Morton County Health System
Board of Trustees Meeting
Minutes of September 23, 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
   Kathy Chrin, community
   Donna Whisennand, community

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

3. **Approval of Minutes:** Board members read the August 19, 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
     - Medicare interim cost report filed (Jan. '25 – Jun. '25)
     - CMS owes hospital a modest payable
     - Per the interim report reimbursement rate increases from around $2400 / day in 2024 to approximately $7000 / day effective October 1, 2025
     - Modest increase in swing bed billing
     - September
       - Month-to-day +193K vs. August
       - ER visits +1.6 per day vs. August
     - Community engagement
       - October 5th Medicare enrollment seminar in conjunction with Farm Bureau
   - Losses
     - Two providers departing
     - $1.8 million Medicare payable
     - Clinic utilization
     - Appealing Employee Retention Credit payable
   - Priorities
     - Swing bed
       - Leone contract re-negotiation
       - Outreach at assisted living center
       - Soliciting area hospital swing bed referrals
     - Clinic

- Adding extended before and after work/school hours
- Health Department collaboration – joint health fair, joint promotion
  - Transcription pilot project
- Review of lab testing procedure pricing to align to market
- Maximize 340b program with C&R for market competitiveness
- 501C3
  - Proposal to absorb High Plains Health Foundation to facilitate tax deductible donations and fundraising.

- Challenges
  - Restoring community trust (highest priority)
  - Swing bed utilization
  - Improving clinic utilization
  - Sustainability initiatives
- Employee recognition
  - Quarterly award with all three healthcare facility employees eligible

5. CFO Report Braden:

- Modest employee retention improvements
- Wins
  - Books closed through August
  - Accounts receivable
    - 15% overall reduction, 18% drop in 90 days
    - 54 days outstanding
  - +$587,000 increase from Cerner activity
  - DNFB in line with expectations though up slightly
  - 21 days cash on hand (2x improvement over May '25)
- Losses
  - August was the lowest billing month of 2025
  - September trending positively
- Priorities
  - Full revenue cycle ownership with transition of billing function in house
  - QLogix (billing outsourcer) contract ends 12/31/25
  - ERC liability appeal (symbolic payments begun)
  - 2026 departmental budgeting process underway
  - Manage to year end cash needs
- Challenges
  - Patient revenue down 28% year to date vs. 2024
  - Overall expenses up 21% year to date
  - Positive labor and professional rates and operating expenses reduction

6. Old Business:

- None

7. Public Comments:

- Kathy Chrin asked if there were any plans to replace departing providers. Richard believes we have adequate coverage with remaining providers given current clinic volumes.

8. New Business:

- Extend privileges to "Real Radiology" physician staff for after-hours readings.
  - Karen moved / Ronn seconded. Motion passed

- Motion to defer all appointments and evoke Heidy Brillhart's hospital privileges due to voluntary separation.
    - Karen move / Ron R. seconded. Motion passed

9. **Executive Session:** Troy asked for a motion to enter executive session with the board Richard and Braden for 30 minutes. Karen made a motion to enter executive session, seconded by Ronn M, motion passed. Executive session ended at 1:04 pm.

   Motion made to approve a hospital property rental space policy. Karen moved / Troy seconded. Motion passed

   Motion made to approve a policy regarding use of hospital property and conflicts of interest. Ronn M. move / Karen seconded. Motion passed.

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

Ronn Martin, Secretary **Date**