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# REGULAR BOARD MEETING PACKET

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## **BOARD OF COMMISSIONERS**

Board Chair –Tom Herrin, Secretary – Kim Olive,  
Commissioner – Craig Coppock, Commissioner – Wes McMahan & Commissioner-Trish Frady

October 25, 2023 @ 3:30 PM  
Conference Room 1 & 2 or Join Zoom Meeting:

<https://myarborhealth.zoom.us/j/82357530294>

Meeting ID: 823 5753 0294

One tap mobile: +12532050468,,82357530294#

Dial: +1 253 205 0468 US

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**LEWIS COUNTY HOSPITAL DISTRICT NO. 1  
REGULAR BOARD OF COMMISSIONERS' MEETING**

**October 25, 2023 at 3:30 p.m.**

**Conference Room 1 & 2 or via ZOOM**

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**Mission Statement**

**To foster trust and nurture a healthy community.**

**Vision Statement**

**To provide every patient the best care and every employee the best place to work.**

| AGENDA   | PAGE                 | TIME    |
|--|----------------------|---------|
| <b>Call to Order</b><br><b>Roll Call</b><br><b>Excused/Unexcused Absences</b><br><b>Reading of the Mission &amp; Vision Statement</b><br><b>Approval or Amendment of Agenda</b><br><b>Conflicts of Interest</b>  |                      | 3:30 pm |
| <b>Comments and Remarks</b> <ul style="list-style-type: none"> <li>Commissioners</li> <li>Audience</li> </ul>  |                      | 3:35 pm |
| <b>Executive Session- RCW 70.41.200, RCW 70.41.205 &amp; RCW 42.30.110(1)(i)</b> <ul style="list-style-type: none"> <li>Medical Privileging-Chief of Staff Dr. Travis Podbilski &amp; Medical Staff Coordinator Barb Goble</li> </ul>  | 5                    | 3:40 pm |
| <b>Department Spotlight</b> <ul style="list-style-type: none"> <li>Skilled Swing Bed-Jennifer Neely, RN, Case Manager &amp; LeeAnn Evans, Inpatient/ED Director</li> </ul>   | 7                    | 3:45 pm |
| <b>Board Committee Reports</b> <ul style="list-style-type: none"> <li>Hospital Foundation Report-Committee Chair-Secretary Olive (<i>Verbal Update</i>)</li> </ul>   |                      | 3:55 pm |
| <ul style="list-style-type: none"> <li>Finance Committee Report- Committee Chair-Commissioner Coppock</li> </ul>   | 18                   | 4:00 pm |
| <b>Consent Agenda (Action)</b> <ul style="list-style-type: none"> <li>Approval of Minutes: <ul style="list-style-type: none"> <li>September 27, 2023, Regular Board Meeting</li> <li>October 18, 2023, Finance Committee Meeting</li> </ul> </li> <li>Warrants &amp; EFTs in the amount of \$3,952,220.47 dated September 2023</li> <li>Resolution 23-20-Declaring to Surplus or Dispose of Certain Property <ul style="list-style-type: none"> <li>To approve liquidation of items beyond their useful life.</li> </ul> </li> </ul> | 22<br>29<br>33<br>35 | 4:10 pm |
| <b>Old Business</b> <ul style="list-style-type: none"> <li>Resolution 23-21-Approving the Amended Board Bylaws <ul style="list-style-type: none"> <li>To approve the Amended Board Bylaws.</li> </ul> </li> </ul>  | 38                   | 4:15 pm |

|   |                      |         |
|---|----------------------|---------|
| <b>New Business</b> <ul style="list-style-type: none"> <li>Introduce Proposed Budget <ul style="list-style-type: none"> <li><i>To present the 2024 Proposed Budget by November 1, 2023.</i></li> <li><i>To review the Capital Plan.</i></li> </ul> </li> </ul>  | 57                   | 4:25 pm |
| <ul style="list-style-type: none"> <li>Signing Authority <ul style="list-style-type: none"> <li><i>To discuss an additional signer on the bank account(s) to include Lewis County Investment &amp; Banking Officer Rodney Reynolds. The Superintendent will have the Board's support to move forward-RE-Resolution 21-17.</i></li> </ul> </li> </ul>  | 65                   | 4:50 pm |
| <ul style="list-style-type: none"> <li>Board Policy &amp; Procedure Review <ul style="list-style-type: none"> <li>Commissioner Compensation for Meetings and Other Services (REVISED)</li> <li>Board E-Mail Communication</li> <li>Board Meeting Teleconference</li> <li>Board Mobile Device Management</li> </ul> </li> </ul>  | 73<br>75<br>77<br>79 | 4:55 pm |
| <b>Superintendent Report</b> <ul style="list-style-type: none"> <li>2023-2025 Strategic Plan (Quarterly Update)</li> <li>Board Educational Articles</li> </ul>  | 82<br>83<br>95       | 5:00 pm |
| <b>Meeting Summary &amp; Evaluation</b>   |                      | 5:15 pm |
| <b>Next Board Meeting Dates and Times</b> <ul style="list-style-type: none"> <li>Special Board Meeting-Public Hearing- 2024 Budget-November 13, 2023 @ 6:00 PM (ZOOM &amp; In Person)</li> <li>Regular Board Meeting-November 15, 2023 @ 3:30 PM (ZOOM &amp; In Person)</li> <li>Special Board Meeting-Public Hearing-Levy-November 27, 2023 @ 6:00 PM (ZOOM &amp; In Person)</li> </ul> <b>Next Committee Meeting Dates and Times</b> <ul style="list-style-type: none"> <li>Compliance Committee Meeting-November 1, 2023 @ 12:00 PM (ZOOM)</li> <li>Finance Committee Meeting-November 22, 2023 @ 12:00 PM (ZOOM)</li> </ul> |                      |         |
| <b>Adjournment</b>  |                      | 5:20 pm |

## **EXECUTIVE SESSION**





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#### MEDICAL STAFF PRIVILEGING

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The below providers are requesting appointment to the Arbor Health Medical Staff. All files have been reviewed for Quality Data, active state license, any malpractice claims, current liability insurance, peer references, all hospital affiliations, work history, National Practitioner Data Bank reports, sanctions reports, Department of Health complaints, Washington State Patrol background check and have been reviewed by the credentialing and medical executive committees including the starred items below. The credentialing and medical executive committees have recommended the following for approval.

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#### INITIAL APPOINTMENTS-3

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##### **Radia Inc.**

- Jill Furubayashi, MD (Consulting Radiology Privileges)
- Jonathan Hart, MD (Consulting Radiology Privileges)
- Pierre Shepherd, MD (Consulting Radiology Privileges)

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#### REAPPOINTMENTS-4

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##### **Radia Inc.**

- Dawn Hastreiter, MD (Consulting Radiology Privileges)

##### **Providence Health & Services Privileging by Proxy**

- Carson Van Sanford, MD (Consulting Telestroke/Neurology Privileges)
- Margarita Oveian, MD (Consulting Telestroke/Neurology Privileges)
- Sarabjit Atwal, MD (Consulting Telestroke/Neurology Privileges)

★-notates files with items to note.

## **DEPARTMENT SPOTLIGHT**

# Skilled Swing Bed

Department Spotlight

Jennifer Neely RN, Case Manager  
LeeAnn Evans, Inpatient & ED Director

# Skilled Swing Bed Options

(daily skilled need)

- Wound Care
  - The goal of most acute wound or chronic ulcer care should be eventual wound closure with or without grafts, cellular or tissue products, or other surgery (such as amputation, wound excision, etc.).
  - Appropriate management, a wound may reach a state at which its care may be performed primarily by the patient and/or the patient's caregiver with periodic physician assessment and supervision.
- IV Therapy
  - Long-term IV antibiotics(weeks)
- Physical Therapy
  - Improves or maintains current function or slows decline.
  - Evaluates and treat injuries and diseases that change your ability to function.
- Occupational Therapy
  - Therapy to help you perform activities of daily living (like dressing or bathing).
  - This therapy helps to maintain current capabilities or slow decline.
- Speech Therapy
  - These services provide evaluation and treatment to regain and strengthen speech and language skills.
  - This includes cognitive and swallowing skills, or therapy to improve or maintain current function or slow decline.

# Program History



- Dr. Hansen serves as the Skilled Swing Bed Medical Director
- Majority of Skilled Swing Bed admissions come from outside facilities post ICU and/or ortho surgery. Approximately 1/3 of the SWB admission come from our own OBS/IP admissions.
- 2021 admissions: 77
- 2022 admissions: 67
- 2023 year to date: 57



# Program

## Investments/Upgrades

- Stroudwater - quality metrics for Skilled SWB
- Use of Care Management in Cerner

# 2023 Successes

- Hired fulltime Case Manager
- Multi-disciplinary team approach to weekly Comprehensive Assessment
- Regular visits to Morton Senior Center
- 2023 – successful placement (NH, AFH, Hospice, etc.) for every patient this year who needed it.
- Quicker insurance authorizations from average of 5 day wait to 2 day wait.

# Marketing

- Arbor Health Video
- Resource Fairs in Morton and Packwood





# Skilled Swing Bed

- Definition: A swing-bed is a service that rural hospitals and Critical Access Hospitals (CAHs) with a Medicare provider agreement provide that allows a patient to transition from acute care to Skilled Nursing Facility (SNF) care without leaving the hospital.
- Labor Force: Requires a full-time RN Case Manager 5 days a week. 24/7 direct patient care from an RN. Daily direct patient care from wound care RN, PT, OT and/or ST.
- Physical Space: Use of Acute Care beds
- Skilled Swing Bed Medical Director: Dr. Mark Hansen

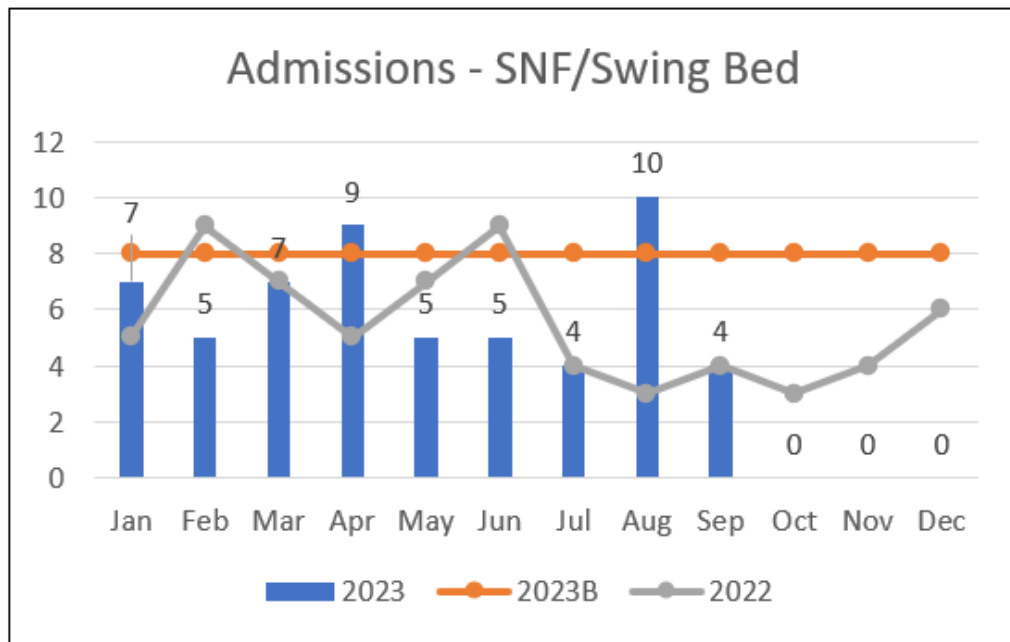
# Typical Skilled Swing Bed Patients

- Chronic comorbidities that result in excessive weakness
- Post ortho
- Post-Sepsis (IV Therapy)
- Long-term IV Therapy
- Acute to chronic wound management

# Financial Measures

## Skilled Swing Bed - Now

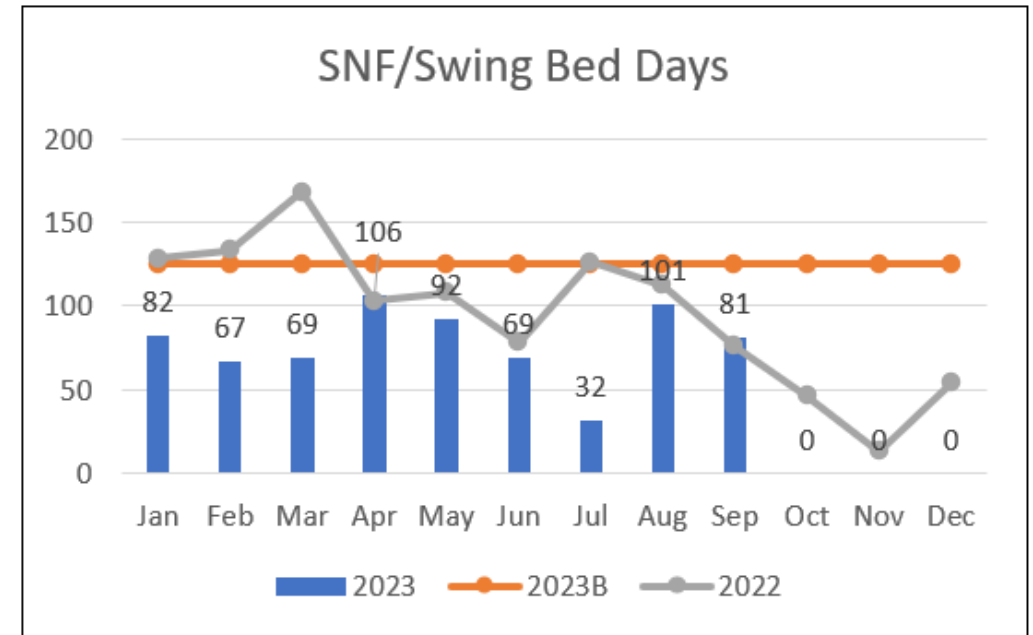
- Average payment per day: \$4,881 (Medicare)



YTD: 56

Budget: 72

Pr Yr: 53



YTD: 699

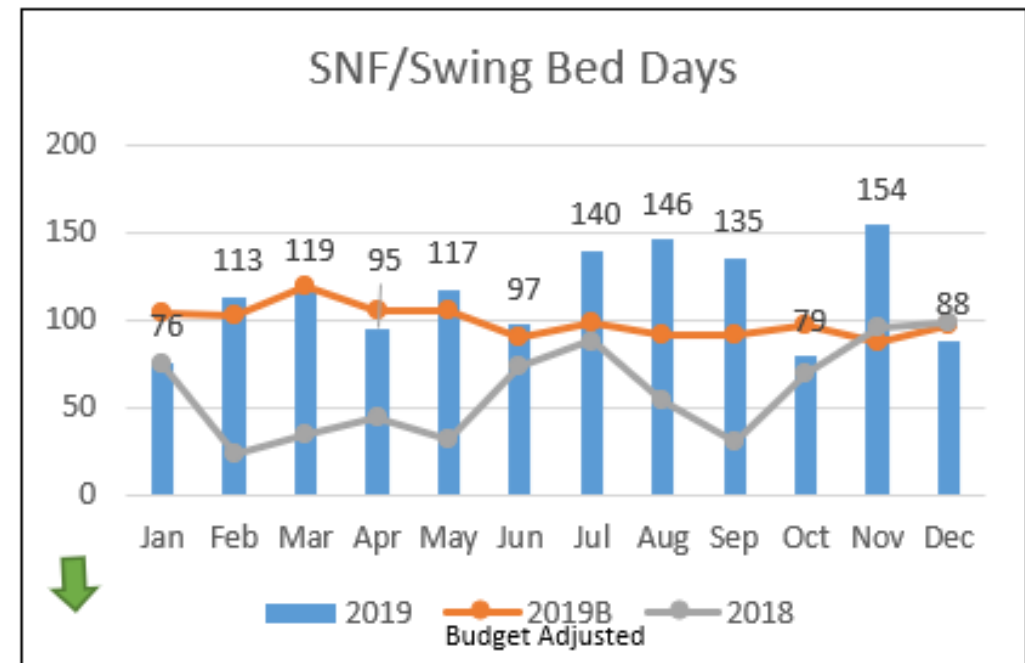
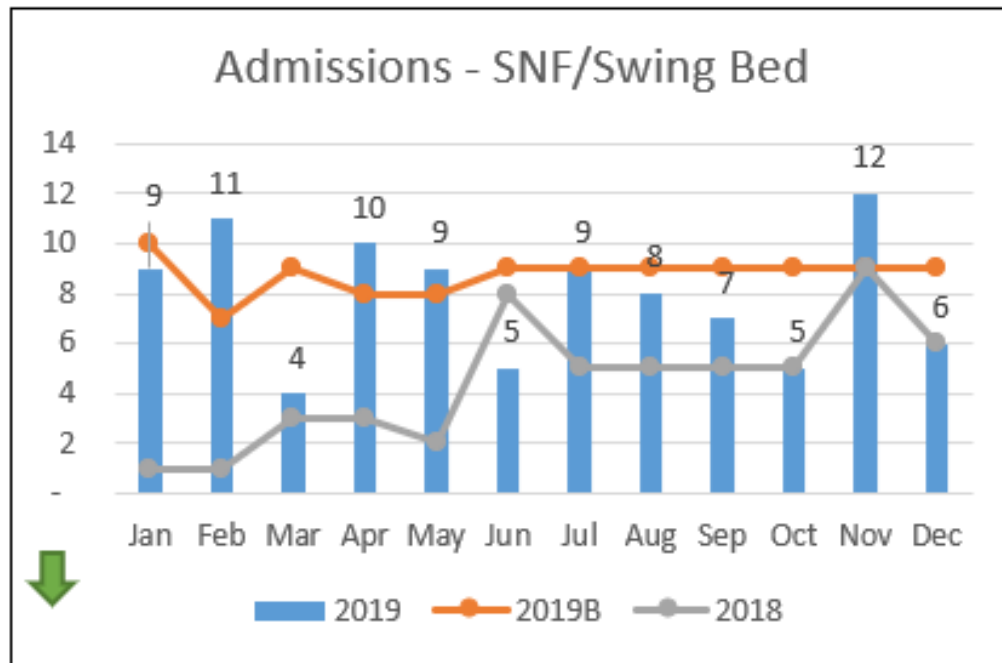
Budget: 1,125

Pr Yr: 1,032

# Financial Measures

## Skilled Swing Bed - 2019

- Average payment per day: \$4,881 (Medicare)



