

Meeting Minutes DCT Executive Board Meeting

Thursday, February 19
Direct Care and Treatment
3200 Labore Road Suite 104 Vadnais Heights, MN 55110
3:00 PM – 5:00 PM

DCT Executive Board Attendees

Board Chair Carol Olson, Vice Chair Dr. Paul Goering, Shireen Gandhi, Catherine Chavers, Mary Maertens, John Dinsmore, Dr. Prachi Striker, Lynn Butcher, Laurie Halverson

DCT Staff in Attendance

Marshall E. Smith, Dr. KyleeAnn Stevens, Dr. Soniya Hirachan, Nancy Johnston, Wade Brost, Amy Chantry, Jack Sturtz, Lynn Glancey, Kazim Lalji, Jeshua Livstrom, Dan Storkamp, Terra Carey, Kathy Engstrom, Britney Isaacs, Breanna Drummer, Kari Gallagher

3:00 p.m. Introductions/Roll Call

- A quorum was established based on the number of members present, allowing the board to proceed with official business.
- The purpose of Board members attending virtually was for convenience.
- Attendance Update:
- Dr.Prachi Striker left the meeting during the Finance workgroup update

Board Member	Present In Person	Abstain/Absent	Present Virtual
Carol Olson	X		
Dr. Paul Goering			X
Shireen Gandhi		X	
Mary Maertens			X
John Dinsmore	X		
Dr. Prachi Striker			X
Catherine Chavers		X	
Laurie Halverson	X		
Lynn Butcher		X	

3:05 p.m. Review January Meeting Minutes

- Mary Maertens motioned to approve the January meeting minutes; Dr. Paul Goering seconded. All in favor, no opposition. **Motion passes**

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi			X
Mary Maertens	X		
John Dinsmore	X		

Dr. Prachi Striker	X		
Catherine Chavers			X

Review correction in December meeting minutes correction in Laurie Halverson's last name

- John Dinsmore motioned to approve the December meeting minutes with the correction to Laurie Halverson's last name; Mary Maertens seconded. All in favor, no opposition. **Motion passes.**

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi			X
Mary Maertens	X		
John Dinsmore	X		
Dr. Prachi Striker	X		
Catherine Chavers			X

Privileging and Credentialling

- Board members reviewed the Privileging and Credentialling from January
- Dr. Paul Goering motioned to approve Privileging and Credentialling; Mary Maertens seconded. All in favor, no opposition. **Motion passes.**

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi			X
Mary Maertens	X		
John Dinsmore	X		
Dr. Prachi Striker	X		
Catherine Chavers			X

Delegations

- Delegation of Authority
 - Connie Jones-DCT Chief of Staff
 - Increase contract authority from \$100, 000 to \$750,000
 - Add authority to sign documents related to leases, design, and construction
 - Dan Storkamp-DCT Executive Director, External Relations
 - Update job title
 - Adjust scope of contract authority
 - Reduce contract authority from \$750,000 to \$100, 000
 - Nathan Moracco-DCT Technology Director
 - New delegation
 - Authority to execute Information Technology (IT) procurement contracts
 - Authority to sign information sharing agreements
- Mary Maertens motioned to approve Delegations of Authority; Dr. Paul Goering seconded. All in favor, no opposition. **Motion passes.**

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi	X		
Mary Maertens	X		
John Dinsmore	X		
Dr. Prachi Striker	X		
Catherine Chavers	X		

3:15 p.m. CEO/Board Chair and Vice Chair Updates

- Marshall E. Smith, Chief Executive Officer (CEO) of Direct Care and Treatment (DCT) Health System, provided a CEO update.
 - He reported that DCT submitted its third Malcolm Baldrige application on December 30 and anticipates site visits March 16–18. Recent surveys conducted by The Joint Commission and the Minnesota Department of Health resulted in minimal or no citations. Three county licensing visits resulted in three corrections, which have been resolved.
 - Occupancy across DCT remains steady at approximately 90–92 percent. Progress continues in identifying long-term space for Anoka and additional administrative capacity to support return-to-work requirements. The Miller Building on the Anoka campus is scheduled for demolition in May. The Jail Consultation Pilot continues to generate strong statewide interest. Renovation of the new Electroconvulsive Therapy (ECT) suite at Anoka Metro Regional Treatment Center (AMRTC) is underway, with psychiatrists completing training through Emory University to expand internal access to services.
 - Vacancies decreased from 557 (June 2025) to 429 this month. Marshall noted an increase in Family Medical Leave Act (FMLA) usage totaling over 26,000 hours (approximately 326 Full Time Equivalent (FTE) impact). Leadership continues monitoring workforce trends and associated operational and financial impacts.
 - The FY26 forecast reflects approximately a \$3.5 million overspend, which can be covered with balance-forward funding. Preliminary projections indicate a potential \$2.5 million shortfall in FY28 if current trends continue. Cash flow remains stable.
 - He also reported that the Executive Team approved DCT's technology vision focused on data, artificial intelligence, and timekeeping systems. The first 10 of 95 FTEs supporting modernization efforts were approved. DCT achieved 95 percent compliance with statewide device verification across approximately 3,600 devices within 17 days.
- Direct Care and Treatment Board Chair Carol Olson provided a Board Chair update.
 - Chair Carol Olson reported that she and Vice Chair Dr. Paul Goering met with General Counsel and CEO to review litigation matters

within Direct Care and Treatment. She noted that a litigation report is provided and discussed at a high level, focusing on overall trends across service lines rather than specific cases.

