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# REGULAR BOARD MEETING PACKET

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## BOARD OF COMMISSIONERS

Board Chair – Tom Herrin, Secretary – Craig Coppock,  
Commissioner – Wes McMahan, Commissioner-Van Anderson &  
Commissioner-Chris Schumaker

July 31, 2024 @ 3:30 PM

Conference Room 1 & 2 or Join Zoom Meeting:

<https://myarborhealth.zoom.us/j/88957566693>

Meeting ID: 889 5756 6693

One tap mobile: +12532158782,,88957566693#

Dial: +1 253 215 8782

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

**July 31, 2024 at 3:30 p.m.**

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

<https://myarborhealth.zoom.us/j/88957566693>

Meeting ID: 889 5756 6693

One tap mobile: +12532158782,,88957566693#

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	PAGE	TIME
<b>Call to Order</b> <b>Roll Call</b> <b>Excused/Unexcused Absences</b> <b>Reading of the Mission &amp; Vision Statement</b> <b>Approval or Amendment of Agenda</b> <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>Guest Speaker(s)</b> <ul style="list-style-type: none"> <li>David Imus, CPA &amp; Dang Ta, Senior Accountant, Wipfli, LLP <ul style="list-style-type: none"> <li>2023 Independent Auditor Report</li> <li>Q &amp; A</li> </ul> </li> </ul>	6	3:45 pm
<b>Executive Session- RCW 70.41.200</b> <ul style="list-style-type: none"> <li>Medical Privileging-Chief of Staff Dr. Victoria Acosta &amp; Medical Staff Coordinator Barb Goble</li> </ul>	49	4:30 pm
<ul style="list-style-type: none"> <li>Quality Improvement Oversight Report-Secretary Coppock, CNO/CQO Barbara Van Duren &amp; QMRC Manager Julie Johnson</li> </ul>		4:35 pm
<b>Department Spotlight</b> <ul style="list-style-type: none"> <li>Deferred to August</li> </ul>		
<b>Board Committee Reports</b> <ul style="list-style-type: none"> <li>Hospital Foundation Report-Committee Chair-Board Chair Herrin/Foundation Manager Jessica Scogin</li> </ul>	52	4:45 pm
<ul style="list-style-type: none"> <li>Plant Planning Committee Report- Committee Chair-Commissioner McMahan</li> </ul>		4:50 pm
<ul style="list-style-type: none"> <li>Finance Committee Report- Committee Chair-Commissioner McMahan</li> </ul>	54	4:55 pm
<b>Consent Agenda (Action)</b> <ul style="list-style-type: none"> <li>Approval of Minutes: <ul style="list-style-type: none"> <li>May 29, 2024, Regular Board Meeting</li> </ul> </li> </ul>	61	5:05 pm

<ul style="list-style-type: none"> <li>○ June 5, 2024, Plant Planning Committee Meeting</li> <li>○ June 12, 2024, QIO Committee Meeting</li> <li>○ June 19, 2024, Finance Committee Meeting</li> <li>○ July 10, 2024, Special Board Meeting</li> <li>○ July 24, 2024, Finance Committee Meeting</li> </ul>	69 73 78 82 84	
<ul style="list-style-type: none"> <li>• Warrants &amp; EFTs in the amount of \$3,455,839.41 dated May 2024</li> <li>• Warrants &amp; EFTs in the amount of \$4,368,313.25 dated June 2024</li> </ul>	88 90	
<ul style="list-style-type: none"> <li>• Resolution 24-12-Declaring to Surplus or Dispose of Personal Property <ul style="list-style-type: none"> <li>○ To approve liquidation of items beyond their useful life.</li> </ul> </li> </ul>	92	
<b>Old Business</b> <ul style="list-style-type: none"> <li>• Board Education-Cybersecurity Training w/KnowBe4 <ul style="list-style-type: none"> <li>○ To discuss the benefit/costs associated.</li> </ul> </li> </ul>		5:10 pm
<ul style="list-style-type: none"> <li>• Community Engagement Discussion <ul style="list-style-type: none"> <li>○ To discuss next steps.</li> </ul> </li> </ul>		5:15 pm
<b>New Business</b> <ul style="list-style-type: none"> <li>• Resolution 24-13-Approving the Capital Purchase of Physical Servers, Operating System(s), Storage Array &amp; Networking Equipment (IT Director Frey) <ul style="list-style-type: none"> <li>○ To approve the purchase of three Physical Servers, Operating System(s), Storage Array &amp; Networking Equipment through a new lease.</li> </ul> </li> </ul>	96	5:30 pm
<ul style="list-style-type: none"> <li>• 2024 WSHA &amp; AWPHD Rural Hospital Leadership Conference <ul style="list-style-type: none"> <li>○ To provide an update on conference take aways.</li> </ul> </li> </ul>	157	5:35 pm
<ul style="list-style-type: none"> <li>• Board Policy &amp; Procedure Review <ul style="list-style-type: none"> <li>○ Annual Adoption of the Compliance Plan</li> <li>○ Annual Adoption of the Quality Program Plan</li> <li>○ Quality Improvement Oversight Information</li> </ul> </li> </ul>	160 162 164	5:40 pm
<b>Superintendent Report</b> <ul style="list-style-type: none"> <li>• Board Educational Article</li> </ul>	167 172	5:45 pm
<b>Executive Session- RCW 42.30.110 (g)</b> <ul style="list-style-type: none"> <li>• To discuss the performance of a public employee.</li> </ul>		6:00 pm
<b>Meeting Summary &amp; Evaluation</b>		6:30 pm
<b>Next Board Meeting Dates and Times</b> <ul style="list-style-type: none"> <li>• Regular Board Meeting-August 28, 2024 @ 3:30 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-August 7, 2024 @ 12:00 PM (ZOOM)</li> <li>• Finance Committee Meeting-August 21, 2024 @ 12:00 PM (ZOOM)</li> </ul>		
<b>Adjournment</b>		6:35 pm



**GUEST SPEAKER**

July 16, 2024

Board of Commissioners  
Lewis County Public Hospital District No. 1 dba Arbor Health  
PO Box 1138  
Morton, Washington 98356

Dear Commissioners:

We have audited the financial statements of Lewis County Public Hospital District No. 1 dba Arbor Health (the "District") for the year ended December 31, 2023 and have issued our report thereon dated July 16, 2024. Professional standards require that we provide you with the following information related to our audit:

### **Our Responsibility Under Auditing Standards Generally Accepted in the United States**

As stated in our engagement letter dated August 17, 2023 our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated to your representative, Tom Herrin, (Chairman), communicated in our engagement letter dated August 17, 2023.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The significant estimates requiring judgment are as follows:

- The adequacy of the allowance for accounts receivable is one of the most subjective estimates affecting the financial statements. The allowance for accounts receivable is maintained at a level which management believes is adequate to provide for possible write-offs. Management periodically evaluates the adequacy of the allowance using the District's past bad debt experience, known and inherent risks in accounts receivable, current economic conditions, and other relevant factors. We evaluated the key factors and assumptions used to develop the allowance for accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.
- The estimated final settlements on the Medicare cost reports are based on audits conducted by the fiscal intermediary. Management periodically evaluates the adequacy of the balance using the District's experience, known and inherent risks in the preparation of these cost reports, and risks associated with doing business in the health care industry. We reviewed the estimated settlements recorded for each open year to determine the reasonableness of the estimates based on the results of previous audits by the fiscal intermediary.
- The adequacy of the reserve for self-funded health insurance claims is also subjective. The reserve for health insurance claims is maintained at a level which management believes is adequate to cover claims incurred during the year ended December 31, 2023, but not paid until after December 31, 2023. Management periodically evaluates the reserve using the District's past experience, known claims, and other relevant factors. We evaluated the key factors and assumptions used to develop the reserve for health insurance claims in determining that it is reasonable in relation to the financial statements.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

We proposed no audit adjustments that could, in our judgment, either individually or in the aggregate, have a significant effect on the District's financial reporting process.

### *Disagreements With Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated July 16, 2024, a copy of which accompanies this letter.

### *Management Consultations With Other Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

This communication is intended solely for the information and use of the Board of Commissioners and, if appropriate, management and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the opportunity to be of service to Lewis County Public Hospital District No. 1  
dba Arbor Health.

Sincerely,

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli, LLP

Enc.

Wipfli LLP  
201 W. North River Drive, Suite 400  
Spokane, WA 99201

We are writing to confirm that Lewis County Public Hospital District No. 1 dba Arbor Health(the "District") had none of the following events occur during the time period starting with our most recent fiscal year-end December 31, 2023 to the date of the letter. There have been no:

1. Subsequent settlements of a contingent liability or litigation at an amount that is different from the amount recorded in the draft year-end financial statements, if applicable.
2. New (previously undisclosed to Wipfli LLP) pending or threatened litigation, claims, or assessments, or unasserted claims or assessments.
3. Substantive consultations with the attorneys, selected for confirmation by you, since the effective date of the respective legal confirmations.
4. Material adverse changes in financial position of the District since year-end.
5. Material changes to any significant estimates in the draft year-end financial statements.
6. Sales of any assets subsequent to year-end at a price significantly less than the carrying value in the draft financial statements.
7. Losses of major customers or significant customer bankruptcy since year-end.
8. Plant shutdowns or strikes, if applicable.
9. Changes to previously disclosed substantial contingent liabilities or commitments that existed at the date of the balance sheet, and no new substantial contingent liabilities or commitments have become known since the balance sheet date.

10. Significant changes in the capital stock, long-term debt, or working capital.
11. Changes in the current status of items in the financial statements being reported on that were accounted for on the basis of tentative, preliminary, or inconclusive data.
12. Unusual adjustments made during the period from the balance sheet date to the date of this inquiry.
13. Significant undisclosed (in the draft year-end financial statements) financial commitments.
14. Commitments or plans for major purchases of capital assets or inventory exist, and consideration was given to possible losses due to price changes.
15. Changes in accounting or financial policies.
16. Events that caused a decline in the value of any assets or that made any significant portion of fixed assets idle or obsolete.
17. Expiration or cancellation of significant insurance coverage.
18. New regulatory requirements or laws that could adversely affect the entity.
19. Liabilities in dispute or being contested.
20. Losses of major suppliers or key executive employees.
21. New, or change to, related-party transactions since year-end.
22. Minutes (or summaries in place of approved minutes) from commissioner meetings have been prepared and not provided to you for the period under audit through the date of this letter.
23. Meetings of commissioners where minutes have not yet been prepared.

Sincerely,

Lewis County Public Hospital District No. 1 dba Arbor  
Health

Wipfli LLP  
201 W North River Drive #400  
Spokane, WA 99201

This representation letter is provided in connection with your audits of the financial statements of Lewis County Public Hospital District No. 1 dba Arbor Health ("Client") , which comprise the statements of net position as of December 31, 2023 and 2022 and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects in accordance with accounting principles generally accepted in the United States (GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief as of the date this letter is signed, the following representations made to you during your audits.

### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 19, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all financial information of the entity and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.



6) Related party relationships and transactions, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.

9) The effects of all known actual or possible litigation, claims, and assessments, including those related to asserted and unasserted malpractice, health insurance, worker's compensation, and any other claims, have been accounted for and disclosed in accordance with U.S. GAAP.

10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

11) There are no instances of noncompliance with laws or regulations with respect to Medicare and Medicaid antifraud and abuse statutes, in any jurisdiction, whose effects we believe should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, other than those disclosed or accrued in the financial statements. This is including, but not limited to, the antikickback statute of the Medicare and Medicaid Patient and Program Protection Act of 1987, limitations on certain physician referrals (the Stark law), and the False Claims Act.

12) Billings to third-party payors comply in all material respects with applicable coding guidelines and laws and regulations, including those dealing with Medicare and Medicaid antifraud and abuse. Such billings include only those charges for goods and services that were medically necessary; properly approved by regulatory bodies, if required; and properly rendered.

13) There have been no investigations, either internal or external, and there are no investigations in progress, relating to compliance with applicable laws and regulations that would have an effect on the amounts reported or disclosed in the financial statements.

14) There have been no oral or written communications from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, in any jurisdiction, including those related to deficiencies in financial reporting practices; Medicare and Medicaid antifraud and abuse statutes; or other matters that could have a material adverse effect on the financial statements.

15) Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the statement of net position date and have been reduced to their estimated net realizable value.

16) We have made an adequate provision for estimated adjustments to revenue resulting from issues such as denied claims, changes to home health resource group, resource utilization group, ambulatory payment classification, and diagnostic-related group (DRG) assignments.

17) The valuation allowances we have recorded are necessary, appropriate, and properly supported.

18) We have made available to you all peer review organization, fiscal intermediary, and third-party payor reports and information.

### **Information Provided**

19) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of the board of commissioners and related committees or summaries of actions of recent meetings for which minutes have not yet been prepared.

20) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

21) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

22) We have no knowledge of any fraud or suspected fraud that affects the District, including financial reporting related to compliance with existing laws and regulations governing reimbursement from third-party payors, and involves:

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

23) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, grantors, regulators, or others.

24) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

25) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

26) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions including any side agreements.

**Government-specific**

27) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, or noncompliance or deficiencies related to existing laws and regulations governing reimbursement from third-party payors.

28) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.

29) We have a process to track the status of audit findings and recommendations.

30) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

31) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

32) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

33) For cost reports filed with third parties:

- We have properly filed all required Medicare, Medicaid, and similar reports with third parties.
- We are responsible for the accuracy and propriety of all filed cost reports.
- Filed cost reports include costs that are appropriate, allowable under applicable reimbursement rules and regulations, patient-related, and properly allocated to applicable payors.
- The reimbursement methodologies and principles we use are in accordance with applicable rules and regulations.
- We have given adequate consideration to, and made appropriate provision for, audit adjustments by intermediaries, third-party payors, or other regulatory agencies.
- We have made provisions, when material, for estimated retroactive adjustments by third-party payors under reimbursement agreements.
- We have fully disclosed in the cost report all items required to be disclosed, including disputed costs that are claimed to establish a basis for a subsequent appeal.
- We have recorded third-party settlements that include differences between filed (and to-be-filed) cost reports and calculated settlements that we believe are necessary based on historical experience or new or ambiguous regulations that may be subject to differing interpretations. Although we believe the entity is entitled to all amounts claimed on the cost reports, we also believe the differences reflected therein are appropriate.

34) The District has no plans or intentions that may materially affect the carrying value or classification of assets, or net position.

35) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

36) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws and regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

37) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

38) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

39) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

40) The District has complied with all aspects of contractual agreements, including existing laws and regulations governing reimbursement from third-party payors, that would have a material effect on the financial statements in the event of noncompliance.

41) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

42) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.

43) Provisions for uncollectible receivables have been properly identified and recorded.

44) Expenses have been appropriately classified in the statement of revenues, expenses, and changes in net position, and allocations have been made on a reasonable basis.

45) Revenues are appropriately classified in the statement of revenues, expenses, and changes in net position.

46) Internal and intra-entity activity and balances have been appropriately classified and reported.

47) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.

48) Capital assets, including intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

49) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

50) We are following our established accounting policy regarding which resources (that is, restricted or unrestricted) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the net position classifications for financial reporting purposes.

51) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

52) With respect to the management's discussion and analysis (MD&A):

a) We acknowledge our responsibility for preparing and presenting the MD&A in accordance with accounting principles generally accepted in the United States of America, and we believe the MD&A, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the MD&A have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

b) If the MD&A is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Sincerely,

Lewis County Public Hospital District No. 1 dba Arbor Health

Signature: Cheryl Cornwell  
Cheryl Cornwell (Jul 16, 2024 14:17 PDT)

Email: ccornwell@myarborhealth.org

Signature: Robert W Mach  
Robert W Mach (Jul 16, 2024 14:13 PDT)

Email: rmach@myarborhealth.org

# Lewis County Public Hospital District No. 1 DBA Arbor Health

Financial Statements and Required  
Supplementary Information

Years Ended December 31, 2023 and 2022



## **Independent Auditor's Report**

Board of Commissioners  
Lewis County Public Hospital District No.1 DBA Arbor Health  
Morton, Washington

### ***Report on the Audit of the financial statements***

#### ***Opinion***

We have audited the accompanying financial statements of Lewis County Public Hospital District No.1 DBA Arbor Health (the "District"), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's statements of net position, statements of revenues, expenses, and changes in net position, and cash flows for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of December 31, 2023 and 2022, and changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Prior Period Financial Statements***

The financial statements of the District as of and for the year ended December 31, 2022 were audited by other auditors whose report dated May 10, 2023 expressed an unmodified opinion on those financial statements.

#### ***Responsibilities of Management for the financial statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

The District has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.



## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Wipfli LLP*

Wipfli LLP

Spokane, Washington

July 16, 2024

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Statements of Net Position

<i>December 31,</i>	2023	2022
Current assets:		
Cash and cash equivalents	\$ 3,790,601	\$ 5,055,654
Receivables:		
Patient accounts - Net	5,839,555	3,847,526
Estimated third-party payor settlements	299,817	252,311
Taxes	29,247	26,181
Taxes restricted for debt service	9,562	26,426
Other	190,309	478,947
Inventory	241,343	253,658
Prepaid expenses and other	430,473	324,032
Total current assets	10,830,907	10,264,735
Noncurrent assets:		
Cash and cash equivalents - noncurrent reserves	423,611	402,970
Cash and cash equivalents - restricted for debt service	1,438,654	1,308,589
Investments	2,000	167,514
Nondepreciable capital assets	952,748	998,599
Depreciable capital asset - net	9,735,349	10,155,262
Total noncurrent assets	12,552,362	13,032,934
<b>TOTAL ASSETS</b>	<b>\$ 23,383,269</b>	<b>\$ 23,297,669</b>

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Statements of Net Position (Continued)

<i>December 31,</i>	2023	2022
Current liabilities:		
Accounts payable	\$ 1,472,296	\$ 723,709
Accrued compensation and related liabilities	2,110,220	2,028,286
Electronic health records incentive payback	194,689	194,689
Current maturities of long-term debt	592,517	572,676
Current portion of lease obligations	309,088	268,866
Total current liabilities	4,678,810	3,788,226
Noncurrent liabilities:		
Long-term debt - Less current portion	5,226,058	5,842,723
Lease obligations - Less current portion	573,605	431,433
Total noncurrent liabilities	5,799,663	6,274,156
Total liabilities	10,478,473	10,062,382
Net position:		
Net investment in capital assets	3,034,081	3,039,564
Restricted for debt service	1,438,654	1,308,589
Unrestricted	8,432,061	7,862,109
Total net position	12,904,796	13,235,287
TOTAL LIABILITIES AND NET POSITION	\$ 23,383,269	\$ 23,297,669

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Statements of Revenues, Expenses, and Changes in Net Position

<i>Years Ended December 31,</i>	2023	2022
Operating revenue:		
Net patient service revenue	\$ 36,746,672	\$ 33,993,959
Other operating income	697,932	489,117
Total operating revenue	37,444,604	34,483,076
Operating expenses:		
Salaries and wages	17,225,412	16,775,003
Employee benefits	4,453,791	3,914,495
Professional fees and purchased services	9,534,421	9,064,382
Supplies	3,137,051	2,796,004
Utilities	466,841	540,749
Insurance	370,404	308,976
Repairs and maintenance	567,330	587,804
Leases and rentals	57,211	72,324
Other	1,642,443	1,420,956
Depreciation and amortization	1,529,483	1,576,074
Total operating expenses	38,984,387	37,056,767
Loss from operations	(1,539,783)	(2,573,691)
Nonoperating revenues (expenses):		
CARES Act Provider Relief Fund	-	1,252,684
Repayment of grant proceeds	(154,302)	-
Grants	82,660	61,347
Taxation for maintenance and operations	1,044,235	997,886
Taxation for bond principal and interest	-	837,666
Build America bond subsidy	95,021	89,499
Gain on sale of assets	203,690	-
Interest income	346,190	162,902
Interest expense	(408,202)	(438,016)
Total nonoperating revenue - Net	1,209,292	2,963,968
Change in net position	(330,491)	390,277
Net position - Beginning of year	13,235,287	12,845,010
Net position - End of year	\$ 12,904,796	\$ 13,235,287