## **BOARD COMMITTEE REPORTS**

**ARBOR HEALTH**  
**EXECUTIVE SUMMARY**  
**Fiscal Year Ending: 9/30/23**

**BALANCE SHEET**

|   | YTD<br>9/30/2023    | Prior YTD<br>9/30/2022 |
|---|---------------------|------------------------|
| <b>ASSETS</b>                           |                     |                        |
| Current Assets                          | \$9,787,476         | \$12,347,493           |
| Assets Whose Use is Limited             | \$0                 | \$0                    |
| Property, Plant & Equipment (Net)       | \$9,890,580         | \$10,769,414           |
| Other Assets                            | \$764,913           | \$777,753              |
| <b>Total Unrestricted Assets</b>        | <b>\$20,442,969</b> | <b>\$23,894,660</b>    |
| Restricted Assets                       | \$1,781,150         | \$2,205,401            |
| <b>Total Assets</b>                     | <b>\$22,224,119</b> | <b>\$26,100,061</b>    |
| <b>LIABILITIES &amp; NET ASSETS</b>     |                     |                        |
| Current Liabilities                     | \$3,653,857         | \$7,402,851            |
| Long-Term Debt                          | \$5,958,878         | \$6,825,366            |
| Other Long-Term Liabilities             | \$0                 | \$0                    |
| <b>Total Liabilities</b>                | <b>\$9,612,735</b>  | <b>\$14,228,217</b>    |
| Net Assets                              | \$12,611,384        | \$11,871,844           |
| <b>Total Liabilities and Net Assets</b> | <b>\$22,224,119</b> | <b>\$26,100,061</b>    |

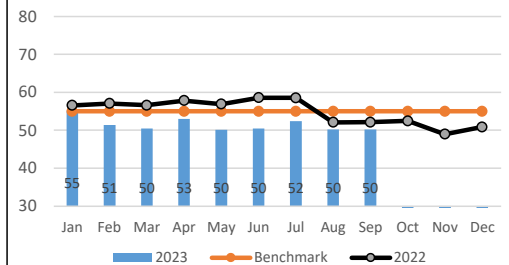
**STATEMENT OF REVENUE AND EXPENSES - YTD**

|                                 | 9/30/2023          |                    | YEAR TO DATE         |                      |
|---------------------------------|--------------------|--------------------|----------------------|----------------------|
|                                 | ACTUAL             | BUDGET             | ACTUAL               | BUDGET               |
| Gross Patient Revenues          | \$4,720,046        | \$5,059,188        | \$43,440,197         | \$45,197,174         |
| Discounts and allowances        | (\$1,759,334)      | (\$1,821,466)      | (\$15,771,897)       | (\$17,190,158)       |
| Bad Dbt & Char C Write-Offs     | (\$87,243)         | (\$67,728)         | (\$1,084,059)        | (\$652,557)          |
| Net Patient Revenues            | \$2,873,469        | \$3,169,994        | \$26,584,241         | \$27,354,459         |
| Other Operating Revenues        | \$96,102           | \$103,429          | \$694,130            | \$930,859            |
| <b>Total Operating Revenues</b> | <b>\$2,969,571</b> | <b>\$3,273,423</b> | <b>\$27,278,371</b>  | <b>\$28,285,318</b>  |
| Salaries, Benefits & Contr Lbr  | \$2,373,570        | \$2,325,525        | \$20,000,711         | \$20,837,819         |
| Purchased Serv & Phys Fees      | \$407,843          | \$399,744          | \$3,153,194          | \$3,657,131          |
| Supply Expenses                 | \$264,114          | \$258,764          | \$2,124,869          | \$2,083,127          |
| Other Operating Expenses        | \$282,628          | \$276,838          | \$2,279,841          | \$2,522,467          |
| Depreciation & Interest Exp.    | \$150,300          | \$134,754          | \$1,416,319          | \$1,269,705          |
| <b>Total Expenses</b>           | <b>\$3,478,455</b> | <b>\$3,395,625</b> | <b>\$28,974,934</b>  | <b>\$30,370,249</b>  |
| <b>NET OPERATING SURPLUS</b>    | <b>(\$508,884)</b> | <b>(\$122,202)</b> | <b>(\$1,696,563)</b> | <b>(\$2,084,931)</b> |
| Non-Operating Revenue/(Exp)     | \$98,112           | \$77,949           | \$1,072,657          | \$701,537            |
| <b>TOTAL NET SURPLUS</b>        | <b>(\$410,772)</b> | <b>(\$44,253)</b>  | <b>(\$623,906)</b>   | <b>(\$1,383,394)</b> |

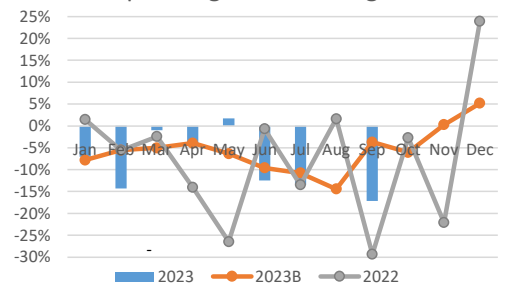
**KEY STATISTICS**

|                             | 9/30/2023 |        | YEAR TO DATE |        |
|-----------------------------|-----------|--------|--------------|--------|
|                             | ACTUAL    | BUDGET | ACTUAL       | BUDGET |
| Total Inpatient Admits      | 7         | 16     | 94           | 143    |
| Average Length of Stay      | 3.70      | 3.00   | 4.40         | 3.00   |
| Total Emergency Room Visits | 481       | 467    | 4,174        | 4,200  |
| Outpatient Visits           | 1,067     | 1,355  | 10,693       | 12,323 |
| Total Surgeries             | 41        | 33     | 359          | 296    |

Days in A/R

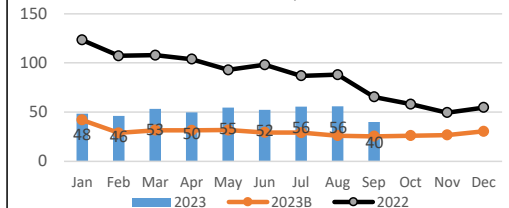


Operating Income Margin

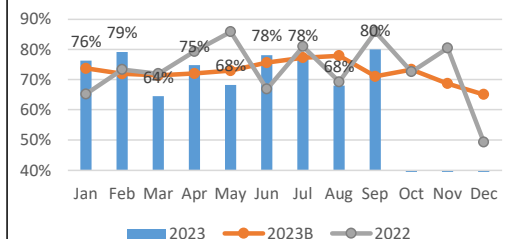


Days Cash on Hand

Excludes Funded Depreciation



Total Comp as % of Net Oper Revenue



Lewis County Public Hospital District No. 1

Balance Sheet

September, 2023

|   | <u>Current Month</u>            | <u>Prior-Month</u>           | <u>Prior-Year<br/>end</u>    | <u>Incr/(Decr)<br/>From PrYr</u> |
|---|---------------------------------|------------------------------|------------------------------|----------------------------------|
| <b>Assets</b>                                 |                                 |                              |                              |                                  |
| <b>Current Assets:</b>                        |                                 |                              |                              |                                  |
| Cash  | \$ 4,479,280                    | 5,957,470                    | 5,055,656                    | (576,376)                        |
| Total Accounts Receivable                     | 8,094,896                       | 7,972,287                    | 7,508,625                    | 586,271                          |
| Reserve Allowances                            | <u>(3,952,620)</u>              | <u>(3,971,957)</u>           | <u>(3,362,569)</u>           | <u>(590,051)</u>                 |
| Net Patient Accounts Receivable               | 4,142,276                       | 4,000,330                    | 4,146,056                    | (3,780)                          |
| <br>Taxes Receivable                          | <br>128,749                     | <br>66,776                   | <br>52,607                   | <br>76,142                       |
| Estimated 3rd Party Receivables               | 263,159                         | 263,159                      | (11,605)                     | 274,764                          |
| Prepaid Expenses                              | 453,057                         | 450,501                      | 324,031                      | 129,026                          |
| Inventory                                     | 264,677                         | 263,322                      | 253,658                      | 11,018                           |
| Funds in Trust                                | 1,781,150                       | 1,772,855                    | 1,711,559                    | 69,591                           |
| Other Current Assets                          | <u>56,278</u>                   | <u>50,407</u>                | <u>180,415</u>               | <u>(124,137)</u>                 |
| <b>Total Current Assets</b>                   | <u>11,568,626</u>               | <u>12,824,820</u>            | <u>11,712,378</u>            | <u>(143,752)</u>                 |
| Property, Buildings and Equipment             | 34,977,749                      | 34,952,269                   | 34,963,861                   | 13,888                           |
| Accumulated Depreciation                      | <u>(25,087,169)</u>             | <u>(24,992,372)</u>          | <u>(24,491,062)</u>          | <u>(596,107)</u>                 |
| Net Property, Plant, & Equipment              | 9,890,580                       | 9,959,897                    | 10,472,799                   | (582,219)                        |
| Right-of-use assets                           | 595,398                         | 620,192                      | 681,064                      | (85,666)                         |
| Other Assets                                  | <u>169,514</u>                  | <u>169,514</u>               | <u>167,514</u>               | <u>2,000</u>                     |
| <br><b>Total Assets</b>                       | <br><u><u>\$ 22,224,119</u></u> | <br><u><u>23,574,424</u></u> | <br><u><u>23,033,755</u></u> | <br><u><u>(809,637)</u></u>      |
| <b>Liabilities</b>                            |                                 |                              |                              |                                  |
| <b>Current Liabilities:</b>                   |                                 |                              |                              |                                  |
| Accounts Payable                              | 1,232,618                       | 1,556,584                    | 697,151                      | 535,466                          |
| Accrued Payroll and Related Liabilities       | 547,416                         | 925,741                      | 1,312,233                    | (764,817)                        |
| Accrued Vacation                              | 846,907                         | 835,866                      | 716,055                      | 130,851                          |
| Third Party Cost Settlement                   | 76,909                          | 315,618                      | (69,226)                     | 146,136                          |
| Interest Payable                              | 80,150                          | 53,412                       | 0                            | 80,150                           |
| Current Maturities - Debt                     | 865,842                         | 865,842                      | 865,842                      | 0                                |
| Other Payables                                | <u>4,015</u>                    | <u>4,065</u>                 | <u>26,555</u>                | <u>(22,540)</u>                  |
| Current Liabilities                           | <u>3,653,857</u>                | <u>4,557,128</u>             | <u>3,548,610</u>             | <u>105,247</u>                   |
| Total Notes Payable                           | 859,293                         | 884,667                      | 1,086,048                    | (226,755)                        |
| Lease Liability                               | 366,219                         | 377,220                      | 431,433                      | (65,214)                         |
| Net Bond Payable                              | 4,733,365                       | 4,733,255                    | 4,732,375                    | 991                              |
| Total Long Term Liabilities                   | <u>5,958,878</u>                | <u>5,995,142</u>             | <u>6,249,856</u>             | <u>(290,978)</u>                 |
| <br><b>Total Liabilities</b>                  | <br><u>9,612,735</u>            | <br><u>10,552,269</u>        | <br><u>9,798,466</u>         | <br><u>(185,731)</u>             |
| <br>General Fund Balance                      | <br>13,235,289                  | <br>13,235,289               | <br>13,235,289               | <br>0                            |
| Net Gain (Loss)                               | <u>(623,906)</u>                | <u>(213,134)</u>             | <u>0</u>                     | <u>(623,906)</u>                 |
| <b>Fund Balance</b>                           | <u>12,611,384</u>               | <u>13,022,155</u>            | <u>13,235,289</u>            | <u>(623,906)</u>                 |
| <br><b>Total Liabilities And Fund Balance</b> | <br><u><u>\$ 22,224,119</u></u> | <br><u><u>23,574,424</u></u> | <br><u><u>23,033,755</u></u> | <br><u><u>(809,637)</u></u>      |

Lewis County Hospital District No. 1  
Income Statement  
September, 2023

| CURRENT                       |            |                  | MONTH            |                  |                                  | YEAR TO DATE      |                   |                    |            |                   |
|-------------------------------|------------|------------------|------------------|------------------|----------------------------------|-------------------|-------------------|--------------------|------------|-------------------|
| Pr Yr Month                   | % Var      | \$ Var           | Budget           | Actual           |                                  | Actual            | Budget            | \$ Var             | % Var      | Actual            |
| 546,898                       | -30%       | (308,972)        | 1,023,868        | 714,895          | Inpatient Revenue                | 6,241,560         | 9,115,331         | (2,873,772)        | -32%       | 5,055,971         |
| 3,296,804                     | 2%         | 79,396           | 3,465,216        | 3,544,612        | Outpatient Revenue               | 32,651,570        | 30,965,640        | 1,685,930          | 5%         | 29,258,407        |
| 432,612                       | -19%       | (109,565)        | 570,104          | 460,539          | Clinic Revenue                   | 4,547,068         | 5,116,202         | (569,134)          | -11%       | 3,811,913         |
| 4,276,314                     | -7%        | (339,141)        | 5,059,188        | 4,720,046        | <b>Gross Patient Revenues</b>    | <b>43,440,197</b> | 45,197,174        | (1,756,977)        | -4%        | 38,126,291        |
| 1,642,704                     | 3%         | 62,133           | 1,821,466        | 1,759,334        | Contractual Allowances           | 15,805,289        | 17,190,158        | 1,384,869          | 8%         | 12,495,531        |
| 102,631                       | 24%        | 11,673           | 48,271           | 36,597           | Charity Care                     | 471,517           | 472,295           | 778                | 0%         | 453,398           |
| 29,020                        | -160%      | (31,189)         | 19,457           | 50,646           | Bad Debt                         | 612,542           | 180,262           | (432,280)          | -240%      | 305,250           |
| 1,774,355                     | 2%         | 42,617           | 1,889,194        | 1,846,577        | <b>Deductions from Revenue</b>   | <b>16,889,347</b> | 17,842,715        | 953,368            | 5%         | 13,254,179        |
| <b>2,501,958</b>              | <b>-9%</b> | <b>(296,524)</b> | <b>3,169,994</b> | <b>2,873,469</b> | <b>Net Patient Service Rev</b>   | <b>26,550,850</b> | <b>27,354,459</b> | <b>(803,609)</b>   | <b>-3%</b> | <b>24,872,111</b> |
| 58.5%                         | 2.8%       | 1.8%             | 62.7%            | 60.9%            | <b>NPSR %</b>                    | 61.1%             | 60.5%             | -0.6%              | -1.0%      | 65.2%             |
| 94,664                        | -7%        | (7,326)          | 103,429          | 96,102           | Other Operating Revenue          | 694,129           | 930,859           | (236,729)          | -25%       | 866,254           |
| <b>2,596,622</b>              | <b>-9%</b> | <b>(303,851)</b> | <b>3,273,422</b> | <b>2,969,572</b> | <b>Net Operating Revenue</b>     | <b>27,244,979</b> | <b>28,285,318</b> | <b>(1,040,338)</b> | <b>-4%</b> | <b>25,738,365</b> |
| <b>Operating Expenses</b>     |            |                  |                  |                  |                                  |                   |                   |                    |            |                   |
| 1,862,684                     | 6%         | 118,075          | 1,924,869        | 1,806,794        | Salaries & Wages                 | 16,662,548        | 17,276,963        | 614,415            | 4%         | 15,737,366        |
| 367,132                       | -41%       | (166,119)        | 400,656          | 566,775          | Benefits                         | 3,338,163         | 3,560,856         | 222,693            | 6%         | 3,407,458         |
| 138,274                       | 18%        | 26,837           | 145,365          | 118,528          | Professional Fees                | 1,188,110         | 1,254,576         | 66,466             | 5%         | 1,243,439         |
| 310,362                       | -2%        | (5,351)          | 258,764          | 264,114          | Supplies                         | 2,124,869         | 2,083,127         | (41,741)           | -2%        | 1,989,466         |
| 383,417                       | -2%        | (8,099)          | 399,744          | 407,843          | Purchase Services                | 3,153,194         | 3,657,131         | 503,936            | 14%        | 3,309,774         |
| 55,850                        | 4%         | 1,824            | 41,469           | 39,646           | Utilities                        | 365,616           | 394,863           | 29,248             | 7%         | 416,838           |
| 26,718                        | -20%       | (5,987)          | 30,695           | 36,681           | Insurance                        | 274,648           | 276,253           | 1,606              | 1%         | 218,393           |
| 73,486                        | -48%       | (28,463)         | 59,309           | 87,772           | Other Expenses                   | 451,467           | 596,775           | 145,308            | 24%        | 430,411           |
| 3,217,923                     | -2%        | (67,284)         | 3,260,871        | 3,328,155        | EBDITA Expenses                  | 27,558,615        | 29,100,545        | 1,541,930          | 5%         | 26,753,145        |
| (621,301)                     | -2957%     | (371,134)        | 12,551           | (358,583)        | <b>EBDITA</b>                    | (313,636)         | (815,227)         | 501,591            | -62%       | (1,014,779)       |
| -23.9%                        | 3249.3%    | 12.5%            | 0.4%             | -12.1%           | <b>EBDITA %</b>                  | -1.2%             | -2.9%             | -1.7%              | 60.1%      | -3.9%             |
| <b>Capital Cost</b>           |            |                  |                  |                  |                                  |                   |                   |                    |            |                   |
| 105,504                       | 8%         | 8,332            | 105,765          | 97,433           | Depreciation                     | 1,131,157         | 1,008,806         | (122,351)          | -12%       | 983,949           |
| 34,964                        | -82%       | (23,878)         | 28,989           | 52,867           | Interest Cost                    | 285,162           | 260,899           | (24,263)           | -9%        | 295,770           |
| 3,358,391                     | -2%        | (82,830)         | 3,395,625        | 3,478,455        | Operating Expenses               | 28,974,934        | 30,370,249        | 1,395,315          | 5%         | 28,032,864        |
| (761,768)                     | 316%       | (386,681)        | (122,203)        | (508,883)        | <b>Operating Income / (Loss)</b> | (1,729,955)       | (2,084,932)       | 354,977            | -17%       | (2,294,498)       |
| -29.3%                        |            |                  | -3.7%            | -17.1%           | <b>Operating Margin %</b>        | -6.3%             | -7.4%             |                    |            | -8.9%             |
| 0                             | 0%         | 0                | 0                | 0                | <b>Mcare/Mcaid Pr Yr</b>         | 33,392            | 0                 | (33,392)           | 0%         | 0                 |
| <b>Non Operating Activity</b> |            |                  |                  |                  |                                  |                   |                   |                    |            |                   |
| 158,167                       | 34%        | 27,465           | 81,737           | 109,201          | Non-Op Revenue                   | 1,143,378         | 735,631           | 407,747            | 55%        | 1,359,943         |
| 3,232                         | -193%      | (7,301)          | 3,788            | 11,089           | Non-Op Expenses                  | 70,720            | 34,094            | (36,627)           | -107%      | 38,610            |
| 154,935                       | 26%        | 20,163           | 77,949           | 98,112           | Net Non Operating Activity       | 1,072,657         | 701,537           | 371,120            | 53%        | 1,321,333         |
| (606,833)                     | 828%       | (366,517)        | (44,254)         | (410,772)        | <b>Net Income / (Loss)</b>       | (623,906)         | (1,383,394)       | 759,489            | -55%       | (973,166)         |
| -23.4%                        |            |                  | -1.4%            | -13.8%           | <b>Net Income Margin %</b>       | -2.3%             | -4.9%             |                    |            | -3.8%             |



