Morton County Health System
Board of Trustees Meeting
Minutes of February 25, 2026

1. **Call to Order:** Troy Barnett, Chairman of the board, called the meeting to order at 12:00 pm.

   Attendees:
   Richard Adams, CEO
   Dr. Matthew Bowles, CMO
   Braden Anderson, CFO
   Jennifer Pearlstein, Administrative Assistant / Credentials
   Troy Barnett, Board Chairman
   Karen Gates, Board Vice Chairman
   Ronn Martin, Board Secretary
   Sharmilla Hall, Lab Director
   Shaina Peacock, Respiratory Therapy Director
   Jackie Gullett, Nursing Director
   Gail Horner, HIM Director
   Michele Reust, Finance

2. **Approve Agenda:** Troy asked for motion to approve the agenda for the meeting. Karen made a motion to approve the agenda as written, seconded by Ronn M., motion carried.

3. **Approval of Minutes:** Board members read the January 27, 2025, regular meeting minutes. Troy asked for a motion to approve the minutes as written. Karen made a motion to approve the minutes, seconded by Ronn M., motion carried.

4. **CEO Report Richard:**
   - Wins
     - Gross revenue for January exceeded budget projections by 5%
     - February positive +50,000 month to date
     - Swing bed utilization up (47 days)
     - Observation days up (5.8 vs 4.5) vs. January
     - Area high school career day a success. 17 students from Elkhart and Rolla schools attended.
       - KHA apprentice program presented
     - Free cancer screening for May 31st on track
       - Partnering with Masonic lodge
     - 2 unsolicited positive testimonials from community members
   - Losses
     - 340b program still on hold
     - Though clinic utilization down it is operating in line with budget expectations
     - DNFB (discharged not final billed) days has slightly exceeded target threshold of 10 days (currently at 13.9)
   - Priorities
     - Swing bed utilization
     - Health department partnership
     - Finalizing 501c3 organization documentation

- Analyzing possibility of hospital acquisition of C&R pharmacy
- Challenges/Opportunities
    - Marketing consistency
    - Clinic volumes
    - ERC (covid grant) appeal (no updates)

5. **CFO Report Braden:**
    - Patient trends
        - ER visits 107 January, slowing in February
        - Outpatient services (lab, radiology, etc.) rebound in January
        - Observation days 44 vs 61 year over year
        - Swing bed flat year over year
        - Clinic
            - Increased provider utilization
            - 257 January patient visits. Up month over month
        - ER utilization facilitated exceeding budget for January
    - Clinic improvement plan
        - Implemented same-day visits, flexible hours
    - Attrition
        - One year retention nominally improving year over year (35 vs 44%)
        - Overall retention flat
        - 72 total employees currently vs. 88 January 2025
    - Wins
        - Positively exceeded January revenue budget projections and grew revenue year over year
        - Second consecutive cash flow positive month (January)
        - February generally positive though trending toward 5% revenue shortfall
        - 36 days cash on hand ($1.1 million)
    - Losses
        - Slow January patient collections
        - 340b program materially impacting revenue operations
    - Positives
        - Leadership alignment
        - Preparing for April audit
        - Closed books through December 2025
            - Grew revenue year over year
            - Required reduced county funding ($1.8 vs $2.1 million)
            - 5 of the last 12 months cash flow positive

6. **CMO Report Dr. Bowles**
    - Charting timeliness trending positive
    - CT scan billing reimbursement documentation corrections facilitating payments

Old Business:
- Disaster drill April 7, 2026
    - Simulating 3 day blizzard scenario
- Charge master – Richard reviewing with Forvis (auditor)

7. **Public Comments:**
    - None

8. **New Business:**

- Policies and Procedures
    - Business Office – Removed outside billing verbiage and updated signatures
    - HIM – updated phone numbers, removed color coded folders for providers, added that shredding is done offsite as well as onsite, added records kept on EMR after 2019 and updated signatures
    - Ronn motion / Karen seconded. Motion passed
- Jackie Gullett / Sharmilla Hall
    - Infection Report (Jackie)
        - No reportable infections
        - One reported fall on hospital grounds
            - Declined examination/treatment
        - Two falls for one independent living patient
        - Two medication mistakes. Reviewing with D&R pharmacy
        - One assisted living fall with no injury
    - Lab (Sharmilla)
        - Blood – 5 units A+, 1 O+ = 6 total units
        - 2 negative pathologies
        - Assuming responsibilities for infection control from Jackie
        - Community cancer screening
            - Promotional materials created
                - Additional coverage via radio spot and Facebook
            - Tentative time slot 12:00 – 3:00 pm (May 31)
            - Mammogram truck will be onsite
            - Prostate, colon, skin screening, pap smears available
            - Blood work collected
            - First come, first served approach
            - Working to finalize funding
            - 88 total community responses to request for cancer history

9. **Executive Session:** Troy asked for a motion to enter executive session at 1:01 with the board, Richard and Braden for 15 minutes. Karen made a motion to enter executive session, seconded by Ronn, motion passed. Executive session ended at 1:20 pm.
    - No action taken

10. **Adjournment:** Troy asked for a motion to adjourn the meeting. Karen made a motion to adjourn the meeting, seconded by Ronn, motion carried.

3-24-26

Ronn Martin, Secretary

Date