Brookings Health System
Board of Trustees Minutes of Meeting
Monday, June 29, 2026
Board Room, Brookings Hospital

The Brookings Health System Board of Trustees held a meeting at the Brookings Hospital in the Board Room with the following members present: Mary Anne Krogh, Tracy Greene (Ph.), Jenn Barlund, Lynn Darnall, Shelby Eischens, Don Greiner, Shawna Hanson, and David Jones.
Ex-officio: Brianna Doran and Lisa Hager

Absent: David Meyer

Management Present: Jason Merkley, CEO; Tammy Hillestad, CNO; and Sheri Wiig, recorder

Call to Order: Vice President Krogh called the meeting to order at 5:30 p.m.

Invited Guest
Guest speaker, Tim Rave, President and CEO of the South Dakota Association of Healthcare Organizations (SDAHO) provided a high-level update on many tenuous healthcare issues that could affect South Dakota. From a legislative standpoint, he noted concern about potential funding reduction to key healthcare programs, depending on the outcome of the runoff election for governor. Rave emphasized the importance of voter participation in the July 28 election between Rhoden and Doeden. Rave also shared his perspectives on the Rural Health Transformation Project, including concerns related to project communication and coordination.

Rave was thanked for his feedback and departed the meeting at 6:08 p.m.

Agenda Approval
A motion was made by Greiner, seconded by Hanson to approve the agenda. All present voted in favor; motion carried.

Consent Agenda Approval
A motion was made by Darnall, seconded by Barlund to approve the following consent agenda items. The motion carried unanimously.

A. April 27, 2026, Board of Trustees meeting minutes
B. June 17, 2026, Medical Executive Committee meeting minutes
C. April and May Financials (total payables were $3,361,339.45 for April and $2,737,156.41 for May)

Informational Items
Articles of interest included: "*Fight over hospital prices heats up*", Midwest Medical Edition, FARM Program proposal, and NPHN – Ovation Healthcare Proposal.

Merkley commented that Brookings is a finalist site selection for USD's Sanford School of Medicine FARM (Frontier and Rural Medicine) program which is an opportunity for medical students to participate in the full spectrum of rural medicine. Program representatives will be onsite July 27th to learn more about Brookings Health System, our proposal, and the medical staff. Merkley also commented that the NPHN (Northern Plains Health Network) was established quite some time ago as a strategy for surrounding independent hospitals to collaborate and respond to industry opportunities. Facilities now include Brookings, Madison, and Huron. Additional direction for the network is in the discovery phase with

Ovation Healthcare, a consulting partner, who will be developing a strategic plan and road map for the Network's future.

Strategic Plan Update – Epic

Management provided an update on Epic's transition progress since the May 30th, 2026, go-live date. Reports covered training, workflows, MyChart activation, clinical enhancements, and revenue cycle operations. While the implementation has largely been successful during its first month, many challenges have been encountered and exist at this time. To support continued improvement, a post-go-live optimization program is helping staff and clinicians increase efficiency and effectiveness in workflows, documentation, and system navigation.

Executive and Board Committee Reports

CEO Report

Merkley reported on the revised advertising plans for Brookings Health System due to changes in Brookings' print media landscape. The new plan will include ad placements in The Brookings Register and Brookings Beacon with an overall reduction in print spending. Merkley also noted that after two years of significant staffing challenges, the Laboratory department is now fully staffed with Brookings Health System MLT/MLS employees.

CFO Report

Wagner reported that the 2025 Medicare Cost Report resulted in a $109k settlement payable to CMS, primarily due to fluctuations related to the Rural Community Health Demonstration program. She also reviewed potential impacts of the proposed 2027 Medicare rule and provided an overview of the health system's group purchasing organizations for supplies and equipment.

CNO Report

Hillestad highlighted that Dr. Jerstad has announced his retirement, effective August 1st, and recruitment efforts are underway to fill the Emergency Department position. She also noted that operating room renovations are scheduled to begin mid-July. The project includes installation of the Stryker iSuite system in all three operating room suites, integrating controls for surgical cameras, lighting, and other equipment into a unified platform to improve efficiency, reliability, and patient safety. The upgraded equipment is estimated to cost approximately $1.2 million.

Administrative Committee

Secretary Greene reported that the Administrative Committee met on June 23. Discussion topics included Epic, the SD Rural Health Transformation Plan, FARM Program, Northern Plains Health Network, Provider/Physician Recruitment, SDAHO Board Education, Strategic Plan Update, Investment Authority, and Board Member Terms.

The Committee also discussed the proposed renovation of the former north circle space for an infusion center and outreach services and recommended Board approval to proceed with the design phase and execute a contract with an architect.

Darnall moved to approve the recommendation, seconded by Eischens. All present voted in favor, and motion carried unanimously.

Finance Committee

Committee Chair Greiner reported that the Finance Committee met on June 23rd. The committee reviewed the April and May payables, financial statements, and adjustments and recommended them for board

approval. Salaries and wages totaled $2,543,260 in April and $2,660,438 in May. Wagner also provided a high-level update on Epic-related financial matters.

Quality Committee
Committee Chair Barlund reported that the Quality Committee met on June 23rd. Heidi Kretsch, RN, presented an overview of disaster preparedness and the health system's emergency operations program. Additional topics included an update on Measles, Sleep Lab Accreditation, and Hospital 5-Star status.

New Business
Medical Staff Credentialing
Dr. Eischens presented June 2026 medical staff credentialing. A motion was made by Jones, seconded by Barlund, to approve all credentialing as recommended by the Medical Executive Committee. Motion carried unanimously.

Adjournment
Upon motion by Hanson, second by Barlund, the meeting adjourned at 7:23 p.m. Motion carried unanimously.

Respectfully submitted,

Tracy Greene, Secretary