for the proposed new facility plan?

As part of the affiliation discussions, Essentia Health will evaluate Mercy's existing strategies and facility goals to determine the affordability of the recommendations.

9. What could this affiliation mean for employees?

We recognize that employees have a lot of questions right now. Unfortunately, many answers are still unknown, as we are in the initial discussion phase. The goal of this affiliation would be to help grow services at the hospital, which could create new job opportunities.

10. What does it mean for services/programs?

We believe an affiliation would allow for an enhancement in services, including more specialized care coming to the community.

11. What does this mean to Gateway Family Health Clinic?

The physicians from the Gateway Family Health Clinic will continue to be welcomed into our facility to treat patients, as part of our open medical staff for physicians.

12. Why not partner with Gateway?

At Mercy's invitation, a group of Gateway physicians took part in the hospital's recent strategic planning process in which an integrated business model was discussed.

Even if integration with Gateway had been possible, the need to affiliate with a larger health system would still have been likely. More and more independent hospitals are affiliating with larger health systems due to the changes health reform will bring to small hospitals. It is in the hospital district's best long-term interest to affiliate itself with the stability and resources of a larger, established health system. Essentia Health is a system that shares Mercy's commitment to providing quality care in rural communities.

13. What does this mean to Essentia Health-Sandstone?

Essentia Health will continue to maintain its hospital in Sandstone as well. By having two facilities in the region, there may be an opportunity to recruit additional physicians to live in the area and/or to provide additional outreach services from specialists.



THE MERCY FOUNDATION

The Mercy Foundation Sponsors Its First Blood Drive



Early in the spring of 2010, Mercy Foundation Director Cindy Carlson attended at presentation by Michele Keil, donor recruitment representative for Memorial Blood Centers (MBC) in Duluth.

Near the end of her

presentation, Michele mentioned that the MBC was looking for a group to take over organizing and hosting the January blood drive that had been held in Moose Lake for many years through the volunteer efforts of the Methodist Church in town. The congregation was no longer able to provide the support necessary to host the drive. But the need for the drive remained.

The timing was perfect—Carlson was meeting with her Board of Directors the next week. “One thing you need to know about the folks who serve on The Mercy Foundation Board,” said Carlson, “they are truly committed to the good health of the community, to fostering Mercy’s role as a leader in access to excellent health care, and, just generally, to doing what we can, with what we have, where we are.” It didn’t take long for the Foundation Board to vote unanimously to take on the responsibility for ensuring the continuance of the January Blood Drive in Moose Lake.

“The Board members see this as a way of helping people contribute to health care needs without opening their pocketbooks,” stated Carlson. “It’s just one more way we can help support excellent health care here. Mercy Hospital is one of the hospitals served by MBC. We see this as a way to ensure our blood supply.”

By the time you read this, the Mercy Foundation Blood Drive will be history—successful history. While several board members were instrumental in the successful drive, it is the people of Moose Lake that truly deserve the credit.

“Our Moose Lake donors are very dedicated,” stated Michele Keil of MBC. “We have a very high turnout

rate when there is a blood drive hosted in Moose Lake.”

Why does it matter? There **is** a need, all the time:

MBC supplies blood to over 30 hospitals—including Mercy Hospital—in northern MN and northwestern WI. They need to collect over 2,000 pints of blood **EACH WEEK** to meet these needs.

Each unit of blood can provide life-saving help to as many as three different individuals.

There is still no substitute for blood—a safe supply of human blood must be available 24/7, 365 days each year.

Not every blood donor can give blood every time—sometimes the schedule doesn’t work, sometimes a donor may have a cold or other illness that prevents her or him from donating blood. There must always be more donors than timeslots to ensure a full and successful blood drive.

Blood donors in good health are able to give blood every 56 days. Blood is “the ultimate renewable resource” according to MBC.

MBC keeps meticulous individual giving records for all blood donors; you can’t “over-give” your blood if you go through their system.

There are several opportunities to donate blood in Moose Lake throughout the year. The Mercy Foundation will be hosting the January Blood Drive in January 2012.

Please consider participating in a Memorial Blood Center blood drive whenever it is hosted in your area. It’s about *Life*.

Taxing Issues

The Mercy Foundation began processing tax statements on January 12, 2011. Mailing was scheduled for the week of January 17, 2011.

If you do not receive a tax statement by the second week of February, but believe you should have, please contact us at 218-485-5586 or via e-mail at ccarlson@mercymooselake.org. Thank you for your continued support of The Mercy Foundation!

Memorials & Tributes

The Mercy Foundation receives gifts from those who wish to honor the memory of their friends and family as well as those who wish to pay tribute to others or to celebrate happy occasions, great or small. Following is a list of memorials received by The Mercy Foundation from October 21, 2010 through January 12, 2011.