## **CONSENT AGENDA**



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1  
REGULAR BOARD OF COMMISSIONERS' MEETING**

**September 27, 2023, at 3:30 p.m.**

**Conference Room 1 & 2 and via ZOOM**

<https://myarborhealth.zoom.us/j/82982420387>

Meeting ID: 829 8242 0387

One tap mobile: +12532158782,,82982420387#

Dial: +1 253 215 8782

**Mission Statement**

**To foster trust and nurture a healthy community.**

**Vision Statement**

**To provide every patient the best care and every employee the best place to work.**

| AGENDA  | DISCUSSION   | ACTION | OWNER | DUE DATE |
|---|--|--------|-------|----------|
| <b>Call to Order</b><br><b>Roll Call</b><br><b>Unexcused/Excused</b><br><b>Absences</b><br><b>Reading the Mission</b><br><b>&amp; Vision Statements</b> | Board Chair Herrin called the meeting to order at 3:30 p.m.<br><br><b>Commissioners present:</b><br><input checked="" type="checkbox"/> Tom Herrin, Board Chair<br><input checked="" type="checkbox"/> Kim Olive, Secretary<br><input checked="" type="checkbox"/> Wes McMahan<br><input checked="" type="checkbox"/> Craig Coppock<br><input checked="" type="checkbox"/> Trish Frady<br><br><b>Others present:</b><br><input checked="" type="checkbox"/> Robert Mach, Superintendent<br><input checked="" type="checkbox"/> Shana Garcia, Executive Assistant<br><input checked="" type="checkbox"/> Sara Williamson, CNO/CQO<br><input checked="" type="checkbox"/> Cheryl Cornwell, CFO<br><input checked="" type="checkbox"/> Shannon Kelly, CHRO<br><input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director<br><input checked="" type="checkbox"/> Dr. Kevin McCurry, CMO<br><input type="checkbox"/> Matthew Lindstrom, CFMO<br><input checked="" type="checkbox"/> Spencer Hargett, Compliance Officer<br><input checked="" type="checkbox"/> Janice Cramer, Patient Access Manager |        |       |          |

| AGENDA                                 | DISCUSSION  | ACTION   | OWNER   | DUE DATE |
|--|---|--|---|----------|
|  | <ul style="list-style-type: none"> <li>☒ Barb Goble, Medical Staff Coordinator</li> <li>☒ Dr. Travis Podbilski, Chief of Staff</li> <li>☒ Buddy Rose, Reporter</li> <li>☒ Clint Scogin, Controller</li> <li>☒ Julie Johnson, Quality Manager</li> <li>☒ Jessica Scogin, Foundation Manager</li> <li>☒ Marc Fisher, Community Member</li> <li>☒ Jim Frey, IT Director</li> <li>☒ Robert Houser, Imaging Manager</li> <li>☒ Van Anderson, Community Member</li> <li>☒ Nicholas Tyler, Pharmacist</li> </ul> <p>Board Chair Herrin noted the chat function has been disabled and the meeting will not be recorded.</p> |  |   |          |
| <b>Approval or Amendment of Agenda</b> |   | <p>Commissioner Coppock made a motion to approve the agenda.</p> <p>Commissioner McMahan seconded and the motion passed unanimously.</p> | CC 1 <sup>st</sup> , WM 2 <sup>nd</sup> , passed. |          |
| <b>Conflicts of Interest</b>           | Board Chair Herrin asked the attendees to state any conflicts of interest with today's agenda.  | None noted.  |   |          |
| <b>Comments and Remarks</b>            | <p>Commissioners:</p> <p>Commissioner Coppock commended Arbor Health's journey on wellness, promoting preventative care and nurturing a healthy community. Also, Commissioner Coppock reiterated the importance of being diligent during the cold/flu/covid season and remaining proactive for keeping our medical staff, employees, and community well. Commissioner McMahan reiterated the importance of annual checkup reminders for patients. He echoed covid hospitalizations are increasing and Ancillary Services Director Taylor was very helpful</p>   |  |   |          |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--------|------------|--------|-------|----------|
|--------|------------|--------|-------|----------|

|  |   |                                |  |  |
|--|---|--------------------------------|--|--|
|  | <p>with information related to Lewis County. Board Chair Herrin extended a thank you to CNO/CQO Sara Williamson for her years of service, especially during covid. The Board will miss you. CNO/CQO Williamson reiterated this is a great team, an even better hospital to work and wished the Board success moving forward.</p> <p>Audience: Van Anderson expressed concern related to covid vaccine availability at the clinics. Also, Van shared the Order of Business for Special Board Meetings was incorrectly done at the April 18, 2023, Special Board Meeting regarding Public Comment.</p> <p>CNO/CQO Williamson shared vaccine requests are being made and triaged like before. The big pharmacies will likely be prioritized first, so the recommendation to patients at this time is to go to Walgreens, Walmart, etc.</p> <p>Executive Assistant Garcia noted the bylaws are in the packet for review, so thank you for bringing to the Board's attention. Public Comment is optional and at the discretion of the Board Chair.</p> |                                |  |  |
| Executive Session-<br>RCW 70.41.200,<br>RCW 70.41.205 &<br>RCW 42.30.110<br>(1)(i) | <p>Board Chair Herrin announced going into executive session at 3:45 p.m. for twenty minutes to discuss RCW 70.41.200-Medical Privileging, RCW 70.41.205-Quality Improvement Oversight Report and RCW 42.30.100 (1)(i) To discuss with legal counsel about current or potential litigation with Brad Berg, Foster Garvey PC. The Board returned to open session at 4:05 p.m. Board Chair Herrin noted no decisions were made in Executive Session.</p> <p>Initial Appointments-</p>   | Commissioner<br>Coppock made a |  |  |

| AGENDA   | DISCUSSION   | ACTION  | OWNER | DUE DATE |
|--|--|---|-------|----------|
|  | <p>Arbor Health</p> <ol style="list-style-type: none"> <li>1. Quoc Ho, MD (Internal Medicine Privileges)</li> </ol> <p>Radia Inc.</p> <ol style="list-style-type: none"> <li>1. Thomas Markel, MD (Consulting Radiology Privileges)</li> <li>2. Edmund Pillsbury III, MD (Consulting Radiology Privileges)</li> <li>3. Carter Yeatman II, MD (Consulting Radiology Privileges)</li> </ol>  | <p>motion to approve the Medical Privileging as presented, Secretary Olive seconded. The motion passed unanimously.</p> |       |          |
| <p>Department Spotlight</p> <ul style="list-style-type: none"> <li>• Deferred</li> </ul>                             | <p>Board Chair Herrin noted scheduling conflict and rescheduling.</p>  |   |       |          |
| <p><b>Board Committee Reports</b></p> <ul style="list-style-type: none"> <li>• Hospital Foundation Report</li> </ul> | <p>Foundation Manager Scogin shared the Mammos and Mocktails event was another success with 22 patients. The AH Foundation float place 1<sup>st</sup> in the Jubilee Parade. There were 37 participates in this years Color Run, lots of scheduling conflicts so collaborating better for next year. The Giftshop Yard Sale was successful. The AH Auction Dinner is October 7<sup>th</sup>. The Hospital Support Agreement was approved. The changes included clarifying the Foundation is only to support Arbor Health Hospital and added a compliance layer of support that hospital resources can be used on the Foundation.</p> |   |       |          |
| <ul style="list-style-type: none"> <li>• Finance Committee Report</li> </ul>   | <p>Commissioner Coppock's finance update included summer fluctuations on the August financials with a more promising September. The 2024 budget process has been initiated with managers and being reviewed by leadership. Volume assumptions were presented and not expecting to change dramatically.</p>   |   |       |          |

| AGENDA  | DISCUSSION  | ACTION   | OWNER   | DUE DATE |
|---|---|--|---|----------|
| <b>Consent Agenda</b>   | <p>Board Chair Herrin announced the consent agenda items for consideration of approval:</p> <ol style="list-style-type: none"> <li>1. Approval of Minutes <ol style="list-style-type: none"> <li>a. August 30, 2023, Regular Board Meeting</li> <li>b. September 13, 2023, Quality Improvement Oversight Committee Meeting</li> <li>c. September 20, 2023, Finance Committee Meeting</li> </ol> </li> <li>2. Warrants &amp; EFTs in the amount of \$3,672,982.23 dated August 2023</li> <li>3. Approve Documents Pending Board Ratification 09.27.23</li> </ol> | <p>Commissioner Coppock made a motion to approve the Consent Agenda and Commissioner Frady seconded. The motion passed unanimously.</p> <p>Minutes, Warrants and Resolutions will be sent for electronic signatures.</p>   | Executive Assistant Garcia                      | 9.29.23  |
| <b>Old Business</b>   | Nothing to report.  |  |   |          |
| <b>New Business</b> <ul style="list-style-type: none"> <li>• Board Bylaws</li> </ul>  | <p>Board Chair Herrin noted per the bylaws it is time to review. The Board recommended reviewing the order of business format.</p> <p>Plan to approve the bylaws at the October Regular Board Meeting.</p>  | Review bylaws for edits and adopt via resolution in October.   | Board Chair Herrin & Executive Assistant Garcia | 10.25.23 |
| <ul style="list-style-type: none"> <li>• Board Policy and Procedure Review</li> </ul> | <p>Board Chair Herrin presented the following policies/procedures for review and/or revision:</p> <ol style="list-style-type: none"> <li>1. Commissioner Compensation for Meetings and Other Services-Marked a Revised.</li> <li>2. Distribution of Board and Committee Packets-Marked as Reviewed.</li> <li>3. Hospital Declaration of Personal Property as Surplus-Marked as Reviewed.</li> </ol>   | <p>Revise Commissioner Compensation for Meetings and Other Services by updating number five and removing number six. Add virtual option for webinars will be paid with board chair approval.</p> <p>Commissioner Coppock made a motion to approve the 2<sup>nd</sup> &amp; 3<sup>rd</sup> P &amp; P's and Secretary Olive seconded. The motion passed unanimously.</p> | Board Chair Herrin & Executive Assistant Garcia | 10.25.23 |

| AGENDA                                  | DISCUSSION  | ACTION  | OWNER                      | DUE DATE |
|---|---|---|----------------------------|----------|
|   |   | Marked two of the three documents as Reviewed in Lucidoc. | Executive Assistant Garcia | 09.29.23 |
| <b>Superintendent Report</b>            | <p>Superintendent Mach shared a patient compliment, thank you Dr. Peresko.</p> <p>Superintendent Mach highlighted the memo in the packet and added the following updates:</p> <ol style="list-style-type: none"> <li>1. Excited to see the progress on 340B program and savings coming our way.</li> <li>2. Excited to share the Bulk O2 Tank has been installed.</li> <li>3. Excited to share we bought a home!</li> </ol> <p>Commissioner McMahan appreciates Superintendent Mach efforts in such a short time and excited for the future.</p>  |   |                            |          |
| <b>Meeting Summary &amp; Evaluation</b> | <p>Superintendent Mach highlighted the meeting which included decisions made and action items.</p> <p>Secretary Olive appreciated having the respectful discussion on the policy and procedure regarding compensation. Commissioner Frady shared it's easier to participate in person or on Zoom verses being on the phone, but good meeting. Commissioner Coppock noted seeing progress throughout the District. Commissioner McMahan noted feeling heard, good discussion and coming to good decisions. Board Chair Herrin appreciated good questions and diving into where commissioners are coming from. Superintendent Mach appreciates the open forum to learn and understanding what is best for the District. Ultimately, providing great care for our patents.</p> |   |                            |          |
| <b>Break</b>                            | Board Chair Herrin called for a 5-minute break at 4:47 p.m. The Board returned to open session at 4:52 p.m.   |   |                            |          |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--------|------------|--------|-------|----------|
|--------|------------|--------|-------|----------|

|   |   |  |  |  |
|---|---|--|--|--|
| <b>Guest Speaker</b> <ul style="list-style-type: none"> <li>Kurt O'Brien Consulting-Part 4</li> </ul> | The Board revisited the adaptive leadership-core principles and using the form. Plan to postpone training until December which is after elections and the new board will be known for moving forward. |  |  |  |
| <b>Adjournment</b>  | Commissioner Coppock moved and Commissioner McMahan seconded to adjourn the meeting at 5:38 p.m. The motion passed unanimously.   |  |  |  |

Respectfully submitted,

Kim Olive, Secretary

Date





**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**Finance Committee Meeting**  
**October 18, 2023, at 12:00 p.m.**  
**Via Zoom**

**Mission Statement**

**To foster trust and nurture a healthy community.**

**Vision Statement**

**To provide every patient the best care and every employee the best place to work.**

| AGENDA   | DISCUSSION  | ACTION   | OWNER | DUE DATE |
|--|---|--|-------|----------|
| Call to Order<br>Roll Call<br>Excused/ Unexcused Absences<br>Conflicts of Interest | Commissioner McMahan called the meeting to order via Zoom at 12:00 p.m.<br><br>Commissioner(s) Present in Person or via Zoom:<br><input type="checkbox"/> Craig Coppock, Commissioner<br><input checked="" type="checkbox"/> Wes McMahan, Commissioner<br><br>Committee Member(s) Present in Person or via Zoom:<br><input checked="" type="checkbox"/> Shana Garcia, Executive Assistant<br><input checked="" type="checkbox"/> Cheryl Cornwell, CFO<br><input checked="" type="checkbox"/> Robert Mach, Superintendent<br><input checked="" type="checkbox"/> Marc Fisher, Community Member<br><input type="checkbox"/> Clint Scogin, Controller<br><input checked="" type="checkbox"/> Sherry Sofich, Revenue Cycle Director<br><input checked="" type="checkbox"/> Barbara van Duren, CNO/CQO<br><input type="checkbox"/> Julie Taylor, Ancillary Services Director | Excused: Craig Coppock (Hunting), Clint Scogin (Conference) & Julie Taylor (Conferences)<br><br>Unexcused Absences: None |       |          |
| Approval or Amendment of Agenda  |   | Superintendent Mach made a motion to approve the agenda and CFO Cornwell. seconded. The motion passed unanimously.       |       |          |

| AGENDA  | DISCUSSION   | ACTION   | OWNER | DUE DATE |
|---|--|--|-------|----------|
| Conflicts of Interest   | Commissioner McMahan asked the Committee to state any conflicts of interest with today's agenda.   | None were noted.   |       |          |
| Consent Agenda  | <p>Commissioner McMahan announced the following in consent agenda up for approval:</p> <ol style="list-style-type: none"> <li>1. Review of Finance Minutes –September 20, 2023</li> <li>2. Revenue Cycle</li> <li>3. Board Oversight Activities</li> </ol> <p>Community Member Fisher commented on the revenue cycle challenges. Revenue Cycle Director Sofich shared payer pushback is an ongoing battle, but the department continues to have monthly meetings to dispute issues.</p>  | Community Member Fisher made a motion to approve the consent agenda and Superintendent Mach seconded. The motion passed unanimously. |       |          |
| Old Business <ul style="list-style-type: none"> <li>• Financial Department Spotlight-Skilled Swing Bed</li> </ul> | <p>Inpatient &amp; ED Director Evans shared patient admissions and patient days are below budget for skilled swing bed. The decrease may be caused by discharge challenges, covid issues and insurance authorizations. Referral challenges include the fact that the hospital uses phone and fax, which is not the preferred method of most discharging facilities. Case Management does have access to AIDA which is one avenue to patients and placement. The discharging facility wants electronic systems which means attaining access to EPIC for the referral management system is critical to grow. The other challenge entails transportation to the hospital and when possible, Adventure Medics is utilized. Again, the discharging facility drives the process. Case Management is being proactive on ED patient transfers who will need post-acute care.</p> |  |       |          |
| <ul style="list-style-type: none"> <li>• CFO Financial Review</li> </ul>  | <p>CFO Cornwell shared the following highlights:</p> <ol style="list-style-type: none"> <li>1. September was a difficult month with Inpatient, Swing bed, Outpatient were all below budget. ED &amp; Surgery are the bright spots.</li> </ol>  |  |       |          |

| AGENDA  | DISCUSSION   | ACTION  | OWNER                             | DUE DATE        |
|---|--|---|-----------------------------------|-----------------|
|   | <p>2. Income Statement shows revenue below budget. Experienced larger claims in benefits so added expense for the month, but overall expenses continue to be contained. Showing a loss of \$410,772 MTD and \$623,906 YTD.</p> <p>3. Cash decreased by \$1,469,895 to 40 days cash on hand. September showed lower in collections although AR continues to be steady and there were three payrolls in September. The summer months are proving to be slow. Expecting some bounce back in October.</p>  |   |                                   |                 |
| <ul style="list-style-type: none"> <li>2024 Budget &amp; Schedule</li> </ul>            | <p>CFO Cornwell highlighted the budget process noting the initial budget projection comes from Multiview which reflects past performance. The reports are then further reviewed by Cheryl, Clint, Rob and the manager to ensure budgets reflects current performance and projections for 2024. Presented an updated income statement and explained the variances with reasons for changes. It is a conservative budget with the main goal of improving. The projected bottom line allows the District the ability to reinvest in equipment and stay current. Presented the five-year capital budget and will continue to work with managers to prioritize.</p> |   |                                   |                 |
| <p>New Business</p> <ul style="list-style-type: none"> <li>Signing Authority</li> </ul> | <p>CFO Cornwell noted the District is looking to update the signature cards to include Robert Mach. Army Davis, County Treasurer is recommending we add Rodney Reynolds, Investment &amp; Banking Officer as a backup signer. The Finance Committee supports Superintendent Mach in making this update and will recommend to the Board.</p>  | <p>Receive board support to add Rodney Reynolds as a signer on the District Banking Accounts.</p> | <p>Executive Assistant Garcia</p> | <p>10.25.23</p> |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--------|------------|--------|-------|----------|
|--------|------------|--------|-------|----------|

|  |   |  |                            |          |
|--|---|--|----------------------------|----------|
|  |   |  |                            |          |
| <ul style="list-style-type: none"> <li>Surplus or Dispose of Certain Property</li> </ul> | <p>CFO Cornwell presented the list of assets for surplus.</p> <p>The Finance Committee supports the resolution and will recommend approval at the Board level in Consent Agenda.</p>  | The Finance Committee supported requesting the Board's approval of a resolution of the Surplus at the Regular Board Meeting. | Executive Assistant Garcia | 10.25.23 |
| Meeting Summary & Evaluation   | <p>CFO Cornwell highlighted the decisions made and action items that need to be taken to the entire board for approval.</p> <p>Commissioner McMahan noted there is evidence during this meeting that everyone is working as a team and he appreciates everyone answering his questions.</p> |  |                            |          |
| Adjournment  | Commissioner McMahan adjourned the meeting at 1:04 pm.  |  |                            |          |

WARRANT & EFT LISTING NO. 2023-09

RECORD OF CLAIMS ALLOWED BY THE  
BOARD OF LEWIS COUNTY  
COMMISSIONERS

The following vouchers have been audited,  
charged to the proper account, and are within the  
budget appropriation.

