

Brookings Health System Board of Trustees

Minutes of Meeting
Monday, June 30, 2025

The Brookings Health System Board of Trustees held a meeting at the Brookings Hospital in the Board Room with the following members present: Lynn Darnall, David Meyer, Mary Anne Krogh, Sheila Anderson (ph.), Jenn Barlund (ph.), Shelby Eischens, Tracy Greene (ph.), Don Greiner, and David Jones Ex-officio: Lisa Hager, and Dave Miller

Management Present: Jason Merkley, CEO; Tammy Hillestad, CNO; Melissa Wagner, CFO and Sheri Wiig, recorder

President Darnall called the meeting to order at 5:30 p.m.

EDUCATION – PHARMACY SERVICES

Steve Timmerman, Director of Pharmacy, presented an informational overview of pharmacy services at Brookings Health System. Timmerman has been with Brookings Health for 31 years in the pharmacy department and has seen extensive changes in pharmacy services. Timmerman also provided information on quality and safety initiatives within the pharmacy department as well as regulatory issues and financial impacts due to significant increases in the cost of some medications.

Timmerman was thanked for his informational presentation, and exited the meeting at 6:00 p.m.

AGENDA

A motion was made by Greiner, seconded by Eischens to approve the agenda. All present voted in favor; motion carried.

CONSENT AGENDA

A motion was made by Krogh, seconded by Jones to approve the following consent agenda items: April 28, 2025 Board of Trustees meeting minutes, June 18, 2025 Medical Executive committee meeting minutes, and April and May 2025 Financials. Total payables in April were \$8,866,819.47 and \$3,874,081.99 in May. All present voted in favor; motion carried.

STRATEGIC PLAN UPDATE

June is one of three months slated to provide the board with a periodic update on each of the pillars of success included in Brookings Health's 2023-2026 Strategic Plan. Management provided reports on current efforts that are underway within each pillar.

- People Pillar:
 - 2025 Employee Engagement Survey detailed review of scores compared to survey held in 2023. There has been tremendous improvement in scores over the previous survey which was a good survey as a comparison. Organization and department action plan efforts will continue to be made on areas of opportunity.
 - Employee Childcare Needs internal survey results were presented. Based on results, for those employees that utilize childcare, there is a need, and many are interested in an employer sponsored benefit which could help in future recruitment efforts. Conversations will continue with others in the community working on the collaborative.

- Quality Pillar – Review of taskforce results/efforts being made to improve scores on three (3) CMS measures; Clinical Quality Measures/Healthcare Acquired Infections, Mortality/Readmissions, and Timely & Effective Care.
- Service Pillar – Reviewed five (5) Service Team efforts that are working to impact patient experience/satisfaction scores to be better than NRC’s overall 75th percentile rating.
- Finance Pillar – Reviewed historical reimbursement benefits and yearly impact of the Rural Community Hospital Demonstration (RCHD) Program. For Brookings Health, the RCHD program will expire 10/1/2025. For various reasons, Brookings Health does not qualify for other reimbursement programs.
- Growth Pillar – Physician recruitment needs were reviewed. Recruitment has been very challenging; therefore, discussions are taking place with Avera to create a shared physician recruiter position to focus on Brookings needs including Orthopedics, General Surgery, Emergency Medicine, Urology, Dermatology, and Family Medicine/Internal Medicine.

INFORMATIONAL ITEMS

Articles of interest included: “Summary of One Big Beautiful Bill Act’s Provisions Impacting Hospitals & Health Systems”, *AHA Legislative Advisory*; “AI In Healthcare, Balancing the Benefits and Risks”, *Midwest Medical Edition*; “Medicaid Cuts, How deep will they go?”, *Managed Healthcare Executive*; and, “Proposed Medicaid cuts, quantified”, *Becker's Hospital Review*.

Discussion was held regarding the detrimental policy changes to Medicaid and Health Insurance Marketplaces if Trump’s One Big Beautiful Bill passes. Anticipation is there will be very few positives for the health care industry. Merkley commented that the congressional bill, if it becomes law, would cost hundreds of millions of dollars in administrative costs while threatening access to health care for millions of people across the country.

REPORTS

Executive Reports

CEO Report

Merkley reminded members that the Foundation’s 16th Annual Aiming to Inspire Health fundraiser will be held on Thursday, August 7th. The raffle grand prize is a 2025 Polaris Ranger 1000 premium UTV.

CFO Report

Wagner highlighted financial results from the recent Medicare Cost Report as well as potential Medicare Proposed Rule impacts for 2026. Wagner also shared additional positive optimizations within Workday for Department Directors.

CNO Report

Hillestad shared the Home Health & Hospice department made their move from the old Yorkshire Medical building to the hospital and on their first day in the new location, the SD Department of Health arrived unannounced to conduct a survey. The department did very well with the survey, resulting in no deficiencies.

Board Committee Reports

Administrative Committee Meeting

President Darnall provided a report; the Administrative Committee met on June 24th. Topics of discussion included Yorkshire Medical Building Move/Demo/Ribbon Cutting, Workday/Epic, City/County Board Member Application Timeline, Strategic Plan Update, Investment Authority, and Brookings Merger-Economic Development Entities.

Finance Committee

Committee Chair Greiner provided a report; the Finance Committee met on June 24th. The committee reviewed and approved April and May 2025 payables, financials, and adjustments. Total salaries and wages in April were \$2,308,371 and \$2,325,933 in May.

Quality Committee

Committee Chair Krogh provided a report; the Quality Committee met on June 24th. Invited guest, Katy VanderWal, Registered Dietitian, presented an overview of two (2) performance improvement projects focusing on NBV/Hospital Menus and Managing Weight Loss in Long Term Care. Other topics of discussion included the new Patient Safety Structural Measure (PSSM), Arlington Medical Clinic Department of Health Survey, 2025 Contracted Patient Services, 2025 Mass Casualty Drill and an update on Measles and confirmed cases in South Dakota.

NEW BUSINESS

Medical Staff Credentialing

Eischens provided a review of provider credentialing. A motion was made by Greiner, seconded by Meyer to approve all credentialing as recommended by the Medical Executive Committee. All present voted in favor; motion carried.

Upon motion by Meyer, second by Krogh, the meeting adjourned at 7:01p.m. Motion carried unanimously.

Respectfully submitted,

Mary Anne Krogh, Secretary