TRIBUTE

In honor of Jen Schatz
Mr. Mel Nefstead

MEMORIALS

In memory of Stephen Adamczak
Mr. & Mrs. Bob Adamczak

In memory of Sue Arnold
Ms. Jennifer Collins

In memory of David Collins
Ms. Jennifer Collins

In memory of Jerry De Rung
Ms. Jean De Rung

In memory of John De Rung
Ms. Jean De Rung

In memory of Beulah Gretsfield
Mr. & Mrs. Harold W. Carlson
Mercy Hospital
Mr. Randy D. Sarvela
Mr. & Mrs. Mel R. Sundby

In memory of Lois Gronquist
Mercy Hospital

In memory of Ellen Isaacson
Ms. Barb Isaacson

In memory of Thelma Johnson
Mercy Hospital

In memory of Alvin Karki
Mercy Hospital

In memory of Sophie Kaspszak
The Kaspszak Family

In memory of Matt Lammi
Mr. & Mrs. Keith Carlson
Mercy Hospital

In memory of Esther Peterson
Mercy Hospital

In memory of E. N. (Mickey) Plath
Mercy Hospital

In memory of Colleen Ruhland
Ms. Jennifer Collins

In memory of Robyn Spiess
Mr. & Mrs. Marlen Anderson
Mr. Rick Bothwell
Mr. & Mrs. Kenneth Brusda
Mr. & Mrs. Mike A. Carlson
Mr. & Mrs. Maurice Coughlin
Mr. & Mrs. Kenneth Coulter

Mr. & Mrs. Harold Danderburg
Ms. Becky Dooley
Mr. & Mrs. Martin Fair
Mr. & Mrs. L. Dawson Gentry
Mr. & Mrs. Michael Gould
Ms. Randi Hadland
Mr. & Mrs. Scott Hanson
Mr. & Mrs. Dale Heaton
Rev. Deborah Hutterer
Mr. & Mrs. Ted Kosloski
Ms. Lorraine Lekander
Ms. Becky Lief-Kuster & Mr. Byron Kuster
Mr. & Mrs. Ronald Quittem
Mr. & Mrs. Scott Quittem
Mr. & Mrs. Eric Rish
Mr. & Mrs. Evan Sorik
Mr. & Mrs. Mark Spencer
Mr. Gerald Spiess
Mr. & Mrs. Jeffrey Spiess
Mr. Scott Spiess
Mr. & Mrs. Steven Spiess
Mr. & Mrs. Rickey Tollefson

In memory of Warner Wagner
Ms. Marcy C. Wagner

COMPLETE, CLIP & SEND

NAME _____ PHONE _____

DELIVERY ADDRESS: _____

E-MAIL ADDRESS: _____

I WISH TO MAKE THE FOLLOWING:

- GIFT
 - PLEDGE
 - I'D LIKE TO DISCUSS PAYMENT
- OPTIONS, please call me.

I'D LIKE MY GIFT TO BE LISTED IN THE FORM OF A:

- MEMORIAL _____
- TRIBUTE _____



THE MERCY FOUNDATION

710 South Kenwood Avenue • Moose Lake, MN 55767 • 218.485.5586 • FAX 218.485.5855



Four long-term caregivers will represent Moose Lake's excellent staff in Augustana Care's Annual Report. Melva Hecker has worked for 36 years arranging early suppers, mending clothes, organizing worship services and doing things you would do for your own family. Licensed practical nurse Linda Kuhlman and certified nursing assistants Tom and Sue Kukowski are also close to residents. Linda Kuhlman has shared her nursing skills over three decades, while Tom and Sue have worked eight and five years respectively. The couple met while working on the night crew and married last December. Left to right above are Melva Hecker, Tom and Sue Kukowski and Linda Kuhlman.

2010 Progress Report

By Steve Mork, Administrator

As most know, in September 2010 the Mercy Health Care Center became part of the Augustana Care family. Since then the most frequent question I hear is "How is it going?" So it is with great pleasure I tell you that the care center is doing very well.

Here are some important facts. Admissions and discharges more than doubled, but occupancy dropped in 2010. Like other care centers, we are seeing fewer people choose the nursing home for long term care but many more for rehabilitation. Kenwood Assisted Living remains full. On a positive note this has allowed us to create more private rooms. Here is my top ten list—looking back and looking forward:

In 2010, we...

- had an excellent State Survey
- started a successful new Rehab/Transitional Care wing. We offer:
 - Newly decorated private rooms
 - An expanded therapy department
 - A new dining room for Transitional Care patients
- retained most of our excellent caregivers while adding some wonderful new staff and leaders
- worked with wonderful volunteers (but could always use some more)
- saw the area churches involved and caring

In 2011, we will...

- redecorate other parts of the care center
- improve the dining experience
- recruit local leaders to establish a Mission Advancement Council
- give residents more choice
- explore the expansion of our assisted living home.

Mercy Rehab Services: Get Back to Work, Play, Living



Hand therapy is just one of the therapies offered at Mercy. Hand therapist Tonya Benzie, OTR/L, discusses progress with outpatient Henry Gretsfeld.

Whether you are dealing with illness or injury, Mercy's rehab therapists are ready to help you regain the movement and function you need for both your home and work activities.

"Our therapists have the same training as therapists in Duluth or elsewhere. For patients, that means they can receive quality therapy services close to home, saving a lot of driving time.

"If you wonder if you might benefit from therapy services, we are happy to talk with you about your concerns, just give us a call," she added.