- Chair Olson also discussed the Minnesota Hospital Association Trustee Certification. She noted that certification is not required but is encouraged for board development. The summer Trustees Conference will be held July 29–31 at Breezy Point Resort.
- Dr. Paul Goering motioned to approve board members to pursue trustee certification, John Dinsmore seconded; all in favor, no opposition, **Motion Passes**.

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi	X		
Mary Maertens	X		
John Dinsmore	X		
Dr. Prachi Striker	X		
Catherine Chavers	X		

- Direct Care and Treatment Board Vice Chair Update
 - Vice Chair Dr. Paul Goering provided a community update regarding challenges faced by community hospitals. He reported that emergency rooms are experiencing capacity constraints, resulting in delays in admitting patients, particularly individuals experiencing psychiatric crises who require forced medication orders.
 - Vice Chair Dr. Goering explained that under current law, courts have up to 14 days to respond to a Jarvis order request. Hospitals have indicated that this timeframe is contributing to delays in treatment while patients remain in emergency rooms.
 - He noted that proposed legislative changes may be introduced to shorten the court response timeline. He stated that while DCT would not introduce such legislation, the issue aligns with DCT's quality interests and may warrant awareness and potential support if advanced.

Workgroup Updates

- Advisory Committee
 - Dan Storkamp, DCT Executive Director of External Relations provided an update on the DCT Advisory Committee
 - Reported that the public webpage for the DCT Advisory Committee has launched, including information on the committee's purpose, upcoming meetings, and public comment opportunities.
 - Noted that the Advisory Committee, established under state law, provides a forum for stakeholders to advise the DCT Executive Board on agency operations and system improvement.
 - Public comment will be accepted in advance of the next meeting on February 27 through an online submission form.

- Health Management Associates (HMA) is serving as the support services function and has established processes for public participation.
- Quality/Compliance
 - Board Member Mary Maertens provided an update from the Quality and Compliance Workgroup.
 - The workgroup reviewed the compliance dashboard, including conflicts of interest and Office of Equal Opportunity (OEO) monitoring.
 - The group also reviewed trending sentinel event root cause analysis for the previous fiscal year.
 - The workgroup provided feedback on the public participation process from the perspective of the Quality and Safety Workgroup.
 - Discussion included the concept of “Just Culture” within the organization and the importance of the Board understanding the external reporting requirements and oversight related to services provided.
 - It was noted that additional clarification on measures and dashboards would be provided, and dashboards will be brought forward at future updates and board presentations.
- Finance
 - Board Member John Dinsmore provided an update from the Finance Workgroup and noted that the workgroup met earlier in the month.
 - John reported that the workgroup received an overview of the upcoming legislative session from Carrie Briones, including potential policy proposals and bonding priorities such as asset preservation and sewer and water infrastructure improvements at St. Peter. the workgroup also received information regarding ongoing work related to jail consultation services and potential future revenue sources.
 - He shared information regarding the state budget forecast and the projected state budget shortfall, with an updated forecast expected later in the month.
 - John noted that the workgroup completed planning for upcoming Executive Board presentations, including an update from Nancy Freeman DCT Chief Operating Officer (COO) regarding capital improvement planning and future quarterly financial reports.
 - John referenced financial documents included in the meeting packet comparing expenditures to budget for the first six months of the state fiscal year (July–December) and noted that overall expenditures compared to budget appear stable at this time.
 - Board members asked questions regarding revenue variances and budget projections. Lynn Glancey, DCT Chief Financial Officer (CFO) explained that Outpatient Services revenue may appear lower year-to-date due to the timing of Medical Assistance cost settlement payments typically received later in the fiscal year.

- Lynn Glancey also noted that Minnesota State Operated Community Services (MSOCS) operates as an enterprise program that generates revenue and may carry forward operating margins to support program needs.

3:50 p.m. Quality and Strategic Planning Update

- Terra Carey DCT Chief Quality Officer provided an overview of the Quality area and its role within DCT, noting that the presentation focused primarily on strategic planning and Malcolm Baldrige related Quality initiatives
 - Terra explained that the Quality structure operates within a mixed matrix model, supporting both systemwide quality expectations and service line flexibility through Quality Assurance and Performance Improvement (QAPI) plans.
 - Terra highlighted the organization's focus on culture change and high reliability principles, emphasizing transparency, risk identification, and continuous improvement.
 - Terra discussed efforts to embed Just Culture practices, encouraging reporting and system improvement rather than focusing solely on individual fault.
 - Terra provided an overview of the Baldrige Performance Excellence Framework, noting that it provides a structured model for evaluating leadership, strategy, operations, and results across the organization.
 - She noted that Direct Care and Treatment has completed multiple Baldrige applications across service lines and systemwide, using the process to support organizational improvement and learning.
 - She reviewed the current strategic planning cycle, including upcoming opportunities for stakeholder and employee input as the organization updates its strategic plan.
 - The Annual Excellence Conference is scheduled for September 22, which highlights employee recognition and quality improvement projects across the organization.

4:59p.m. Meeting Adjourned

- John Dinsmore made a motion to adjourn the meeting, Mary Maertens seconded. All in favor, no opposition. **Motion passes**

Board Member	Vote For	Vote Against	Abstain/Absent
Carol Olson	X		
Dr. Paul Goering	X		
Shireen Gandhi	X		
Mary Maertens	X		
John Dinsmore	X		
Dr. Prachi Striker			X
Catherine Chavers	X		