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Statements of Cash Flows

<i>Years Ended December 31,</i>	2023	2022
Cash flows from operating activities:		
Cash received from patients services and third-party payors	\$ 34,707,137	\$ 28,911,947
Cash received from other revenue	986,570	263,606
Cash paid for salaries and benefits	(21,597,269)	(20,689,498)
Cash paid for supplies, professional fees, and other operating expenses	(15,121,240)	(14,754,162)
Net cash used in operating activities	(1,024,802)	(6,268,107)
Cash flows from noncapital financing activities:		
Proceeds from Grants	-	61,347
Proceeds from COVID-19 grants	-	252,684
Repayment of Paycheck Protection Program loan	-	(152,685)
Repayment of COVID-19 grants	(71,642)	-
Cash received from Build America Bonds subsidy	95,021	89,499
Cash received from taxation for maintenance and operations	1,041,169	992,538
Net cash provided by noncapital financing activities	1,064,548	1,243,383
Cash flows from capital and related financing activities:		
Cash received from taxation for bond principal and interest	16,864	834,743
Interest paid on long-term debt obligations	(406,883)	(438,016)
Principal payments on long-term debt and lease liabilities	(536,580)	(1,642,914)
Payments for purchase of capital assets	(1,044,444)	(276,084)
Proceeds from the sale of capital assets	305,246	-
Net cash used in capital and related financing activities	(1,665,797)	(1,522,271)
Net cash provided by investing activities:		
Net cash received (paid) of investments	165,514	(167,514)
Interest received	346,190	162,902
Net cash provided by (used in) investing activities	511,704	(4,612)
Change in cash and cash equivalents	(1,114,347)	(6,551,607)
Cash and cash equivalents - Beginning of year	6,767,213	13,318,820
Cash and cash equivalents - End of year	\$ 5,652,866	\$ 6,767,213

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Statements of Cash Flows (Continued)

<i>Years Ended December 31,</i>	2023	2022
Reconciliation of loss from operations to net cash used in operating activities:		
Loss from operations	\$ (1,539,783)	\$ (2,573,691)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	1,529,483	1,576,074
Provision for bad debt	860,986	486,053
Changes in assets and liabilities:		
Receivables:		
Patient accounts - Net	(2,853,015)	(272,850)
Other	288,638	(225,511)
Inventories	12,315	98,214
Prepaid expenses and other	(106,441)	(24,313)
Account payable	748,587	(36,868)
Accrued liabilities	81,934	-
Medicare refundable advance	-	(3,343,822)
Estimated third-party payor settlements	(47,506)	(1,951,393)
Total adjustments	514,981	(3,694,416)
Net cash provided used in activities	\$ (1,024,802)	\$ (6,268,107)
Noncash capital, financing activities and investing activities:		
Capital assets acquired under lease obligations	\$ 120,831	\$ 948,502

# **Lewis County Public Hospital District No.1 DBA Arbor Health**

## **Notes to Financial Statements**

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### **Note 1: Summary of Significant Accounting Policies**

#### **The Entity**

Lewis County Public Hospital District No.1 DBA Arbor Health owns and operates Arbor Health (the "District"), a licensed 25-bed critical access hospital in Morton, Washington, and rural health clinics in Randle, Mossyrock, and Morton, Washington. The District provides healthcare services to patients in eastern Lewis County, Washington. The services provided include acute care, emergency room, physicians' clinic, and the related ancillary services (surgery, laboratory, imaging, therapy, etc.) associated with those services.

The District operates under the laws of the state of Washington relating to Washington municipal corporations. As organized, the District is exempt from the payment of federal income taxes. The Board of Commissioners consists of five community members elected to six-year terms.

#### **Financial Statement Presentation**

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The accounting records of the District are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 Revised Code of Washington (RCW) and the Department of Health in the Accounting and Reporting Manual for Hospitals.

The District's statements are reported using the economic resources measurement focus and full-accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when the liability is incurred regardless of the timing of the cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue, as soon as eligibility requirements imposed by the provider have been met.

#### **Use of Estimates in Preparation of Financial Statements**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 1: Summary of Significant Accounting Policies (Continued)**

##### **Cash, Cash Equivalents, and Investments**

All cash receipts are deposited directly to the District's depository accounts at banks. Periodically, these funds are transferred to the operating accounts held by the Lewis County Treasurer (County Treasurer). The County Treasurer acts as the District's treasurer. Warrants are issued against the cash placed with the County Treasurer, and the warrants are redeemed from a commercial bank by the County Treasurer. The County Treasurer invests cash in interest-bearing investments at the direction of the District. For purposes of the statements of cash flows, the District considers all cash and cash investments with original maturity dates of less than 90 days as cash and cash equivalents.

All cash receipts are deposited directly to the District's depository accounts at banks. Periodically, these funds are transferred to the operating accounts held by the Lewis County Treasurer (County Treasurer). The County Treasurer acts as the District's treasurer. Warrants are issued against the cash placed with the County Treasurer. The County Treasurer invests cash in interest-bearing investments at the direction of the District. For purposes of the statements of cash flows, the District considers all cash and cash investments with original maturity dates of less than 90 days as cash and cash equivalents.

##### **Inventories**

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the average-cost method.

##### **Noncurrent Cash Reserves**

Assets restricted or limited as to use include assets set aside by the Board of Commissioners for future capital improvements over which the Board retains control and could subsequently use for other purposes, and assets set aside for repayment of principal and interest on bond indebtedness and capital acquisitions.

##### **Bond Discounts**

The straight-line method is used to amortize the bond discounts over the period the related obligation is outstanding, which approximates the effective interest method.



# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

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#### **Note 1: Summary of Significant Accounting Policies** (Continued)

##### **Capital Assets**

The District capitalizes assets whose costs exceed \$5,000 and with estimated useful lives of at least one year; lesser amounts are expensed. The capital assets are reported at historical cost. Contributed capital assets are reported at their estimated fair value at the time of their donation. When such assets are disposed of, the related costs and accumulated depreciation or amortization is removed from the accounts and the resulting gain or loss is classified in nonoperating revenues or expenses.

All capital assets other than land are depreciated by the straight-line method of depreciation using these asset lives:

Land improvements	8 to 25 years
Buildings and improvements	5 to 40 years
Equipment	3 to 25 years
Lease right-of-use equipment	2 to 10 years

##### **Compensated Absences**

Compensated absences consist of absences for which employees will be paid, such as vacation and sick leave. The District records unpaid leave for compensated absences as an expense and liability when incurred. Accrued vacation, which may be accumulated up to 360 hours, is payable upon resignation, retirement, or death. There is no limit to the amount of sick leave employees may accumulate; however, it is not payable to the employees upon conclusion of their employment under any circumstance.

##### **Net Position**

Net position of the District is classified into three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted net position is the net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the District. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted.

# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 1: Summary of Significant Accounting Policies (Continued)**

##### **Patient Accounts Receivables**

Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of accounts receivable, the District analyzes its past history and identifies trends for each of its patient payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. For receivables associated with services provided to patients who have third-party coverage, the District analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the District records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible.

The difference between the standard rates (or the discounted rates, if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts. The District's allowance for uncollectible accounts for self-pay patients has not changed significantly from the prior year.

##### **Patient Service Revenue**

The District recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients who do not qualify for charity care, the District recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the District's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the District records a significant provision for bad debts related to uninsured patients in the period the services are provided. The District's provisions for bad debts and writeoffs did not change significantly from the prior year.

# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 1: Summary of Significant Accounting Policies (Continued)**

##### **Patient Service Revenue (Continued)**

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

*Medicare* – The hospital has been designated a critical access hospital and the clinic a rural health clinic by Medicare and they are reimbursed for inpatient, outpatient, and clinic services on a cost basis as defined and limited by the Medicare program. The Medicare program's administrative procedures preclude final determination of amounts due to the District for such services until three years after the District's cost reports are audited or otherwise reviewed and settled upon by the Medicare administrative contractor. Nonrural health clinic physician services are reimbursed on a fee schedule.

*Medicaid* – The majority of Medicaid beneficiaries are covered through health maintenance organizations operated by commercial insurance companies. The District is reimbursed for inpatient and outpatient services on a prospectively determined rate that is based on historical revenues and expenses of the District. Reimbursement for inpatient and outpatient services rendered to Medicaid program beneficiaries is reimbursed on a cost basis as defined by the state of Washington. Medicaid swing-bed and nursing home services are reimbursed on a prospectively set rate per day. Rural health clinic services are reimbursed on a prospective rate per visit. Nonrural health clinic physician services are reimbursed on a fee schedule.

The District also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

##### **Operating Revenue and Expense**

The District's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions, including grants for specific operating activities associated with providing healthcare services-the District's principal activity. Nonexchange revenues, including taxes and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide healthcare services, other than financing costs. All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses, such as interest.

##### **Restricted Resources**

When the District has both restricted and unrestricted resources available to finance a particular program, it is the District's policy to use restricted resources before unrestricted resources.

# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 1: Summary of Significant Accounting Policies (Continued)**

##### **Grants and Contributions**

From time to time, the District receives grants from the state of Washington and others as well as contributions from individuals and private organizations. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses. Grants that are for specific projects, or purposes related to the District's operating activities, are reported as operating revenue. Grants that are used to subsidize operating deficits are reported as nonoperating revenue. Contributions, except for capital contributions, are reported as nonoperating revenue.

##### **Change in Accounting Principles**

In July 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible asset representing the lessee's right to use the leased asset, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District adopted Statement No. 87 during the year ended December 31, 2022.

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

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#### Note 2: Cash, Cash Equivalents, and Investments

*The Revised Code of Washington*, Chapter 39, authorizes municipal governments to invest their funds in a variety of investments including federal, state, and local government certificates, notes, or bonds; the Washington State Local Government Investment Pool; savings accounts in qualified public depositories; and certain other investments. Amounts invested in the Washington State Local Government Investment Pool at December 31, 2023 and 2022, were approximately \$388,000 and \$5,885,000, respectively. The Washington State Local Government Investment Pool consists of investments in federal, state, and local government certificates and savings accounts in qualified public depositories.

*Custodial credit risk* - The risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of the deposits or investments that are in the possession of an outside party. All District deposits are entirely covered by the Federal Deposit Insurance Corporation (FDIC) or by collateral held in a multiple-financial institution collateral pool administered by the Washington Public Deposit Protection Commission, and all investments are insured, registered, or held by the District's agent in the District's name at qualified public depositories. The District's investment policy does not contain policy requirements that would limit the exposure to custodial risk for investments.

*Credit risk* - The risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is typically measured by the assignment of a rating by a nationally recognized statistical rating organization. The District does not have a policy specifically requiring or limiting investments of this type.

*Concentration of credit risk* - The inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification (investments acquired from a single issuer). The District does not have a policy limiting the amount it may invest in any one issuer or multiple issuers.

*Interest rate risk* - The possibility that an interest rate change could adversely affect an investment's fair value. The District does not have a policy specifically managing its exposure to fair value losses arising from changing interest rates.

#### Note 3: Patient Accounts Receivable

Patient accounts receivable consisted of the following at December 31:

	2023	2022
Patient accounts receivable	\$ 8,967,489	\$ 7,210,094
Less:		
Contractual allowance	(2,824,803)	(2,868,492)
Allowance for doubtful accounts	(303,131)	(494,076)
Patient accounts receivable - Net	\$ 5,839,555	\$ 3,847,526

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 4: Net Patient Service Revenue

The following table sets forth the detail of patient service revenue - net of contractual adjustments, discounts, and provision for bad debt for the years ended December 31:

	2023	2022
Gross patient service revenue:		
Medicare	\$ 31,353,201	\$ 25,239,489
Medicaid	11,234,455	11,245,866
Commercial and other	13,689,899	13,082,895
Private pay	1,233,385	1,043,190
<b>Total gross patient service revenue</b>	<b>57,510,940</b>	<b>50,611,440</b>
Less:		
Contractual adjustments	19,903,282	16,131,428
Provision for bad debt	860,986	486,053
<b>Total deductions in revenue</b>	<b>20,764,268</b>	<b>16,617,481</b>
<b>Net patient service revenue</b>	<b>\$ 36,746,672</b>	<b>\$ 33,993,959</b>

The following table reflects the percentage of gross patient service revenue by payor source for the year ended December 31:

	2023	2022
Medicare	55 %	50 %
Medicaid	19	22
Commercial and other	24	26
Private pay	2	2
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 5: Capital Assets

Capital asset balances and activity were as follows at December 31, 2023:

	Balance January 1, 2023	Additions	Retirements	Transfers	Balance December 31, 2023
<b>Nondepreciable capital assets:</b>					
Land	\$ 998,599	\$ -	\$ (45,851)	\$ -	\$ 952,748
<b>Depreciable capital assets:</b>					
Land improvements	1,426,739	-	-	-	1,426,739
Buildings and improvements	20,755,410	681,741	(369,661)	-	21,067,490
Equipment	11,783,112	-	(4,689)	-	11,778,423
<b>Total depreciable capital assets</b>	<b>33,965,261</b>	<b>681,741</b>	<b>(374,350)</b>	<b>-</b>	<b>34,272,652</b>
<b>Total capital assets</b>	<b>34,963,860</b>	<b>681,741</b>	<b>(420,201)</b>	<b>-</b>	<b>35,225,400</b>
<b>Accumulated depreciation:</b>					
Capital assets	24,491,064	1,211,511	(318,645)	-	25,383,930
<b>Right of use assets:</b>					
Buildings	-	362,703	-	-	362,703
Equipment	948,502	120,831	-	-	1,069,333
<b>Total ROU asset amortized</b>	<b>948,502</b>	<b>483,534</b>	<b>-</b>	<b>-</b>	<b>1,432,036</b>
<b>Accumulated amortization</b>	<b>267,437</b>	<b>317,972</b>	<b>-</b>	<b>-</b>	<b>585,409</b>
<b>Capital assets - Net</b>	<b>\$ 11,153,861</b>	<b>\$ (364,208)</b>	<b>\$ (101,556)</b>	<b>\$ -</b>	<b>\$ 10,688,097</b>

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 5: Capital Assets (Continued)

Capital asset balances and activity were as follows at December 31, 2022:

	Balance January 1, 2022	Additions	Retirements	Transfers	Balance December 31, 2022
Nondepreciable capital assets:					
Land	\$ 998,599	\$ -	\$ -	\$ -	\$ 998,599
Construction in progress	112,334	-	-	(112,334)	-
Total nondepreciable capital assets	1,110,933	-	-	(112,334)	998,599
Depreciable capital assets:					
Land improvements	1,426,739	-	-	-	1,426,739
Buildings and improvements	20,685,975	69,435	-	-	20,755,410
Equipment	11,464,129	206,649	-	112,334	11,783,112
Total depreciable capital assets	33,576,843	276,084	-	112,334	33,965,261
Total capital assets	34,687,776	276,084	-	-	34,963,860
Accumulated depreciation:					
Capital assets	23,182,427	1,308,637	-	-	24,491,064
Right of use assets:					
Equipment	-	948,502	-	-	948,502
Accumulated amortization	-	267,437	-	-	267,437
Capital assets - Net	\$ 11,505,349	\$ (351,488)	\$ -	\$ -	\$ 11,153,861



# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 6: Long-Term Debt

Long-term debt and other noncurrent liabilities consisted of the following at December 31, 2023:

	Balance January 1, 2023	Additions	Reductions	Balance December 31, 2023	Amounts due Within One Year
<b>Bonds payable:</b>					
2005 LTGO bonds	\$ 645,000	\$ -	\$ (205,000)	\$ 440,000	\$ 213,906
2010 LTGO A bonds	255,000	-	(90,000)	165,000	95,000
2010 LTGO B bonds	4,130,000	-	-	4,130,000	-
Discount on bonds	(3,302)	-	1,319	(1,983)	-
<b>Total bonds payable</b>	<b>5,026,698</b>	<b>-</b>	<b>(293,681)</b>	<b>4,733,017</b>	<b>308,906</b>
<b>Direct borrowing:</b>					
GE Government Finance, Inc note payable	1,388,701	-	(303,143)	1,085,558	283,611
<b>Total bonds payable and direct borrowing</b>	<b>\$ 6,415,399</b>	<b>\$ -</b>	<b>\$ (596,824)</b>	<b>\$ 5,818,575</b>	<b>\$ 592,517</b>

Long-term debt and other noncurrent liabilities consisted of the following at December 31, 2022:

	Balance January 1, 2022	Additions	Reductions	Balance December 31, 2022	Amounts due Within One Year
<b>Bonds payable:</b>					
2005 LTGO bonds	\$ 840,000	\$ -	\$ (195,000)	\$ 645,000	\$ 205,000
2010 LTGO A bonds	340,000	-	(85,000)	255,000	90,000
2010 LTGO B bonds	4,130,000	-	-	4,130,000	-
2012 LTGO bonds	815,000	-	(815,000)	-	-
Discount on bonds	(382)	-	(2,920)	(3,302)	-
<b>Total bonds payable</b>	<b>6,124,618</b>	<b>-</b>	<b>(1,097,920)</b>	<b>5,026,698</b>	<b>295,000</b>
<b>Direct borrowing:</b>					
GE Government Finance, Inc note payable	1,685,492	-	(296,791)	1,388,701	277,676
<b>Total bonds payable and direct borrowing</b>	<b>\$ 7,810,110</b>	<b>\$ -</b>	<b>\$ (1,394,711)</b>	<b>\$ 6,415,399</b>	<b>\$ 572,676</b>

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

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#### **Note 6: Long-Term Debt** (Continued)

The terms of the District's long-term debt at December 31, 2023 and 2022, were as follows:

##### Bonds payable

- Limited tax general obligation (LTGO) bonds dated February 18, 2005, in the original amount of \$3,000,000; payable annually on December 1, with variable principal payments ranging from \$205,000 to \$225,000. Interest of 4.69 percent is payable semiannually through December 2025.
- LTGO series A bonds, dated October 28, 2010, in the original amount of \$1,090,000, payable annually on December 1, with variable principal payments ranging from \$70,000 to \$95,000. Interest of 4 percent is payable semiannually through December 2025. The District issued the bonds for an addition and remodel to the hospital.
- LTGO series B bonds (federally taxable Build America Bonds), dated October 28, 2010, in the original amount of \$4,130,000, payable annually on December 1, with variable principal payments starting in 2025, ranging from \$25,000 to \$495,000. Variable rate interest of 6.675 percent to 6.875 percent is payable semiannually through December 2035. The District issued the bonds for an addition and remodel to the hospital.

All LTGO bonds are general obligations of the District and are secured by an irrevocable pledge of the District that it will have sufficient funds available to pay the bond principal and interest due by levying, each year, a maintenance and operations tax upon the taxable property within the District.

The LTGO bond is a direct and general obligation and is secured by an irrevocable pledge of the District that it will have sufficient funds available to pay the bond principal and interest due by levying each year a tax upon the taxable property within the District. Tax receipts limited for bond redemption and interest are used to pay the principal and interest each year. During the year ending December 31, 2022, the District fully paid off the Unlimited tax general obligation (UTGO) bond in the original amount of \$7,265,000.

##### Direct borrowing

- GE Government Finance, Inc., note payable dated May 29, 2020, in the original amount of \$2,000,000, for the upgrade to the emergency power system and the heating, ventilation, and air conditioning system in the operating room. The note is due in monthly installments of \$27,471, including interest at 2.12 percent, through June 2027.

