

SOUTHWEST HEALTH SYSTEM, INC.
BOARD OF DIRECTORS MINUTES
October 29, 2025
KIVA Room – 5:30pm

Quorum:

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| Shirley Jones, Chairperson | <u>Also in Attendance:</u> | Niki Young, Quality Coordinator |
| | Caitlin DeCrow, Compliance Mgr. (Teams) | |
| Eric Croke, Vice Chair | Joe Thomason, SVP Operations CHC | |
| Mary Dodd, Director | Lisa Gates, SHS CNO | |
| David Dull, Director | Dr. Jenny Gero, MD Chief Medical Officer (via teams) | <u>Excused:</u> |
| Margi Strangl, Director | Chuck Krupa, IS Director / PIO | Jay Wood, Scty/Treas |
| Jim Rogers, Director | Bridgett Jabour, Board Secretary | Brandon Johnson, MCHD Chair |
| <u>Ex Officio Members:</u> | Maddie Wright, Quality Director (via teams) | |
| Joe Theine, CEO | Adam Conley, SHS CFO | |
| Randy Davidson, MD Chief of Staff | | |

| Agenda Item/Topic | Findings and Discussions | Conclusions, Recommendations, Actions, and/or Motions | Follow-up Responsible Party |
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| Call to order | SHS Chairperson Shirley Jones called the meeting to order at 5:31pm. | | |
| Approval of Agenda / Conflicts of Interest | | It was moved and seconded to approve the agenda with no conflicts. MOTION: Mary Dodd SECOND: Margi Strangl Motion carried. | |
| Public Comment / Introductions | No public attendance or comment. | | |
| “Healthcare Compliance Update” Amy Brown, CHC VP Risk Mgt/CCO (prerecorded video) | CHC VP Risk Mgt Amy Brown provided a pre-recording of the enclosed Healthcare Compliance Update which the board watched. Review of the 7 elements of effective compliance, general things to consider and overview of compliance work plan. Board is notified on an annual basis on the status of those items on the work plan. | | |
| Quality Report Annual Complaints and Grievance | SHS CNO Lisa Gates reviewed the enclosed report. The Board reviewed the charts and report showing quality and safety trends. The annual complaints and grievance data was reported by and explained by SHS Compliance Officer Caitlin DeCrow. She reviewed the process and | | |

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| | definitions for grievances and complaints. A rise in complaints often serves as early indicators of care coordination breakdowns and highlight the value of fostering a culture where patients and staff feel safe. The teams has reviewed all enclosed charts to determine if there are any trends or challenges. | | |
| Finance Committee Report | Chairperson Shirley Jones reported in Mr. Wood's reviewed the enclosed summary for the month of September. SHS received \$1.2m from Medicaid to settle the 2020 Medicaid RHC reconciliation, of which, the full amount has been paid towards balance due to Medicare for cost report years dating back to 2014. Year-to-date EBIDA is \$7.4m. DCOH is 120 days. | | |
| MCHD Report | Mr. Johnson provided the enclosed report for Board update. Mr. Theine advised that the Microgrid project continues to make headway since the joint meeting with opportunities through Collective Energy which has provided some initial updated scope and size estimates as well as confirmed utilization of Inflation Reduction Act funds to reimburse a large percentage of the project. | | |
| Cerner Implementation Update Chuck Krupa, CIO/PIO | SHS CIO/PIO/IS Director Chuck Krupa reviewed the enclosed report on the status of the Cerner Ambulatory implementation which will move clinic electronic health record to the same system as the hospital. While there are anticipated to be challenges and setbacks, ultimately, a single patient record across the system is anticipated to streamline processes and improve efficiencies. Mr. Krupa reviewed the current status, expectations, and anticipated revenue/productivity dips accounted for in the 2026 budget. The project kickoff begins Nov 10th and "Go Live" is 4/13/26. Guiding principles and an implementation committee which includes providers has been formed to lead the conversion. | | |
| Other Written Reports | CHC Report * CEO Report * Foundation Report * Capital Infrastructure Committee Report * Provider Recruitment Contracting and Retention Report * Nominating Committee Report | No questions or comments on enclosed reports. | |
| Consent Agenda | The board reviewed the enclosed consent agenda. | It was moved and seconded to approve the consent agenda with all enclosed action as presented: | |

