

**Brookings Health System**  
**Board of Trustees**  
**May 18, 2020**

**Board of Trustees**

Present: Dick Peterson

Present via WebEx: James Morgan, Daryl Englund, Sheila Anderson, Lynn Darnall, Andrew Ellsworth, Mary Anne Krogh, Justin Sell and Walt Wosje and; Ex-Officio: Leah Brink and Dan Hansen

Absent: Ryan Krogman, Ex-Officio

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

President Morgan called the meeting to order at 5:00 p.m. and noted the purpose of this meeting is for hospital leadership to provide an update on the impact COVID-19 is having on Brookings Health System.

April 2020 Financials

Payables for April were reviewed.

Wagner provided a summary of April financials. There has been a significant impact to the Health System's financial health due to the COVID-19 pandemic. In April, Enterprise total revenue was below budget by (\$1.75M) for the month and (\$2.85M) YTD. Total operational loss experienced in April was (\$1.02M), (\$2.28M) YTD and YTD corporate net loss was (\$4.49M). The operating margin loss for April was (-22.6%). Since March, net revenue in comparison to budget is down approximately (\$3.3M).

Merkley noted the relief and assistance received to date from the federal government comes along with attestations and uncertainties which in turn creates confusion, challenges and the unknown. We are utilizing the funding to help with COVID expenses and cover the loss of revenue; however, we are being very conservative as guidelines are constantly changing after relief funding is received. Due to the uncertainty surrounding this relief funding, we are conservatively accruing a portion of the funding as a potential payable and not allocating all dollars at this time to operations. Additional funding could potentially become available as we continue to progress through what is predicted to be a long road to recovery.

The statistical report by department reflects much lower volumes for the month and YTD. Outpatient procedures were significantly lower compared to March. There was a slight increase in births and Home Health/Hospice visits compared to March. Merkley noted, due to the decrease in volumes and revenue, we will continue with measures to temporarily reduce workforce expenses which will include PTO/low-census for patient-facing workers in areas that are seeing lower volumes and mandatory reduction in hours of other ancillary/support and administrative staff.

Adjustments for April totaled \$533,260. Financial assistance/Charity care totaled \$31,945 and the Prompt Pay discounted was \$7,286 for the month.

## COVID-19

Merkley provided an update on COVID-19 preparedness, operations and re-opening procedures.

- The Neighborhoods at Brookview continues to have a lock down policy in place as we are doing everything we can to keep the virus out of the facility. A comprehensive plan is in place if COVID enters and due to a federal/state mandate, all residents in LTC facilities and assisted living centers, as well as staff will be tested for COVID. Testing will take place next week for The Neighborhoods at Brookview. We are seeing a benefit through our labor pool and using less temp agencies as hospital staff are picking up open shifts within NBV.
- Testing/PPE – Supplies continue to be limited and unable to adequately address the demand for testing. We are awaiting arrival of our lab analyzer for in-house testing in order to improve the onsite testing process of certain COVID rule-outs. An average of 10 to 15 tests/day are being administered with a typical 24-48 hour turnaround time of results. In the near future, we believe the capacity for additional testing will be increased and allow all symptomatic (and possible asymptomatic) individuals to receive testing. As of today, Brookings County remains at 14 positive COVID cases. Our supply of PPE is still fairly good and we are utilizing our sterilizer to decontaminate N95 masks.
- Elective and Outpatient procedures – Restrictions on elective surgeries have been lifted and we are promoting a safe and secure environment. Patients that postponed their elective procedures are being contacted.

Merkley continues to work closely with City leadership and applauds them on the precautions taken to re-open and help keep our community safe. Discussions are taking place on “triggers” that could be in place to proactively alert our community leaders if we begin to see a peak or surge in positive COVID-19 cases.

A discussion took place regarding the return of SDSU students in the fall. Merkley has offered his assistance to President Dunn and the efforts of the JacksRBack task force in the planning process for a safe return of the students.

Merkley was proud to announce Mayor Keith Corbett has proclaimed May 18-25 as Brookings Health System Week. The proclamation is in relation to the health system’s National Rural Health Association’s Top 20 award and other national level achievements.

Members commended Merkley for his leadership and partnership with the City of Brookings during this pandemic crisis.

The meeting adjourned at 6:10 p.m.

Respectfully submitted,

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Sheila Anderson, Secretary