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 6: Long-Term Debt (Continued)

Maturities of long-term debt are as follows for the years ending December 31:

<i>Bonds payable</i>	Principal	<u>2005 LTGO bonds</u>		Total	Principal	<u>2010 LTGO bonds</u>		Total
		Interest				Interest		
2024	\$ 213,906	\$ 20,535	\$	234,441	\$ 95,000	\$ 287,034	\$	382,034
2025	226,094	10,503		236,597	95,000	283,116		378,116
2026	-	-		-	335,000	278,559		613,559
2027	-	-		-	350,000	256,198		606,198
2028	-	-		-	365,000	232,835		597,835
2029 - 2033	-	-		-	2,085,000	773,827		2,858,827
2034 - 2035	-	-		-	970,000	100,719		1,070,719
<b>Total</b>	<b>\$ 440,000</b>	<b>\$ 31,038</b>	<b>\$</b>	<b>471,038</b>	<b>\$ 4,295,000</b>	<b>\$ 2,212,288</b>	<b>\$</b>	<b>6,507,288</b>

<i>Direct borrowing</i>	Principal	Interest	Total
2024	\$ 283,611	\$ 20,528	\$ 304,139
2025	315,729	13,921	329,650
2026	322,478	7,172	329,650
2027	163,740	1,010	164,750
<b>Total</b>	<b>\$ 1,085,558</b>	<b>\$ 42,631</b>	<b>\$ 1,128,189</b>

#### Note 7: Leases

Changes in leases payable consisted of the following as of December 31:

	Balance January 1, 2023	Additions	Reductions	Balance December 31, 2023	Amounts due Within One Year
Building lease payable	\$ -	\$ 362,703	\$ (27,076)	\$ 335,627	\$ 43,184
Equipment leases payable	700,299	120,831	(274,064)	547,066	265,904
<b>Leases payable</b>	<b>\$ 700,299</b>	<b>\$ 483,534</b>	<b>\$ (301,140)</b>	<b>\$ 882,693</b>	<b>\$ 309,088</b>

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 7: Leases (Continued)

Changes in leases payable consisted of the following as of December 31:

	Balance January 1, 2022	Additions	Reductions	Balance December 31, 2022	Amounts due Within One Year
Equipment leases payable	\$ -	\$ 948,502	\$ (248,203)	\$ 700,299	\$ 268,866

#### *District as Lessee*

The terms and expiration dates of the District's leases payable at December 31, 2023, follow:

Building lease - Payable is monthly installments from \$5,540 and interest at 7.37% with expiration dated from May 1, 2023 through April 1, 2030.

Equipment leases - Payable is monthly installments from \$200 to \$13,000 and interest at 6.00% with expiration dated from March 1, 2024 through July 25, 2028.

Future minimum lease payments for the years ending December 31 are:

	Principal	Interest	Total
2024	\$ 309,088	\$ 48,426	\$ 357,514
2025	208,394	30,604	238,998
2026	114,636	21,528	136,164
2027	86,935	14,520	101,455
2028	77,513	8,775	86,288
2029 - 2030	86,127	4,462	90,589
<b>Total</b>	<b>\$ 882,693</b>	<b>\$ 128,315</b>	<b>\$ 1,011,008</b>

# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 8: Defined Contribution Retirement Plan**

The District has a tax-sheltered annuity (TSA) plan that is available to substantially all employees. The plan has been established by the District under Section 403(b) of the Internal Revenue Code and is administered by Nationwide. The name of the plan is Lewis County Hospital District No. 1 doing business as Morton General Hospital 403(b) Plan (the Plan). The Plan is a defined contribution plan funded from both employee and employer contributions that are deposited in employee-controlled accounts. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the District. Employees may contribute to the TSA immediately upon employment. After employees have completed 12 months of service (1,000 hours in the preceding 12-month period), have attained age 18, and are in the eligible class, the District will make contributions to the employee's account. The District's contribution is on a matching basis at a rate to be determined annually by the District, and the District maintains sole discretion of how much, if any, it will make as an employer contribution. Employee and employer contributions are 100 percent vested at the time they are paid. Pension expenses for the years ended December 31, 2023 and 2022, were approximately \$593,000 and \$566,000, respectively. Employee contributions to the Plan for the years ended December 31, 2023 and 2022, were approximately \$880,000 and \$1,023,000, respectively.

The District owed approximately \$57,000 and \$107,000 to the Plan at December 31, 2023 and 2022, respectively.

#### **Note 9: Charity Care**

The District provides charity care to patients who are financially unable to pay for the healthcare services they receive. The District's policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the District does not report these amounts in net operating revenues or in the allowance for uncollectible accounts. The District determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries and wages, benefits, supplies, and other operating expenses, based on data from its costing system. The costs of caring for charity care patients for the years ended December 31, 2023 and 2022, were approximately \$726,000 and \$719,000, respectively. The District did not receive any gifts or grants to subsidize charity services during 2023 and 2022.

#### **Note 10: Property Taxes**

The Lewis County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on January 1 on property values assessed as of the prior January 1 and are intended to finance the District's activities of the same calendar year. Assessed values are established by the Lewis County Assessor at 100 percent of fair market values. A revaluation of all property is required every four years.

Taxes are due in two equal amounts by April 30 and October 31. The assessed property is subject to lien on the levy date and taxes are considered delinquent after October 31. Collections are distributed monthly to the District by the County Treasurer.

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

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#### Note 10: Property Taxes (Continued)

The District is permitted by law to levy up to \$0.75 per \$1,000 of assessed valuation for general District purposes. Washington State Constitution and Washington State Law, RCW 84.55.010, limit the rate. The District may also levy taxes at a lower rate. Further amounts of tax need to be authorized by the vote of the residents of Lewis County.

Taxes estimated to be collectible are recorded as revenue in the year of the levy. Taxes levied for operations are recorded as nonoperating revenue. Since state law allows for sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

The District's tax levies are comprised of the following:

2023				
		<u>Assessed Value</u>		
	Levy Rate	Real and Personal	Timber	Total Levy Amount
Maintenance and operation	0.2917	\$2,409,576,522	\$1,170,248,641	\$1,044,235

2022				
		<u>Assessed Value</u>		
	Levy Rate	Real and Personal	Timber	Total Levy Amount
Bond	0.3594	\$1,803,577,464	\$972,955,647	\$997,886
Maintenance and operation	0.3725	\$2,248,767,785	\$ -	\$837,666

As stated in note 6, during 2023 the District paid off the Unlimited tax general obligation (UTGO) bond. As a result, the District will no longer be receiving tax levies for bond repayment.

#### Note 11: Risk Management

*Risk management* - The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

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#### **Note 11: Risk Management** (Continued)

*Medical malpractice claims* - The District has professional liability insurance coverage with Physicians Insurance. The policy provides protection on a "claims-made" basis whereby claims filed in the current year are covered by the current policy. If there are occurrences in the current year, these will only be covered in the year the claim is filed if claims-made coverage is obtained in that year or if the District purchases insurance to cover prior acts. The current professional liability insurance provides \$1,000,000 per claim of primary coverage with an annual aggregate limit of \$5,000,000. The policy has no deductible per claim.

The District also has excess professional liability insurance with Physicians Insurance on a "claims-made" basis. The excess malpractice insurance provides \$4,000,000 per claim of primary coverage with an aggregate limit of \$5,000,000. The policy has no deductible per claim.

No liability has been accrued for future coverage for acts, if any, occurring in this or prior years. Also, it is possible that claims exceed coverage available in any given year.

*Self-insurance risk pools* - The District has a self-insured unemployment plan for its employees. The District participates in the Public Hospital District Unemployment Trust, which is a risk transfer pool administered by the Washington State Hospital Association. The District recognized a \$0 dividend from the Public Hospital District Unemployment Compensation Trust in 2023 and 2022, which was offset against unemployment expense. Payments by the District charged to unemployment expense prior to the dividend were approximately \$33,000 and \$35,000 in 2023 and 2022, respectively.

*Industry regulations* - The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditations, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the District is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations. While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

#### **Note 12: Medical Self-Funded Health Plan**

In February 2018, the District began partially self-insuring the cost of employee healthcare benefits. The District self-insures the first \$80,000 in claims per eligible participant. The District also purchases annual stop-loss insurance coverage for all claims in excess of \$80,000 per participant. Accrued compensation and related liabilities on the statements of net position include an accrual for claims that have been incurred but not reported. Claim liabilities are re-evaluated periodically to take into consideration recently settled claims, frequency of claims, and other economic and social factors.

# Lewis County Public Hospital District No.1

## DBA Arbor Health

### Notes to Financial Statements

#### Note 12: Medical Self-Funded Health Plan (Continued)

Changes in the District's incurred but not reported liability are as follows:

<i>December 31,</i>	2023	2022
Claim liability, beginning of year	\$ 150,186	\$ 151,723
Current year claims and changes in estimates	2,445,132	1,803,683
Claims payments	(2,395,658)	(1,805,220)
<b>Total</b>	<b>\$ 199,660</b>	<b>\$ 150,186</b>

#### Note 13: Concentration of Credit Risk

Patient accounts receivable - The District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The majority of these patients are geographically concentrated in and around Lewis County.

The mix of receivables from patients and third-party payors was as follows at December 31:

	2023	2022
Medicare	48 %	48 %
Medicaid	15	14
Commercial and others	33	31
Private pay	4	7
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

*Physicians* - The District is dependent on local physicians practicing in its service area to provide admissions and utilize hospital services on an outpatient basis. A decrease in the number of physicians providing these services or change in their utilization patterns may have an adverse effect on hospital operations.

*Collective bargaining units* - Effective July 1, 2021, the District renewed its contract with Carpenters' Industrial Council Local Union No. 2767. Approximately 43 percent of the District's employees are represented by the labor union under this collective bargaining agreement. The contract is effective through June 30, 2024.

Effective July 8, 2022, the District renewed its contracts with Washington State Nurses Association for registered nurses and licensed practical nurses. Approximately 11 percent of the District's employees are represented by the labor union under these collective bargaining agreements. The contracts are effective through March 31, 2025. Negotiations remain ongoing.



# **Lewis County Public Hospital District No.1**

## **DBA Arbor Health**

### **Notes to Financial Statements**

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#### **Note 14: COVID-19 Relief Funds and Grant Revenue**

Since the start of the program the District received \$5,491,422 of funding from the CARES Act Provider Relief Fund, respectively. These funds are required to be used to reimburse the District for healthcare-related expenses or lost revenues that are attributable to coronavirus. The District has recorded these funds as unearned revenue until eligible expenses or lost revenues are recognized. During the years ended December 31, 2023 and 2022, the District recognized \$0 and \$1,000,000 of grant revenue from these funds, respectively. The District had no remaining funds as of December 31, 2023.

## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Commissioners  
Lewis County Public Hospital District No.1 DBA Arbor Health  
Morton, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lewis County Public Hospital District No.1 DBA Arbor Health (the "District"), which comprise the statement of net position as of December 31, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated July 16, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Spokane, Washington  
July 16, 2024

## **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-7

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##### **Arbor Health**

- Emily Johnston, MD (Emergency Medicine)
- Owen McGrane, MD (Emergency Medicine)
- Karen McGrane, MD (Emergency Medicine)

##### **Radiology Consulting Privileges**

- Brendan Harrison, MD
- Brian C. Tryon, MD

##### **Telestroke/Neurology Consulting Privileges**

- Meghan Romba, MD
- Lien Nyugen, DO

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#### REAPPOINTMENTS-16

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##### **Arbor Health**

- Anthony Fritz, MD (Internal Medicine)
- Don Allison, MD (Family Medicine)
- Stanford Tran, MD (Emergency Medicine)

##### **Radiology Consulting Privileges (Radia Inc.)**

- Mark Winkler, MD
- Andrew Taylor, MD
- David Gorrell, MD
- Patrick Hurley, MD
- Jonathan Lee, MD

##### **Telestroke/Neurology Consulting Privileges**

- Michael Marvi, MD
- Robert Lada, MD
- Kishan Patel, MD
- Lindsey Frischmann, DO
- Tarvinder Singh, MD
- Kinjal Desai, MD

✱-notates files with items to note.



- Kyle Ogami, MD

**Cardiology Consulting Privileges**

- Hartaj Girn, MD

✪-notates files with items to note.

## **BOARD COMMITTEE REPORTS**

**Arbor Health Foundation meeting**

**07-9-2024**

**1. Call to order by Louise Fisher at 12:00pm**

OUR MISSION: To raise funds and provide services that will support the viability and long-term goals of the Lewis County Hospital District No. 1. This includes, but is not limited to, taking a leadership role in maintaining and improving community connection and confidence in all aspects of the hospital's health care system.

- **EXCUSED ABSENCES:** Lynn Bishop, Bonnie Justice, Gwen Turner
- **IN ATTENDANCE:** Marc Fisher, Louise Fisher, Jeannine Walker, Barb Van Duren, Will Sullivan, Shannon Kelly, Katelin Forrest, Paula Baker, Kip Henderson, Tom Herrin, Christie Greiter, Jessica Scogin, Rob Mach, (DIDN'T GET WHO WAS REMOTE IN THE MEETING)

**2. Approval of Treasurer's Report and June Minutes:** Motion to approve treasurer's report and June minutes made by Tom Herrin and 2<sup>nd</sup> by Katelin Forrest.

**3. Administrators Report:** Rob Mach, CEO, gave a positive report on the hospital financial health and indicators. Commissioners attended conference in Chelan which Tom Herrin reported was a beneficial conference. They received a Quality Award at the conference. They are committed to going to next year's conference as well. Rob continues to work with Olympia Group for getting a cardiologist to service Arbor Health. They are getting close to working out a contract. Regulatory issues with new laws are being worked through...getting close to having an appropriate plan. New PA, Sarah Pearlman, was interviewed and working to get a deal worked out with her. The hospital is hoping to have a Patient Access Advocate to assist patients with working through financial and insurance issues for care. Rob gave an update on the number of ultra sounds that were performed in the same 2 month period a year ago and we have increased by 85. The foundation helped to purchase the new ultra sound equipment.

**4. Executive Directors Report:**

- **Jubilee float (Will Sullivan)**—Will has a black boat that will be used in the Jubilee Parade. Anyone wanting to help decorate with a pirate theme, the decorating will take place on Friday before the parade at Jessica's house. Several characters will dress up and ride in the boat pulled by the hospital truck in the parade. They will be throwing root beet barrel candies.



- **Jubilee raffle**—Friday night during the lawn mower races. Christie Greiter will help up the raffle event. If you'd like to help with selling tickets contact Jessica. You do need to be present to win and the drawing is after the time trials on Friday night.
- **Independence Day Run**—Great turn out...250+ participants. Rob helped hand out participation medals. There were 30+ employees that participated. It was a great event.
- **Auction items**—We need to begin to secure items for the Hospital Foundation Auction that will be held on October 12<sup>th</sup>. This year's theme will be a pirate theme. Last year we had about 95 items. As items are secured Jessica will send pictures to the auction company and they will place them online, not as an auction but just so they can be seen and encouraging people to attend the event. Tom Herrin volunteered his wife to make a quilt that will go along with the theme.

**5. Old Business:**

**6. New Business:** Auction Fund-A-Need presentation by CNO/CQO Barbara Van Duren. Barbara is working toward having a more Family Centered Care approach to patients in the hospital. This approach has proven to have a positive impact. The idea is that family really knows the patient the best. Barbara is asking for the foundation to help fund Pullout Recliner chairs in each of the patient rooms. Keeping the family comfortable and close to the patient can help the patient to be more relaxed and the family to feel more involved in the care process. Each chair is around \$2500. Jessica is also asking businesses if they would like to sponsor a chair. We would make sure there is a small plaque or something to acknowledge that a business purchased the chair. Hampton has already committed \$5000 to the project. Tom Herrin made a motion to have Barbara find the exact chair that would be purchased and report back and the foundation would commit to purchasing 6 through this "fund-a-need" project. Rob Mach seconded the motion. There was discussion that we could purchase additional chairs as needed in the future.

**7. Next Meeting: August 13, 2024:** Hospital Conference room at 12:00pm. September 10<sup>th</sup> meeting will be a 6:00pm meeting to be held at Tom Herrin's house...BBQ/potluck of sides/salads/desserts

**Good of the order please share.**

**To:** Finance Committee  
**From:** Finance Department  
**Date:** July 10, 2024  
**Subject:** June Financial Statement Review

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## Volumes

The district's volume highlights show higher than expected results in Physician clinic visits and Skilled Nursing days.

- Skilled Nursing volumes were ahead of budget by 49 days; Patient days were 130 on a budget of 81.
- Physician Clinic volumes were favorable to budget by 397 visits or 19%.

## Income Statement

Results from Operations show net income of \$261,958. Operating Revenues were ahead of budget by \$493,368. Operating revenues being higher than expected was primarily due to increased volumes in Swing bed.

### Revenue highlights

- Inpatient revenues were ahead of budget by \$489,356 or 66%.
  - Acute care over budget by \$84,649.
  - Swing Bed ahead of budget by \$404,707.
- Emergency department revenues were favorable to budget by \$159,606.
- Outpatient revenues were favorable to budget by \$185,806.
- Other Operating revenues were favorable to budget by \$135,637. We received Timber tax revenue of \$106,085.

### Expense highlights

- Salaries and Wages expense were very close to budget.
- Benefits expense was over budget by \$38,645.
- Purchased Services expenses were over budget by \$104,001.
  - This is primarily due to an annual DNV expense of \$33,414 and higher than expected IT software expenses.



## Balance Sheet

Highlights in the Balance sheet show cash decreasing \$441,725 and Accounts Receivable increasing \$520,430.

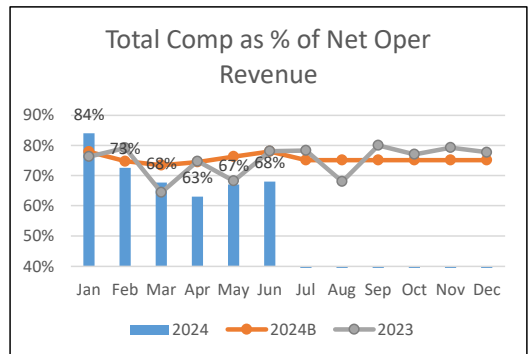
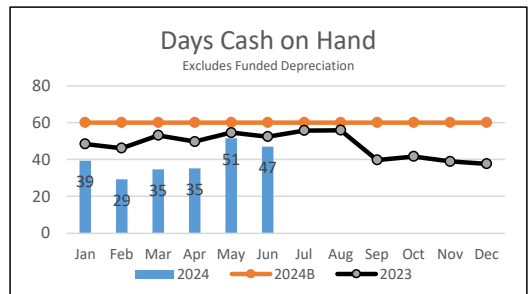
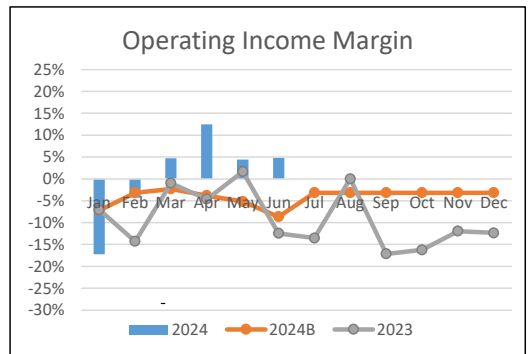
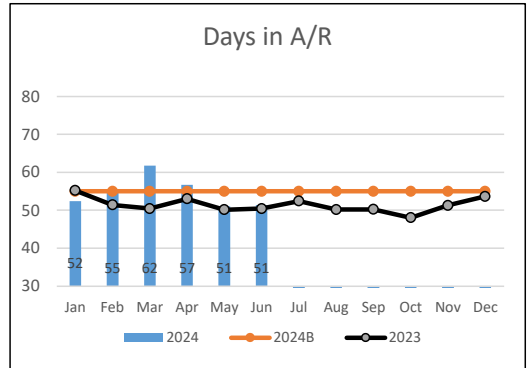
- Cash accounts decreased \$441,725 to \$5,156,023.
  - Days in cash increased from 51 to 47 days.
- Accounts receivable increased \$520,430.
  - AR days remained even at 51 days.