CERTIFICATION

I, the undersigned, do hereby certify, under  
penalty of perjury, that the materials have been  
furnished, as described herein, and that the claim  
is a just, due and unpaid obligation against  
LEWIS COUNTY HOSPITAL DISTRICT NO. 1  
and that I am authorized to authenticate and  
certify said claim.

Signed:

\_\_\_\_\_  
Cheryl Cornwell, CFO

We, the undersigned Lewis County Hospital  
District No. 1 Commissioners, do hereby certify  
that the merchandise or services hereinafter  
specified has been received and that total  
Warrants and EFT's are approved for payment  
in the amount of

\$3,952,220.47 this 25<sup>th</sup> day  
of October 2023

\_\_\_\_\_  
Board Chair, Tom Herrin

\_\_\_\_\_  
Secretary, Kim Olive

\_\_\_\_\_  
Commissioner, Wes McMahan

\_\_\_\_\_  
Commissioner, Craig Coppock

\_\_\_\_\_  
Commissioner, Patricia Frady

SEE WARRANT & EFT REGISTER in the amount of \$3,952,220.47 dated September 1, 2023 –  
September 30, 2023.

**Sep-23**  
**ARBOR HEALTH WARRANT REGISTER**

**Routine A/P Runs**

| <b>Warrant No.</b>        | <b>Date</b> | <b>Amount</b>          | <b>Description</b> |
|---------------------------|-------------|------------------------|--------------------|
| 131367 - 131409           | 1-Sep-2023  | 226, 028. 50           | CHECK RUN          |
| 131410                    | 1-Sep-2023  | 7, 600. 00             | CHECK RUN          |
| 131412 - 131428           | 5-Sep-2023  | 31, 135. 35            | CHECK RUN          |
| 131429 - 131474           | 11-Sep-2023 | 245, 967. 55           | CHECK RUN          |
| 131475 - 131490           | 12-Sep-2023 | 833, 986. 81           | CHECK RUN          |
| 131491                    | 11-Sep-2023 | 1, 312. 25             | CHECK RUN          |
| 131492 - 131556           | 15-Sep-2023 | 191, 018. 33           | CHECK RUN          |
| 131557 - 131586           | 18-Sep-2023 | 144, 944. 11           | CHECK RUN          |
| 131587 - 131588           | 5-Sep-2023  | 237. 24                | CHECK RUN          |
| 131589                    | 11-Sep-2023 | 1, 000. 00             | CHECK RUN          |
| 131590                    | 13-Sep-2023 | 42. 92                 | CHECK RUN          |
| 131591                    | 21-Sep-2023 | 1, 375. 00             | CHECK RUN          |
| 131592                    | 18-Sep-2023 | 3, 706. 31             | CHECK RUN          |
| 161593                    | 19-Sep-2023 | 63. 59                 | CHECK RUN          |
| 131594 - 131622           | 22-Sep-2023 | 190, 667. 44           | CHECK RUN          |
| 131623 - 131638           | 25-Sep-2023 | 1, 151, 051. 12        | CHECK RUN          |
| 131639                    | 15-Sep-2023 | 15, 270. 67            | CHECK RUN          |
| 131640                    | 25-Sep-2023 | 345. 48                | CHECK RUN          |
| 131641                    | 26-Sep-2023 | 166. 14                | CHECK RUN          |
| 131642                    | 28-Sep-2023 | 243. 58                | CHECK RUN          |
| 131643 - 131663           | 29-Sep-2023 | 4, 499. 97             | CHECK RUN          |
| 131664 - 131716           | 29-Sep-2023 | 355, 990. 42           | CHECK RUN          |
| 131717 - 131722           | 29-Sep-2023 | 4, 231. 49             | CHECK RUN          |
| 131737                    | 26-Sep-2023 | 30, 066. 61            | CHECK RUN          |
| <b>Total - Check Runs</b> |             | <b>\$ 3,440,950.88</b> |                    |

**Error Corrections - in Check Register Order**

| <b>Warrant No.</b>           | <b>Date Voided</b> | <b>Amount</b>       | <b>Description</b> |
|------------------------------|--------------------|---------------------|--------------------|
| 123260                       | 1-Sep-23           | 55. 80              | VOID CHECK         |
| 128422                       | 7-Sep-23           | 45. 00              | VOID CHECK         |
| 128741                       | 14-Sep-23          | 337. 51             | VOID CHECK         |
| 131026                       | 18-Sep-23          | 130. 00             | VOID CHECK         |
| 126370                       | 22-Sep-23          | 58. 40              | VOID CHECK         |
| 129324                       | 26-Sep-23          | 821. 43             | VOID CHECK         |
| 130086                       | 25-Sep-23          | 2, 362. 00          | VOID CHECK         |
| 129958                       | 26-Sep-23          | 11, 904. 00         | VOID CHECK         |
| 125506                       | 25-Sep-23          | 134. 76             | VOID CHECK         |
| 125355                       | 25-Sep-23          | 16. 19              | VOID CHECK         |
| 123180                       | 29-Sep-23          | 325. 00             | VOID CHECK         |
|                              |                    |                     |                    |
| <b>TOTAL - VOIDED CHECKS</b> |                    | <b>\$ 16,190.09</b> |                    |

|  |                        |
|--|------------------------|
| <b>UMPQUA BANK CHECKS, EFT'S, LESS VOIDS</b> | <b>\$ 3,424,760.79</b> |
|--|------------------------|

| <b>Eft</b>                               | <b>Date</b> | <b>Amount</b>        | <b>Description</b> |
|--|-------------|----------------------|--------------------|
| 4767                                     | 5-Sep-2023  | 43. 31               | TPSC               |
| 4768                                     | 11-Sep-2023 | 503. 06              | TPSC               |
| 4769                                     | 18-Sep-2023 | 282. 43              | TPSC               |
| 1207                                     | 1-Sep-2023  | 168, 319. 16         | IRS                |
| 1208                                     | 15-Sep-2023 | 172, 248. 74         | IRS                |
| 1209                                     | 29-Sep-2023 | 169, 099. 44         | IRS                |
| 4770                                     | 25-Sep-2023 | 773. 45              | TPSC               |
| <b>TOTAL EFTS AT SECURITY STATE BANK</b> |             | <b>\$ 511,269.59</b> |                    |

|   |                        |
|---|------------------------|
| <b>TOTAL CHECKS, EFT'S, &amp; TRANSFERS</b> | <b>\$ 3,952,220.47</b> |
|---|------------------------|



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION DECLARING TO  
SURPLUS OR DISPOSE OF CERTAIN  
PROPERTY

RESOLUTION NO. 23-20

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital  
District No. 1 as follows:

**That the equipment and supplies listed on Exhibit A, attached hereto and by this reference  
incorporated herein, are hereby determined to be no longer required for hospital purposes. The  
Administrator is hereby authorized to surplus, dispose and/or trade in of said property upon such  
terms and conditions as are in the best interest of the District.**

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in  
an open public meeting thereof held in compliance with the requirements of the Open Public  
Meetings Act this 25<sup>th</sup> day of October 2023, the following commissioners being present and  
voting in favor of this resolution.

\_\_\_\_\_  
Tom Herrin, Board Chair

\_\_\_\_\_  
Kim Olive, Secretary

\_\_\_\_\_  
Wes McMahan, Commissioner

\_\_\_\_\_  
Craig Coppock, Commissioner

\_\_\_\_\_  
Patricia Frady, Commissioner

DISPOSAL/SURPLUS PERSONAL PROPERTY

EXHIBIT A

| DATE       | DESCRIPTION | DEPARTMENT  | PROPERTY # | DISPOSITION | REASON   |
|------------|-------------|-------------|------------|-------------|--|
| 10/10/2023 | Ice Machine | Kitchen     | 5376       | Surplus     | Obsolete   |
| 10/11/2023 | Vent Stand  | Maintenance | 5664       | Surplus     | No longer<br>useful or<br>required for<br>hospital<br>purposes |



**OLD BUSINESS**



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION APPROVING  
AMENDED BOARD BYLAWS

RESOLUTION NO. 23-21

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital  
District No. 1 as follows:

**Approving the amended board bylaws (order of business and grammatical edits).**

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in  
an open public meeting thereof held in compliance with the requirements of the Open Public  
Meetings Act this 25<sup>th</sup> day of October 2023, the following commissioners being present and  
voting in favor of this resolution.

\_\_\_\_\_  
Tom Herrin, Board Chair

\_\_\_\_\_  
Kim Olive, Secretary

\_\_\_\_\_  
Wes McMahan, Commissioner

\_\_\_\_\_  
Craig Coppock, Commissioner

\_\_\_\_\_  
Patricia Frady, Commissioner



**AMENDED AND RESTATED BYLAWS OF  
LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
(Revision date – ~~10/7/2023~~ **10/7/2024**)

**MORTON, WASHINGTON**

**ARTICLE I**

**FORMATION AND PURPOSE**

This public hospital district (the "District"), a municipal corporation, was created in 1978 to provide hospital services for the residents of the District and other persons. The activities of the District shall be conducted in conformity with the Constitution and laws of the State of Washington, including RCW 70.44 and RCW 42.30, as now in effect and hereafter amended. These bylaws are adopted to further the lawful purposes of the District, which include providing quality hospital and other health care services appropriate to the needs of the population served, and to facilitate the governing of the District's hospital, clinics, emergency care, swing beds and other health care facilities, which shall be operated in compliance with applicable law and regulations. These bylaws shall be reviewed by the District at least once every two years and revised as appropriate.

**ARTICLE II**

**BOARD OF COMMISSIONERS**

**Section 1. Qualification and Election.** No person shall be eligible to be elected to the office of public hospital district commissioner unless he or she is a registered voter residing within the boundaries of the district and, if applicable, within the commissioner district from which he or she is elected. All district commissioners shall be elected and serve, whether from a particular commissioner district or at large, in the manner and for the term prescribed by law. All members of the board of commissioners (the "Board" or the "Commission"), whether elected or appointed, shall be required to take an oath of office in the form prescribed by the laws of the State of Washington relating to public officials. RCW 29A.04.133; RCW 70.44.040(2).

**Section 2. Organization and Offices of the Board of Commissioners.** The Board shall by its first regular meeting in each calendar year organize by the election of, from its own members, a president, who shall be referred to as the Chair, and the Secretary, such election to be by a majority vote of the commissioners in each case. The terms of both officers shall be for one year. RCW 70.44.050.



**2.1 Board Chair.** The Board Chair shall act as the presiding officer at meetings of the Board.

**2.2 Secretary.** The Secretary shall prepare, or cause to be prepared, minutes of all regular and special meetings of the board, shall sign the same and shall keep or cause them to be kept in document management system for that purpose. In the absence of the Board Chair, the Secretary or designee may preside at board meetings. RCW 42.30.035.

**2.3 Absence of Chairperson and Secretary.** If neither the Board Chair nor the Secretary are present, a designee will be appointed by the Board Chair.

**2.4 Officer Vacancy.** If a vacancy occurs in the office of either the Board Chair or the Secretary, an election of officers shall take place at the next regular meeting of the board to fill the unexpired term created by the vacancy.

**2.5 Commissioner Vacancy.** A vacant commissioner position may be filled by the board appointing a new member in the manner prescribed by law. RCW 42.12.070; RCW 70.44.045.

**2.6 Forfeiture.** A commissioner shall forfeit his or her office by non-attendance at meetings of the commission for 60 days, unless excused by the commission or as otherwise provided in RCW 42.12.010. RCW 70.44.045.

### **Section 3. Meetings of the Board of Commissioners.**

**3.1 All Meetings.** All meetings of the Board shall be open and public in compliance with the Open Meetings Act, Chapter 42.30 RCW, and all persons shall be permitted to attend any meeting of the Board, except as otherwise provided by law. RCW 42.30.030. In the event that any meeting is interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who are interrupting the meeting, the board may order the meeting room cleared and continue in session or may adjourn the meeting and reconvene at another location selected by majority vote of the board. In such a session, final disposition may be taken only on matters appearing on the agenda. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the board from establishing a procedure for readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting. RCW 42.30.050.

**3.2 Regular Meetings.** The Board shall provide the time for holding regular meetings by resolution. Unless otherwise provided for by law, meetings of the board need



not be held within the boundaries of the district. If at any time any regular meeting falls on a holiday, such regular meeting shall be held on the next business day or as determined by a vote of the Board. RCW 42.30.070. For the purposes of this section "regular" meetings shall mean recurring meetings held in accordance with a periodic schedule declared by resolution of the Board from time to time. The Board must make the agenda of each regular meeting of the governing body available online no later than twenty-four hours in advance of the published start time of the meeting. RCW 42.30.077.

**3.3 Special Meetings.** A special meeting may be called at any time by the Board Chair or by a majority of the members of the Board by delivering written notice personally, face to face, by phone, by mail, by fax, or by electronic communication to each member of the governing body. Notice of the special meeting shall be completed by any of the following: emailed to newspapers of general circulation of the District or to local radio or television station which are on file with the governing body a request to be notified of such special meeting or of all special meetings; posted on the Board's website, displayed on hospital or clinic readerboards and the meeting site if not at the principal location. Such notice must be delivered personally, by mail, by fax, by phone or by electronic communication at least twenty-four hours before the time of such meeting as specified in the notice. The notice shall specify the time, place of the special meeting either in person or virtual and the business to be transacted. The Board shall not take final disposition on any other matter at such meetings. Such notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by fax or electronic communication. Such written notice may also be dispensed with (i) as to any member who is actually present at the meeting at the time it convenes or (ii) as to any member who, prior to the time the meeting convenes, receives notice of the meeting by email and files a written consent to receive meeting notices by email. RCW 42.30.080.

**3.4 Budget Hearing.** The Superintendent shall prepare a proposed budget for the ensuing year and file the same in the records of the commission on or before the first day of November. Notice of the date and time of the budget hearing must be published for at least two consecutive weeks at least one time each week in a newspaper printed and of general circulation of the District. On or before the 15th day of November of each year, the board shall hold a public hearing on the district's proposed budget for the following year at which hearing any taxpayer may appear and be heard against the whole or any part of the proposed budget. Upon conclusion of the hearing, the commission shall, by resolution, adopt the budget as finally determined and fix the final amount of expenditures for the ensuing year. RCW 70.44.060 (6).

**3.5 Emergency Meetings.** If by reason of fire, flood, earthquake or other emergency, there is a need for expedited action by the Board to meet the emergency, the Board Chair may provide for a meeting site other than the regular meeting site and the



notice requirements of these bylaws shall be suspended during such emergency. RCW 42.30.070. The meeting notices required by these bylaws and chapter 42.30 RCW may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage. RCW 42.30.080.

**3.6 The Order of Business.** It is at the Board Chair's discretion to make edits to the order of business on the agenda. Meetings of the commission shall be as follows:

a. **Regular Meetings**

- Call to Order
- Roll Call
- Excused/Unexcused Absences (Board Member(s))
- Reading the Mission & Vision Statements
- Approval or Amendment of Agenda
- Conflicts of Interest
- Comments and Remarks
- Executive Session as necessary
- Guest Speaker as necessary
- Department Spotlight Update as necessary
- Board Committee Reports
- Consent Agenda – The Consent Agenda may include minutes of regular and special board meetings, minutes of board committees, and monthly warrants. Any board member or the Superintendent may request an item be removed from the consent agenda and placed as a separate item.
- Old Business
- New Business
- Superintendent's Report
- ~~Executive Session as Necessary~~
- Meeting Summary & Evaluation
- Next Meeting Dates and Times
- Adjournment

b. **Special Meetings**

- Call to Order
- Roll Call
- Excused/Unexcused Absences (Board Member(s))
- Reading the Mission & Vision Statements



- Conflicts of Interest
- Comments & Remarks
- Reading of the Notice of Special Meeting
- Executive Session or Sessions as necessary
- Public Comment as necessary
- Consideration of Matters Stated in the Notice
- Action as necessary
- Adjournment

**Section 4. Action by the Board.** "Action" means the transaction of the official business of the Board including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions. "Final action" means a collective positive or negative decision, or an actual vote by a majority of the members of the board sitting as a body or entity, upon a motion or resolution. RCW 42.30.020(3). All proceedings of the Board shall be by motion or resolution recorded in the District's document management system. RCW 70.44.050. Minutes of all regular and special meetings, except executive sessions thereof, shall be promptly recorded and shall be open to public inspection. RCW 42.32.030. The Board shall not adopt any motion, resolution, rule, regulation, or directive, except in a meeting open to the public and then only at a meeting, the date of which is fixed by law or rule, or at a meeting of which notice has been given. Any action taken at meetings failing to comply with the provisions of this section shall be null and void. RCW 42.30.060(1). The Board shall not vote by secret ballot. Any vote taken in violation of this section shall be null and void and shall be considered an "action" within the meaning of this section and the Open Public Meetings Act, Chapter 42.30 RCW. RCW 42.30.060(2).

It shall not be a violation of the requirements of the Open Public Meetings Act, Chapter 42.30 RCW, or these bylaws for a majority of the members of the board to travel together or gather for purposes other than a "regular meeting" or a "special meeting" as these terms are defined in the Open Public Meetings Act, Chapter 42.30 RCW, and these bylaws; provided, that they take no "action" as defined in this in the Open Public Meetings Act, Chapter 42.30 RCW, and these bylaws. RCW 42.30.070.

**Section 5. Executive Sessions.** Nothing contained in these bylaws may be construed to prevent the Board from holding an executive session during a regular or special meeting. RCW 42.30.110(1).

Before convening in executive session, the Board Chair shall publicly announce the purpose for excluding the public from the meeting place, and the time when the executive session will be concluded. The executive session may be extended to a stated later time by announcement of the Board Chair or of a designee. RCW 42.30.110(2).



An executive session may be held only for one or more of the purposes identified below or as otherwise permitted by RCW 42.30.110(1) or other applicable law:

- a. To consider matters affecting national security;
- b. To consider, if in compliance with any required data security breach disclosure under RCW 19.255.010 and 42.56.590, and with legal counsel available, information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to extent that they identify specific system vulnerabilities, and other information that if made public may increase the risk to the confidentiality, integrity, or availability of agency security or to information technology infrastructure or assets;
- c. To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price;
- d. To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public;
- e. To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs;
- f. To receive and evaluate complaints or charges brought against a public officer or employee. However, upon the request of such officer or employee, a public hearing or a meeting open to the public shall be conducted upon such complaint or charge;
- g. To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW 42.30.140(4), discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public;
- h. To evaluate the qualifications of a candidate for appointment to elective office. However, any interview of such candidate and final action appointing a candidate to elective office shall be in a meeting open to the public;





- i. To discuss, with legal counsel representing the district, litigation or potential litigation to which the district, the board, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the district; provided, however, this exception does not permit the board to hold an executive session solely because an attorney representing the district is present. For purposes of this exception, "potential litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a) concerning: (A) litigation that has been specifically threatened to which the district, the board, or a member acting in an official capacity is, or is likely to become, a party; (B) litigation that the district reasonably believes may be commenced by or against the district, the board, or a member acting in an official capacity; or C) litigation or legal risks of a proposed action or current practice that the district has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the district;
- j. To conduct meetings, proceedings, and deliberations of the board, its staff or agents, concerning the granting, denial, revocation, restriction, or other consideration of the status of the clinical or staff privileges of a physician or other health care provider as that term is defined in RCW 7.70.020, if such other providers at the discretion of the board is considered for such privileges; provided that the final action of the board as to the denial, revocation, or restriction of clinical or staff privileges of a physician or other health care provider as defined in RCW 7.70.020 shall be done in public session. RCW 42.30.110; RCW 70.44.062; and;
- k. To conduct collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or to conduct that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress.
- l. To review the report or the activities of a quality improvement committee established under RCW 70.41.200.

