

**Board Finance and Compliance Committee**

8:00 – 9:00 a.m.

virtual

January 30, 2026

**Minutes**

| <u>Topic</u>   | <u>Presenters</u> | <u>Purpose</u> |
|--|-------------------|----------------|
| <b>Call to Order</b>   | Justin Gullekson  |                |
| Justin Gullekson called the meeting to order at 7:59 a.m.  |                   |                |
| Financial Update   | Ben Stevens       | Information    |
| <p>Ben provided a detailed review of December financial results, noting revenue performance just over budget driven by strong inpatient volumes and birth numbers. Skilled nursing revenue underperformed by \$78,000. Ben worked with the Med/Surg department and the social work team to review admission logs and reasons certain patients were not accepted. This review identified insurance regulations and patient choice as primary factors limiting skilled revenue volumes.</p> <p>Outpatient revenue exceeded budget by \$115,000, with notable improvement in surgical volumes, particularly robotic procedures. Approximately 40 robotic surgeries were performed by the end of December, generating \$442,000 in revenue.</p> <p>The retail pharmacy achieved a record month, exceeding budget by \$163,000 and processing more than 400 prescriptions per pharmacist per day. Ben noted the department is preparing a proposal for additional staffing to support continued growth.</p> <p>Ben and Steve discussed the positive impact of Medicaid Directed Payments, which brought year-to-date performance within 300K of budget. Professional fees were higher than anticipated due to locum coverage; however, hospital and emergency department positions are now filled, and locum usage is expected to decline in those categories.</p> <p>Ben reported that the organization’s overall cash trajectory remains negative. Leadership will continue to closely monitor patient payments and explore pre-collection strategies. Some of this is driven by the timing of Medicaid Direct payments.</p> <p>Follow-up items:</p> <ul style="list-style-type: none"> <li>• Leadership will spend additional time reviewing cash flow documentation, analyzing trends, monitoring new service line ramp-ups, and developing a more robust forecasting and action plan for presentation to the Board.</li> <li>• Ben will present a six-month financial review to the Board next week, including updates on the Medicaid Directed Payment Program timeline and reimbursements.</li> <li>• Ben will review the three-year cash projection with the Finance Committee once finalized.</li> </ul> |                   |                |
| <b>Adjournment</b>   |                   |                |
| The meeting was adjourned at 8:50 a.m.   |                   |                |

Members: X = Present O = Absent

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

Recording: BreAnna Sovereign, Executive Assistant