**ARBOR HEALTH**  
**EXECUTIVE SUMMARY**  
**Fiscal Year Ending: 6/30/24**

**BALANCE SHEET**

	YTD 6/30/2024	Prior YTD 6/30/2023
<b>ASSETS</b>		
Current Assets	\$10,691,040	\$9,987,284
Assets Whose Use is Limited	\$0	\$0
Property, Plant & Equipment (Net)	\$9,495,547	\$10,098,936
Other Assets	\$922,984	\$723,155
<b>Total Unrestricted Assets</b>	<b>\$21,109,571</b>	<b>\$20,809,375</b>
Restricted Assets	\$1,907,537	\$1,746,068
<b>Total Assets</b>	<b>\$23,017,108</b>	<b>\$22,555,443</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
Current Liabilities	\$4,746,650	\$3,405,006
Long-Term Debt	\$5,737,625	\$5,971,722
Other Long-Term Liabilities	\$0	\$0
<b>Total Liabilities</b>	<b>\$10,484,275</b>	<b>\$9,376,728</b>
Net Assets	\$12,532,833	\$13,178,715
<b>Total Liabilities and Net Assets</b>	<b>\$23,017,108</b>	<b>\$22,555,443</b>



**STATEMENT OF REVENUE AND EXPENSES - YTD**

	6/30/2024		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Gross Patient Revenues	\$5,951,038	\$5,171,942	\$32,754,358	\$30,992,210
Discounts and allowances	(\$2,368,912)	(\$1,979,812)	(\$12,810,368)	(\$11,304,621)
Bad Dbt & Char C Write-Offs	(\$156,161)	(\$123,897)	(\$752,227)	(\$704,691)
Net Patient Revenues	\$3,425,965	\$3,068,233	\$19,191,763	\$18,982,898
Other Operating Revenues	\$210,816	\$75,178	\$1,224,877	\$451,070
<b>Total Operating Revenues</b>	<b>\$3,636,781</b>	<b>\$3,143,411</b>	<b>\$20,416,640</b>	<b>\$19,433,968</b>
Salaries & Benefits	\$2,471,404	\$2,453,848	\$14,215,241	\$14,747,945
Purchased Serv	\$455,828	\$351,828	\$2,324,788	\$2,139,523
Supply Expenses	\$221,980	\$265,434	\$1,533,823	\$1,470,203
Other Operating Expenses	\$111,166	\$184,951	\$1,003,509	\$1,106,236
Depreciation & Interest Exp.	\$201,710	\$159,133	\$949,754	\$954,799
<b>Total Expenses</b>	<b>\$3,462,088</b>	<b>\$3,415,194</b>	<b>\$20,027,115</b>	<b>\$20,418,706</b>
<b>NET OPERATING SURPLUS</b>	<b>\$174,693</b>	<b>(\$271,783)</b>	<b>\$389,525</b>	<b>(\$984,738)</b>
Non-Operating Revenue/(Exp)	\$87,266	\$84,945	\$489,314	\$509,668
<b>TOTAL NET SURPLUS</b>	<b>\$261,959</b>	<b>(\$186,838)</b>	<b>\$878,839</b>	<b>(\$475,070)</b>

**KEY STATISTICS**

	6/30/2024		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Total Inpatient Admits	9	13	64	75
Average Length of Stay	5.60	4.00	4.70	4.00
Total Emergency Room Visits	459	467	2,644	2,800
Outpatient Visits	1,363	1,192	8,009	7,150
Total Surgeries	51	40	246	239

Lewis County Hospital District No. 1  
Income Statement  
June, 2024

CURRENT			MONTH			YEAR TO DATE				
Pr Yr Month	% Var	\$ Var	Budget	Actual		Actual	Budget	\$ Var	% Var	Actual
467,594	66%	489,356	739,163	1,228,519	Inpatient Revenue	5,874,215	4,434,259	1,439,956	32%	4,398,289
3,680,317	7%	266,857	3,846,114	4,112,971	Outpatient Revenue	23,296,285	23,037,959	258,326	1%	21,260,821
573,413	4%	22,883	586,665	609,548	Clinic Revenue	3,583,858	3,519,992	63,866	2%	3,113,604
4,721,324	15%	779,096	5,171,942	5,951,038	<b>Gross Patient Revenues</b>	<b>32,754,358</b>	30,992,210	1,762,148	6%	28,772,714
1,905,120	-20%	(389,101)	1,979,811	2,368,912	Contractual Allowances	12,806,545	11,304,621	(1,501,924)	-13%	10,330,014
65,240	-27%	(15,355)	57,198	72,553	Charity Care	429,616	326,330	(103,285)	-32%	306,503
39,865	-25%	(16,909)	66,699	83,608	Bad Debt	322,611	378,361	55,751	15%	481,072
2,010,225	-20%	(421,365)	2,103,708	2,525,074	<b>Deductions from Revenue</b>	<b>13,558,772</b>	12,009,313	(1,549,459)	-13%	11,117,589
<b>2,711,099</b>	<b>12%</b>	<b>357,731</b>	<b>3,068,234</b>	<b>3,425,965</b>	<b>Net Patient Service Rev</b>	<b>19,195,586</b>	<b>18,982,898</b>	<b>212,688</b>	<b>1%</b>	<b>17,655,125</b>
57.4%	3.0%	1.8%	59.3%	57.6%	<b>NPSR %</b>	58.6%	61.3%	2.6%	4.3%	61.4%
95,642	180%	135,637	75,178	210,816	Other Operating Revenue	1,224,877	451,070	773,806	172%	546,836
<b>2,806,741</b>	<b>16%</b>	<b>493,368</b>	<b>3,143,412</b>	<b>3,636,780</b>	<b>Net Operating Revenue</b>	<b>20,420,463</b>	<b>19,433,968</b>	<b>986,495</b>	<b>5%</b>	<b>18,201,961</b>
<b>Operating Expenses</b>										
1,799,765	1%	21,089	2,062,392	2,041,303	Salaries & Wages	11,861,731	12,408,658	546,927	4%	11,034,333
390,408	-10%	(38,645)	391,456	430,100	Benefits	2,353,510	2,339,287	(14,223)	-1%	2,187,841
116,672	67%	33,835	50,788	16,953	Professional Fees	251,929	352,944	101,014	29%	775,659
195,625	16%	43,454	265,434	221,980	Supplies	1,533,823	1,470,203	(63,621)	-4%	1,370,214
382,648	-30%	(104,001)	351,828	455,828	Purchase Services	2,324,788	2,139,523	(185,265)	-9%	2,043,860
45,376	9%	3,909	41,577	37,668	Utilities	246,635	241,949	(4,686)	-2%	261,516
28,055	0%	(161)	32,769	32,929	Insurance	197,098	196,613	(484)	0%	171,455
52,568	61%	36,201	59,818	23,617	Other Expenses	307,847	314,731	6,884	2%	276,629
3,011,116	0%	(4,317)	3,256,061	3,260,379	EBDITA Expenses	19,077,362	19,463,908	386,545	2%	18,121,507
(204,376)	-434%	489,051	(112,649)	376,402	<b>EBDITA</b>	1,343,101	(29,940)	1,373,040	-4586%	80,454
-7.3%	388.8%	-13.9%	-3.6%	10.3%	<b>EBDITA %</b>	6.6%	-0.2%	-6.7%	4369.3%	0.4%
<b>Capital Cost</b>										
125,552	-30%	(39,695)	131,791	171,486	Depreciation	763,977	790,748	26,771	3%	778,145
28,970	-11%	(2,882)	27,342	30,224	Interest Cost	185,777	164,051	(21,726)	-13%	174,488
3,165,639	-1%	(46,894)	3,415,194	3,462,088	Operating Expenses	20,027,115	20,418,706	391,591	2%	19,074,140
(358,898)	-164%	446,474	(271,782)	174,692	<b>Operating Income / (Loss)</b>	393,347	(984,738)	1,378,085	-140%	(872,179)
-12.8%			-8.6%	4.8%	<b>Operating Margin %</b>	1.9%	-5.1%			-4.8%
0	0%	0	0	0	<b>Mcare/Mcaid Pr Yr</b>	(3,822)	0	3,822	0%	33,392
<b>Non Operating Activity</b>										
113,299	3%	2,412	89,195	91,607	Non-Op Revenue	517,124	535,170	(18,046)	-3%	810,497
3,336	-2%	(91)	4,250	4,341	Non-Op Expenses	27,810	25,503	(2,307)	-9%	28,284
109,963	3%	2,322	84,945	87,266	<b>Net Non Operating Activity</b>	489,314	509,668	(20,353)	-4%	782,213
(248,935)	-240%	448,796	(186,838)	261,958	<b>Net Income / (Loss)</b>	878,840	(475,070)	1,353,910	-285%	(56,574)
-8.9%			-5.9%	7.2%	<b>Net Income Margin %</b>	4.3%	-2.4%			-0.3%

All Arbor Health  
Income Statement  
June, 2024

Pr Yr MTD	% Var	MTD \$ Var	MTD Budget	MTD Actual		YTD Actual	YTD Budget	YTD \$ Var	YTD % Var	PY YR YTD
467,594	66%	489,356	739,163	1,228,519	Total Hospital IP Revenues	5,874,215	4,434,259	1,439,956	32.5	4,398,289
3,680,317	7%	266,857	3,846,114	4,112,971	Outpatient Revenues	23,296,285	23,037,959	258,326	1.1	21,260,821
573,413	4%	22,883	586,665	609,548	Clinic Revenues	3,583,858	3,519,992	63,866	1.8	3,113,604
4,721,324	15%	779,096	5,171,942	5,951,038	<b>Total Gross Patient Revenues</b>	32,754,358	30,992,210	1,762,148	5.7	28,772,714
(1,786,548)	20%	(385,352)	(1,907,642)	(2,292,993)	Contractual Allowances	(12,301,143)	(10,896,296)	(1,404,847)	12.9	(10,040,352)
(39,865)	25%	(16,909)	(66,699)	(83,608)	Bad Debt	(322,611)	(378,361)	55,751	-14.7	(481,072)
(65,240)	27%	(15,355)	(57,198)	(72,553)	Charity Care	(429,616)	(326,330)	(103,285)	31.7	(306,503)
(118,573)	5%	(3,749)	(72,170)	(75,919)	Other Adjustments	(509,225)	(408,325)	(100,900)	24.7	(256,270)
(2,010,225)	20%	(421,365)	(2,103,708)	(2,525,074)	<b>Total Deductions From Revenue</b>	(13,562,594)	(12,009,313)	(1,553,281)	12.9	(11,084,197)
<b>2,711,099</b>	<b>12%</b>	<b>357,731</b>	<b>3,068,234</b>	<b>3,425,965</b>	<b>Net Patient Revenues</b>	<b>19,191,764</b>	<b>18,982,898</b>	<b>208,866</b>	<b>1.1</b>	<b>17,688,517</b>
95,642	180%	135,637	75,178	210,816	Other Operating Revenue	1,224,877	451,070	773,806	171.5	546,836
<b>2,806,741</b>	<b>16%</b>	<b>493,368</b>	<b>3,143,412</b>	<b>3,636,780</b>	<b>Total Operating Revenue</b>	<b>20,416,641</b>	<b>19,433,968</b>	<b>982,673</b>	<b>5.1</b>	<b>18,235,353</b>
1,799,765	1%	21,089	2,062,392	2,041,303	Salaries	11,861,731	12,408,658	546,927	4.4	11,034,333
390,408	-10%	(38,645)	391,456	430,100	Total Benefits	2,353,510	2,339,287	(14,223)	-0.6	2,187,841
2,190,173	-1%	(17,556)	2,453,848	2,471,404	Salaries And Benefits	14,215,241	14,747,945	532,703	3.6	13,222,174
116,672	67%	33,835	50,788	16,953	Professional Fees	251,929	352,944	101,014	28.6	775,659
195,625	16%	43,454	265,434	221,980	Supplies	1,533,823	1,470,203	(63,621)	-4.3	1,370,214
382,648	-30%	(104,001)	351,828	455,828	Total Purchased Services	2,324,788	2,139,523	(185,265)	-8.7	2,043,860
45,376	9%	3,909	41,577	37,668	Utilities	246,635	241,949	(4,686)	-1.9	261,516
28,055	0%	(161)	32,769	32,929	Insurance Expense	197,098	196,613	(484)	-0.2	171,455
125,552	-30%	(39,695)	131,791	171,486	Depreciation and Amortization	763,977	790,748	26,771	3.4	778,145
28,970	-11%	(2,882)	27,342	30,224	Interest Expense	185,777	164,051	(21,726)	-13.2	174,488
52,568	61%	36,201	59,818	23,617	Other Expense	307,847	314,731	6,884	2.2	276,629
3,165,639	-1%	(46,894)	3,415,194	3,462,088	<b>Total Operating Expenses</b>	20,027,115	20,418,706	391,591	1.9	19,074,140
(358,898)	-164%	446,474	(271,782)	174,692	<b>Income (Loss) From Operations</b>	389,525	(984,738)	1,374,263	-139.6	(838,787)
113,299	3%	2,412	89,195	91,607	Total Non-Operating Revenue	517,124	535,170	(18,046)	-3.4	810,497
3,336	-2%	(91)	4,250	4,341	Total Non-Operating Expense	27,810	25,503	(2,307)	-9.0	28,284
109,963	-3%	(2,322)	84,945	87,266	Non-Operating Revenue/Expense	489,314	509,668	20,353	4.0	782,213
<b>(248,935)</b>	<b>-240%</b>	<b>448,796</b>	<b>(186,838)</b>	<b>261,958</b>	<b>Net Gain (Loss)</b>	<b>878,840</b>	<b>(475,070)</b>	<b>1,353,910</b>	<b>-285.0</b>	<b>(56,574)</b>

## Arbor Health

### 2024 Forecast

	2024 Budget	June Actual YTD	July-Dec Budget	2024 Forecast
Inpatient Revenues	8,862,251	5,874,215	4,431,126	10,305,341
Outpatient Revenues	46,114,728	23,296,285	23,057,364	46,353,649
Clinic Revenues	7,036,330	3,583,858	3,518,165	7,102,023
Gross patient Revenue	62,013,309	32,754,358	31,006,655	63,761,013
Deductions from Revenues	23,960,175	13,562,594	11,980,088	25,542,682
	39%	41%	39%	40%
Net Patient Revenues	38,053,134	19,191,764	19,026,567	38,218,331
Other Operating Revenue	902,141	1,224,877	451,071	1,675,948
Total Operating Revenues	38,955,275	20,416,641	19,477,638	39,894,279
<b>Operating Expenses</b>				
Salaries & Wages	24,864,846	11,861,731	12,432,423	24,294,154
Benefits	4,695,393	2,353,510	2,347,697	4,701,207
Professional Fees	622,458	251,929	311,229	563,158
Supplies	2,873,393	1,533,823	1,436,697	2,970,520
Purchase Services	4,074,374	2,324,788	2,037,187	4,361,975
Utilities	494,354	246,635	247,177	493,812
Insurance	393,227	197,098	196,614	393,712
Other Expenses	651,383	307,847	325,692	633,539
Depreciation	1,782,496	763,977	891,248	1,655,225
Interest Cost	328,101	185,777	164,051	349,828
Operating Expenses	40,780,025	20,027,115	20,390,013	40,417,128
Operating Income	(1,824,750)	389,526	(912,375)	(522,849)
	-5%	2%	-5%	-1%
<b>Non Operating Activity</b>				
Non-Operating Income	1,019,336	489,314	509,668	998,982
	(805,414)	878,840	(402,707)	476,133

## **CONSENT AGENDA**





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

**May 29, 2024, at 3:30 p.m.**

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

<https://myarborhealth.zoom.us/j/88957566693>

Meeting ID: 889 5756 6693

One tap mobile: +12532158782, 88957566693#

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> <b>Roll Call</b> <b>Unexcused/Excused</b> <b>Absences</b> <b>Reading the Mission</b> <b>&amp; Vision Statements</b>	Board Chair Herrin called the meeting to order at 3:30 p.m.  <b>Commissioners present:</b> <input checked="" type="checkbox"/> Tom Herrin, Board Chair <input checked="" type="checkbox"/> Craig Coppock, Secretary <input checked="" type="checkbox"/> Wes McMahan <input checked="" type="checkbox"/> Van Anderson <input checked="" type="checkbox"/> Chris Schumaker  <b>Others present:</b> <input checked="" type="checkbox"/> Robert Mach, Superintendent <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Barbara Van Duren, CNO/CQO <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Shannon Kelly, CHRO <input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director <input type="checkbox"/> Dr. Kevin McCurry, CMO <input type="checkbox"/> Matthew Lindstrom, CFMO <input checked="" type="checkbox"/> Spencer Hargett, Compliance Officer <input checked="" type="checkbox"/> Barb Goble, Medical Staff Coordinator <input checked="" type="checkbox"/> Dr. Victoria Acosta, Chief of Staff			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	<input checked="" type="checkbox"/> Clint Scogin, Controller <input checked="" type="checkbox"/> Jessica Scogin, Foundation Manager <input checked="" type="checkbox"/> Diane Markham, Marketing & Communications Manager  Board Chair Herrin noted the chat function has been disabled and the meeting will not be recorded.			
<b>Approval or Amendment of Agenda</b>		Commissioner McMahan made a motion to approve the agenda. Commissioner Anderson seconded, and the motion passed unanimously.		
<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: Commissioner Anderson thanked the staff involved in making the Mountain Festival 5K/10K a success. Also, extended kudos to Dr. Podbilski and the incredible job he is doing at Randle Clinic. Commissioner McMahan noted Arbor Health (AH) being a great place and when the good word of mouth gets around, then the community may give AH another chance as we have changed. Also, shared was an old newspaper article pay tribute to EMS week and extended a big thank you to our EMS teams for their continued collaboration. Secretary Coppock thanked the staff for another success DNV audit and so proud of the hospital's commitment to quality improvement. Board Chair Herrin echoed congratulations on the DNV survey and sharing the experience with the Board.</p> <p>Audience: Jessica Scogin shared on a personal note feeling very grateful on a recent experience with her husband's excellent and timely care</p>			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
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	received by both the Morton EMS and Arbor Health teams.			
<b>Executive Session</b> <ul style="list-style-type: none"> <li>RCW 70.41.200</li> </ul>	<p>Board Chair Herrin announced going into executive session at 3:44 p.m. for 5 minutes to discuss RCW 70.41.200-Medical Privileging. The Board returned to open session at 3:49 p.m. Board Chair Herrin noted no decisions were made in Executive Session.</p> <p>Initial Appointments: Telestroke/Neurology Consulting Privileges</p> <ol style="list-style-type: none"> <li>Aaron Stayman, MD</li> <li>Vishal Jani, MD</li> </ol> <p>Reappointments: Arbor Health</p> <ol style="list-style-type: none"> <li>Anthony Fritz, MD (Internal Medicine)</li> </ol> <p>Radiology Consulting Privileges</p> <ol style="list-style-type: none"> <li>David Miller, MD</li> <li>Kirk Myers, DO</li> <li>Jigish Patel, MD</li> <li>Amar Purandare, MD</li> <li>Kevin Roscoe, MD</li> <li>Charles Shen, MD</li> <li>Navneet Singha, MD</li> <li>David Stagnone, MD</li> <li>Lloyd Stambaugh, MD</li> <li>Ian Timms, MD</li> <li>Chrystel Venturini, MD</li> <li>Evert-Jan Verschuyt, MD</li> <li>Pedro Vieco, MD</li> <li>David Westman, MD</li> <li>Xi Zhang, MD</li> <li>Robert Apland, DO</li> </ol>	<p>Commissioner Anderson made a motion to approve the Medical Privileging as presented removing Anthony Fritz, MD for consideration and Commissioner McMahan seconded. The motion passed unanimously.</p>		