**Section 6. Quorum.** A majority of the persons holding the office of district commissioner shall constitute a quorum of the Board for the transaction of business, but no resolution shall be adopted without a majority vote of the whole Board. RCW 70.44.050.



**Section 7. Committees and Representatives.** The Board may from time-to-time act as a committee of the whole or appoint such other committees, as it may deem necessary or advisable in the conduct of its affairs. The Board may from time to time choose to change committee appointments as needed. The activities of any committees so appointed shall be conducted lawfully and be recorded in written minutes. The Board Chair shall recommend to the board a commissioner as Board Chair of such committees to serve for terms not to exceed one year. The Superintendent will appoint an administrative staff person to support each board committee. Committees of the Board shall meet periodically as provided in these bylaws or as provided by resolution of the Board.

**7.1 Board Committees.** The designation, membership and meeting schedule of the standing committees of the Board shall be as follows:

**Finance Committee:** Two commissioners; Superintendent; CFO; CNO/CQO and such other members as the committee chair deems appropriate. The finance committee shall meet monthly and as needed.

**Quality Improvement Oversight Committee:** Two commissioners; Superintendent; CNO/CQO, Quality Manager; CMO; Chief of ~~M~~Staff; Ancillary Services Director; Nursing Leadership; ~~Facilities Director~~CFMO; and such other members as the committee chair deems appropriate. The QIO committee shall meet minimally quarterly or as needed.

**Plant Planning:** Two commissioners; Superintendent; ~~Facilities Director~~CFMO; CFO; CNO/CQO and such other members as the committee chair deems appropriate. The Plant Planning Committee shall meet one time each year and as needed.

**Strategic Planning Retreat:** All members of the Board; Superintendent; and such other members as the Board deems appropriate. The whole board will have a Strategic Planning Retreat every three years, unless otherwise advised by the Strategic Planning Committee. The whole board will meet once a year to have a focused discussion about the current Strategic and Implementation Plans and the committee's recommendations. Such meeting(s) shall be conducted as a Special Meeting of the Board in compliance with these Bylaws and Chapter 42.30 RCW.

**Strategic Planning Committee:** Two commissioners; Superintendent; community member guests; and such other members as the Board deems appropriate. The Strategic Planning Committee shall meet as needed.

**Governance Committee:** Two commissioners; Superintendent; and such other members as the committee chair deems appropriate. The Governance Committee shall meet biannually and as needed.



**Compliance Committee:** Two commissioners; Compliance Officer; Superintendent; CFO; CNO/CQO; Revenue Cycle Director; CHRO; and such other members as the committee chair deems appropriate. The Compliance Committee shall meet minimally one time each year and as needed.

**Values, Ethics or Conflict of Interest:** Other adhoc committee will be appointed by the Board and meet as needed.

The Board may volunteer district constituents for membership on committees based upon experience, willingness, and ability to contribute to the committee objectives. Committees shall act within board approved job descriptions.

**7.2 Board Representatives.** The designation and reporting schedule of the representatives of the board shall be as follows:

**State Legislative Representative:** One commissioner; and such other members as the board deems appropriate. The representative to the state shall report to the board only as needed.

**Foundation:** One commissioner. The representative to the Foundation shall report to the board as needed.

**Section 8. Powers and Duties of the Board or Commission.** The Board shall be the governing body to which the Superintendent, other district employees and the medical staff ultimately are responsible to for all facilities, services and activities of the District, including the condition of the physical plant. While the authority of the Board may be delegated to the Superintendent and the Medical Staff by resolution, any delegation of authority by the Board may be rescinded in its sole discretion, as provided for by law. RCW 70.44.090 (a)

All of the powers authorized in Chapter 70.44 RCW may be exercised by the board in the performance of its duties prescribed therein. Among other things, the Board shall strive to:

- (i) Adopt and review bylaws, at least once every two years, that address legal accountabilities and responsibilities;
- (ii) Determine the policies of the district and the purposes of the hospital and other district health care facilities and services in proper relation to community needs;



- (iii) Establish a program for the ongoing management of a hospital quality improvement program and malpractice prevention program, including medical staff sanction and grievance procedures and information collection and reporting procedures. The quality improvement program will review the services rendered in the hospital and other district health care facilities and other services in order to improve the quality of medical care of patients and to prevent medical malpractice;
- (iv) Exercise proper care and judgment in the selection of a qualified superintendent who shall be responsible for implementing policies adopted by the board;
- (v) Promote planning and coordinate professional interests with administrative, financial, and community needs, the policies of the district, and the purposes of the hospital and other district health care facilities and services;
- (vi) Provide for the periodic evaluation of the Superintendent;
- (vii) Provide for the periodic evaluation of the Board and its members;
- (viii) Provide facilities, equipment, and personnel to meet the needs of patients within the purposes of the hospital and other district health care facilities and services and consistent with present and future community needs;
- (ix) Establish and appoint a medical staff;
- (x) Assure that an appropriate standard of professional care is maintained, requiring the medical staff of the hospital to be accountable to the board;
- (xi) Assure that the medical staff possess appropriate current qualifications, and determine, in its discretion, which kinds of health care providers shall be considered for clinical privileges or medical staff membership;
- (xii) Approve bylaws, rules, and regulations as adopted by the medical staff before they become effective;



- (xiii) Provide for the sound administration and application of public funds, adopting annual budgets for the district and the Hospital at the times and in the manner required by law; and
- (xiv) Maintain accurate records of district finances and all related activities.

RCW 70.41.200

**Section 9. Avoidance of Conflicts of Interest.** District commissioners, being aware of the fiduciary nature of their positions, shall avoid actions and relationships that result in a conflict between their private financial interests and their public responsibilities. Commissioners shall not violate the conflict of interest provisions of these Bylaws, Chapter 42.20 RCW, Chapter 42.23 RCW or any other applicable law.

Recognizing that even the appearance of impropriety should be avoided, no commissioner shall:

- (i) Be beneficially interested in or otherwise expect to profit from, directly or indirectly, any contract, sale, lease, or purchase made by the district, except as specifically permitted under RCW 42.23.030 or RCW 42.23.040, as now in effect or hereafter amended, or under other applicable law;
- (ii) Accept, directly or indirectly, any compensation, gratuity, favor, or award from any party seeking to do business with the District, or in connection with any contract made by the District, other than (a) compensation and reimbursement for expenses as provided by law, or (b) compensation in connection with contracts permitted under RCW 42.23.030, as now in effect or hereafter amended, or under other applicable law;
- (iii) Employ, use, or appropriate any district employee, money, or property for his private benefit;
- (iv) Hold any office, engage in any employment, or occupy any position, public or private, which could create conflicts between the duties, interests, and opportunities inherent in such office, employment, or position and the commissioner's public responsibilities as a member of the board;



- (v) Reveal or divulge to any other party unless authorized by the board, any confidential information received in the performance of his duties as a commissioner, nor use such information for personal gain.

Any commissioner, upon discovering or suspecting that he has or may have a conflict of interest contrary to the policies and standards set forth in this section, shall promptly report the same to the board. In such cases, a commissioner shall take such action as may be required to comply with the provisions of these bylaws and applicable law, including, if required, abstaining from voting on the matter.

### **ARTICLE III**

#### **OTHER OFFICERS**

##### **Section 1. Superintendent.**

**1.1 Appointment.** The Board shall select and appoint as Superintendent a competent and experienced hospital administrator who shall be its direct representative in the management of the District. The Superintendent shall be appointed for an indefinite term, removable at the will of the Board, and shall receive such compensation as the Board shall establish by resolution. The appointment or removal of the Superintendent shall be by resolution of the Board, introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote. RCW 70.44.070.

**1.2 Powers and Duties.** The Superintendent shall be the Chief Executive Officer of the District. In direct charge with full authority to act, as representative of the Board, and subject to its policies, shall be responsible for the efficient administration of all affairs of the District. RCW 70.44.080.

In the performance of the duties prescribed by law, all of which shall be faithfully discharged, and not by way of limitation of authority, the Superintendent shall:

- (i) Carry out the orders of the Board and see that all the laws of the state pertaining to matters within the functions of the district are duly enforced;
- (ii) Perfect and submit to the board for approval a plan of organization for the personnel concerned with the operation of the District, which shall be reviewed annually;



- (iii) Prepare annually a budget or budgets showing anticipated receipts and expenditures for the ensuing fiscal year which shall be submitted to the Board to allow timely filing and hearing thereon before adoption as required by law;
- (iv) Select, employ, control, and discharge all other employees;
- (v) Assure that all building, equipment, and other facilities are maintained in good repair;
- (vi) Furnish periodic recommendations to the Board with respect to the acquisition, development, and extension of desirable health care facilities, equipment, and services, including estimates for the above;
- (vii) Supervise all business affairs including the disbursement of funds, recording of financial transactions, collection of accounts, and purchase and issue of supplies;
- (viii) Certify to the Board all the bills, allowances and payrolls, including claims due contractors;
- (ix) Recommend to the Board a range of salaries to be paid to district employees;
- (x) Cooperate with the Medical Staff and secure like cooperation on the part of all those concerned with rendering professional services;
- (xi) Submit regularly to the Board reports regarding the health care services and financial activities of the District along with any special reports that may be requested by the Board;
- (xii) Prepare the agenda and attend all meetings of the Board to participate in the discussion of matters being considered;
- (xiii) Execute on behalf of the District all contracts, agreements, and other documents and papers that he may be authorized by resolution of the Board to sign;
- (xiv) Undertake own initiative the performance of such other duties, consistent with law and the policies of the board, as may be in the best interest of the District.



RCW 70.44.090.

**Section 2. Treasurer.** The Board shall appoint a person having experience in financial or fiscal matters as the Treasurer for the District. The Board shall require the Treasurer to obtain a surety bond, with a surety company authorized to do business in the state of Washington, in an amount under the terms and conditions which the Board by resolution from time to time finds will protect the District against loss. The premium on any such bond shall be paid by the District. All district funds shall be paid to the Treasurer and shall be disbursed by only on warrants issued by an auditor appointed by the commission, upon orders or vouchers approved by it. The Treasurer shall maintain such special funds as may be created by the commission, into which he shall place all money as the commission may, by resolution, direct. If the Treasurer of the District is some other person, all funds shall be deposited in such bank or banks authorized to do business in this state as the commission by resolution shall designate, and with surety bond to the District or securities in lieu thereof of the kind, no less in amount, as provided in RCW 36.48.020 for deposit of county funds. Such surety bond or securities in lieu thereof shall be filed or deposited with the treasurer of the district, and approved by resolution of the commission. RCW 70.44.171.

**Section 3. Auditor.** The Board shall appoint as auditor of the District a person experienced in accounting and business practices. The Auditor shall report in the performance of his duties directly to the Superintendent. The Auditor shall draw, sign, and issue all warrants for the disbursement of funds of the District upon the orders of, or vouchers approved by, the commission; and shall be responsible in the performance of such other duties relating to business affairs of the district including the recording of financial transactions, collection of accounts, and the routine purchase and issue of supplies, as are assigned by the Superintendent. RCW 70.44.171.

## **ARTICLE IV**

### **MEDICAL STAFF**

**Section 1. Appointment and Organization.** The Board shall appoint the members of the Medical Staff of the Hospital biennially after considering recommendations duly submitted in accordance with the medical staff bylaws; provided that all initial appointments shall be provisional and that all appointments to the provisional medical staff shall be for a period of six (6) months. A single reappointment to the provisional medical staff may be permitted for another three-month period. Such bylaws, rules and regulations governing the appointment, organization, liability insurance coverage and activities of the medical staff, including procedures for the granting, denial, reduction,





or termination of staff privileges and the identification of the kinds of health care providers eligible to be considered for such privileges or medical staff membership, shall be subject to approval and revision or modification by the board. The board shall assure that the requirements of due process of law are observed. RCW 70.43.010

**Section 2. Powers and Duties.** Each person admitted to the hospital shall be under the care of a member of the medical staff possessing clinical privileges, such medical staff also shall have authority and responsibility in the manner prescribed by its bylaws, rules and regulations to:

- (i) Evaluate the professional competence of medical staff members and applications for clinical privileges;
- (ii) Make recommendations to the board concerning initial medical staff appointments, reappointments, and the granting, denial, reduction, or termination of clinical privileges;
- (iii) Establish procedures designed to promote the achievement and maintenance of an appropriate standard of ethical and professional practice, and the efficient use of district resources;
- (iv) Participate in and offer recommendations in the development of policies relative to the effective use of existing facilities, and provision for the improvement or extension thereof where appropriate, to assure adequate patient care, responsive to the needs of the population served now and in the future;
- (v) Supervise a medical education program in the hospital and render such other services as the board may consider desirable to enhance the standards of medical practice in the hospital;
- (vi) Be accountable to the board for the proper discharge of the duties set forth in this section.

**Section 3. Professional Liability Insurance Coverage.** All practitioners who are granted medical staff privileges to practice within the hospital shall maintain liability insurance with limits of one million dollars per occurrence and three million dollars annual aggregate. Proof of coverage shall be the responsibility of the practitioner. The practitioner shall give the hospital thirty (30) days prior written notice of cancellation or termination of any such policy. The practitioner's insurance company must be: a) acceptable to the district, and b) licensed to underwrite malpractice insurance in the State



of Washington. These policy limits will be reviewed by the board annually and revised as appropriate.

## **ARTICLE V**

### **INDEMNIFICATION AND INSURANCE**

**Section 1. Indemnification.** The District shall indemnify and hold harmless to the full extent permitted by applicable law each person who was or is made a party to or is threatened to be made a party to, or is involved (including, without limitation, as a witness) in an actual or threatened action, suit or other proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a commissioner, officer, employee or agent of the district, or having been such a commissioner, officer, employee or agent, he or she is or was serving at the request of the district as a director, officer, employee, agent, trustee or in any other capacity of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or omission in an official capacity or in any other capacity while serving as a commissioner, officer, employee, agent, trustee or any other capacity, against all expense, liability, and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties in amounts to be paid in settlement) actually or reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be a commissioner, officer, employee or agent of the district and shall inure to the benefit of his or her heirs, and personal representatives.

**Section 2. Insurance.** The District may purchase and maintain insurance, at its expense, to protect itself and any commissioner, officer, employee, agent or trustee of the District or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss to the full extent permitted by applicable law.

## **ARTICLE VI**

### **CONSTRUCTION AND CONVENTIONS**

**Section 1. Gender and Number.** As used in these bylaws, personal pronouns shall be interpreted to refer to persons of either gender and relative words whenever applicable to more than one person shall be read as if written in the plural.

**Section 2. Titles, Headings and Captions.** The titles, headings, and captions appearing in these bylaws are used and intended for convenience of description or reference only and shall not be construed or interpreted to limit, restrict, or define the scope or effect of any provision.



**Section 3.**     **Severability.** If any provision of these bylaws or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of these bylaws or the application of the provision to other persons or circumstances shall not be affected.

## **ARTICLE VII**

### **AMENDMENT**

These bylaws may be amended by resolution of the Board introduced at a regular meeting and adopted at a subsequent regular meeting.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 202~~4~~<sup>3</sup>

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Board Secretary

## **NEW BUSINESS**

**To:** Finance Committee & Board of Commissioners  
**From:** Robert Mach, Superintendent/CEO  
**Date:** 10.18.23  
**Subject:** Introduce Proposed Budget

---

#### Timeline and Requirements:

October 25, 2023, Regular Board Meeting-Introducing Proposed Budget.

- Per RCW 70.44.060(6) the Superintendent will present the proposed district budget with the board on or before November 1<sup>st</sup>.

November 13, 2023, Special Board Meeting-Public Hearing-2024 Budget & Adoption.

- Per RCW 70.44.060(6) the Board will hold a public hearing on the proposed budget that must be held on or before November 15<sup>th</sup>.
- Notice of the proposed budget will be published once a week for two consecutive weeks in a newspaper printed and of general circulation in the county.
  - Week of October 30<sup>th</sup>
  - Week of November 6<sup>th</sup>
- The Board must adopt a budget for the following calendar year on or before November 15<sup>th</sup>.

November 27, 2023, Special Board Meeting-Public Hearing-Setting of the Property Tax Levy.

- Per RCW 84.55.120 the Board will hold a public hearing that includes the consideration of possible increases in property tax revenues.

#### Certification to the County:

- Per RCW 84.52.020 all taxing districts certify to the county legislative authority, budgets or estimates of the amounts to be raised by taxation on the assessed valuation of the property in the District. The District must file its budget and/or levy request with the clerk of the county on or before November 30<sup>th</sup>.



