

Northland Medical Center 911 Northland Drive Princeton, MN 55371

July 17, 2020

Mr. Bob Barbian City of Princeton 705 2<sup>nd</sup> Street N Princeton, MN 55371

Dear Mr. Barbian:

Thank you for taking the time out of your busy schedule to speak with us regarding the financial impact of the COVID-19 pandemic.

As we discussed, Northland Medical Center (Northland) has played a critical role in Princeton's response to the pandemic. When it became clear that our community needed to prepare for COVID-19, we dramatically altered almost every aspect of our operations. This included halting non-time sensitive surgeries and medical visits; training our staff to safely care for infected patients; ensuring an adequate supply of personal protective equipment, ventilators, medicines and other supplies; investing in and rapidly accelerating a move to telehealth technology to continue to care for patients. Physical facility changes included modifying our ventilation systems to create negative pressure airflow rooms; increasing infection prevention measures and cleaning within the hospital; deploying new capabilities including drive-up testing; converting seven additional rooms to serve as Intensive Care Units (ICU) to provide the hospital with additional surge capacity for the sickest patients; and creating and executing extensive surge plans that allow Northland to handle the surge of COVID-19 patients needing emergency room and inpatient care during the pandemic. We also had to close our local infusion center to repurpose that space as designated ICU/negative airflow rooms to have capacity to manage a surge locally; this created a burden for those patients needing this type of care to have to drive to Maple Grove.

Northland is a full-service, 24-hour medical center located in Princeton. Since 1993, Northland has served the area with specialists in everything from heart and cancer care to trauma and surgery. The medical center consistently earns local and national recognition, including a 5-star quality rating in the 2019 Centers for Medicare & Medicaid Services "Hospital Compare" quality rating survey. This program rates more than 4,000 U.S. hospitals in 57 categories on the quality of care they offer. The 5-Star rating places Northland in the top 3 percent of hospitals in the country. Northland was ranked in the top 100 community hospitals nationally. Northland was one of three hospitals in the state to achieve this recognition.

The extraordinary actions that we took at Northland in response to COVID-19 were critical to our ability to serve our community. They were also costly. These COVID-specific actions have placed an extraordinary financial burden on our hospital that will not be covered by insurance reimbursements, the State of Minnesota, or the federal government.

We respectfully request that Princeton consider allocating from the \$358,243 that you received to help Northland offset non-reimbursable costs that the hospital has incurred, or will incur, by the end of this calendar year in response to the pandemic.

We are in the process of finalizing our costs and cost estimates and will have a specific request in the next few weeks. The non-reimbursable costs that we are asking for will represent the Princeton proportional share within our service area. We are making similar requests of neighboring municipalities.

We thank you for discussing this matter with us and for your consideration of our request. If you require any additional information, please feel free to contact me directly at <a href="mailto:GSCHOEN1@Fairview.org">GSCHOEN1@Fairview.org</a>. Please also feel free to reach out to Andy McCoy and Mary Edwards of Fairview Health at <a href="mailto:AMCCOY2@Fairview.org">AMCCOY2@Fairview.org</a> or <a href="mailto:MEDWARD1@Fairview.org">MEDWARD1@Fairview.org</a>.

We look forward to hearing from you on this important matter. We appreciate our long-standing partnership in caring for the residents of the community, during COVID and beyond.

With kindest regards, I am

Sincerely yours,

Greg Schoen, MD

Vice President, Medical Affairs

cc: Brad Schumacher (Mayor)

Stephanie Hillesheim (Community Development Specialist)

Steve Jackson (City Finance Director)