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
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	17. Samantha Lancaster, MD 18. Eileen Lorenz, MD Telestroke/Neurology Consulting Privileges <ol style="list-style-type: none"> <li>1. Amit Kansara, MD</li> <li>2. Joseph Freeburg, MD</li> <li>3. Hanbing Wang, MD</li> </ol>			
Department Spotlight	<p>Marketing &amp; Communication Manager Markham highlighted the 2024 Marketing Plan showcasing what, when and where resources, time and money will be allocated. This schedule continues to evolve as District needs adjust whether internal or external factors. The digital world of marketing continues to be sophisticated and driving where people receive care. Patient reviews and star ratings do matter, and continued progress is being made. The Arbor Health website has even won awards, very proud!</p> <p>The Commissioners noted a very well-done spotlight, as well opened their eyes to the importance of social media and benefits of tracking where and when to post to engage every age group.</p>			
<b>Board Committee Reports</b> <ul style="list-style-type: none"> <li>Hospital Foundation Report</li> </ul>	Board Chair Herrin highlighted the following: <ol style="list-style-type: none"> <li>1. Ladies Night was a successful night, with guest speaker, Amy Mach, who discussed the importance of early detection.</li> <li>2. CPR classes offered in local schools is taking shape.</li> <li>3. Comfort Furniture for patient rooms will be the Fund-A-Need at this year's auction.</li> <li>4. Sponsored the Packwood run with 60 plus participants.</li> </ol>			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	5. Sports physicals are in process and the AH Foundation is covering the \$5 cost per athlete, great community work.			
<ul style="list-style-type: none"> <li>Finance Committee Report</li> </ul>	Commissioner McMahan highlighted the financial summary making note April was another strong month. The Trubridge report identified key areas of opportunity. There is a coding reporting coming next month. The District needs to get to the root cause on billing, denials and maximizing what insurance companies are paying us. Given the finance team lost a key play in Revenue Cycle and temporarily Controller Scogin was on EIL, the team remains strong and moving forward.			
<ul style="list-style-type: none"> <li>Compliance Committee Report</li> </ul>	<p>Commissioner Schumaker highlighted the compliance summary making note of the risk assessment progress, items due to DOH, ongoing audits, regulatory requirements in the pipeline, Q1 HIPAA events and a plan for privacy training. The approach when HIPAA events occur is defined, documented and remediated in a manner supported by Just Culture.</p> <p>Compliance Officer Hargett shared as requested Cyber Security training will be coming soon for the commissioners in Q3.</p>	Assign KnowBe4 Cybersecurity Training in Q3.	Compliance Officer Hargett & the Commissioners	07.31.24 Regular Board Meeting
<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. April 24, 2024, Regular Board Meeting</li> <li>b. May 1, 2024, Compliance Committee Meeting</li> </ol> </li> </ol>	<p>Commissioner McMahan made a motion to approve the Consent Agenda and Secretary Coppock seconded. The motion passed unanimously.</p> <p>Minutes and Warrants will be sent for electronic signatures.</p>	Executive Assistant Garcia	05.31.24

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	<p>c. May 22, 2024, Finance Committee Meeting</p> <p>2. Warrants &amp; EFTs in the amount of \$4,079,378.14 dated April 2024</p>			
<b>Old Business</b>	Nothing to report.			
<b>New Business</b> <ul style="list-style-type: none"> <li>Resolution 24-11- Approving the Amendment to the Capital Purchase of MRI Unit</li> </ul>	<p>Superintendent Mach presented as a result of expanding the scope of the MRI Unit project there are three change orders needed to move forward. These change orders will roll into the current lease approved in August 2023. The amount on the resolution in the packet of \$1,903,769.82 is incorrect according to the most recent contract addendum received from Siemens totaling \$1,887,861. The resolution will be updated to reflect new amount.</p>	<p>Commissioner Anderson made a motion to approve Resolution 24-11 and Commissioner McMahan seconded. The motion passed unanimously.</p> <p>Resolution will be updated with new total lease amount and sent for electronic signatures.</p>	Executive Assistant Garcia	05.31.24
<b>Superintendent Report</b>	<p>Superintendent Mach highlighted the memo in the packet and added the following updates:</p> <ol style="list-style-type: none"> <li>1. DNV Survey was a success with a couple noteworthy efforts; impressed that we have a CFMO, loved the QAPI Pod concept and the patient signage in the ED. There were five findings and two were carry-overs from 2023. The DNV Survey experience was overall a good experience, educational and appreciated the collaborative approach.</li> <li>2. Continuing to recruit a cardiologist.</li> <li>3. Dr. Hines is starting June 3<sup>rd</sup>, watch for marking going live soon,</li> <li>4. Working with a compensation team to review physician, executive level and non-union employee salary ranges. Administration wants to</li> </ol>			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
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	<p>remain competitive and in line with the market.</p> <p>5. Thank you, Board Chair Herrin and Commissioner Anderson, for attending the recent employee appreciate event.</p> <p>CNO/CQO Van Duren shared the hospital is going to start working on Get with the Guidelines with the American Heart Association. While Administration is not renewing the DNV Stroke Certification, the Hospital needs to stay accountable reporting and meeting targets. There are no costs associated.</p> <p>Superintendent Mach reviewed the Strategic Plan noting green means making progress, yellow means little progress and red means no progress. Superintendent Mach recommended revisiting the intent behind the red topics, as he was not here when the plan was developed.</p>			
<b>Meeting Summary &amp; Evaluation</b>	<p>Superintendent Mach provided a meeting summary. Commissioner Anderson noted a static meeting and appreciated the Compliance Committee update. Commissioner McMahan noted good communication, happy to hear Controller Scogin is recovering well and so glad the Hospital was here for him. Kudos to Diane Markham on her spotlight presentation today! Secretary Coppock echoed an awesome report Diane, thanked Commissioner Schumaker for a thorough Compliance report and appreciate the data to understand the changes to the MRI Unit updates. Commissioner Schumaker agreed it was a great spotlight this month and the Board is moving in a positive direction on working hard to make things better. Board Chair Herrin noted covering lots of ground, proud of the staff at Arbor Health as</p>			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	everyone makes it look easy simply while knowing it is not.			
<b>Executive Session</b> <ul style="list-style-type: none"> <li>RCW 42.30.110(g)</li> </ul>	<p>Board Chair Herrin announced going into executive session at 5:00 p.m. for 30 minutes to discuss RCW 42.30.110(g)-To discuss the performance of a public employee. At 5:30 p.m. Board Chair Herrin extended Executive Session by 10 minutes. The Board returned to open session at 5:40 p.m. Board Chair Herrin noted no decisions were made in Executive Session.</p> <p>The Board agreed to schedule a Special Board Meeting in June or July to continue this Executive Session.</p>	Schedule a Special Board Meeting.	Board Chair Herrin & EA Garcia	Prior to 07.31.24 Regular Board Meeting
<b>Guest Speaker</b>	Kurt O'Brien provided a final education session to the Board. The Board agreed to meet the community where they are already going to be, hopefully a venue with a captive audience to have a genuine conversation with the community to understand the needs of the District. Kurt noted questions 1, 5, 8 and 14 might be a good place to start.	Continue community engagement discussion.	Board of Commissioners	07.31.24
<b>Adjournment</b>		Secretary Coppock moved, and Commissioner McMahan seconded to adjourn the meeting at 6:36 p.m. The motion passed unanimously.		

Respectfully submitted,

Craig Coppock, Secretary

Date





**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**Plant Planning Committee Meeting**  
**June 05, 2024, at 12:00 p.m.**  
**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 Roll Call Excused/Unexcused Absences Reading the Mission & Vision Statements	Commissioner McMahan called the meeting to order via Zoom at 12:00 p.m.  Commissioner(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Wes McMahan, Commissioner <input checked="" type="checkbox"/> Chris Schumaker, Commissioner  Committee Member(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Robert Mach, Superintendent <input checked="" type="checkbox"/> Matthew Lindstrom, CFMO <input type="checkbox"/> Barbara Van Duren, CNO/CQO <input checked="" type="checkbox"/> William Sullivan, Facilities Engineering Manager <input checked="" type="checkbox"/> Josh Kolberg, PKA Architects	Excused Absences: Barbara Van Duren (PTO)		
Approval or Amendment of Agenda		Superintendent Mach made a motion to approve the agenda and Commissioner Schumaker seconded. The motion passed unanimously.		
Conflicts of Interest	Commissioner McMahan asked the attendees to state any conflicts of interest with today's agenda.	None noted.		

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
Guest Speaker	<p>Josh Kolberg, PKA Architects highlighted the following:</p> <ol style="list-style-type: none"> <li>1. This facility master plan is at a 60,000-foot level to show potential program and site opportunities.</li> <li>2. The leadership team was involved in the planning process, but should Arbor Health choose to pursue one or more of these options, additional staff, community and resources would be involved.</li> <li>3. Reviewed the possibilities for expanding or modifying service spaces such as South &amp; North Campus Parking, South Campus PT MOB, On Campus Heliport, 2<sup>nd</sup> Floor MOB, 2<sup>nd</sup> Floor Admin, PT/PT Waiting/Sleep Lab, Single Rooms w/Shower, Surgery Expansion, ED Expansion, and Staff Training Space.</li> <li>4. Recommending providing this same presentation to the Board on future ideas for a possible bond, as well as a prioritization list on improving the patient care experience.</li> </ol>			
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 Plant Planning Minutes –June 15, 2022</li> </ol>	Commissioner Schumaker made a motion to approve the consent agenda and Superintendent Mach seconded. The motion passed unanimously.		
<p>Old Business</p> <ul style="list-style-type: none"> <li>• Replacement of Equipment:</li> <li>• HVAC</li> </ul>	<p>Facility Engineering Manager Sullivan noted the replacement of dated HVAC units that were not repairable and need to be replaced. Updating mini splits in patient rooms as needed to ensure patient comfort.</p>			
<ul style="list-style-type: none"> <li>• Installation of:</li> </ul>	Facility Engineering Manager Sullivan noted the O2 Mini Bulk			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
<ul style="list-style-type: none"> <li>O2 Mini Bulk Tank</li> <li>Electronic Vehicle (EV) Charging Station</li> <li>CT Scanner</li> </ul>	<p>Tank is in operation and has greatly improved patient safety. The EV Charging Station is available for use and a great addition for the District. The CT Scanner is functioning and providing awesome patient care.</p>			
<ul style="list-style-type: none"> <li>AH Property Status Updates:</li> <li>Packwood Clinic</li> <li>AH Grounds Upkeep-Contracted Landscaper</li> <li>HVAC-Biannual Inspections</li> <li>Morton Clinic Flood</li> <li>Parking Lots-Sink Hole Repairs</li> <li>Rehab Services Pool-Floor &amp; Shower Repairs</li> </ul>	<p>Facility Engineering Manager Sullivan highlighted the following on campus updates:</p> <ol style="list-style-type: none"> <li>1. Packwood Clinic has been open for a year and a great addition to our Rural Health Clinic footprint.</li> <li>2. Contracted a landscaper to maintain the campus and clinics.</li> <li>3. Implemented biannual inspections on HVAC, so before each season of Winter and Spring.</li> <li>4. Morton Clinic is fully functional post the recent flooding.</li> <li>5. Parking lot repairs are completed, noting there was a sink hole due to a home being buried underneath.</li> <li>6. Installed new flooring in patient showers and rehab pool floor to add grip for patient safety.</li> </ol> <p>Facility Engineering Manager Sullivan added the team is planning to brighten up the patient care rooms in hopes that patients choose Arbor Health again. Also, looking to add a palliative care patient care room to ensure comfort for end-of-life patients.</p>			
<p>New Business</p> <ul style="list-style-type: none"> <li>Facility Master Plan</li> </ul>	<p>Superintendent Mach reiterated wanting to present the Facility Master Plan to the whole Board. EA Garcia recommended presenting in August as the Financial Auditors are presenting at the July meeting. This Master Facility Plan is a functional working document and aims to</p>	<p>Present Facility Master Plan to the Board.</p>	<p>CFMO Lindstrom &amp; Superintendent Mach</p>	<p>08.28.24 Regular Board Meeting</p>

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	meet the needs and wants of the District.			
<ul style="list-style-type: none"> <li>Capital Needs Pipeline Report</li> </ul>	CFMO Lindstrom shared the team is tracking a five-year plan with all equipment which includes end of life expectancy and replacement needs. The goal is to replace before end of life because it ends up costing more putting band aids on equipment if the District is financially healthy to replace. Ultimately, transitioning to a proactive approach and being ahead of the curve will allow good decision making to grow. There are always federal requirements in the pipeline that are prioritized too.			
Meeting Summary & Evaluation	CFMO Lindstrom provided a summary report. Commissioner Schumaker noted great presentation and while late on time it was worth it. Commissioner McMahan thanked everyone for answering the questions to the best of their ability.			
Adjournment	Commissioner McMahan adjourned the meeting at 1:09 p.m.			



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1  
QUALITY IMPROVEMENT OVERSIGHT MEETING  
June 12, 2024, at 7:00 a.m.  
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 Roll Call Unexcused/Excused Absences Reading the Mission & Vision Statements	Secretary Coppock called the meeting to order via Zoom at 7:00 a.m.  Commissioner(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Craig Coppock, Secretary <input checked="" type="checkbox"/> Van Anderson, Commissioner  Committee Member(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Julie Johnson, QMRC Manager <input type="checkbox"/> Robert Mach, Superintendent <input checked="" type="checkbox"/> Barbara Van Duren, CNO/CQO <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Nicholas Tyler, Pharmacist <input checked="" type="checkbox"/> Dr. Victoria Acosta, Chief of Staff <input type="checkbox"/> Dr. Kevin McCurry, CMO <input checked="" type="checkbox"/> Kelly Hauser, Inpatient and ED Services Director <input type="checkbox"/> Gary Preston, MA PhD CIC FSHEA <input type="checkbox"/> Shannon Kelly, CHRO <input checked="" type="checkbox"/> Spencer Hargett, Compliance Officer	Excused Absences: Shannon Kelly, Robert Mach (PTO), Dr. Kevin McCurry (PTO), Matthew Lindstrom (PTO) & Gary Preston  Unexcused Absences:		

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	<input checked="" type="checkbox"/> Barb Goble, Medical Staff Coordinator <input type="checkbox"/> Matthew Lindstrom, CFMO <input checked="" type="checkbox"/> Lynn Bishop, Community Member			
Approval or Amendment of Agenda		Commissioner Anderson made a motion to approve the agenda and Ancillary Services Director Taylor seconded. The motion passed unanimously.		
Conflicts of Interest	Secretary Coppock asked the Committee to state any conflicts of interest with today's agenda.	The Committee noted none.		
Committee Reports <ul style="list-style-type: none"> <li>Medical Executive Committee (MEC)</li> <li>QAPI Pods</li> <li>Environment of Care (EOC)</li> <li>Internal Audits</li> </ul>	<p>CNO/CQO Van Duren noted the QAPI Pods continue to show progress at various stages and highlighted best practices from each leadership groups focus areas. Also, DNV gave kudos to the QAPI Pods and their function.</p> <p>CNO/CQO Van Duren shared DOH was onsite for a EMTALA Violation. A Plan of Correction (POC) is due by June 20, 2024, and cannot stress the importance of educating the staff to resolve this citation with CMS and WA DOH.</p> <p>QMRC Manager Johnson highlighted while the hospital is on the NIAHO DNV journey to ISO 9001 comes Internal Audits. QMRC Manager Johnson shared the committee continues to be new and evolve with the culture of improving processes related to impacting patient care, safety, and experience while at AH.</p> <p>Chief of Staff Dr. Acosta noted appointment summaries from March, April &amp; May.</p> <p>No EOC summary report due to absences.</p>			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
Consent Agenda <ul style="list-style-type: none"> <li>Approval of Minutes</li> </ul>	Approval of the following: <ol style="list-style-type: none"> <li>March 13, 2024, Quality Improvement Oversight (QIO) Committee Meeting</li> <li>LifeCenter Northwest Q1 Report</li> </ol>	Pharmacist Tyler made a motion to approve the consent agenda and Commissioner Anderson seconded. The motion passed unanimously.		
Old Business <ul style="list-style-type: none"> <li>031324 Action Item Follow Up</li> </ul>	<p>CNO/CQO Van Duren shared the results of the Annual Quality Risk Management tool are incomplete. There were committee members with questions who did not find the tool helpful in evaluating risk. Administration is researching another way to review and rate risk in the hospital.</p> <p>CNO/CQO Van Duren noted the Nurse Staffing Plan will be approved in New Business and confirmed it still has not been updated on the DOH website. The delay is on Department of Health's side. There are more updates to the law coming soon.</p> <p>CNO/CQO Van Duren recommended deferring the following action item due to CFMO Lindstrom being on PTO; Confirm if 87% of all employees completed annual safety training in 2023. This action item is in reference to the EOC Master Plan Evaluation that as approved in March 2024.</p>	<p>Research other ways to evaluate quality risk for the hospital.</p> <p>Confirm if 87% of all employees completed annual safety training in 2023.</p>	<p>CNO/CQO Van Duren</p> <p>CFMO Lindstrom</p>	<p>09.11.24 QIO Meeting</p> <p>09.11.24 QIO Meeting</p>
New Business <ul style="list-style-type: none"> <li>Lucidoc Document Management</li> </ul>	<p>CNO/CQO Van Duren presented the following documents for approval:</p> <ol style="list-style-type: none"> <li>Discontinuing Isolation Precautions-Approved.</li> <li>Emergency Operations Plan-Morton Hospital-Approved.</li> <li>Reporting Notifiable Conditions-Approved.</li> <li>Nurse Staffing Plan &amp; Matrix-Approved.</li> </ol>	<p>Commissioner Anderson made a motion to approve the documents presented and CNO/CQO Van Duren seconded. The motion passed unanimously.</p>		

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
<ul style="list-style-type: none"> <li>QAPI Dashboard Projects Q1 2024</li> </ul>	<p>QMRC Manager Johnson presented the dashboard noting many of the updates were already shared during the QAPI Pod summary. There is other PIs across the hospital identified, measured, and monitored for improvements. Continue to experience low volumes, which flows into the QIO dashboard too. There are tabletop pods arranged when there are three months of red, for example the recent Stroke Pod and HR Pod.</p> <p>The Committee recommended reviewing the percentages on Finance and Informatics.</p>	Update PI's for Informatics and Finance.	QMRC Manager Johnson, Informatics Supervisor Potts, and CFO Cornwell	07.01.24
<ul style="list-style-type: none"> <li>QIO Dashboard Summary Q1 2024</li> </ul>	QMRC Manager Johnson provided an Q1 2024 update making special note that the ACO metrics have updated with work to be completed in 2024 and Medical Staff is doing an excellent job on all metrics.			
<ul style="list-style-type: none"> <li>Regulatory &amp; Accreditation Report</li> </ul>	<p>QMRC Manager Johnson highlighted the findings and status of compliance for DOH and DNV Survey findings while making special note of the following for DNV:</p> <ol style="list-style-type: none"> <li>1. NC 2's-there may be a pattern but not as evident.</li> <li>2. NC 1's-there is a pattern and need evidence of correction.</li> <li>3. NC IJ-30-day correction plan and follow up.</li> <li>4. OFI's-Opportunities for Improvement that will be follow-up on at the next survey. These are recommendations on things the hospital can work on to improve.</li> </ol> <p>QMRC Manager Johnson shared the findings and noted we have met compliance once the goal meets 90% for three consecutive months. While the finding is retired, it will continue to be monitored and audited to ensure compliance continues.</p>			



AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
Meeting Summary & Evaluation	<p>QMRC Manager Johnson provided a summary.</p> <p>Secretary Coppock noted key players were missing for updates making the meeting choppy and requested the acronym list be added back as an appendix for reference.</p>	Add back acronym list as an appendix.	Executive Assistant Garcia	09.11.24 QIO Meeting
Adjournment	Secretary Coppock adjourned the meeting at 7:54 a.m. The motion passed unanimously.			