# Arbor Health

## 2024 Budget

|                          | YTD - Sept<br>Actual | YTD - Sept<br>Budget | Last 4 Quarters | CY 2023<br>Budget | YTD Sept<br>Annualized | 2024<br>Budget | Incr/(Decr) | % Chg  |
|--------------------------|----------------------|----------------------|-----------------|-------------------|------------------------|----------------|-------------|--------|
| Inpatient Revenues       | 6,241,560            | 9,115,331            | 7,423,806       | 12,161,942        | 8,322,080              | 8,862,251      | 540,171     | 6.5%   |
| Outpatient Revenues      | 32,651,570           | 30,965,640           | 41,467,070      | 41,422,451        | 43,535,426             | 46,114,728     | 2,579,302   | 5.9%   |
| Clinic Revenues          | 4,547,068            | 5,116,202            | 5,782,938       | 6,827,441         | 6,062,757              | 7,036,330      | 973,573     | 16.1%  |
| Gross patient Revenue    | 43,440,197           | 45,197,174           | 54,673,815      | 60,411,834        | 57,920,263             | 62,013,309     | 4,093,046   | 7.1%   |
| Contractual Allowances   | 15,164,919           | 16,313,865           | 17,865,198      | 21,264,378        | 20,219,892             | 21,730,370     | 1,510,477   | 7.5%   |
| Bad Debt & Bankruptcy    | 612,542              | 180,262              | 854,125         | 242,545           | 816,722                | 751,523        | (65,199)    | -8.0%  |
| Financial Aid            | 471,517              | 472,295              | 773,916         | 608,980           | 628,689                | 647,198        | 18,508      | 2.9%   |
| Other Adjustments        | 606,977              | 876,292              | 684,548         | 1,142,654         | 809,303                | 830,818        | 21,515      | 2.7%   |
| Total Deductions         | 16,855,955           | 17,842,715           | 20,177,786      | 23,258,557        | 22,474,607             | 23,959,908     | 1,485,301   | 6.6%   |
|                          | 39%                  | 39%                  | 37%             | 39%               | 39%                    | 39%            |             |        |
| Net Patient Revenues     | 26,584,242           | 27,354,459           | 34,496,028      | 37,153,276        | 35,445,656             | 38,053,401     | 2,607,745   | 7.4%   |
| Other Operating Revenue  | 694,129              | 930,859              | 2,532,160       | 1,241,145         | 925,506                | 901,546        | (23,960)    | -2.6%  |
| Total Operating Revenues | 27,278,371           | 28,285,318           | 37,028,188      | 38,394,421        | 36,371,162             | 38,954,947     | 2,583,785   | 7.1%   |
| Salaries & Wages         | 16,662,548           | 17,276,963           | 22,372,512      | 23,053,472        | 22,216,731             | 23,760,163     | 1,543,433   | 6.9%   |
| Benefits                 | 3,338,163            | 3,560,856            | 3,671,650       | 4,747,575         | 4,450,885              | 4,695,393      | 244,508     | 5.5%   |
| Professional Fees        | 1,188,110            | 1,254,576            | 1,616,093       | 1,640,308         | 1,584,147              | 1,699,893      | 115,745     | 7.3%   |
| Supplies                 | 2,124,869            | 2,083,127            | 2,895,734       | 2,784,239         | 2,833,158              | 2,877,994      | 44,835      | 1.6%   |
| Purchase Services        | 3,153,194            | 3,657,131            | 3,961,449       | 4,897,842         | 4,204,259              | 4,093,533      | (110,726)   | -2.6%  |
| Utilities                | 365,616              | 394,863              | 561,819         | 562,930           | 487,487                | 495,305        | 7,817       | 1.6%   |
| Insurance                | 274,648              | 276,253              | 342,144         | 368,338           | 366,197                | 393,227        | 27,030      | 7.4%   |
| Other Expenses           | 451,467              | 596,775              | 673,672         | 741,895           | 601,956                | 648,612        | 46,656      | 7.8%   |
| Depreciation             | 1,131,157            | 1,008,806            | 1,693,264       | 1,333,070         | 1,508,210              | 1,782,496      | 274,286     | 18.2%  |
| Interest Cost            | 285,162              | 260,899              | 419,419         | 347,865           | 380,216                | 328,101        | (52,115)    | -13.7% |
| Operating Expenses       | 28,974,934           | 30,370,249           | 38,207,755      | 40,477,535        | 38,633,246             | 40,774,716     | 2,141,470   | 5.5%   |
| Operating Income         | (1,696,563)          | (2,084,932)          | (1,179,567)     | (2,083,113)       | (2,262,084)            | (1,819,769)    | 442,315     | 19.6%  |
| Non-Operating Activity   | 1,072,657            | 701,537              | 1,860,926       | 935,383           | 1,430,210              | 1,014,357      | (415,853)   | -29.1% |
| Net Income               | (623,906)            | (1,383,394)          | 681,359         | (1,147,730)       | (831,874)              | (805,413)      | 26,462      | 3.2%   |
|                          |                      |                      |                 |                   | Less Depreciation      | 1,782,496      |             |        |
|                          |                      |                      |                 |                   | Net cash flow          | 977,083        |             |        |
|                          |                      |                      |                 |                   | Debt payment           | 435,000        |             |        |
|                          |                      |                      |                 |                   |                        | 542,083        |             |        |

## Arbor Health

### 2024 Fixed Assets Budget

| Department     | Description                                 | Cost    | Notes   |
|----------------|---|---------|---|
| Acute          | Recliner Chairs - 3 SNF & 2 Bariatric       | 25,000  | Our recliners are not comfortable to the patient, difficult for the nursing staff to assist patients getting into and out of.   |
| Acute          | ED Stretchers w/scale (4)                   | 60,000  | Stretchers are outdated, replacement parts not available. The scale is important to stroke and trauma patients (for medication amounts).  |
| Acute          | IV Pumps and poles - 6 units                | 10,000  | 1) Shortage of pumps on nursing units, may cause delay in patient care. Trend of sicker patients, require more pumps/IV drugs. 2) IV fluids running without pumps (safety and quality issue), delay in medication administration. |
| Acute          | Hill Rohm Bed replacement program - 3 units | 20,000  | Our current bed systems are outdated. New beds would help improve the skin integrity of our patients and allow for bariatric patients   |
| Acute          | Hill Rohm overhead patient lifts            | 22,700  | patient and staff safety  |
| Acute          | Rapid response stretcher                    | 15,000  |   |
| Acute          | Rapid infuser                               | 20,000  |   |
| Acute          | Interface Cerner and EKG machine            | 15,000  |   |
| Acute          | update EKG machines                         |         |   |
| Administration | Versa badge ED Physician Tracking           | 50,000  | Will provide Real-Time Tracking of Physician in ED improving Margin on Cost Report  |
| Administration | Redesign MOB 2nd Floor                      | 150,000 | requested by CEO- service growth  |
| Clinic-Morton  | Waiting Room Furniture                      | 15,000  |   |

|                    |  |        |   |
|--------------------|--|--------|---|
| Clinic-Mossyrock   | Parking Lot Resurface                          | 20,000 | patient safety along with safety. Parking lot needs repairs and reseal  |
| Clinic-Randle      | Security Card Readers on Doors - Randle Clinic | 15,000 | Expansion of organizational security profile. Card readers increase security in the clinics since there are not keys that can be misplaced or stolen, and the card can be turned off immediately if needed. |
| Clinic-Randle      | New HVAC at clinic replace R22 Green Impact    | 35,000 | Unit past its lifecycle. Causing interruption of services. needs replaced r-22 phase out/life cycle   |
| Clinic-Randle      | Office Furniture                               | 25,000 | 2029  |
| Dietary            | Walk-in Cooler & Freezer                       | 50,000 | We have an issue with condensation that is causing the walls to separate from the frame and mold is grow on the inside and the outside. This is a safety, compliance and regulation issue. .                |
| Dietary            | Kitchen equipment                              | 40,000 | Gas range, convection oven, dishwasher,garbage disposal,ice machine   |
| Dietary            | Hood over stove                                | 35,500 | The equipment is old and will need to be replaced.  |
| Emergency          | Gurney - 2 units Stryker Big Wheel Stretcher   | 20,000 | Our current gurneys are outdated and replacement parts are not available. At this point if another gurney breaks down we will not have a gurney for our 5th patient in the ED.                              |
| Emergency          | Rapid Infuser                                  | 20,000 |   |
| Emergency          | Remodel - expand                               |        |   |
| Emergency          | Tele SANE                                      |        |   |
| Emergency          | Telehealth expansion - components              | 50,000 | Telehealth in the ED would be beneficial to our community, it would expedite this care.   |
| Environmental Svcs | Washers & Dryers                               | 37,304 | end of life   |



|                    |  |         |  |
|--------------------|--|---------|--|
| Environmental Svcs | Curtains for patient rooms               | 10,881  | worn out   |
| Imaging            | General Ultrasound/Echo unit             | 180,000 | age  |
| Imaging            | Portable Echo/US unit                    | 50,000  | additional services/revenue  |
| Imaging            | DEXA/                                    | 80,000  | additional services/revenue  |
| Imaging            | Full size C-Arm                          | 200,000 | additional services/revenue  |
| Imaging            | ISTAT - creatinine POC                   | 5,000   | convenience  |
| Imaging            | Mammo unit                               | 350,000 | within 5 years, replacement  |
| Imaging            | MEDRAD P3T injector for PE/General/Mammo | 15,000  | additional services/revenue  |
| IT                 | Mossyrock re-wire                        | 65,000  | Mossyrock Wiring closet is exterior to building and in unconditioned space. Organizational security risk. Need to create internal IT closet and repull cable to new point. |
| IT                 | Randle re-wire                           | 25,000  |  |
| IT                 | Security Camera - wireless               | 55,000  | Expansion of organizational security profile. Risk mitigation and improvement of system. Current system is approaching end of life   |
| IT                 | FM 200 Fire Suppression                  | 50,000  | Risk mitigation issue. Protection of current equipment preventing down time.   |
| IT                 | Server replacement                       | 250,000 | Virtual Host Hardware is end of life   |
| IT                 | Server licensing                         |         | Microsoft Data Center edition from CDWG  |
| IT                 | Workstation replacements                 | 270,000 | rolling replacement of workstations in preparation for Wn11, over two year period  |
| IT                 | Desktop OS Licensing                     | 25,000  | keeps desktop operating systems current 2025   |
| IT                 | Copy machine replacements                |         | replace Xerox with Sharp, reduce monthly lease costs   |
| IT                 | Monitoring/Support software              | 10,000  | added to anticipate offset with Intrinium contract negotiation   |

|             |   |         |  |
|-------------|---|---------|--|
| IT          | Phone system call recording capability        | 12,000  | Regulatory concern for staff functioning in call center roles. Can be expanded to devices. Will require expansion of phone system storage in future. |
| IT          | Wireless Network Upgrade                      | 75,625  | replace all wireless infrastructure  |
| Lab         | Hematology analyzer and blood bank centrifuge | 62,000  | nearing end of life  |
| Maintenance | Fire Alarm Panel                              | 41,504  | parts obsolete for panel. Life safety issue along with compliance.   |
| Maintenance | Hospital Parking lots resurface               | 57,135  | patient safety along with safety. Parking lot needs repairs and reseal   |
| Maintenance | HVAC units to replace                         | 100,000 | 51 units, most are 15 yo, some are much older replace over 4 yrs, 100k per year  |
| Maintenance | Acute Flooring                                | 150,000 | flooring needed due to flooring lifecycle and flooring starting to deteriorate   |
| Maintenance | New Sign for Hospital                         | 25,500  | standardization of organization profile  |
| Maintenance | New Sign for Mossyrock Clinic                 | 12,500  | no sign now  |
| Maintenance | Flooring throughout hospital                  |         | to do in phases  |
| Maintenance | MOB and hospital flat roof                    |         |  |
| Maintenance | Chiller                                       |         | within next 5 years  |
| Maintenance | Pool Pak, heat pump, re-tile                  | 60,000  |  |
| Maintenance | Boiler  |         |  |
| Maintenance | Handrail and bench to PT entrance             |         |  |
| Maintenance | backhoe or skid steer for snow                |         |  |
| Maintenance | Storage shed for Randle Clinic                |         |  |
| Maintenance | replace non Ford vehicles with Fords          |         | in town parts and maintenance  |
| Maintenance | Negative pressure rooms                       |         |  |
| Maintenance | remove yellow trailer, create parking         |         |  |
| Maintenance | Demolish 6th st house, bld storage building   |         |  |
| Pharmacy    | Pixis   |         | future of compounding, is immediate use, not using hood  |
| Purchasing  | Cargo van for deliveries                      | 40,000  | replace ageing vehicle, more space   |

|                    |  |        |  |
|--------------------|--|--------|--|
| Rehabilitation     | Solo step, overhead patient harness system | 17,000 | This item assists with rehabilitation by providing a significant enhancement to or rehab program esp. our swing bed neuro program. It will help provide a much safer environment for our staff and our patients to prevent falls and injuries when performing therapeutic functional activities. |
| Rehabilitation     | Remodel department                         |        | long term  |
| Rehabilitation     | Overhead patient safety harness system     |        |  |
| Rehabilitation     | 3 to 5 treatment tables                    | 15,000 |  |
| Rehabilitation     | Treadmill - clinic grade                   | 9,500  |  |
| Rehabilitation     | Motion analysis system                     |        | video for patient analysis, could be longer term   |
| Respiratory        | Trilogy v60 Ventilator - 1 units           | 18,000 | We currently have one Trilogy Ventilator and with the increase of respiratory patients a second trilogy would help us properly ventilate our patients. At this time we have the one Trilogy and when it's in use we are unable to place another patient on CPAP/BiPAP.                           |
| Sterile Processing | Steric Endoscopy processing machine        |        |  |
| Sterile Processing | instrument washer/ with dryer              |        | if ortho   |
| Sterile Processing | update plumbing                            |        | need dedicated source and heating of water   |
| Surgery            | Neptunes                                   | 37,050 | fluid safety and removal   |
| Surgery            | OR lights                                  |        | in next 5 years will need to be replaced   |
| Surgery            | OR bed                                     |        | in next 5 years will need to be replaced   |
| Surgery            | Ultrasound                                 | 20,000 | for anesthesia providers to use, if the ER unit goes down, we will have to quickly replace   |

Surgery

Endoscopy Dilators

7,500 Currently the dilators we have are at end of useful life and need to be replaced. If do not replace them our Dr.'s will not be able to perform Esophageal dilations.

Total

3,151,699

All

Critical for 2024

647,010



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION DELEGATING OPERATIONAL  
AUTHORITY TO SUPERINTENDENT TO  
MANAGE SIGNING AUTHORITY ON  
DISTRICT ACCOUNTS

RESOLUTION NO. 21-27

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

**Delegating operational authority to the Superintendent to manage signing authority  
by position on District bank account(s). RCW 70.44.171**

**This Resolution supersedes RES-20-04, RES-20-05 & RES-20-06.**

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in  
an open public meeting thereof held in compliance with the requirements of the Open Public  
Meetings Act this 28<sup>th</sup> day of July 2021, the following commissioners being present and voting  
in favor of this resolution.

P frady  
[P frady \(Aug 15, 2021 10:19 PDT\)](#)

Trish Frady, Board Chair

Tom Herrin  
[Tom Herrin \(Aug 9, 2021 17:29 PDT\)](#)

Tom Herrin, Secretary

Craig Coppock  
[Craig Coppock \(Aug 11, 2021 07:02 PDT\)](#)

Craig Coppock, Commissioner

Wes McMahan  
[Wes McMahan \(Aug 9, 2021 17:36 PDT\)](#)

Wes McMahan, Commissioner

Chris Schumaker  
[Chris Schumaker \(Aug 11, 2021 07:15 PDT\)](#)

Chris Schumaker, Commissioner

## MEMORANDUM

To: Finance Committee  
From: Richard Boggess  
Date: July 14, 2021  
Re: Bank Account Signers

On a regular basis Lewis County Hospital District No. 1 reviews the signers on the banking accounts. Historically, the signers have consisted of one or more board members, Superintendent/Chief Executive Officer, Chief Financial Officer and the lead nurse executive. RCW 70.44.171 provides that "all district funds shall be paid to the treasurer and shall be disbursed by him or her only on warrants issued by an auditor appointed by the commission, upon orders or vouchers approved by it." Our attorney has indicated that in his experience one or more members of the finance department are designated as auditor and have signing authority. Our current Treasurer is Army Davis. Our current Auditor is Clint Scogin, Controller.

The District's main account is located at Columbia Bank and is managed by the Lewis County finance team lead by Treasury Army Davis. There is no local branch of Columbia Bank in the District, therefore, the District uses Security State Bank as an intermediate bank from which funds are transferred to Columbia on a regular basis. There are five accounts at this bank for various purposes.

The purpose of this document is to affirm in Committee and by Board resolution that the signers on the account are the following based on role:

| <u>Role</u>             | <u>Current held by</u>                       |
|-------------------------|--|
| Superintendent          | Leianne Everett                              |
| Chief Financial Officer | Richard Boggess                              |
| Controller              | Clint Scogin - new                           |
| Treasurer               | Voted position in Lewis County<br>Army Davis |

### Columbia Bank

- Account #1234 –Main Operating Account

### Security State Bank

- Deposit Account #4501289170

- Payroll Account #4501289171
- Custodial Trust Account #4501289172
- Prescription Account #4501289173
- Outsource Collection Account #4501289174

It recommendation to the Board to delegate operational authority to manage the signers on the banking account to the Superintendent. Resolution to follow with recommendation.



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION APPROVING TO ADD CCO  
& REMOVE CNO SIGNATURES ON ACCOUNTS  
ESTABLISHED FOR LEWIS COUNTY HOSPITAL  
DISTRICT NO. 1

RESOLUTION NO. 20-04

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

**WHEREAS, Lewis County Hospital District No. 1 has established certain accounts for Lewis County Hospital District No. 1 and,**

**WHEREAS, the following named positions will be added as authorized signatures on accounts: 4501289170 Transfer, 4501289171 Payroll & 4501289174 HRG. In addition, checks will require two signatures to be approved, as an internal policy only. The Lewis County Hospital District No. 1 recognizes that banks do not monitor nor offer two signature required accounts.**

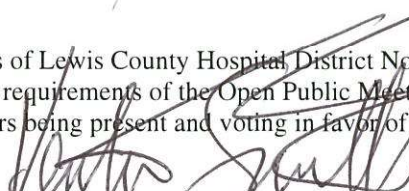
1. Chief Executive Officer
2. Chief Financial Officer
3. Chief Clinical Officer
4. Board Chair
5. Board Secretary
6. Lewis County Treasurer or Assignee


**That the positions listed below are hereby authorized to open new accounts, close existing accounts and make changes as needed to existing accounts. Such changes to the accounts shall require two of the four listed below to open, close or make changes to accounts.**

1. Chief Executive Officer
2. Chief Financial Officer
3. Chief Clinical Officer
4. Board Chair

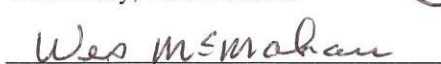
ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 22<sup>nd</sup> day of January 2020, the following commissioners being present and voting in favor of this resolution.

  
Shelly Fritz, Board Chair

  
Kenton Smith, Secretary

  
Trish Frady, Commissioner

  
Tom Herrin, Commissioner

  
Wes McMahan, Commissioner







**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION APPROVING TO ADD CCO & BOARD CHAIR  
& REMOVE CNO SIGNATURES ON TRUST  
& PRESCRIPTION ACCOUNTS ESTABLISHED  
FOR LEWIS COUNTY HOSPITAL  
DISTRICT NO. 1

RESOLUTION NO. 20-05

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

**WHEREAS, Lewis County Hospital District No. 1 has established certain accounts for Lewis County Hospital District No. 1 and,**

**WHEREAS, the following named positions will be added as authorized agents on the Trust account #4501289172 with powers to endorse checks:**

1. Accountant
2. Controller

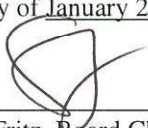
**The following named positions will be added as authorized agents on the Prescription Drug account #4501289173 with powers to withdraw via check or debit card:**

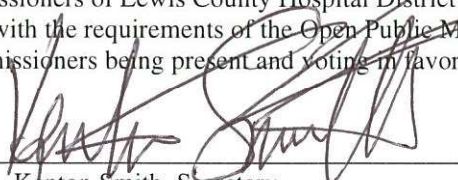
1. Accountant
2. Case Manager(s)


**Two of the four named positions will be required to open, close or make changes to the accounts:**


1. Chief Executive Officer
2. Chief Financial Officer
3. Chief Clinical Officer
4. Board Chair

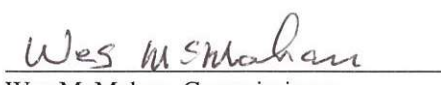
ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 22<sup>nd</sup> day of January 2020, the following commissioners being present and voting in favor of this resolution.

