

**Board Finance and Compliance Committee**

8:00 – 9:00 a.m.

virtual

August 29, 2025

**Minutes**

<b><u>Topic</u></b>	<b><u>Presenters</u></b>	<b><u>Purpose</u></b>
<b><i>Call to Order</i></b>	Justin Gullekson	
Justin Gullekson called the meeting to order at 8:07 a.m.		
<b><i>Financial Update</i></b>	Ben Stevens	Information
Benjamin proposed using a condensed two-page justification document for board reporting, including the income statement, balance sheet, and project document, with the group agreeing to trial this format for the month and adjust if the board requests more detailed trending or graphical information.		
Benjamin explained several revenue variances, including the misallocation of family practice provider revenue to hospital revenue. Ben discussed the Medicaid directed payment program, clarifying that only half of the expected budgeted revenue was recognized due to pending approval, with ongoing communication between the state and CMS and a cautious accrual approach until final approval is received. Benjamin reported a significant positive variance from the 340B program due to a drug manufacturer allowing a second contract pharmacy, resulting in a one-time revenue pickup, and confirmed that retail pharmacy revenue included additional PBM law-related fees. Discussed the organization's declining cash position, the need to increase average daily deposits, and outlined both short-term and long-term strategies to accelerate claims processing and improve cash flow. Restructuring in the revenue cycle and business office, shifted responsibilities to allow more focus on collections, and hiring of a business office consultant who identified several process improvement opportunities.		
Overall, we had a very strong start to the year. Our operating expenses for the month were \$400,000 under budget, providing us with an operating income of about \$300,000. The month ended at about \$430,000 positive.		
<b><i>Committee Meeting Cadence</i></b>	BreAnna Sovereign	Discussion
The committee agreed to transition meetings to the last Friday of the month to accommodate additional time to complete financial packets.		
<b><i>Adjournment</i></b>		
The meeting was adjourned at 9:00 a.m.		

Members: X = Present O = Absent

Justin Gullekson, Chair	X	Ben Stevens	X	Dave Rooney	O
Mark Jensen	X	Steve Slessor	X	Kathy Moritz	O
Dr. Thomas Marquardt	X	Andrew Bailey	X	Kelly Brickley	O
Guests: Shelly Giddings					

Recording: BreAnna Sovereign, Executive Assistant