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**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**Finance Committee Meeting**  
**June 19, 2024, 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 Reading the Mission & Vision Statements Roll Call Excused/ Unexcused Absences	Commissioner McMahan called the meeting to order via Zoom at 12:00 p.m.  Commissioner(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Wes McMahan, Commissioner <input checked="" type="checkbox"/> Van Anderson, Commissioner  Committee Member(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Robert Mach, Superintendent <input checked="" type="checkbox"/> Marc Fisher, Community Member <input checked="" type="checkbox"/> Clint Scogin, Controller <input checked="" type="checkbox"/> Barbara Van Duren, CNO/CQO <input type="checkbox"/> Julie Taylor, Ancillary Services Director <input checked="" type="checkbox"/> Will Sullivan, Facility Engineering Manager	Excused: Julie Taylor (PTO)  Unexcused Absences: None		
Approval or Amendment of Agenda		Community Member Fisher made a motion to approve the agenda and Commissioner Anderson 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 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 –May 22, 2024</li> <li>2. Board Oversight Activities</li> </ol>	Commissioner Anderson made a motion to approve the consent agenda and Superintendent Mach seconded. The motion passed unanimously.		
<p>Old Business</p> <ul style="list-style-type: none"> <li>• CFO Financial Review</li> </ul>	<p>CFO Cornwell shared insight on the financial overview sharing revenue is ahead of budget by 32%. Not only have volumes increased but improvements in revenue cycle. The ED exceeded budget by \$345,665 with a 10% increase in patient visits. Expenses have increased but billing is following right alongside. Inpatient Days increased noting higher acuity patients, as well as Swing Bed days YTD are ahead of budget. Again, ED registrations and physician visits are higher than expected, strong productivity. Compensation as a percentage of net operating revenue has created a cushion to absorb increased wages for the year. The Balance Sheet shows an increase in cash, a decrease in AR, both moving in the right direction. Change Healthcare is mostly resolved. The Income Statement shows with the increase in revenue that the variance gap is closing with continued room to grow. As noted salary and wages expenses increased due to union increases for WSNA and 2761. That said, expenses remain under budget. Overall, a net gain of \$616,881, ahead of budget.</p>			
<ul style="list-style-type: none"> <li>• Trubridge Report</li> </ul>	<p>CFO Cornwell shared the finance team is still waiting on part two of the Trubridge Report focused on coding. The goal is to maximize revenue from insurance companies. Anticipate having the final report by</p>	Review Part 2 of the Trubridge Report.	CFO Cornwell	July 24, 2024 Finance Committee Meeting

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	the July meeting to present to the Finance Committee.			
New Business <ul style="list-style-type: none"> <li>Capital Review</li> </ul>	<p>Facility Engineering Manager Sullivan shared dietary received a NC1 finding when DNV was onsite. This was a known issue that the fire suppression system in the kitchen hood is no longer UL compliant. Facility Engineering Manager Sullivan noted there are no additional bids as no one would provide a bid given the hospital's location. The dietary department will be out of commission for a week and already planning to provide patient meals either through catering or partnering with senior homes in the area to transport in meals.</p> <p>Superintendent Mach presented the MRI Change Orders again making special note that Executive Assistant Garcia's calculations in the packet were correct, the numbers provided by Siemens were incorrect. In turn, this project is again on the table for approval with the correct amount. There are other factors playing into the project directly related to L &amp; I regulations which may further delay the project.</p> <p>The Finance Committee supports the resolutions and will recommend approval at the Board level in New Business.</p>	The Finance Committee supported requesting the Board's approval of a resolution for the MRI Unit Change Orders with the correct amount, as well as the resolution for the Kitchen Hood Replacement at the Regular Board Meeting.	Executive Assistant Garcia	07.31.24 Regular Board Meeting
<ul style="list-style-type: none"> <li>2024 Self Insured Health Insurance Performance YTD</li> </ul>	<p>CFO Cornwell shared the health insurance plan is manageable and within budget to date.</p> <p>The Finance Committee requested the font size of the report is larger, hard to read.</p>			
<ul style="list-style-type: none"> <li>Property/Cyber Insurance Verbal Update</li> </ul>	CFO Cornwell noted the District is in the process of renewing the cyber and property insurance and will experience a 11.91% increase. The biggest change is the deductible is increasing from \$25k to \$100k for			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	water damage. The broker confirmed the premium increase is due to losses and continued hard property market conditions.			
Meeting Summary & Evaluation	<p>CFO Cornwell provided a summary report.</p> <p>Commissioners McMahan and Anderson thanked Community Member Fisher for asking good questions and excellent job to the finance team again for answering today's questions to the best of their abilities.</p>			
Adjournment	Commissioner McMahan adjourned the meeting at 12:52 pm.			



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

**July 10, 2024, at 5:00 p.m.**

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

<https://myarborhealth.zoom.us/j/81201760497>

Meeting ID: 812 0176 0497

One tap mobile: 12532158782,,81201760497#

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
Call to Order Roll Call Excused/Unexcused Absences Reading the Mission & Vision Statements	Board Chair Herrin called the meeting to order at 5:00 p.m.  <b>Commissioners present:</b> <input checked="" type="checkbox"/> Tom Herrin, Board Chair <input checked="" type="checkbox"/> Craig Coppock, Secretary <input checked="" type="checkbox"/> Wes McMahan <input checked="" type="checkbox"/> Van Anderson <input checked="" type="checkbox"/> Chris Schumaker  <b>Others present:</b> <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant			
Conflicts of Interest	Board Chair Herrin asked the Board to state any conflicts of interest with today's agenda.	None noted.		
Reading of the Notice of the Special Meeting	Board Chair Herrin read the special board meeting notice.			
Executive Session- <i>RCW 42.30.110 (g)</i> <ul style="list-style-type: none"><li>To discuss the performance of a public employee.</li></ul>	Board Chair Herrin announced going into executive session at 5:04 p.m. for 56 minutes to discuss RCW 42.30.110(g)-To discuss the performance of a public employee. At 6:00 p.m. Board Chair Herrin extended Executive Session by 30 minutes. At 6:30 p.m. Board Chair Herrin extended Executive Session			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	by 10 minutes. The Board returned to open session at 6:40 p.m. Board Chair Herrin noted no decisions were made in Executive Session.			
Adjournment	Commissioner Anderson moved and Commissioner McMahan seconded to adjourned at 6:43 p.m. The motion passed unanimously.			

Respectfully submitted,

Craig Coppock, Secretary

Date



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**Finance Committee Meeting**  
**July 24, 2024, 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 Reading the Mission & Vision Statements Roll Call Excused/ Unexcused Absences	Commissioner McMahan called the meeting to order via Zoom at 12:00 p.m.  Commissioner(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Wes McMahan, Commissioner <input checked="" type="checkbox"/> Van Anderson, Commissioner  Committee Member(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Robert Mach, Superintendent <input type="checkbox"/> Marc Fisher, Community Member <input checked="" type="checkbox"/> Clint Scogin, Controller <input checked="" type="checkbox"/> Barbara Van Duren, CNO/CQO <input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director <input checked="" type="checkbox"/> Jim Frey, IT Director	Excused: Marc Fisher (Meeting Conflict)  Unexcused Absences: None		
Approval or Amendment of Agenda		Commissioner Anderson 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 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 –June 19, 2024</li> <li>2. Board Oversight Activities</li> </ol>	Commissioner Anderson made a motion to approve the consent agenda and CFO Cornwell seconded. The motion passed unanimously.		
<p>Old Business</p> <ul style="list-style-type: none"> <li>• CFO Financial Review</li> </ul>	<p>CFO Cornwell shared insight on the financial overview sharing inpatient is down and length of stay is high. Important to partner with the clinical team to bring this number down. Outpatient numbers continue to be strong in swing bed, outpatient services and clinics. Cash is down this month, but AR remains steady. Again, Overall, a net gain of \$878,840, which is ahead of budget. As a reminder the finance team does accrual accounting and need to be focused on building revenue and not cutting costs, as it ultimately impacts being a CAH and cost based reimbursed. There may be a slower pace during the summer months but trends similar to prior years.</p> <p>CFO Cornwell presented the long-term debt schedule. Wipfli will likely touch on this topic next week as part of the audit review. Commissioner Anderson requested to add the debt-to-equity ratio as a chart to review as part of the financial review. CFO Cornwell noted this is monitored monthly by Controller Scogin and reported quarterly.</p> <p>Superintendent Mach shared the MRI project is on hold. WA State and L &amp; I are both reviewing the project and need to approve prior to any further progress will be made.</p>	Include debt to equity ratio in future finance packets.	CFO Cornwell & Controller Scogin	08.21.24 Finance Committee Meeting
<ul style="list-style-type: none"> <li>• 2023 Financial</li> </ul>	CFO Cornwell shared the 2023 financial audit report. Wipfli will			

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
Audit Update	<p>attend next week's regular board meeting to present the audit. Wipfli will review the 2023 audit, as well how the District compare to other hospitals in WA.</p> <p>Commissioner Anderson questioned why the Required Supplementary Information is missing but does not affect the report. CFO Cornwell noted a good question to ask WIPFLI to understand the why.</p>			
New Business <ul style="list-style-type: none"> <li>Capital Review</li> </ul>	<p>IT Director Frey shared there is IT equipment needing to be replaced. The benefits include more capacity, redundancy, better position for virtual services and the future. There were four vendors with the same or comparable equipment/software. The fourth vendor CDW was accidentally missed but will be included behind the resolution for approval. The competition of vendors helped drive down costs. The department is looking forward to the installation. The committee recognizes how critical IT equipment is to the organization, the scope is well defined, and pricing is competitive due to shopping around.</p> <p>The Finance Committee supports the resolution and will recommend approval at the Board level in New Business.</p>	The Finance Committee supported requesting the Board's approval of a resolution for the three physical servers, operating systems storage array and networking equipment at the Regular Board Meeting.	Executive Assistant Garcia	07.31.24 Regular Board Meeting
<ul style="list-style-type: none"> <li>Physicians Insurance, D &amp; O &amp; Auto Insurance Verbal Report</li> </ul>	CFO Cornwell shared costs have increased but it is relative to volume covered.			
<ul style="list-style-type: none"> <li>Surplus or Dispose of Personal Property</li> </ul>	CFO Cornwell presented the list of assets for surplus. Commissioner Anderson noted a misspelling on disposal and Executive Assistant Garcia will correct prior to be approved by the Board.	<p>Fix spelling of disposal on memo.</p> <p>The Finance Committee supported requesting the Board's approval of a resolution of the</p>	Executive Assistant Garcia	07.31.24 Regular Board Meeting

AGENDA	DISCUSSION	ACTION	OWNER	DUE DATE
	The Finance Committee supports the resolution and will recommend approval at the Board level in Consent Agenda.	Surplus at the Regular Board Meeting.		
Meeting Summary & Evaluation	<p>CFO Cornwell provided a summary report.</p> <p>Commissioner McMahan appreciates everyone's continue hard work and due diligence in reducing equipment costs. Thank you to CFO Cornwell for answering questions and to Commissioner Anderson's due diligence in reviewing the packet. Commissioner McMahan reiterated being proud to be a part of this committee.</p> <p>Commissioner Anderson complimented the finance team on the audit report and respect noted by in the report by the auditors.</p>			
Adjournment	Commissioner McMahan adjourned the meeting at 12:54 pm.			

WARRANT & EFT LISTING NO. 2024-05

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

\$3,455,839.41 this 31<sup>st</sup> day  
of July 2024

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

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

\_\_\_\_\_  
Secretary, Craig Coppock

\_\_\_\_\_  
Commissioner, Van Anderson

\_\_\_\_\_  
Commissioner, Chris Schumaker

SEE WARRANT & EFT REGISTER in the amount of \$3,455,839.41 dated May 1, 2024 – May 31, 2024.

# May-24

## ARBOR HEALTH WARRANT REGISTER

### Routine A/P Runs

Warrant No.	Date	Amount	Description
134076 - 134103	3-May-2024	178,337.87	CHECK RUN
134104 - 134117	6-May-2024	822,565.93	CHECK RUN
134118 - 134150	13-May-2024	111,243.78	CHECK RUN
134151 - 134171	14-May-2024	73,830.90	CHECK RUN
134172	30-Apr-2024	37,241.55	CHECK RUN
134173	1-May-2024	175.91	CHECK RUN
134174	2-May-2024	40.90	CHECK RUN
134175	7-May-2024	740.81	CHECK RUN
134176	9-May-2024	1,390.24	CHECK RUN
134177	14-May-2024	553.65	CHECK RUN
134178 - 134240	17-May-2024	298,221.80	CHECK RUN
134241 - 134273	20-May-2024	1,000,818.13	CHECK RUN
134274	15-May-2024	19,311.94	CHECK RUN
134275	22-May-2024	4,725.00	CHECK RUN
134276 - 134292	23-May-2024	76,843.50	CHECK RUN
134293 - 134350	24-May-2024	271,988.02	CHECK RUN
134351 - 134358	28-May-2024	20,425.64	CHECK RUN
134359 - 134368	28-May-2024	3,360.90	CHECK RUN
134369	1-Apr-2024	27,470.86	CHECK RUN
134370	17-May-2024	4,349.76	CHECK RUN
134371	23-May-2024	441.20	CHECK RUN
134372	21-May-2024	128.31	CHECK RUN
134373 - 134375	29-May-2024	28,639.93	CHECK RUN
134376 - 134408	31-May-2024	87,564.79	CHECK RUN
134425	28-May-2024	518.00	CHECK RUN
<b>Total - Check Runs</b>		<b>\$ 3,070,929.32</b>	

Eft	Date	Amount	Description
4814	7-May-24	312.73	BBP
4815	9-May-24	148.83	BBP
1225	10-May-24	187,188.22	IRS
4816	14-May-24	3,300.36	BBP
4817	21-May-24	130.04	BBP
1226	24-May-2024	193,117.41	IRS
4818	29-May-2024	712.50	BBP
<b>TOTAL EFTS AT SECURITY STATE BANK</b>		<b>\$ 384,910.09</b>	

<b>TOTAL CHECKS, EFT'S, &amp; TRANSFERS</b>	<b>\$ 3,455,839.41</b>
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WARRANT & EFT LISTING NO. 2024-06

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

\$4,368,313.25 this 31<sup>st</sup> day

of July 2024

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

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

\_\_\_\_\_  
Secretary, Craig Coppock

\_\_\_\_\_  
Commissioner, Van Anderson

\_\_\_\_\_  
Commissioner, Chris Schumaker

SEE WARRANT & EFT REGISTER in the amount of \$4,368,313.25 dated June 1, 2024 – June 30, 2024.

Jun-24

## ARBOR HEALTH WARRANT REGISTER

### Routine A/P Runs

Warrant No.	Date	Amount	Description
134409 - 134424	3-Jun-2024	918,069.16	CHECK RUN
134426 - 134428	3-Jun-2024	42,063.72	CHECK RUN
134429 - 134469	7-Jun-2024	114,609.99	CHECK RUN
134470 - 134496	10-Jun-2024	822,753.75	CHECK RUN
134497 - 134551	14-Jun-2024	254,936.04	CHECK RUN
13452	4-Jun-2024	47.80	CHECK RUN
134553	10-Jun-2024	1,000.00	CHECK RUN
134554	11-Jun-2024	755.64	CHECK RUN
134555 - 134593	17-Jun-2024	380,742.78	CHECK RUN
134594 - 134607	19-Jun-2024	4,973.08	CHECK RUN
134608 - 134658	21-Jun-2024	218,671.38	CHECK RUN
134659 - 134674	24-Jun-2024	967,750.36	CHECK RUN
134675 - 134676	17-Jun-2024	12,744.08	CHECK RUN
134677	18-Jun-2024	2,177.70	CHECK RUN
134678	24-Jun-2024	441.20	CHECK RUN
134679	25-Jun-2024	1,248.13	CHECK RUN
134680	27-Jun-2024	55,624.80	CHECK RUN
134681 - 134682	28-Jun-2024	716.66	CHECK RUN
134704 - 134746	28-Jun-2024	175,859.26	CHECK RUN
<b>Total - Check Runs</b>		<b>\$ 3,975,185.53</b>	

Eft	Date	Amount	Description
4819	4-Jun-24	383.75	BBP
1227	6-Jun-24	187,113.93	IRS
4820	7-Jun-24	144.83	BBP
4821	11-Jun-2024	490.37	BBP
4822	18-Jun-2024	5,917.73	BBP
1228	20-Jun-2024	196,749.26	IRS
4823	25-Jun-2024	2,327.85	BBP
<b>TOTAL EFTS AT SECURITY STATE</b>		<b>\$ 393,127.72</b>	

<b>TOTAL CHECKS, EFT'S. &amp; TRANSFERS</b>	<b>\$ 4,368,313.25</b>
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**LEWIS COUNTY HOSPITAL DISTRICT NO. 1**  
**MORTON, WASHINGTON**

RESOLUTION DECLARING TO  
SURPLUS OR DISPOSE OF PERSONAL  
PROPERTY

RESOLUTION NO. 24-12

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 Superintendent 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 31<sup>st</sup> day of July 2024, the following commissioners being present and voting in favor of this resolution.

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

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

\_\_\_\_\_  
Van Anderson, Commissioner

\_\_\_\_\_  
Craig Coppock, Secretary

\_\_\_\_\_  
Chris Schumaker, Commissioner



To: Finance Committee & Board  
From: Tina Clevenger, Materials Management Supervisor  
Date: July 19, 2024  
Subject: Surplus or Dispose of Personal Property

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Surplus or Dispose of Personal Property (RCW 43.19.1919)

EXHIBIT A

DATE	DESCRIPTION	DEPARTMENT	PROPERTY #	DISPOSITION	REASON
07/2024	TENT 10X12	DISASTER	5118	DISPOSAL	BROKEN
07/2024	TENT 16X20	DISASTER	5119	DISPOSAL	BROKEN

**OLD BUSINESS**

## **NEW BUSINESS**



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

RESOLUTION APPROVING  
THE CAPITAL PURCHASE OF  
PHYSICAL SERVERS, OPERATING  
SYSTEMS, STORAGE ARRAY &  
NETWORKING EQUIPMENT

RESOLUTION NO. 24-13

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 purchase of three Physical Servers, Operating System(s), Storage Array &  
Networking Equipment through a new lease.**

**The purchase price is \$206,862 plus tax and a 5% contingency.**

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 31<sup>st</sup> day of July 2024, the following commissioners being present and voting in  
favor of this resolution.

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

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

\_\_\_\_\_  
Van Anderson, Commissioner

\_\_\_\_\_  
Craig Coppock, Secretary

\_\_\_\_\_  
Chris Schumaker, Commissioner



## CAPITAL EQUIPMENT/ASSESSMENT REQUEST FORM

### SECTION 1 - DEPARTMENT INFORMATION / ITEM REQUESTED

Department Name	IT	Department#	8480
Manager	Jim Frey	Phone #	306-496-3645
General Description of Item	Three physical servers, operating system(s), storage array and networking equipment.		
Reason For Purchase (Choose all that apply)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input checked="" type="checkbox"/> End of Life <input type="checkbox"/> Quality of Care <input type="checkbox"/> Patient Satisfaction <input type="checkbox"/> Increase Volume <input type="checkbox"/> Other		
Expected Life of New Equipment in Years	Years		

Notes about reason for request, effect on department's operations, effect on other departments, and impact of purchase on revenues or volumes :

New systems are to replace aging/EOL hardware. The current systems were built/configured on dated technological concepts and are at capacity. The new servers will utilize current technologies that are more robust and will provide greater redundancy, better performance and allow for a more seamless environment for hosting all of the internal virtual servers. The new environment will be configured for automatic failover to host the critical Pharmacy, Imaging and Lab resources. Other resources hosted by the equipment include Medical Record Archives, ER reporting services, Data Transport to outside entities, Document Repository and Communication Systems (Phones and Fax). Normal District operations will be detrimentally impacted should we experience a failure with the Virtual Environment.

Do We Have Any Similar Equipment In The Organization / Which Department?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Can This Equipment Be Utilized By Other Departments?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No Systems are used by all depts.

Were (3) Competitive Quotes Obtained? (Please Attach)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No - Detail below
---	---	--

Purchases to be made from 3 different vendors:  
Software - Trusted Tech - \$56,419.46  
Servers - Rack Simply - \$47,919.00 (pre-tax)  
Storage - Rack Simply - \$87,921.00 (pre-tax)  
Switch - Intrinium/Torchlight - \$14,603.00 (pre-tax)

Suggested Vendor	Various	PREFERRED MODEL #	
Name/Contact Of Vendor			
Estimated Price \$	\$207,000 pre-tax		
Source Of Estimated Price	<input checked="" type="checkbox"/> Quote (attach) <input type="checkbox"/> Other (Explain)		

### SECTION 2 – DEPARTMENT AND TECHNOLOGY IMPACT

Will this purchase interface with our computer system?	<input type="checkbox"/> Yes - Detail below	<input type="checkbox"/> No	<input type="checkbox"/> Unsure
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This purchase is our computer system.

Facilities Involvement	<input type="checkbox"/> Yes - Detail below	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Unsure
Biomed Involvement	<input type="checkbox"/> Yes - Detail below	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Unsure
Clinical Informatics Involvement	<input type="checkbox"/> Yes - Detail below	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Unsure
Infection Control	<input type="checkbox"/> Yes - Detail below	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Unsure
IT Involvement	<input checked="" type="checkbox"/> Yes - Detail below	<input type="checkbox"/> No	<input type="checkbox"/> Unsure
Material Management	<input type="checkbox"/> Yes - Detail below	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Unsure

Explain and/or quantify any known involvement or expenses in these areas.