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| | | September Meeting Minutes Finance Committee Recommendations October 2025, and specifically, <ul style="list-style-type: none"> • Cost of Governance Board Budget 2026 • Lab Analyzer Purchase • September Financials Q3 ratios Compliance Committee Work Plan 2026 MOTION: Shirley Jones SECOND: David Dull Motion carried. | |
| Contracting Overview with Chris Adelman, Outside Counsel | General takeaways include: <ul style="list-style-type: none"> • Not every physician has a contract • There are 3 provider compensation laws that we must consider when contracting: a) anti-kickback b) Stark law, and c) false claims act • Other things to be considered includes fair market value, commercial reasonableness, and ensuring we're not taking into account referrals. • Review of categories and types of provider contract(s) • Review of compensation structures including fixed salary, salary with production, collection-based, combination, hourly rate shift rate, or income guarantee. | | |
| Community Health Needs Assessment | Valerie Hayes and Lisette Hudson with CHC helped our team prepare our Community Health Needs assessment, an IRS requirement that must be completed every three years. Maddie Wright, Quality Director advised that the CHNA requires community input and collaboration to compile. Prioritized needs include continued recruitment and retention of workforce, access to mental and behavioral health services and providers. Prevention, education and services to increase community awareness and address preventable conditions and unhealthy lifestyles. Focus will include increased emphasis on addressing vital conditions to reduce health disparities among specific populations. | It was moved and seconded to approve the 2026-2029 Community Health Needs Assessment as presented. MOTION: Jim Rogers SECOND: David Dull Motion carried. | |
| Executive Session | | The Board entered Executive Session at 7:51 pm. | |

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| Return to Regular Session | | | | The Board returned to the Regular Session at 8:29pm. | |
| Action Items | Executive Session Minutes | | | It was moved and seconded to approve the Executive Session Minutes as presented. Motion carried. It was moved and seconded to approve individually the MEC Appointments, Reappointments of the Medical Executive Committee with privileges to the Medical Staff as recommended by the Medical Executive Committee. MOTION: David Dull SECOND: Eric Croke Motion carried. It was moved and seconded to approve individually FPPE and OPPE report and MEC policies as recommended by the Medical Executive Committee. MOTION: David Dull SECOND: Jim Rogers Motion carried. It was moved and seconded to accept the recommendation of Nominating Committee to add Marilyn Justice to the Annual meeting for board action to elect to the Board of Directors with term beginning 1/1/26. MOTION: Eric Croke SECOND: Jim Rogers Motion carried It was moved and seconded to approve the slate of contracts/amendments as | |
| | MEC Recommendations | | | | |
| | Initial | Julie Allen, DO Michael Di Maria, MD Muzammil Hanif, MD Annette Lyons, CRNA Wojciech Nowak, MD Barbara Rumberger, MD Karen Gelfand, MD | No Issues Identified No Issues Identified No Issues Identified No Issues Identified No Issues Identified No Issues Identified | | |
| | Reappointment | Eve Bruneau, DO Brett Englund, MD Elena Klaus, PAC Karla Demby, MD | No Issues Identified No Issues Identified No Issues Identified | | |
| | Resignation | Jeff Tarpey, DO | | | |
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| | Policies | H&P Policy Medical Consultations Policy General Rules & regulations Policy Oral and Maxillofacial Surgery Service Line | | | |
| | Acceptance of Nominating Committee Recommendation - Marilyn Justice to SHS Board | | | | |
| | Slate of Contracts: OB Call Le Bleu Vaszily OB Gyn agreement Neimat 1 st Amendment | | | | |

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| | 2025 At Risk Compensation Model Change Proposed / EBIDA Budget adjust to \$9.6m | presented MOTION: Jim Rogers SECOND: David Dull Motion carried. It was moved and seconded to approve the change presented for the 2025 At-Risk Compensation Change proposed. MOTION: Jim Rogers SECOND: David Dull Motion carried. | |
| Adjournment | | The Board adjourned the meeting at 8:32pm. | |
| Special Executive Session | The board adjourned into a Special Executive Session at 8:35pm to discuss specific areas of concern. All but the board and Joe Theine and Joe Thomason left the meeting room. | | |

Respectfully submitted:

Shirley Jones, Chairperson

Jay Wood, Secretary/Treasurer