  
Shelly Fritz, Board Chair

  
Kenton Smith, Secretary

  
Trish Frady, Commissioner

  
Tom Herrin, Commissioner

  
Wes McMahan, Commissioner





**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION APPROVING TO ADD CCO &  
BOARD CHAIR & REMOVE CNO SIGNATURES  
ON INTERNET BANKING ACCOUNTS  
ESTABLISHED FOR LEWIS COUNTY HOSPITAL  
DISTRICT NO. 1

RESOLUTION NO. 20-06

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:


**WHEREAS, Lewis County Hospital District No. 1 has established certain accounts for Lewis County Hospital District No. 1 and,**


**WHEREAS, the following named persons will be added as authorized supervisors of the Internet banking accounts; 4501289170 Transfer, 4501289171 Payroll, 4501289174 HRG 4501289172 Trust & 4501289173 Prescription:**


- 1. Chief Executive Officer**
- 2. Chief Financial Officer**
- 3. Chief Clinical Officer**
- 4. Board Chair**
- 5. Controller**

**Such changes to the Internet banking accounts shall require two of the four listed above to make changes.**

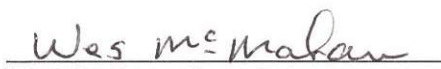
ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 22<sup>nd</sup> day of January 2020, the following commissioners being present and voting in favor of this resolution.

  
\_\_\_\_\_  
Shelly Fritz, Board Chair

  
\_\_\_\_\_  
Kenton Smith, Secretary

  
\_\_\_\_\_  
Trish Frady, Commissioner

  
\_\_\_\_\_  
Tom Herrin, Commissioner

  
\_\_\_\_\_  
Wes McMahan, Commissioner












# RES-21-27-Delegating Operational Authority to Superintendent to Manage Signing Authority on District Accounts

Final Audit Report

2021-08-15

|                 |   |
|-----------------|---|
| Created:        | 2021-08-09                                    |
| By:             | Shana Garcia (Sgarcia@mortongeneral.org)      |
| Status:         | Signed  |
| Transaction ID: | CBJCHBCAABAAAdJ7bSAV_ujShMzaRmNH5Ly3POFXMWcbO |

## "RES-21-27-Delegating Operational Authority to Superintendent to Manage Signing Authority on District Accounts" History

-  Document created by Shana Garcia (Sgarcia@mortongeneral.org)  
2021-08-09 - 10:10:10 PM GMT- IP address: 208.52.20.2
-  Document emailed to Tom Herrin (commissionerherrin@myarborhealth.org) for signature  
2021-08-09 - 10:11:11 PM GMT
-  Email viewed by Tom Herrin (commissionerherrin@myarborhealth.org)  
2021-08-10 - 0:29:25 AM GMT- IP address: 99.198.30.44
-  Document e-signed by Tom Herrin (commissionerherrin@myarborhealth.org)  
Signature Date: 2021-08-10 - 0:29:49 AM GMT - Time Source: server- IP address: 99.198.30.44
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-  Document e-signed by Wes McMahan (commissionermcmahan@myarborhealth.org)  
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2021-08-11 - 2:01:48 PM GMT- IP address: 69.131.228.63



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2021-08-15 - 5:18:29 PM GMT- IP address: 99.197.202.122



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Signature Date: 2021-08-15 - 5:19:17 PM GMT - Time Source: server- IP address: 99.197.202.122



Agreement completed.

2021-08-15 - 5:19:17 PM GMT



DocID: 15827  
Revision: 3  
Status: In preparation  
Department: Governing Body  
Manual(s):

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## Policy : Commissioner Compensation for Meetings and Other Services

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### Policy:

The Board created a policy for Commissioner Compensation for meetings and other services.

### Purpose:

The purpose is to provide understanding in the compensation for Commissioners services rendered to the District.

### Procedure:

A Lewis County Hospital District No. 1 Commissioner will be compensated, under RCW.70.44.050, for the following meetings and services:

1. Each commissioner shall document their time with a (1) in the time and attendance system for each day or portion of a day spent in attendance doing official district business.
2. All regular, special and adhoc meetings of the Board.
3. All committee meetings of committees set forth in the Hospital District By-laws.
4. All administration meetings requiring commissioner participation, ie. audits, consultants.
5. Educational meetings in person or virtual will be paid and one travel stipend day per conference. Education will be approved by the Board Chair.
6. A meeting per month either in person or remotely to set either Special or Regular board meeting agenda(s) with Superintendent and/or Executive Assistant.
7. A maximum of two meetings per month either in person or remotely between the Board Chair and the Superintendent to conduct hospital business.
8. Any day of service to the District not included in this policy may be compensated with approval of the Board.

---

**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

- Committees:

- Signers:



**Original Effective Date:** 06/13/2012  
**Revision Date:** [06/13/2012 Rev. 0], [06/26/2018 Rev. 1], [12/17/2021 Rev. 2]  
**Review Date:** [11/08/2013 Rev. 0], [12/23/2014 Rev. 0], [07/24/2015 Rev. 0], [08/02/2016 Rev. 0], [08/24/2017 Rev. 0], [07/21/2020 Rev. 1], [10/21/2022 Rev. 2]  
**Attachments:**  
(REFERENCED BY THIS DOCUMENT)  
**Other Documents:**  
(WHICH REFERENCE THIS DOCUMENT)

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[https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:15827\\$3](https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:15827$3).



DocID: 14114  
Revision: 6  
Status: Official  
Department: Governing Body  
Manual(s):

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## Policy & Procedure : Board E-Mail Communication

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### Purpose:

The following communication policy is adopted to enhance and improve communications by and between Board members and Administration.

### Policy:

The Board of Commissioners of Lewis County Hospital District No.1 shall maintain a district email communication policy.

### Procedure:

1. All email to and from board members shall be subject to Arbor Health's Electronic Mail Usage Policy, Document ID: 10115.
2. All board members will refrain from including any response or opinion in emails that may be construed as a serial board meeting.
3. All board member emails will be maintained on the district servers for the duration required by the Public Records Act.

---

**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

- **Committees:** ( 09/25/2019 ) Board of Commissioners, ( 10/28/2020 ) Board of Commissioners,

- **Signers:**

**Original Effective Date:** 09/25/2009

**Revision Date:** [09/25/2009 Rev. 0], [04/22/2010 Rev. 1], [01/04/2012 Rev. 2], [01/19/2012 Rev. 3], [01/20/2012 Rev. 4], [10/17/2012 Rev. 5], [09/06/2019 Rev. 6]  
**Review Date:** [04/11/2011 Rev. 1], [12/23/2014 Rev. 5], [05/31/2016 Rev. 5], [08/27/2018 Rev. 5], [10/08/2020 Rev. 6], [10/21/2022 Rev. 6]  
**Attachments:**  
(REFERENCED BY THIS DOCUMENT)  
**Other Documents:**  
(WHICH REFERENCE THIS DOCUMENT)

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DocID: 14518  
Revision: 5  
Status: Official  
Department: Governing Body  
Manual(s):

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## Policy & Procedure : Board Meeting Teleconference

---

### Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board can participate virtually or by teleconference for board meetings.

### Procedure:

The Board may attend Regular, Special and/or Committee Meetings via the following guidelines:

1. The Board will comply with the OPMA regulations.
2. Virtual and/or teleconference meetings will be permitted when at least one Board Member or the Superintendent are present at the established meeting place.
3. The Board is able to conduct board business i.e., motions and votes.
4. The Board Chair will conduct the meeting ensuring that each board member can hear and be heard.
5. The Board meeting access information will be distributed via any of the following:
  - a. Board Notices
  - b. Board Agendas
  - c. Board Packets
  - d. Arbor Health Website
  - e. Arbor Health Facebook Page

In a state of emergency, the Board will adhere to the Governor's Proclamations.

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**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

- **Committees:** ( 01/27/2021 ) Board of Commissioners,
- **Signers:**

**Original Effective Date:** 06/18/2010

**Revision Date:** [06/18/2010 Rev. 0], [08/28/2012 Rev. 1], [08/12/2014 Rev. 2], [07/24/2015 Rev. 3], [11/27/2018 Rev. 4], [01/28/2021 Rev. 5]

**Review Date:** [04/11/2011 Rev. 0], [05/31/2016 Rev. 3], [09/05/2019 Rev. 4], [10/21/2022 Rev. 5]

**Attachments:**

(REFERENCED BY THIS DOCUMENT)

**Other Documents:**

(WHICH REFERENCE THIS DOCUMENT)

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Lucidoc at  
[https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:14518\\$5](https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:14518$5).*



DocID: 17933  
Revision: 0  
Status: Official  
Department: Governing Body  
Manual(s):

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## Policy & Procedure : Board Mobile Device Management

---

### Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board of Commissioners shall not send or receive electronic communications during a board meeting concerning any matter pending before the board.

### Procedure:

Commissioners should:

1. Not use electronic communication devices to review or access information regarding matters not in consideration before the board during a board meeting.
2. Only use the internet during meetings to access the board agenda packet information, board resource documents, including but not limited to board policies, the bylaws, Robert's Rules of Order or other research relevant to the discussion.
3. Make every effort to refrain from sending or receiving electronic communication of a personal nature during board meetings. It may sometimes be necessary to send or receive urgent/emergency family or business communications during meetings.

---

**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

- **Committees:** ( 09/25/2019 ) Board of Commissioners, ( 03/31/2021 ) Board of Commissioners,

- **Signers:**

**Original Effective Date:** 12/05/2017

**Revision Date:** [12/05/2017 Rev. 0]

**Review Date:** [08/27/2018 Rev. 0], [09/05/2019 Rev. 0], [02/19/2021 Rev. 0], [10/21/2022 Rev. 0]

**Attachments:**

(REFERENCED BY THIS DOCUMENT)

**Other Documents:**

(WHICH REFERENCE THIS DOCUMENT)

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[https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:17933\\$0](https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:17933$0).

## **SUPERINTENDENT REPORT**

## **Lewis County Hospital District #1 – Superintendent's Report – October 25, 2023**

- 272 Flu shots given out at our Flu clinic on 10/04/2023.
- Annual Foundation auction on 10/7/2023 was a great success.
- Met with Lewis County treasury department on 10/4/2023 as a meet and greet and discuss collaboration.
- Attended Packwood 6-month checkup community event.
- WSHA suing the state regarding elimination of Geographic restrictions removal from policy.
- Kick off with CPS on getting our 340B program.
  - Morton Clinic was not signed up as participating.
- Continuing to fine tune 2024 budget for presentation in November
- CEO and CNO attended WSHA annual meeting 10/22-10/24.
- Dr. Ho started 10/10/2023 and already has patients.
- Met with Olympia Orthopedics on 10/13; we continue to make progress on Orthopedic Coverage for our community.
  - OOA is putting together a contract for our review.
  - Working out details as a referral site for Neurosurgery (Call planned with Dr. McCurry).
- Attended the Centralia College East Advisory Committee meeting on 10/18
  - Discussed opportunities to partner with us in educating future Health care professionals.
    - Nursing, Lab, X-ray, Facilities, Respiratory, food and nutrition, Rehab, Business office, Coding, Medical assisting, IT, etc...

| Strategic Initiative   | Executive Owner | Leader   | Team | Due Date | Ideas/action items                  | Completion Date |
|--|-----------------|----------|------|----------|-------------------------------------|-----------------|
| Identify and Implement new expanded services to attract patients | Rob Mach        | Rob Mach |      | 4Q 2023  | MRI                                 |                 |
|  |                 |          |      |          | Dialysis (Not financially Feasable) |                 |
|  |                 |          |      |          | Wound care expansion                |                 |
|  |                 |          |      |          | Chronic care management             |                 |
|  |                 |          |      |          |                                     |                 |
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| Increase Swing Bed ADC by 1 | Sara Williamson | Sara Williamson | LeeAnn Evans<br>Jen Neely | 4Q 2023 | August - Jen and Rob visit to Providence Chehalis   |  |
|                             |                 |                 |                           |         | June: Case Manager established first name relationships with Wellcare and UHC thus expediting payor authorizations. |  |
|                             |                 |                 |                           |         | July: Case Manager Jen Neely consistently following up on Home Health referrals for continued communications.       |  |
|                             |                 |                 |                           |         | August: Case Manager Jen Neely, aggressively pursuing personal relationships with referral agencies/hospitals       |  |
|                             |                 |                 |                           |         | August: Case Manager focus at IDT meetings to convert inpatients to skilled status for ongoing rehab needs.         |  |
|                             |                 |                 |                           |         |   |  |
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| Recruit Surgeon | Rob Mach | Rob Mach |  | 4Q 2025 | Engage with recruitment agency (Curative) |  |
|                 |          |          |  |         |   |  |
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| Expand rapid care to 6 days | Dr McCurry | Dr. McCurry |  | 4Q 2023 | Recruit Mid-level provider      |  |
|                             |            |             |  |         | Engaged with Curative           |  |
|                             |            |             |  |         |                                 |  |
|                             |            |             |  |         | August - Interviewing candidate |  |
|                             |            |             |  |         |                                 |  |
|                             |            |             |  |         |                                 |  |
|                             |            |             |  |         |                                 |  |

|                              |               |               |  |         |                     |  |
|------------------------------|---------------|---------------|--|---------|---------------------|--|
| Implement Labor productivity | Shannon Kelly | Shannon Kelly | Cheryl Cornwell<br>Shannon Kelly<br>Clint Scogin | 4Q 2023 | Working on tool now |  |
|------------------------------|---------------|---------------|--|---------|---------------------|--|

|  |  |  |  |  |                             |  |
|--|--|--|--|--|-----------------------------|--|
|  |  |  |  |  |                             |  |
|  |  |  |  |  | Planned go live by Jan 2024 |  |
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| <i>Develop and maintain 5 year Capital plan</i> | Cheryl Cornwell | Cheryl Cornwell | Clint Scogin<br>Teresa Thornton | 4Q 2023 | Contingency capital purchase <20% of capital budget |  |
|   |                 |                 |                                 |         |   |  |
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|--------------------------------------|-------------------|-------------------|--------------------------------------|---------|----------------------------------|--|
| <i>Complete facility master plan</i> | Matthew Lindstrom | Matthew Lindstrom | C-Suite<br>Will Sullivan<br>Rob Mach | 4Q 2024 | Mathew met with company on 10/12 |  |
|                                      |                   |                   |                                      |         |                                  |  |
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| <i>Establish 3 year IT infrastructure plan</i> | Rob Mach | Jim Frey |  | 4Q 2023 |                       |  |
|  |          |          |  |         | August developed plan |  |
|  |          |          |  |         |                       |  |
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| <i>Ensure continuous compliance with federal interoperability requirements</i> | Rob Mach | Jim Frey |  | Open | Multi-factor authentication     |  |
|  |          |          |  |      | self-service password reset     |  |
|  |          |          |  |      | Strengthen cybersecurity policy |  |
|  |          |          |  |      |                                 |  |
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| <i>Strategic Initiative</i>                          | <i>Executive Owner</i> | <i>Leader</i> | <i>Team</i> | <i>Due Date</i> | <i>Ideas/Action items</i>                           | <i>Completion date</i> |
|--|------------------------|---------------|-------------|-----------------|---|------------------------|
| <i>Reduce traveler/contracted staff usage by 50%</i> | Shannon                | Shannon       | Managers    | Q4 2024         | August - Working with Indeed to increase visibility |                        |
|  |                        |               |             |                 | September - Hiring 3 permanent RN's                 |                        |
|  |                        |               |             |                 |   |                        |
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| <i>Become Employer of Choice in East Lewis County</i> | Shannon | Shannon | Katelin Forrest | Q2 2023 | September - Rolling out Emloyalty program |  |
|   |         |         | leadership team |         |   |  |
|   |         |         | managers        |         |   |  |
|   |         |         |                 |         |   |  |
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| <i>Partner with local high schools to promote healthcare careers</i> | Shannon | Katelin | Mangers | Q2 2024 | Patipate in career days at local high schools |  |
|  |         |         |         |         |   |  |
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|--|---------|---------|-----------------|---------|--|--|
| <i>Partner with colleges to provide alternative education paths for healthcare careers</i> | Shannon | Shannon | Laura Glass     | Q4 2024 |  |  |
|  |         |         | Katelin Forrest |         |  |  |
|  |         |         | LeeAnn Evans    |         |  |  |
|  |         |         | CNO             |         |  |  |
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|--|--------|--------|---------|---------|--|--|
| <i>Establish discount programs for employees</i> | Cheryl | Cheryl | Shannon | Q3 2024 | Contracted with Solv as our new insurance Broker which has added discount programs for employees |  |
|  |        |        |         |         |  |  |

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| <i>Establish an employee recruitment and retention committee to identify retention and engagement opportunities</i> | Shannon | Shannon | Cheryl        | Q4 2023 |  |  |
|   |         |         | Diane Markham |         |  |  |
|   |         |         | Katelin       |         |  |  |
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| <i>Develop a wage and benefit structure that is competitive with the local market and competition</i> | Shannon | Shannon | CEO & CFO | Q2 2024 |  |  |
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| <i>Strategic Initiative</i> | <i>Executive Owner</i> | <i>Leader</i> | <i>Team</i> | <i>Due Date</i> | <i>Ideas/Action items</i> | <i>Completion date</i> |
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| <i>Recruit psychiatrist</i> | Rob Mach               | Rob Mach      |             | 1Q 2025         |                           |                        |
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| <i>Expand LICSW/Therapy services</i> | Rob Mach | Rob Mach |  | Open | August - Discussions with CIHS to bring services to entire east Lewis community |  |
|                                      |          |          |  |      |   |  |
|                                      |          |          |  |      | moving PT LICWS to full time  |  |
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| <i>Develop regional partnerships with behavioral care facilities</i> | Rob Mach | Rob Mach |  | 4Q 2024 | Investigating collaboration with Cascade Community Healthcare & their HRSA grant (RCORP Partnership) for Medication Assisted Therapy (MAT) access points and Substance Use Disorder issues. |  |
|  |          |          |  |         |   |  |
|  |          |          |  |         | Cascade Crisis Stabilization/Triage Unit for voluntary patients in need of crisis stabilization behavioral essives. Information to access services shared with medical staff and ED.        |  |
|  |          |          |  |         |   |  |
|  |          |          |  |         | Contracts signed with CHIS and Cascade  |  |
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| <i>Implement streamlined check-in/registration system for all patient encounters (Phreesia)</i> | Cheryl Cornwell | Sherry Sofich |  | 1Q 2024 | August - IT working with Phreesia to implement streamline check-in/registration |  |
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| <i>Implement Medicare Coordination program</i> | Julie Taylor | Julie Taylor | Char Hancock,<br>Jamie Brazil,<br>Tiffany Transue | 2Q 2024 | Staff hired and working on Care coordination |  |
| Go live planned for September 4th, 2023        |              |              |   |         |  |  |
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| <i>Employ 2 measures for improved clinic access</i> | Julie Taylor | Char Hancock<br>Jamie Brazil | Char Hancock,<br>Jamie Brazil,<br>Tiffany Transue | 1Q 2024 | Hired Dr. Ho and is onsite and working October |  |
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| <i>Develop and implement 4 improvement strategies from patient experience surveys</i> | Sara Williamson | Julie Johnson | Julie Johnson<br>LeeAnn Evans<br>Nicholas Tyler<br>Char Hancock<br>Jamie Brazil<br>Julie Taylor | 4Q 2023 | Review 2Q 2023 Data for improvement opportunities & establish baseline | Ongoing |
|   |                 |               |   |         | Focus on allowing patient family members to be with the patient in ED  |         |
|   |                 |               |   |         | Improve Pharmacy Discharge Patient Medication Education                |         |
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| <i>Achieve successful NIAHO reaccreditation and maintain acute stroke ready certification annually</i> | Sara Williamson | Julie Johnson | Julie Johnson<br>LeeAnn Evans<br>Nicholas Tyler<br>Laura Glass | 4Q 2023 &<br>4Q 2024 |  |  |
|  |                 |               |  |                      | Continued focus on improving door to CT, Lab, etc. metrics |  |