This is an IT project with the CFO to be involved for financing aspects.

**SECTION 3 - EQUIPMENT ASSESSMENT TEAM EVALUATION SUMMARY**

**Assessment Team Members:** Dave Fehrenbach, Jim Frey **Date of Meeting:** 2-Jul-24

<b>PROS</b>	
<b>CONS</b>	
<b>CONSIDERATIONS</b>	Price vs. Performance      Compatibility with existing equipment Manufacturer Stability
<b>RECOMMENDATIONS</b>	Purchase HP equipment from Rack Simply, switch from Intrinium and software from Trusted Tech.
<b>WARRANTY INFORMATION</b>	7 year support on servers 3 year support on storage. Anticipate ~\$15,000 renewal for 3 years. 1 year warranty on switch
<b>ADDITIONAL ACQUISITION/ PREP COST \$</b>	
<b>ADDITIONAL PREP/ TRAINING HOURS</b>	
<b>COMMENTS</b>	

<b>Base Equipment Price - As Provided</b>	\$ 150,443.00		
<b>Software Costs</b>	\$ 56,419.46		
<b>Additional Cost of Installation Support</b>	\$ -	<b>Total Monthly Consumables Cost</b>	\$ -
<b>Total Additional Associated Cost</b>	\$ -		
<b>Shipping, Delivery and Installation</b>	\$ -		
<b>Sales Tax</b>	\$ 12,035.44		
<b>TOTAL NON- RECURRING EXPENSE</b>	\$ 218,897.90		
<b>TOTAL RECURRING EXPENSE</b>			\$ -

<b>*** FOR FINANCE DEPARTMENT USE ONLY ***</b>	
HOW ARE WE PAYING FOR THIS?	Financed
IS THIS BUDGETED <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
BUDGETED PURCHASE DATE _____	
<b>TYPE OF EQUIPMENT</b> <input type="checkbox"/> Building Improvement <input checked="" type="checkbox"/> Fixed Equipment <input type="checkbox"/> Building <input type="checkbox"/> Capital Lease <input type="checkbox"/> Major Moveable Equipment <input type="checkbox"/> Other - Explain _____	

<b>*** APPROVALS ***</b>	
Chief Financial Officer	_____ Date
Chief Executive Officer	_____ Date
Board Chair if > than \$30,000	_____ Date

**Avalon Technologies, Inc.**

39533 Woodward Avenue Suite 308  
Bloomfield Hills, MI 48304  
(800)720-3811  
avalontech.net



**We have prepared a quote for you**

**Arbor Health - Virtual Environment Hardware RFP**

QUOTE # JPG004497 V1

PREPARED FOR

**Arbor Health**

PREPARED BY

**Avalon Sales Team**

## Server Equipment

Description	Price	Qty	Ext. Price
<b>PowerEdge R760xs Servers</b> PowerEdge R760xs 210-BGLV - 1 - No Trusted Platform Module 461-AADZ - 1 - 2.5" Chassis with up to 16 Hard Drives (SAS/SATA)+ 8x2.5" Front NVMe Direct Drives, 2 CPU, PERC12 321-BJDB - 1 - Intel Xeon Gold 6426Y 2.5G, 16C/32T, 16GT/s, 38M Cache, Turbo, HT (185W) DDR5-4800 338-CHTG - 1 - Intel Xeon Gold 6426Y 2.5G, 16C/32T, 16GT/s, 38M Cache, Turbo, HT (185W) DDR5-4800 338-CHTG - 1 - Additional Processor Selected 379-BDCO - 1 - High Performance Heatsink 412-BBBR - 1 - High Performance Heatsink 412-BBBR - 1 - Performance Optimized 370-AAIP - 1 - 4800MT/s RDIMMs 370-AHCL - 1 - Unconfigured RAID 780-BCDS - 1 - PERC H965i Controller, Front 405-BBBY - 1 - Front PERC Mechanical Parts, rear load 750-ADWO - 1 - Power Saving BIOS Settings 384-BBBH - 1 - UEFI BIOS Boot Mode with GPT Partition 800-BBDM - 1 - Very High Performance Fan 750-BBBH - 1 - Dual, Redundant(1+1), Hot-Plug Power Supply,1100W MM(100-240Vac) Titanium 450-AKLF - 1 - Riser Config 0, No Riser, 3x16 + 1x8 (2 CPU), without OCP 330-BCGT - 1 - PowerEdge R760xs Motherboard with Broadcom 5720 Dual Port 1Gb On-Board LOM 329-BJBJ - 1 - OpenManage Enterprise Advanced 528-BIYY - 1 - iDRAC9, Enterprise 16G 528-CTIC - 1 - No OCP 3.0 mezzanine NIC card, Blank Filler Only 330-BBTI - 1 - PowerEdge 2U Standard Bezel 325-BEVI - 1 - Dell Luggage Tag R760xs 350-BCLY - 1 - BOSS-N1 controller card + with 2 M.2 480GB (RAID 1) 403-BCTH - 1 - BOSS Cables and Bracket for R760xs 470-BBBX - 1 - No Quick Sync 350-BCER - 1 - iDRAC,Legacy Password 379-BCSG - 1 - iDRAC Service Module (ISM), NOT Installed 379-BCQX - 1 - iDRAC Group Manager, Disabled 379-BCQY - 1 - No Operating System 611-BBBF - 1 - No Media Required 605-BBFN - 1 - Cable Management Arm, 2U 770-BDRQ - 1 - ReadyRails Sliding Rails Without Cable Management Arm 770-BECC - 1 - No Systems Documentation, No OpenManage DVD Kit 631-AACK - 1 - ProSupport 4-Hour 7x24 Onsite Service 3 Years 898-5182 - 1 - ProSupport 4-Hour 7x24 Onsite Service 4 Years Extended 898-5222 - 1 - ProSupport 4-Hour 7x24 Technical Support and Assistance 7 Years 898-5435 - 1 - 64GB RDIMM, 4800MT/s Dual Rank 370-AGZR - 8 - 1.92TB SSD SATAMix Use 6Gbps 512 2.5in Hot-plug AG Drive, 3 DWPD 400-AZTN - 4 - Power Cord - C13, 3M, 125V, 15A (North America, Guam, North Marianas, Philippines, Samoa, Vietnam) 450-AALV - 2 - Broadcom 57414 Dual Port 10/25GbE SFP28 Adapter, PCIe Low Profile, V2 540-BDGV - 1 - Intel X710-T4L Quad Port 10GbE BASE-T Adapter, PCIe Low Profile 540-BCRR - 1 - Dell EMC PowerEdge SFP+ SR Optic 10GbE 850nm 407-BCBE - 2 -	\$22,467.70	3	\$67,403.10
Subtotal			<b>\$67,403.10</b>



## Storage Equipment

Description	Price	Qty	Ext. Price
<b>Dell ME5024 Storage Array</b> Dell ME5024 Storage Array 210-BBOO - 1 - 25Gb iSCSI 8 Port Dual Controller 403-BCPG - 1 - Rack Rails 2U 770-BEGR - 1 - ME Series 2U Bezel 325-BDDO - 1 - Power Supply, 580W, Redundant, WW 450-ALXL - 1 - Dell PowerVault ME Series 2U-24, CE Marking 389-EERY - 1 - ProSupport 4-Hour 7x24 Onsite Service 3 Years 892-4166 - 1 - ProSupport 4-Hour 7x24 Technical Support and Assistance 3 Years 892-4388 - 1 - SFP28 SR Optic, 25GbE, 85C, for all SFP28 ports 407-BCGJ - 2 - 7.68TB SSD SAS Read Intensive up to 24Gbps 512e 2.5in Hot-Plug 1WPD, AG Drive 345-BEMP - 13 - Hard Drive Filler 2.5in, single blank 400-AEPR - 11 - Powercord,125 Volt,15Amp,10 Foot, C13 to NEMA 5-15 450-AAME - 1 - Powercord,125 Volt,15Amp,10 Foot, C13 to NEMA 5-15 450-AAME - 1 - Dell 12Gb HD-Mini to HD-Mini SAS Cable 2M 470-AATP - 2 -	\$99,625.89	1	\$99,625.89
Subtotal			<b>\$99,625.89</b>

## Operating System

Description	Price	Qty	Ext. Price
<b>Microsoft Windows Server Data Center Core Sngl License/Software Assurance Pack OLV 16 Licenses NoLevel Additional Product Core Lic 3Year Acquired year1</b>	\$10,815.00	6	\$64,890.00
Subtotal			<b>\$64,890.00</b>

## Configuration Services

Description	Price	Qty	Ext. Price
<b>Avalon Professional Services - SAN/Server: Remote Deployment Services</b> <u>Statement of Work (SOW)</u> <b>Dell SAN Deployment - Remote</b> <ul style="list-style-type: none"> <li>○ Initial configuration of SAN</li> <li>○ Update of SAN components to the latest stable firmware and software</li> <li>○ Dell Support Health Check of SAN</li> <li>○ Failover, redundancy and performance verification testing</li> <li>○ Network integration with iSCSI switches</li> <li>○ Presentation of storage to up to five (5) servers via iSCSI</li> <li>○ Installation and configuration of SAN Manager</li> </ul> <b>R Series Server Deployment - Remote</b> <ul style="list-style-type: none"> <li>○ Firmware updates on all R series server components to latest stable code levels</li> <li>○ Operating System Installation</li> </ul>	\$9,900.00	1	\$9,900.00

## Configuration Services

Description	Price	Qty	Ext. Price
<ul style="list-style-type: none"> <li>○ Network and storage (if applicable) connection integration</li> </ul>			
<b>Data Migration</b> <ul style="list-style-type: none"> <li>○ Design, implementation and validation of Storage vMotion data migration path and a physical to virtual machine migration path</li> <li>○ Migration of all existing virtual machines</li> <li>○ Physical to virtual conversion of up to three (3)</li> <li>○ Knowledge transfer on Storage vMotion and Physical to Virtual data migration process</li> </ul>			
<b>Knowledge Transfer</b> <ul style="list-style-type: none"> <li>● Administration and operations knowledge transfer covering:               <ul style="list-style-type: none"> <li>○ Dell SAN</li> <li>○ Dell PowerEdge Servers</li> </ul> </li> </ul>			
<b>Assumptions</b> <ul style="list-style-type: none"> <li>● <b>Project tasks will be performed remotely</b></li> <li>● Project may not commence until any necessary hardware or software has been delivered.</li> <li>● Any tasks not specifically included in this statement of work must be agreed to in a written change order by all parties involved.</li> <li>● Avalon Technologies and customer will determine a mutually convenient project start date and timeline.</li> <li>● Avalon Technologies and customer will provide a project-lead to be the single point of contact for project coordination.</li> <li>● The above statement of work is based upon the bill of materials (if applicable) and details collected by Avalon from the customer during scoping. Should the bill of materials or details of the project change, the statement of work will require revision and additional cost may apply</li> <li>● Customer will sign a Customer Acceptance Form (CAF) after the completion of each milestone and/or project completion</li> </ul>			
<b>Customer Responsibilities</b> <ul style="list-style-type: none"> <li>● Customer to provide secure remote access to facilitate remote work (e.g. VPN)</li> <li>● Customer to provide all software licenses and software license keys as required for implementation</li> <li>● Customer to provide engagement and availability of customer personnel resources to assist with coordination of services or completion of customer dependent tasks</li> <li>● Customer to provide administrator, root or adequate privileged access to systems involved in the implementation</li> <li>● Customer will provide all hardware and software required to ensure a successful implementation including those stated in any associated bill of materials and also any ancillary items such as any required cables, optics, software etc.</li> </ul>			

## Configuration Services

Description	Price	Qty	Ext. Price
<ul style="list-style-type: none"><li>• Customer will maintain a backup of all data and programs on affected systems prior to Avalon performing the Services and during the term of the Statement of Work (SOW). Avalon will have no liability for loss or recovery of data, programs or loss of use of system(s) arising out of or in connection with the Services provided under this SOW.</li><li>• Customer will maintain recent (i.e. released within the last year) &amp; stable firmware and/or operating system on equipment with which the project will be integrating or connecting e.g. switch firmware</li><li>• The Customer will ensure the Avalon personnel have reasonable and safe access to the Project site, a safe working environment, an adequate office space, and parking as required.</li><li>• The customer will maintain active support agreements for any hardware or software involved in the project included, but not limited to servers, storage, networking equipment and software</li></ul>			
<b>Outside of Project Scope</b> <ul style="list-style-type: none"><li>• Any services, tasks or activities other than those specifically noted in the section titled "Statement of Work"</li><li>• Configuration or remediation of any server or workstation operating system or application software affected or unaffected by the services performed under the statement of work</li><li>• Configuration or remediation of any networking components affected or unaffected by services performed under the statement of work</li><li>• Post-implementation support</li><li>• Disposal or recycling of customer equipment, new equipment boxes or any other items</li><li>• Installation of software or hardware firmware updates, service packs patches or new version that are released after services commence</li><li>• Updating or reconfiguration of 3rd party applications that integrate with existing environment (e.g. Anti-virus, backup, email relay services, fax/voicemail to email, etc.)</li><li>• Transportation of equipment between customer sites</li></ul>			
<b>Professional Services Terms</b> <ul style="list-style-type: none"><li>• 50% to Commence Services</li><li>• 50% upon Completion of Services</li><li>• Avalon may invoice for professional services balance if project completion is delayed by customer beyond ninety (90) calendar days after date of purchase order.</li></ul>			
Subtotal			<b>\$9,900.00</b>



(800)720-3811  
avasales@avalontech.net  
avalontech.net

## Cables/Misc.

Description	Price	Qty	Ext. Price
<b>Cables/Misc.</b>	\$1,000.00	1	\$1,000.00
Subtotal			<b>\$1,000.00</b>

## Arbor Health - Virtual Environment Hardware RFP



**Prepared by:**

**Avalon Technologies, Inc.**

Avalon Sales Team  
(800)720-3811  
avasales@avalontech.net

**Prepared for/Ship To:**

**Arbor Health**

521 Adams Ave, Morton  
Morton, Washington 98356  
Jim Frey  
(360) 496-3645  
jfrey@myarborhealth.org

**Quote Information:**

**Quote #: JPG004497**

Version: 1  
Delivery Date:  
06/26/2024  
Expiration Date:  
07/26/2024

**Department:**

521 Adams Ave, Morton  
Morton, Washington 98356

## Quote Summary

Description	Amount
Server Equipment	\$67,403.10
Storage Equipment	\$99,625.89
Operating System	\$64,890.00
Configuration Services	\$9,900.00
Cables/Misc.	\$1,000.00
Total:	<b>\$242,818.99</b>

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.  
Terms: Net 30 after equipment ships. A 20% deposit is required for all new customers prior to placing the order, this can be paid by check or in the interest of time direct deposit.  
Avalon's full terms can be found at:

Avalon's full terms can be found at:

Terms & Conditions:  
<https://tinyurl.com/yja6vgob>

In executing this Quote, the customer acknowledges and agrees to the following:

An enforceable contract is being entered into with Avalon Technologies, Inc. and that Avalon's terms and conditions are incorporated by reference;

Avalon's terms and conditions may change from time to time upon notice and that such notice will be included on Avalon's invoices or other writings by Avalon.

The customer referenced above represents and warrants to Avalon that the person signing this quote is authorized to execute

(800)720-3811  
avasales@avalontech.net  
avalontech.net

same and bind the customer to the terms thereof.

Avalon Technologies, Inc.

Arbor Health [Customer]

Signature: \_\_\_\_\_

Name: Avalon Sales Team

Title: Business Development Manager

Date: 06/26/2024

Signature: \_\_\_\_\_

Name: Jim Frey

Date: \_\_\_\_\_

## Quote Expired

This quote has expired. It was valid through May 3, 2024. You can [request an updated quote](#) below in the 'Have Questions?' section.

### Quote INTQ7025

Valid through May 3, 2024

#### Prepared For:

Arbor Health  
Jim Frey  
Phone: 360-496-3645  
521 Adams Ave.  
Morton, WA 98356  
jfrey@myarborhealth.org

#### Prepared By:

Nolan Garrett  
Phone: 509-340-3323  
Fax:  
Email: sales@torchlight.io



For the full presentation proposal, [click here](#) to view or download the PDF version of this quote. You can sign and fax this in, or you can save time by simply electronically accepting this quote below.

### Details



23505 E Appleway, Suite 200 #100, Liberty Lake, WA 99019  
Intrinium, Inc.

## QUOTE

Number INTQ7025

Date Mar 4, 2024

### Sold To

**Arbor Health**  
Jim Frey  
521 Adams Ave.  
Morton, WA 98356  
United States

**Phone** 360-496-3645  
**Fax**

### Ship To

**Arbor Health**  
Jim Frey  
521 Adams Ave.  
Morton, WA 98356  
United States

**Phone** 360-496-3645  
**Fax**

### Your Sales Rep

**ngarrett**  
509-340-3323  
sales@torchlight.io

Here is the quote you requested.

Line	Qty	Description	Unit Price	Ext. Price
------	-----	-------------	------------	------------

1	1	Catalyst 9300 24-port 10G/mGig copper (10G/5G/2.5G/1G/100M) with modular uplink, UPOE, Network Advantage.	\$11,723.70	\$11,723.70
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*Built for Security, IoT, Mobility, and Cloud*  
The Cisco® Catalyst® 9300 Series Switches are Cisco's lead stackable enterprise switching platform built for security, IoT, mobility, and cloud. They are the next generation of the industry's most widely deployed switching platform. The Catalyst 9300 Series switches form the foundational building block for Software-Defined Access (SD-Access), Cisco's lead enterprise architecture. At 480 Gbps, they are the industry's highest-density stacking bandwidth solution with the most flexible uplink architecture. The Catalyst 9300 Series is the first optimized platform for high-density 802.11ac Wave2. It sets new maximums for network scale. These switches are also ready for the future, with an x86 CPU architecture and more memory, enabling them to host containers and run third-party applications and scripts natively within the switch. The Catalyst 9300 Series is designed for Cisco StackWise® virtual technology, providing flexible deployment with support for nonstop forwarding with stateful switchover (NSF/SSO), for the most resilient architecture in a stackable sub-50-ms solution. The highly resilient and efficient power architecture features Cisco StackPower®, which delivers high-density Cisco Universal Power Over Ethernet (Cisco UPOE®) and Power over Ethernet Plus (PoE+) ports. The switches are based on the Cisco Unified Access™ Data Plane 2.0 (UADP) 2.0 architecture which not only protects your

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOUR FOR HARDWARE ONLY AND ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS,

Created on 03/14/24 15:47:56 by QuoteWerks

Page 1 of 2

1 of 2

Line	Qty	Description	Unit Price	Ext. Price
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*investment but also allows a larger scale and higher throughput. A modern operating*

Pg 108 Board Packet



system, open Cisco IOS XE with programmability offers advanced security capabilities and Internet of Things (IoT) convergence.

The foundation of Software-Defined Access Advanced persistent security threats. The exponential growth of Internet of Things (IoT) devices. Mobility everywhere. Cloud adoption. All of these require a network fabric that integrates advanced hardware and software innovations to automate, secure, and simplify customer networks. The goal of this network fabric is to enable customer revenue growth by accelerating the rollout of business services. The Cisco Digital Network Architecture (Cisco DNA™) with SD-Access is the network fabric that powers business. It is an open and extensible, software-driven architecture that accelerates and simplifies your enterprise network operations. The programmable architecture frees your IT staff from time-consuming, repetitive network configuration tasks so they can focus instead on innovation that positively transforms your business. SD-Access enables policy-based automation from edge to cloud with foundational capabilities. These include:

- ? Simplified device deployment
- ? Unified management of wired and wireless networks
- ? Network virtualization and segmentation
- ? Group-based policies
- ? Context-based analytics


2	1	Cisco Smart Net Total Care - Service - 8 x 5 x Next Business Day - Exchange - Electronic and Physical - 1 Year	\$1,225.00	\$1,225.00
3	1	Cisco Digital Network Architecture Advantage for Catalyst 9300 - License - 24 Port - 3 Year	\$1,654.50	\$1,654.50

<b>SubTotal</b>	\$14,603.20
<b>Tax</b>	\$1,314.29
<b>Shipping</b>	\$0.00
<b>Total</b>	<b>\$15,917.49</b>

All hardware, software, and/or licensing orders will require upfront payment before being processed. Please review this quote for accuracy as all sales are final and cannot be returned. Please contact us if I can be of further assistance and thank you for giving us the opportunity to earn your business!

