

Board Finance and Compliance Committee

8:00 – 9:00 a.m.

virtual

December 29, 2025

Minutes

<u>Topic</u>	<u>Presenters</u>	<u>Purpose</u>
<i>Call to Order</i>	Justin Gullekson	
Justin Gullekson called the meeting to order at 8:00 a.m.		
Financial Update	Ben Stevens	Information
<p>Ben led a detailed review of the organization's financials for the month of November, noting a significant revenue shortfall across most service lines except retail pharmacy. Inpatient days were down by 65, OB days by 32, and skilled patient days by 59, resulting in a \$700,000 shortfall for inpatients and \$118,000 for skilled patient days. Outpatient revenue was \$786,000 below budget, with surgeries and endoscopies also underperforming. Retail pharmacy was the only area above budget, with 3,239 more scripts than expected.</p> <p>Expense management efforts remain effective. Leadership continues to hold back on hiring and capital expenditures. Operating expenses were \$561,000 below budget, with salaries \$130,000 under and employee benefits \$80,000 under budget.</p> <p>As a result of Transforming tomorrow, Dr. Marquardt noted that there have been some surgical operational challenges that affect volume. Efforts are in place to improve reporting and scheduling issues to help improve the logistical challenges.</p> <p>Medicaid Directed Payment Program is in the fourth round of Q&A with the federal government. Other states have recently approved. If approved, the program would inject substantial cash into the organization, potentially restoring days cash on hand to projected levels and offsetting recent losses.</p> <p>Ben highlighted that an experienced coder has been hired and a coder on FMLA has returned. With the addition of those two team members, Ben anticipates 1,000 more completed charges per month, allowing us to improve our cashflow perspective in the next six months.</p> <p>The Finance Committee discussed the need for clear targets and timelines for financial recovery, agreeing to set specific thresholds and action plans if trends do not improve. In two months if we do not see financial improvements, further evaluation and analysis of service line profitability, along with strategic planning, will be evaluated. The committee recognizes services lines, that may not be a strong revenue producer, have a broader impact on ancillary benefits and community care.</p>		
<i>Adjournment</i>		
The meeting was adjourned at 9:06 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	X	Andrew Bailey	X	Kelly Brickley	X
Shelly Giddings	O	Carmen Krivachek	O	Jan Heikes	X

Recording: BreAnna Sovereign, Executive Assistant