

**Brookings Health System**  
**Board of Trustees**  
Minutes of Meeting  
January 29, 2024

The Brookings Health System Board of Trustees held a meeting on January 29, 2024, at the Brookings Hospital in the Board Room with the following members present: Sheila Anderson (via ph.), Lynn Darnall, Dick Peterson, Andrew Ellsworth, Tracy Greene, Don Greiner, Mary Anne Krogh, and Jim Morgan; Ex-officio: Bonny Specker, Brianna Doran, and Ryan Krogman

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

Absent: David Meyer

President Anderson called the meeting to order at 5:00 p.m.

**AGENDA**

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

**CONSENT AGENDA**

A motion was made by Peterson, seconded by Ellsworth to approve the following consent agenda items: December 18, 2023, Board of Trustees meeting minutes, November 2023 and preliminary December 2023 financials, adjustments, and payables. Total payables were \$3,129,092.86 for November and \$3,179,977.29 for December. All present voted in favor; motion carried.

**STRATEGIC PLAN UPDATE**

Merkley noted the goal of the current strategic plan is to keep it at the forefront of everything we do within the system and provide the Board with periodic updates on each of the pillars of success. Management provided reports on current efforts that are underway within each pillar.

- People Pillar – Employee Engagement Survey and Organizational Action Plan, as well as reported on FY23 Productivity.
- Quality Pillar – Social Determinants of Health and patient outcomes for Total Hip and Total Knee Arthroplasty.
- Service Pillar – 2024 system-wide Patient Experience Campaign.
- Finance Pillar – Medicare Advantage/denial processes and Community/Patient Education.
- Growth Pillar – Yorkshire Medical Building and Medical Staff Development Plan, Recruitment Priorities/Needs.

Members were very appreciative of the information and updates.

**INFORMATIONAL ITEMS**

Article of interest included: “State of the Industry”, *Managed Healthcare Executive*; “Creating a Continuum of Care in Watertown”, *Midwest Medical Edition*; and “Looking Forward-Regional Healthcare Leaders Share Their Hopes for the Year Ahead”, *Midwest Medical Edition*.

Discussion was held on Sanford’s new Virtual Care Center being constructed in Sioux Falls and how it will provide access to needed care across many rural areas utilizing telemedicine technology.

## **REPORTS**

### **Executive Reports**

#### **CEO Report**

Merkley provided a brief legislative update. It is early in the session and as the third week of session wrapped up, SDAHO is monitoring, supporting or opposing around forty (40) or so bills that involve healthcare related topics. Those proposed bills, along with SDAHO's position, can be found on their website under the "2024 Bill Tracker" tab. Moving into week four and beyond, the number of bills is expected to increase and SDAHO's team will be busy advocating for their membership out in Pierre. Merkley is Chair of the Council on Public Policy which meets every week to review proposed legislation and corresponding bills.

#### **CFO Report**

Wagner outlined information related to submission and review of Medicare cost reports as well as the desk audit progress. Wagner also shared the finance team was given a product demonstration on some of the financial capabilities of the new enterprise resource planning software, Workday.

#### **CNO Report**

Hillestad informed members the Wound Center is sponsoring a sock drive to benefit Brookings Salvation Army during the month of February. The Wound Center team is encouraging community members to participate and donate new pairs of socks as they are one of the most requested items in the winter for those less fortunate. Hillestad also shared the OB department is evaluating the benefits of the Baby-Friendly hospital designation and whether to continue participation.

### **Board Committee Reports**

#### **Administrative Committee Meeting**

Vice President Darnall provided a report; the Administrative Committee met on January 23<sup>rd</sup>. Topics of discussion included Meditech Expanse/Avera/Workday, TeamShare/Bonus, FIT – Wellness/Acceleration, Yorkshire Medical Building RFP, Provider Recruitment/Retention, Dietary/EVS Operational Assessment, Legislative Update, Medical Staff Bylaws, SDSU/First Bank & Trust Arena, Scott Kranz/BHSF Board member, and Board Recruitment. Due to no Quality Committee meeting being held this month, members reviewed the proposed FY24 Service/Quality TeamShare incentive goal and recommended board approval.

#### **Finance Committee**

Committee Chair Greiner provided a report; the Finance Committee met on January 23<sup>rd</sup>. The committee reviewed and approved the payables, adjustments, and financials for November 2023 and preliminary financials for December 2023. Total salaries and wages were \$2,725,817 for November and \$3,021,378 for December. The committee also reviewed the proposed 2024 TeamShare incentive finance goal and recommended board approval.

## **NEW BUSINESS**

### **FY24 TeamShare Incentive**

Discussion took place on the proposed FY24 TeamShare Incentive Program. The program is reestablished annually and combines service/quality and financial pillars of success goals for Brookings Health System. The Administrative and Finance Committees reviewed the FY24 TeamShare Incentive tiers respectively and both recommend board approval. A motion was made by Darnall to approve the proposed TeamShare Incentive Program as presented. Service/Quality incentive tiers will remain the same at 80.5%, 81%, 81.5%, and 82% and Finance tiers will be set at 4.98%, 5.36%, 5.74%, and 6.12%. The motion was seconded by Morgan. All present voted in favor; motion carried.

Annual Conflict of Interest Statement

Annual Conflict of Interest Statements were distributed. Members were asked to review, sign, and return them to Wiig.

Upon motion by Peterson, second by Greiner the meeting adjourned at 6:35 p.m. Motion carried unanimously.

Respectfully submitted,

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Lynn Darnall, Vice President