Therapy appointments at Mercy are available from 6:30 a.m. to 5:30 p.m., Monday-Friday.

Patients can choose where they have rehab services. If you need therapy services, ask your doctor about receiving your care at Mercy or call us at **218-485-5597** for more information.

Our experienced therapists provide rehabilitation services to patients of all ages, from children to seniors, designed to meet the unique, individual needs of each patient.

Mercy offers physical, occupational and speech therapy along with specialty services including hand therapy, sports medicine, ergonomic evaluations, and lymphedema therapy.

"Our therapists provide a wide variety of services, including inpatient and outpatient therapies along with home care therapy services," said Lori Ziehl, OTR/L, CLT, Director of Rehab Services. "Our patients work with therapists who get to know them on an individual basis which means our therapists have a thorough understanding of how the patient is progressing, resulting in better care."

Ziehl also emphasized the convenience of receiving therapy services at your local community hospital.

Cholesterol & Lipid Screenings

February Walk-In Tests

Mondays/Tuesdays/Wednesdays in February
7:30 - 9 a.m.

Mercy Hospital Lab

\$5 - Cholesterol

\$15 - Complete Lipid Profile

(12-hour fast required before lipid test)

No appointment required.

Call 218-485-5549 for more information.



Community Lifeline is published four times a year for community members by the Public Relations Department of Mercy Hospital.

Comments are welcome and should be directed to the Public Relations Department at 218-485-5672 or tellison@mercymooselake.org.

Jason Douglas
Chief Executive
Officer

Gregg Chartrand
Chief Financial
Officer

Keith Carlson
Director of
Support Services

Donita Korpela
Director of
Patient
Care Services

Trina Lower
Director of
Quality & Health
Information

Judy Molis
Director of
Home Care

Sonya Towle
Director of
Human Resources

Caring for Your Community, One Person at a Time

Call 218-485-4481 for more information; www.mercyooselake.org

Urgent Care

Monday-Friday: 5 p.m. to 9 p.m.
Saturday-Sunday: 9 a.m. to 3 p.m.

Birthing Classes

■ February 5; 9 a.m. to 2 p.m.
■ March 1 & 3; 6:30 p.m. to 9 p.m.
■ April 9; 9 a.m. to 2 p.m.
Call 218-485-5572 to register

Caring for Your Newborn

■ March 15; 6:30 to 8:30 p.m.
Call 218-485-5572 to register

Feeding Your Baby

■ February 16; 6:30 to 8 p.m.
■ April 20; 6:30 to 8 p.m.
Call 218-485-5572 to register

Cardiac Rehabilitation - Phase II

This monitored outpatient program for heart patients is offered on a continuous basis. Call 218-485-5696.

Diabetes Education Program

Moose Lake (Mercy):

■ March 15 & 29; May 3; August 9; 2 to 5 p.m.
■ April 19 & 26; July 12; October 4; 2 to 5 p.m.
Call 218-485-5836 to set up individualized sessions.

Hinckley (Gateway Clinic):

Call 218-485-5836 to set up individualized sessions.

Diabetes Support Group

Meets the second Monday of every month; 2:30 p.m.;
Community Room 1.

Evening Digital Mammography Screenings

■ February 8 & 16
■ March 22 & 28
Call 218-485-5578 to make an appointment.

Breast Cancer Support Group

Meets quarterly, the second Tuesday in January, April, July & October; 6:30 p.m.; Community Room 1. Call 218-485-5599.

Community First Aid/CPR

■ April 14; 6 to 10 p.m.; Cost \$50. Call 218-485-5572.

Pulmonary Rehabilitation Program

An eight-week program of exercise, education, breathing retraining and nutritional counseling. For more information, call 218-485-5677.

LUNGS R US - A Better Breathers Club

Meets third Wednesday of month; 2 p.m. Call 218-485-5677.

Arthritis Exercise Program

FREE 8-week program; next session begins February 16; Wednesdays; 1 p.m. Call 218-485-5696 to register.

Weight Management - Exercise Only!

Eight-week program; next session begins February 15; Tuesdays & Thursdays; 4:45 p.m. Cost is \$75. Call 218-485-5696 to register.

Personal Trainer Program

One-time or on-going sessions available. Call 218-485-5696 for more information.

Grief Support

■ **Grief Support Group:** Meets the fourth Thursday of every month; 10-11:30 a.m. or 7-8:30 p.m.

■ **Child Loss Grief Support Group:** Meets the first Thursday of each month; 7-8:30 p.m.

Alzheimer's Group for Family Caregivers

Meets third Thursday of month; 10 a.m.; Hope Lutheran Church. *Sponsored by Carlton County Public Health.*

SAVE THE DATES! H.O.T. CAMP

Students in grades 8-12 are invited to explore health care careers at a special three-day program to be held from 9 a.m. to 4 p.m., June 13, 14 and 15, 2011 at Mercy Hospital. The program, called Health Occupations Today or H.O.T., is coordinated by the University of Minnesota's Northeast Minnesota Area Health Education Center (AHEC). For more information, contact Brittany Chopp at 218-312-3010 or bchopp1@range.fairview.org or call Mercy at 218-485-5572 or 218-485-5618.