

Morton County Health System
Board of Trustees Meeting
Minutes of October 28, 2025

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

Attendees:

Richard Adams, CEO
Braden Anderson, CFO
Jennifer Pearlstein, Administrative Assistant / Credentials
Troy Barnett, Board Chairman
Karen Gates, Board Vice Chairman
Ron Rich, Board Treasurer
Ronn Martin, Board Secretary
Michele Reust, Finance
Jackie Guilette, Nursing Director
Sharmilla Hall, Lab Director
Dr. Chris Moore (Zoom)
Jim Hansel (consultant)

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 Ron R., motion carried.
3. **Approval of Minutes:** Board members read the September 23, 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 Ron R., motion carried.

4. **CEO Report Richard:**

- Wins
 - September revenue +489K vs. August
 - Outpatient +714K vs. August
 - ER visits +60K vs. August
 - 61 days of swing bed in September
 - 340b \$640K year to date
 - Continued ER utilization increases
- Losses
 - Provider departure 10/23/25
 - 340b paused due to temporary outstanding balance owed by C&R
 - Swing bed down by 271 days year to date
 - \$536K clinic loss year to date
 - Down 700 encounters year to date
 - Exacerbated by provider loss
- Priorities
 - Swing bed
 - Soliciting area (Amarillo, Liberal) hospital swing bed referrals
 - Expanding reach to potentially add Pratt
 - Clinic
 - Nominal recent traffic increases

- Dr. Esparza covering new 8:00 am timeslot
- Increasing FaceBook promotion
- Dr. Esparza DOT physical certification
- Government shutdown stalling employee retention credit appeal
- Assisted living rate increases finalized effective Jan 1, 2026
 - Braden and Katie meeting with affected residents and families
- Challenges
 - Restoring community trust (highest priority)
 - Swing bed utilization
 - Improving clinic utilization
 - Sustainability initiatives
- Braden onsite for 2026 budget meetings
- Hospital procedure room
 - Transition some procedures from clinic

5. CFO Report Braden:

- Employee retention 63% improvement YTD
 - 76 vs. 90 total employees one year ago
- Wins
 - First month of operating expense decline
 - Strong September revenue rebound, cash flow positive for the month
 - 34 days cash on hand
 - DNFB 8.4 days exceeds 10 day target
- Losses
 - Gross charges down 23% year to date vs. 2024
 - Morton County hospital budget allocation \$1 million for 2026 (vs. \$1.5 million 2025)
- Priorities
 - QLogix (billing outsourcer) contract ends 12/31/25
- Challenges
 - ERC - Raistone asking for payment increase
 - Still cash flow negative overall
 - Year to date patient revenue down 28% year to date
- No fund warrant \$250K allocation prior to end of 2025
- Hospital open house planned for December 11, 2025
 - Beam, Leone, Apollo representation planned

6. Old Business:

- Banking signatories
 - Remove Todd Johnson, Ron Rich
 - Add Braden Anderson, Richard Adams, Mandy LaRue, Michelle Reust
 - Karen motion / Ronn seconded. Motion passed

7. Public Comments:

- None

8. New Business:

- Defer Dr. Burnett privileges
 - Ronn motion / Karen seconded. Motion passed
- Mail policy – disallow personal package deliveries to hospital
 - Karen motion / Ron R. seconded. Motion passed
- Approve visitation policies

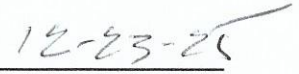
- Ron R. motion / Karen seconded. Motion passed
- Medical staff, fair hearing, media and staff bylaws
 - Approve edits by Dr. Bowles
 - Karen motion / Ronn seconded. Motion passed

9. **Executive Session:** Troy asked for a motion to enter executive session at 1:10 with the board, Richard and Braden for 30 minutes. Ron R. made a motion to enter executive session, seconded by Karen, motion passed. Executive session ended at 1:38 pm.

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



Ronn Martin, Secretary



Date