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|  |  |  |  |  | Updating our metrics to newly released DNV standards |  |
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| <i>Partner or develop a regional OP transportation service</i> | Julie Taylor |  |  | 2Q 2024 | August - Reginal meeting held to discuss Transportation |  |
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| <i>Initiate and complete management review for initial ISO project</i> | Sara Williamson | Julie Johnson | C-Suite<br>QIO Committee<br>Internal Audit Team | 4Q 2024 | August - ISO 9001 In the works   |  |
|  |                 |               |   |         | Standardized Workflows and Internal Audits on track for year-end goal.   |  |
|  |                 |               |   |         | Medical Staff and Hospital Committee structures refined so that PI and projects now flow to Senior Leadership, QIO, and Medical Staff Leadership consistently. |  |
|  |                 |               |   |         | DNV Nonconformities and OFI's, along with DOH Survey findings, are consistently being resolved/closed.   |  |
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| <i>Complete 2 internal audits</i> | Sara Williamson | Julie Johnson | Internal Audit Team | 2Q 2024 | Internal Audit Team Training                                  | 2/14-16/2023 |
|                                   |                 |               |                     |         | 02/27/23: Code Red Process Started                            | 4/20/2023    |
|                                   |                 |               |                     |         | 05/22/23: IT - Standardizing New Hire Software Access Started |              |
|                                   |                 |               |                     |         | 07/26/23: Lab Resulting to Non-Arbor Providers Started        |              |
|                                   |                 |               |                     |         |   |              |
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| Receive ISO 9001 stage 2 certification | Sara Williamson | Julie Johnson | C-Suite<br>QIO Committee<br>Internal Audit Team | 4Q 2024 | August - ISO 9001 In the works                                   |  |
|  |                 |               |   |         | Standardized Workflows and Internal Audits on track for year end |  |
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| Implement 2 new service lines for the community | Julie Taylor | Julie Taylor | Char Hancock<br>Jamie Brazil                   | 1Q 2025 |                         |  |
|   |              | Julie Taylor | Robert Hauser                                  |         | Full time MRI           |  |
|   |              | Julie Taylor | Char Hancock<br>Jamie Brazil<br>Dr. Park-Hwang |         |                         |  |
|   |              |              |  |         |                         |  |
|   |              |              |  |         | Chronic care management |  |
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| <i>Strategic Initiative</i>  | <i>Executive Owner</i> | <i>Leader</i> | <i>Team</i> | <i>Due Date</i> | <i>Ideas/Action items</i>   | <i>Completion date</i> |
|--|------------------------|---------------|-------------|-----------------|---|------------------------|
| <i>Identify and partner with external groups to support youth based outreach</i> | Rob Mach               |               |             | open            | August - Discussions with CIHS to bring services to entire east Lewis community |                        |
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| <i>Implement school based school physicals</i> | Julie Taylor | Char Hancock<br>Jamie Brazil<br>Dr. Podbilski | Char Hancock<br>Jamie Brazil<br>Dr. Podbilski | 4Q 2023 | Completed/Hardwired | <b>2Q 2023</b> |
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| <i>Develop annual youth safety events for schools</i> | Rob Mach |  |  | 2Q 2024 |  |  |
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| <i>Partner with Lewis county early childhood education and other wellness groups to create ongoing connections with providers</i> | Rob Mach |  |  | Q2 2024 |  |  |
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| Identify and align with external groups to support wellness focused outreach | Rob Mach |  |  | Open | Sep - meeting with veterans group to promote hospital and clinic and how we can work together to provide care |  |
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| Organize community education opportunities to enhance community awareness of Arbor health | Rob Mach |  |  | Open | Mossyrock run        |  |
|   |          |  |  |      | Kickball game        |  |
|   |          |  |  |      | Wellness Week events |  |
|   |          |  |  |      | Color run            |  |
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| Continue senior fitness program | Rob Mach | Edwin Mil Hausen |  | Open | Starts August 23 |  |
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| Sponsor Packwood 5K, Mossyrock 5k, 5k color run, wellness week | Rob Mach | Edwin Milhausen |  | Open | Completed |  |
|  |          | Diane Markham   |  |      |           |  |
|  |          | Jessica Scoggin |  |      |           |  |
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| Include health literacy focus at community resource fairs | Rob Mach | Diane Markham |  | Open | Mossyrock 5K                        |  |
|   |          |               |  |      | Wellness week discussions/Ted talks |  |
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| Develop educational programs and partner with Molina on medical literacy | Rob Mach |  |  | Open | working thru Rural collabrative in MCO with Mollina |  |
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| Participate in annual Latino community event in Mossyrock | Rob Mach |  |  | Open |  |  |
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| Implement a diabetes education and outreach program | Julie Taylor | Tiffany Transue |  | 1Q 2025 | RN hired, needs to get 1000 hours to achieve certification |  |
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| <i>Partner with area organizations to address district food insecurity and homelessness programs</i> | Rob Mach |  |  | 2Q 2024 |  |  |
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| <i>Implement a community cardiac and/or pulmonary disease program</i> | Sara Williamson | LeeAnn Evans | LeeAnn Evans<br>Janice Kelly | 4Q 2024 |  |  |
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# The Role of Advocacy in Hospital Board Governance

By DOUG FLORKOWSKI

*Chief Executive Officer, Crawford Memorial Hospital, Robinson*

All too often hospital board members are so caught up with the day-to-day challenges of trying to survive in today's healthcare environment that they lose sight of their ability to personally impact their hospital at a local, state, and federal level.

Advocating for your hospital is not an option; it's a necessity. We expect hospital administration and employees to be able to speak of their commitment to the community, the quality of healthcare that is being delivered, and the overall impact we have on our community economically. The same holds true for the board of trustees. Being able to communicate what's right with your hospital builds trust and understanding within your community. Bottom line – this doesn't happen enough.



In their book *The Source: Twelve Principles of Governance that Power Exceptional Boards*, Board Source explains that "members of an exceptional board extend the reach of the organization by actively using their own reputations and networks to secure funds, expertise, and access. They bring social and political capital to the organization, thereby enhancing its reputation and capacity. They use their personal and business relationships to expand awareness of the organization and actively participate in cultivating partnerships and collaborations. Serving as the community face of the organization, they advocate on behalf of the organization in appropriate public contexts."

## Never underestimate your impact locally

When advocating locally, more is better. As it pertains to the general public, one of the biggest challenges facing critical access hospitals today is that too few people know our story. We don't do a great job in tooting our own horn.

Repeatedly spreading the word of the incredible care being provided by your hospital is so impactful coming from a board member. Everyone in your community expects the CEO to carry this message. It's their job. When a board member carries that same message: *it's powerful*. It's the message of a volunteer advocating for something they believe in. Community members recognize unbiased opinion when there is no personal gain. Advocacy for the greater good of your community is the best kind.



This is certainly true when discussing the delivery of high quality healthcare. As a hospital board member, you are a leader within your community. A board member's perspective may explain in a way that your community can better relate. Oftentimes, it takes hearing the same message a number of different ways to understand the impact of decisions or to effectively communicate the benefits of your hospital to your community. A board member has the ability to personalize the care that is being provided because it is usually being provided to family, friends, or neighbors. Your connection to the community is one of the best ways to influence loyalty, gain trust, and understanding.

### **Priority over quantity, politically-speaking**

Many of the end results of advocating in your community apply politically but with a little bit different approach. As it pertains to legislators, board members should be a bit more measured in how much they communicate. It is imperative to collectively prioritize what is important to your hospital and to focus on specific issues instead of focusing on all of your challenges. The last thing you wish to see happen is your message falling on deaf ears.

Legislators are inundated with requests from their constituents and, right or wrong, they will make their own opinions whether we have gone to the well one too many times. This holds true for all levels of government. Whether it is advocating for changes in policy/regulations or seeking support at the local, state, or federal level, it is important to have an informed, laser focus when speaking to legislators and their staff. They should be able recognize the sincerity of your message and the priority that you have placed on it. This will always make a more significant impression. This is the heart of grassroots advocacy, and this is how a meaningful impact occurs.

### **If it was easy, everybody would do it**

The hardest part of advocacy is stepping outside of your comfort zone and putting yourself out there when the opportunity arises. But the more you do it, the easier it gets. When you are well informed on a specific message you are communicating, it really becomes second nature. Whether it's setting up a meeting with legislators, speaking to civic groups, at public forums or community events, being willing to say 'yes' to these opportunities is the first step to being an effective advocate for your hospital.

Advocacy is about building relationships. Advocacy is about passionately supporting the hospital that you believe in. Whether it involves a member of Congress, a state senator, or your neighbor down the street, advocacy can produce a positive influence on behalf of your hospital, instill confidence in your community, and be incredibly rewarding at the same time.

*Doug Florkowski serves as chief executive officer of Crawford Memorial Hospital. Prior to being named CEO at Crawford Memorial Hospital in 2017, Mr. Florkowski had served as CEO at Lawrence County Memorial Hospital since 2006.*

# The ABCs of Hospital Finance for Critical Access Hospital Board Members

By RALPH LLEWELLYN, Partner-in-Charge of CAHs  
Partner, Eide Bailly LLP

*"How different can hospital finances be from the other organizations I have either owned, operated, or been a part of the board?"*

Not an uncommon question to hear from a board member as they begin the journey as a critical access hospital board member. The answer, unfortunately, is "very different."

No other industry operates in the same manner as healthcare. And within healthcare, no other healthcare entities operate like a critical access hospital. The differences begin in how critical access hospitals are reimbursed by the various payors. The most common methodologies of reimbursement are: fee schedules, charge-based, and cost-based.

## Fee Schedules

Payors that reimburse under fee schedules are usually commercial insurance companies and worker's compensation. Most physician services are also reimbursed under fee schedules, except for Medicare and Medicaid reimbursement for services in the rural health clinic setting.

There are a variety of forms of fee schedule reimbursement models. Inpatient services are often reimbursed based on diagnostic related groups (DRGs). This is a fixed payment based on the reported diagnoses of the patient. This reimbursement is made without regard to the length of stay or the cost incurred by, or charges submitted by, the hospital.

This reimbursement methodology promotes the efficient provision of services.



Ralph  
LLEWELLYN  
Partner

Fee schedule reimbursement for outpatient and physician services is based on the reporting of Common Procedure Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes. These alpha numeric codes provide a common language to report the various services provided to patients.

The reimbursement services under this methodology are typically based on the lower of the charge or the assigned fee schedule. In this model, it is most important to focus on proper capture and reporting of services with CPT and HCPCS to allow for the proper capture of payment.

Since payment is limited to the lower of the fee schedule or charge, it is important to monitor all fee schedules to ensure charges are above the highest fee schedule payments. Some payors have expanded the use of this form of reimbursement to bundle various CPT/HCPCS code combinations into payment groups or bundles.



In these models, the fee schedule reimbursement includes the payment for multiple CPT and/or HCPCS codes. It is often possible for a provider to receive multiple group/bundle payments during a single patient encounter.

### Charge-based reimbursement

Payment under a charge-based payor can either be based on 100% of the charge or on a contracted percent of charge. These payors are often more desirable as they allow the hospital to control their reimbursement levels to a greater extent through the monitoring and setting of charges.

While these types of payors are rare in larger markets, they can be more prevalent in many rural markets. And while there can be greater freedom in the setting of charges/reimbursement under these models, the contracts may limit the annual increase in charges. This emphasizes the need to look at pricing adjustments each year versus larger increases every couple of years. Essentially, self-pay patients fall under this methodology as their charges and payment expectations originate based on gross charges. However, the payment that is actually received may be adjusted based on charity care or other financially-based discounting.

### Cost-based reimbursement

Cost-based reimbursement is the underlying basis of reimbursement from Medicare for the critical access hospital. This payment methodology relies on the submission of an annual cost report (similar to a tax return) to reconcile interim estimated payments to a final settlement. While the submission of a cost report would seem to imply the critical access hospital receives full-cost reimbursement, that is not the case.

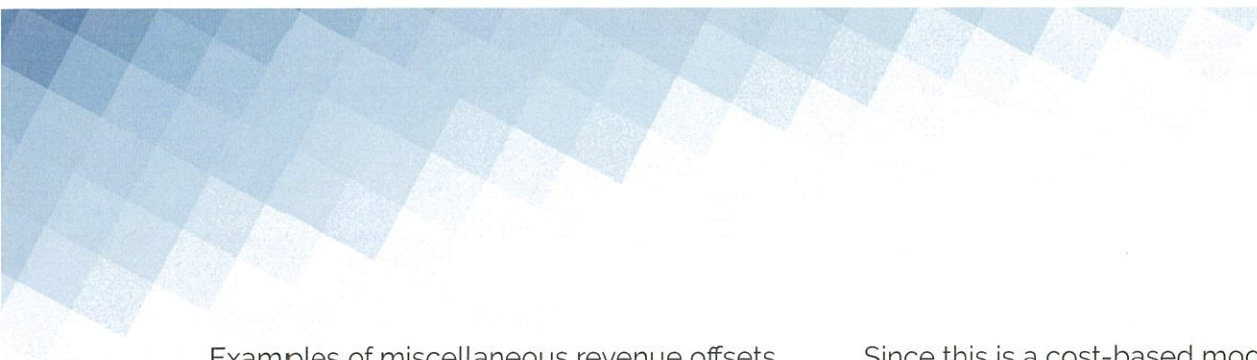
First, the cost-based reimbursement methodology only applies to hospital-based services under the critical access hospital provider number. This would include inpatient, swing bed, outpatient ancillaries, and rural health clinics. It excludes nursing homes, home health agencies, most ambulance services, hospice, psychiatric and rehabilitation sub-units, and professional services not billed under the rural health clinic methodology. These other services are typically reimbursed under a fee schedule or other bundled payment methodology by Medicare and other payors.

For services provided under the critical access hospital provider number, Medicare will reimburse the facility for allowable costs based on the Medicare percentage of volume on a department by department basis. Direct costs in patient care areas are reimbursed in addition to the allocated overhead costs to the individual departments for items such as depreciation, benefits, administrative and general, maintenance, utilities, housekeeping, laundry, dietary, nursing administration, and health information management. Since there are many allowed methodologies that can be approved for the allocation of overhead expenses, providers must periodically review these allocations for appropriateness.

It is important to note that only allowable costs are included in the reimbursement calculation. Medicare rules require the offset of any costs determined not to be related to patient care or for miscellaneous non-patient revenues that are considered to be recoupments of expense. Examples of unallowable costs include phones and televisions in patient rooms, advertising to influence patient selection of service providers, physician recruitment (except for rural health clinic physicians) and lobbying.







Examples of miscellaneous revenue offsets include charges for medical record copies, miscellaneous supply sales, and rebates.

To complicate matters, the Medicare Administrative Contractors (MAC) and Medicare frequently issue changes in interpretations to existing regulations that can result in the disallowance of previously accepted costs. These changes in interpretation can lead to significant recoupment of previously made payments and can apply to several outstanding years of cost reports open to audit.

As previously noted, the payments throughout the cost report year are made based on estimates with a year end settlement. These estimates are based on prior year submitted cost reports with periodic adjustments for known changes in volumes and costs.

However, they are estimates, and the actual final determination of payment can lead to significant receivables or payables for the critical access hospital.

To assist in better estimating the receivables or payables, many critical access hospitals utilize an interim settlement estimator model. These models allow the facility to input year-to-date information into the model to better estimate settlements and provide for improved financial management and planning.

Since this is a cost-based model, changes in costs will change reimbursement. In difficult financial times, facilities may find it discouraging to decrease costs when a portion of the decrease will also result in a reduction in Medicare cost-based reimbursement. Cost control is still very critical, but it may take a significant reduction in costs to result in a sizable change in the financial performance of the organization.

### **The Challenge**

The big challenge for critical access hospitals is that all of these reimbursement models occur at the same time and require different strategies to maximize financial performance.

So...“how different can hospital finances be from the other organizations I have either owned, operated, or been a part of the board?”  
*Different, very different.*

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# Rite Aid files for bankruptcy, names new CEO

Rite Aid is filing for Chapter 11 bankruptcy protection and has a new CEO to lead it through the turnaround, the U.S. drugstore chain [announced](#) Oct. 15.

The Philadelphia-based company, which has 2,100 stores across the U.S., named Jeffrey Stein as its CEO, chief restructuring officer and a member of its board of directors, effective immediately. He replaces Elizabeth Burr, who has [served as interim CEO](#) since January 2023 after Heyward Donigan abruptly resigned. Ms. Burr will remain director of the Rite Aid board.

Rite Aid is reporting that it has secured \$3.45 billion from lenders to fund operations throughout the bankruptcy process. The largest creditor is McKesson Corp. with trade-payable claims of approximately \$667.6 million, according to [Bloomberg](#).

Rite Aid also said it plans to close "underperforming" brick-and-mortar stores, a plan that has [previously been reported](#), without further detail. It is working with A&G Realty Partners on its store closure and lease restructuring program.

Days before the bankruptcy announcement, the New York Stock Exchange notified Rite Aid in October that it is no longer in compliance with minimum listing requirements. NYSE has a minimum stock price of \$4; Rite Aid shares were priced at 53 cents as of Oct. 5 and 65 cents Oct. 15.

It was reported in August that Rite Aid was [preparing](#) for bankruptcy. S&P Global Ratings followed that news with a downgrade to CCC- from CCC+. The company said Oct. 5 that it was reviewing strategic alternatives to recapitalize, refinance or "otherwise optimize" its capital structure.

In March, the Justice Department filed a lawsuit against Rite Aid claiming it violated the Controlled Substances Act, alleging that the company filled hundreds of thousands of prescriptions that did not meet legal requirements from May 2014 through June 2019. Rite Aid said that the bankruptcy filing will allow it to "resolve litigation claims in an equitable manner."

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<https://www.beckershospitalreview.com/finance/rite-aid-files-for-bankruptcy-names-new-ceo.html>