

Brookings Health System
Board of Trustees
Minutes of Meeting
October 30, 2023

The Brookings Health System Board of Trustees held a meeting on October 30, 2023, at the Brookings Hospital in the Board Room with the following members present: Dick Peterson, Sheila Anderson, Lynn Darnall, Andrew Ellsworth, Tracy Greene, Don Greiner, Mary Anne Krogh (via WebEx), David Meyer, and Jim Morgan; Ex-officio: Bonny Specker and Brianna Doran

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

President Peterson called the meeting to order at 5:40 p.m.

AGENDA

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

CONSENT AGENDA

A motion was made by Morgan, seconded by Ellsworth to approve the following consent agenda items: September 25, 2023 Board of Trustees meeting minutes, September financials, adjustments and payables. Total payables for September were \$2,832,221.39. All present voted in favor; motion carried.

INFORMATIONAL ITEMS

Articles of interest included: “Hospitals are dropping Medicare Advantage left and right”, *Becker's Hospital Review*; “Medicare Advantage keeps growing. Tiny, rural hospitals say that's a huge problem”, *NPR*; “Bold investments from humble leaders”, *STATE*; “Might ChatGPT Transform Healthcare? Pioneering Leaders are Working Forward to Find Out”, *Healthcare Innovation*; “Insurers Pause to Take Pulse of Medical AI”, *Business Insurance Magazine*

Merkley commented on the articles relating to Medicare Advantage and the many complexities surrounding those plans. On November 14th he and CFO, Melissa Wagner, will present information at the City Council meeting to provide additional information and clarification to the council and community regarding recent decisions made at Brookings Health System regarding MA Plans.

REPORTS

Executive Reports

CEO Report

Merkley noted open enrollment for staff will wrap on November 1st. It has been a relatively good year in the self-funded health plan administered under the Wellmark network. On the other hand, challenges are being seen in the health system’s property and short-term disability insurance plans with increased expenses. Merkley also reminded members of the upcoming Employee Appreciation Event on November 10th.

CFO Report

Wagner provided an update on the operating budget process and methodologies being used utilizing new finance reporting software, Axiom. Wagner also shared information on the hospital's clean claim rate which measures the rate a biller needs to touch a claim prior to being sent to the payer. The process has improved and become more automated with claims scrubbing software from Quadax.

CNO Report

Hillestad shared orthopedic surgeon, Dr. Jeffrey Dressander, started on October 22nd and is off to a great start and well liked by patients and families.

Board Committee Reports

Administrative Committee Meeting

Board Secretary, Darnall provided a report; the Administrative Committee met on October 24. Topics of discussion included Meditech Expanse/Avera/Workday, BHS Compensation Plan – Market Data, FIT – Wellness/Acceleration, Yorkshire Medical Building, Friends of Baseball – Batting Cages, Brookings Behavioral Health & Wellness/Ivy Center, FY24 Capital Budget, CEO and Board Annual Evaluations, 2024 Board Calendar and 2024 Committee Structure.

Finance Committee

Committee Chair, Anderson provided a report; the Finance Committee met on October 24. The committee reviewed and approved the payables, financials and adjustments for September. Total salaries and wages for September were \$2,556,761. Other topics of discussion included a Cash Flow Update and FY24 Capital Budget. Members reviewed the proposed 2024 Capital Budget; total capital requests are set at \$1.4M and contingency items identified for equipment that may need to be replaced total \$165k.

A motion was brought forward from the Finance Committee recommending approval of the FY24 Capital Budget as presented. The motion was seconded by Morgan. All present voted in favor; motion carried.

NEW BUSINESS

Medical Staff Credentialing

A motion was made by Meyer, seconded by Greiner to approve all credentialing as recommended by the Medical Executive Committee. All present voted in favor; motion carried. Ellsworth abstained.

2024 Board Calendar

Proposed board and committee meeting dates for 2024 were reviewed. As in the past, the proposed calendar reflects meetings will not be held in the months of May, July, and November.

CEO/Board Evaluations

Anderson informed members information was emailed today regarding the annual Board and CEO evaluations. Timely return of forms will be necessary to compile information for the December 12th Administrative Committee meeting and report out at the December 18th Board meeting.

Upon motion by Anderson, second by Morgan the meeting adjourned at 6:13 p.m. Motion carried unanimously.

Respectfully submitted,

Lynn Darnall, Secretary