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOUR FOR HARDWARE ONLY AND ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS,

## Line Item Detail

Qty	Description	Picture	Unit Price	Ext Price
1	Catalyst 9300 24-port 10G/mGig copper (10G/5G/2.5G/1G/100M) with modular uplink, UPOE, Network Advantage.		\$11,723.70	\$11,723.70

1	Cisco Smart Net Total Care - Service - 8 x 5 x Next Business Day - Exchange - Electronic and Physical - 1 Year	\$1,225.00	\$1,225.00
1	Cisco Digital Network Architecture Advantage for Catalyst 9300 - License - 24 Port - 3 Year	\$1,654.50	\$1,654.50

<b>SubTotal:</b>	<b>\$14,603.20</b>
<b>Shipping:</b>	<b>\$0.00</b>
<b>Sales Tax:</b>	<b>\$1,314.29</b>
<b>Total:</b>	<b>\$15,917.49</b>

Ready to Accept?

Sorry, you cannot accept this quote because it has expired. Please request an updated quote below in the 'Have Questions?' section.

Uploads Area

Have Questions?

Not Ready To Accept? Have Questions?

Submit

(Note, you will receive a copy of your message by email.)

No questions posted yet.

Time expressed in Coordinated Universal Time UTC00:00

This page was created using QuoteValet - The online quote delivery and acceptance vehicle for QuoteWerks.

## Estimate

**ADDRESS**

Lewis County Hospital District No. 1  
521 Adams Ave.  
Morton, Washington 98356

**SHIP TO**

Lewis County Hospital District No. 1  
521 Adams Ave.  
Morton, Washington 98356

**ESTIMATE**

3210

**DATE**

07/09/2024

PART NUMBER	DESCRIPTION	QTY	PRICE	EXTENDED TOTAL
P28948-B21	HPE ProLiant DL360 Gen10 Plus 8SFF NC Configure-to-order Server	3	1,200.00	3,600.00T
P36935-B21	Intel Xeon-Gold 6354 3.0GHz 18-core 205W Processor for HPE	6	2,800.00	16,800.00T
P06035-B21	HPE 64GB (1x64GB) Dual Rank x4 DDR4-3200 CAS-22-22-22 Registered Smart Memory Kit	24	289.00	6,936.00T
P26427-B21	HPE ProLiant DL360 Gen10 Plus 8SFF SAS/SATA 12G BC Backplane Kit	3	65.00	195.00T
P40499-B21	HPE 1.92TB SATA 6G Read Intensive SFF BC Multi Vendor SSD	12	445.00	5,340.00T
P26471-B21	HPE ProLiant DL36X Gen10 Plus Low Profile Riser Kit	3	46.00	138.00T
P26253-B21	Broadcom BCM57416 Ethernet 10Gb 2-port BASE-T Adapter for HPE	3	240.00	720.00T
P12965-B21	HPE NS204i-p x2 Lanes NVMe PCIe3 x8 OS Boot Device	3	499.00	1,497.00T
P13188-B21	Mellanox MCX512F-ACHT Ethernet 10/25Gb 2-port SFP28 Adapter for HPE	3	249.00	747.00T
P01366-B21	HPE 96W Smart Storage Battery (up to 20 Devices) with 145mm Cable Kit	3	61.00	183.00T
P26279-B21	Broadcom MegaRAID MR416i-a x16 Lanes 4GB Cache NVMe/SAS 12G Controller for HPE Gen10 Plus	3	499.00	1,497.00T
P10097-B21	Broadcom BCM57416 Ethernet 10Gb 2-port BASE-T OCP3 Adapter for HPE	3	210.00	630.00T
P26477-B21	HPE ProLiant DL36X Gen10 Plus High Performance Fan Kit	3	160.00	480.00T
865408-B21	HPE 500W Flex Slot Platinum Hot Plug Low Halogen Power Supply Kit	6	80.00	480.00T
P55882-B21	HPE ProLiant DL36x Gen10 Plus 8SFF SAS/SATA Tri-Mode Cable Kit	3	20.00	60.00T
P13771-B21	HPE Gen10 Plus TPM BR Module Kit	3	11.00	33.00T

P14604-B21	HPE Gen10 Plus Chassis Intrusion Detection Kit	3	12.00	36.00T
P26479-B21	HPE ProLiant DL360 Gen10 Plus High Performance Heat Sink Kit	6	55.00	330.00T
P26485-B21	HPE ProLiant DL300 Gen10 Plus 1U SFF Easy Install Rail Kit	3	34.00	102.00T
P35876-B21	HPE CE Mark Removal FIO Enablement Kit	3	0.00	0.00T
P8B26AAE	HPE OneView w/o iLO including 3yr 24x7 Support Flexible Quantity E-LTU	3	305.00	915.00T
HY4Y7E	HPE 7 Year Tech Care Essential ProLiant DL360 Gen10+ Service	3	2,400.00	7,200.00T
R4U28A	HPE Alletra 6010 Dual Controller Configure-to-order Base Array	1	6,999.00	6,999.00T
R0R12A	HPE Alletra 6000 2x10/25GbE 2-port FIO Adapter Kit	1	923.00	923.00T
R7D05A	HPE Alletra 6000 2x10Gb SFP+ SR FIO Transceiver	2	199.00	398.00T
Q8F92A	HPE NEMA 5-15P - C13 125V 13Amp 1.8m US FIO Power Cord	4	1.00	4.00T
R7S84A	HPE Alletra 6000 92TB (24x3.84TB) NVMe Flash Carrier FIO Flash Bundle	1	58,000.00	58,000.00T
R9X15A	HPE Alletra Tier 1 Storage Array Standard Tracking	1	1.00	1.00T
R7G12A	HPE Alletra 6000 4x 800W FIOAC Power Supply Kit	1	749.00	749.00T
Q8G27B	HPE Tier 1 Storage OS Default FIO Software	1	1.00	1.00T
R7S93A	HPE Alletra 6000 1.92TB NVMe Flash Carrier Spare SSD	4	0.00	0.00T
R6J19A	HPE Alletra 6000 800W Spare Power Supply	1	199.00	199.00T
R6J72AAE	Zerto Virtual Enterprise Cloud Edition 1 VM E-LTU	5	0.00	0.00T
S0R27AAE	HPE Alletra Storage 6000 per TB 3-year Software and Support SaaS	92	190.00	17,480.00T
HU4A7A3	HPE 3Y Tech Care Essential with Defective Media Retention Service	1	0.00	0.00T
HU4A7A3 ZUN	HPE Alletra 6000 2x10/25GbE 2p Kit Supp	1	62.00	62.00T
HU4A7A3 ZUE	HPE Alletra 6010 Base Array Supp	1	717.00	717.00T
HU4A7A3 ZV6	HPE Alletra 6000 AF 92TB 3.84 Flash Supp	1	2,388.00	2,388.00T
HU4A7A300AF	HPE Zerto Virt ECE 1VM E-LTU Support	5	0.00	0.00T
R7S94A	HPE Alletra 6000 3.84TB NVMe Flash Carrier Spare SSD (R7S94A)	1	0.00	0.00T

State of Washington Contract #05820

SUBTOTAL

135,840.00

TAX

10,595.52

TOTAL

**\$146,435.52**

Accepted By

Accepted Date



QUOTE NUMBER

29864

DATE

April 30, 2024

EXPIRY DATE

July 5, 2024 at 12:00 PM

FROM

**Kathleen Sitto**

**Trusted Tech Team**

5171 California Ave, Suite 250

Irvine, CA 92617

Microsoft Partner ID: 4899525

[www.trustedtechteam.com](http://www.trustedtechteam.com)

PHONE

(855) 202-8140

FOR

**Myarbor Health**

TO

Jim Frey

EMAIL

[jfrey@myarborhealth.org](mailto:jfrey@myarborhealth.org)

PHONE

(360) 496-3645

MOBILE

(360) 669-6795

## RFQ - Myarbor Health

Microsoft <b>Windows Server Datacenter - 2 Core (w/ Software Assurance)</b>  SKU: 9EA-00643 Activates 1 Host + Unlimited Virtual Machines 3 Host (x36) Cores Each (x108) Cores Total	1,229.99 x 54 66,419.46
Discount <b>June Deal Registration</b>  Valid 06/01/24- 06/28/24	-10,000.00 x 1 -10,000.00
<b>Total</b>	<b>\$56,419.46</b>

### End-User: (Required for License Registration)

Name:

Company:

Address:

Phone:

Email:

### Processing Time of 5-7 Business Days



# **Lewis County Hospital District No. 1 dba Arbor Health**

## **Virtual Environment Hardware Request for Proposal**

Digital Response | 6/14/2024



# **Healthcare**

6/14/2024

Arbor Health  
P.O. Box 1138  
Morton, WA 98356



One CDW Way  
230 N. Milwaukee Avenue  
Vernon Hills, IL 60061  
Toll-free: 800.808.4239  
F: 847.465.6800  
cdwg.com/PeopleWhoGetIT

**RE: CDW Healthcare Response to Arbor Health's RFP for Virtual Environment Hardware**

Dear Jim Frey,

Arbor Health is seeking a reliable and experienced supplier partner capable of managing your Virtual Environment Hardware. CDW Healthcare's response demonstrates our unique ability to contribute to the overall success of this initiative. We have served the healthcare IT industry for more than 30 years and understand the nuances of leveraging technology in the care arena (whether you're a large hospital, small doctor's office, or anything in between). Specific advantages of partnering with us include:

- **Benefit 1.** Dedicated account team and specialized healthcare solution architects leverage software, hardware, and comprehensive services to help you create a customized solution that leads to more positive patient experiences, higher-quality care and more efficient clinical workflows.
- **Benefit 2.** Our team of healthcare strategists average more than 20 years of experience as former technology leaders in integrated delivery networks, hospitals, senior care, and provider services organizations.
- **Benefit 3.** Extensive customized configuration services ensure products arrive at your locations ready to plug and play, maximizing your staff's productivity.
- **Benefit 4.** Powerful network of world-class partnerships allow us to offer a variety of solutions and services to help you create a digitally connected healthcare ecosystem – one that elevates the clinician experience, advances patient care, and helps you maintain a competitive stance.

As always, we consistently strive to exceed your expectations. Should you have any questions regarding our response, please contact your Account Manager, Riya Shah, at (312) 547-2116, or via email at [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com). We thank you for the opportunity to participate in this RFP process and are confident you will find our response advantageous from both a strategic and budgetary standpoint.

Sincerely,

A handwritten signature in black ink that reads "Justin Schmier".

Justin Schmier  
Manager, Proposals  
CDW Government LLC

\*\*CDW Government LLC ("CDW-G") submits this bid response subject only to the terms and conditions contained in the current Vizient Tier 6 All other Products (IT0031) Contract agreement. Any terms and conditions in the bid or elsewhere that are additional to or different from the terms and conditions of that agreement shall not apply to any transaction(s) that results from CDW-G's submission of its bid response.



# Bid Document



**Specialty Clinic**  
521 ADAMS AVENUE  
360-496-3641

**Mossyrock Clinic**  
745 WILLIAMS STREET  
360-983-8990

**Randle Clinic**  
108 KINDLE ROAD  
360-497-3333

**Morton Hospital**  
521 ADAMS AVENUE  
360-496-5112

**Morton Clinic**  
531 ADAMS AVENUE  
360-496-5145

## Lewis County Hospital District No. 1

### Virtual Environment Hardware Request for Proposal

#### 1. Background/Introduction

- Lewis County Hospital District No. 1 (LCHD No.1, dba Arbor Health) a public healthcare provider, is a 25-bed critical access hospital.

#### 2. Project Goals and Scope of Services

- Deploy a robust environment to host all virtual machines for LCHD No.1.
- Adhere to IT security best practices.

#### 3. Time and Place of Submission of Proposals

- Submit any questions and completed proposals to Jim Frey, Arbor Health IT Director, via email at [JFrey@myarborhealth.org](mailto:JFrey@myarborhealth.org) by 5:00 pm PST on 6/14/2024. All communications to be via email with "Request for VM Proposal" in the subject line.

Milestone	Date
Request for Proposal Issued	6/3/2024
Bids Due	6/14/2024
Apparent Successful Bidder notified	6/19/2024
Contract Execution (approx.)	6/28/2024

#### 4. Elements of Proposal

- Server equipment
- Storage equipment
- Switch equipment
- Operating System Licensing
- Software installation/configuration services
- Financing Options

#### 5. Evaluation Criteria

LCHD No.1 will evaluate each of the bids based on adherence to the criteria listed below. Bids will be treated as "ala carte", each of the elements of the proposal may be purchased from separate vendors. Additionally,

a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the pros and cons may be used to supplement the scoring and help the evaluation team select an apparently successful bidder. Documentation of fulfilling the criteria is required where appropriate (i.e. a build list of the servers). Deviation from or additions (including options) to criteria to be noted by bidder.

## 6. Element Details

### a) Server Equipment – 3 ea.

- (1) 1U rack unit with mounting rails for an APC rack
- (2) 8 ea. Available 2.5 inch SAS/SATA drive slots, hot swap – 1 logical backplane.
- (3) 4 ea. =>2 Tbyte SAS or SATA SSD w/driver carrier
- (4) Disk controller capable of RAID 5 and hot spare (minimally).
- (5) 4 ea. Additional drive carriers
- (6) 2 ea -OPTIONAL- additional drive slots populated with >250 Gbyte drives for OS installation. Preferably NVMe SSD. Capability of RAID1 is required.
- (7) 2 processors – Intel Xeon Gold 6354
- (8) 512 Gbytes RAM using 64 Gbyte modules with 24 additional open memory slots.
- (9) Dual redundant power supplies
- (10) 4 ea. 10 Gbe network interfaces - copper RJ-45.
- (11) 2 ea. 25 Gbe network interfaces – fiber, LC interface.
- (12) 7 years of warranty/support

### b) Storage Equipment – 1 ea.

- (1) > 80 Tbytes of raw storage
- (2) Enterprise class, SSD drives
- (3) 2 ea. 1Gbe Base-T ports
- (4) 2 ea. 25Gbe short reach optic ports, LC fiber interface via SFP
- (5) 24 open and available hard drive slots.
- (6) Dual redundant power supplies
- (7) 3 yr. support – 24x7 phone and email support
- (8) 4 hr. on-site hardware support response
- (9) On-site spares kit.

### c) Switch Equipment – 1 Ea.

- (1) Cisco 12 port fiber via sfp - 25 Gbe switch

### d) Operating System – 3 ea.

- (1) Microsoft Server 2025 Datacenter Edition – Licensing to accommodate the above servers (36 cores each)
- (2) OPTIONAL Software Assurance Plan

### e) Configuration Services

- (1) Configuration of Clustering and Hyper-V on Microsoft Server 2025 platform.

### f) Financing

- (1) Leasing and/or loan options.



<b>Specialty Clinic</b> 521 ADAMS AVENUE 360-496-3641	<b>Mossyrock Clinic</b> 745 WILLIAMS STREET 360-983-8990	<b>Randle Clinic</b> 108 KINDLE ROAD 360-497-3333
<b>Morton Hospital</b> 521 ADAMS AVENUE 360-496-5112	<b>Morton Clinic</b> 531 ADAMS AVENUE 360-496-5145	

7. Please submit all questions related to this RFP to:

Jim Frey, IT Director  
Arbor Health  
P.O. Box 1138  
Morton, WA 98356  
Email: [jjFey@myarborhealth.org](mailto:jjFey@myarborhealth.org)

# Pricing Offer

**Please note Financing:**

New Dell CTO quote NXTJ428 – 3 years, annual payments, \$1 out

NXNJ588 (Cisco) 3 years, monthly and annual payments, \$1 out

NXNV509 (MS L/SA Annual) 1 year, monthly payments, \$1 out

NXNT616 (MS L/SA 3 yr) 3 years, monthly and annual payments, \$1 out

NXNT547 (MS License Only) 3 years, monthly and annual payments, \$1 out

Aruba solution for Morton General Hospital/ Arbor Health : Financing options 3 yr, annual payment, \$1 out/own.

SOW – 3 years, monthly and annual payments, \$1 out

Before the Services are to be performed, CDW.G will provide a Statement of Work (SOW) detailing the exact scoping and pricing of the Services to be provided, which will be executed by both parties prior to the start of Services. The SOW will reflect the terms and conditions as negotiated between the parties during the bidding and contracting process.



Thank you for choosing CDW. We have received your quote.

Hardware      Software      Services      IT Solutions      Brands      Research Hub

# QUOTE CONFIRMATION

JIM FREY,

Thank you for considering CDW•G for your technology needs. The details of your quote are below. **If you are an eProcurement or single sign on customer, please log into your system to access the CDW site.** You can search for your quote to retrieve and transfer back into your system for processing.

For all other customers, click below to convert your quote to an order.

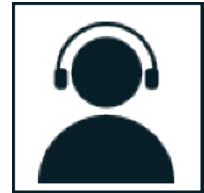
Convert Quote to Order

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
NXTJ428	6/19/2024	NXTJ428	1519324	\$70,127.54

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">DELL CTO PE R650 6354 512GB PS</a>	3	7973196	\$21,684.46	\$65,053.38
Mfg. Part#: 3000178275110				
Contract: Vizient Tier 6 All other Products (IT0031)				

SUBTOTAL		\$65,053.38
SHIPPING		\$0.00
SALES TAX		\$5,074.16
GRAND TOTAL		\$70,127.54

PURCHASER BILLING INFO	DELIVER TO
<b>Billing Address:</b> MORTON GENERAL HOSPITAL PO BOX 1138 MORTON, WA 98356-0019 <b>Phone:</b> (360) 496-5112 <b>Payment Terms:</b> NET 30-VERBAL	<b>Shipping Address:</b> MORTON GENERAL HOSPITAL 521 ADAMS STREET MORTON, WA 98356 <b>Shipping Method:</b> DROP SHIP-GROUND
Please remit payments to:	
CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	



Sales Contact Info

Riya Shah | (877) 376-0904 | [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com)

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$65,053.38	\$1,864.43/Month	\$65,053.38	\$2,131.80/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

Why finance?

- Lower Upfront Costs. Get the products you need without impacting cash flow. Preserve your working capital and existing credit line.
- Flexible Payment Terms. 100% financing with no money down, payment deferrals and payment schedules that match your company's business cycles.
- Predictable, Low Monthly Payments. Pay over time. Lease payments are fixed and can be tailored to your budget levels or revenue streams.
- Technology Refresh. Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.
- Bundle Costs. You can combine hardware, software, and services into a single transaction and pay for your software licenses over time! We know your challenges and understand the need for flexibility.

General Terms and Conditions:

This quote is not legally binding and is for discussion purposes only. The rates are estimate only and are based on a collection of industry data from numerous sources. All rates and financial quotes are subject to final review, approval, and documentation by our leasing partners.

Payments above exclude all applicable taxes. Financing is subject to credit approval and review of final equipment and services configuration.

Fair Market Value leases are structured with the assumption that the equipment has a residual value at the end of the lease term.

## Need Help?



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Call 800.800.4239

## Apple Terms and Conditions

Customer's use of iCloud, the Products or either of their incumbent software or functionality is subject to compliance with all end user licenses agreements ("EULAs"), Product terms and conditions, and iCloud terms and conditions (available at [www.apple.com/legal/internet-services/icloud/en/terms.html](http://www.apple.com/legal/internet-services/icloud/en/terms.html)) and any other terms and conditions provided by Apple. Customer shall not use the Products, iCloud Storage APIs and iCloud service, or any component or function thereof, (i) to create, receive, maintain, or transmit protected health information (as defined at 45 C.F.R § 160.103); or (ii) in any manner that would make Apple or any other third-party distributor, supplier, or provider of those technologies a business associate, as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") at 45 C.F.R. § 160.103, of the Reseller or any third party. If Customer is purchasing AppleCare, Customer agrees to the following terms and conditions: (i) Service Plan Terms and Conditions. Customer agrees to the Service Plan Terms and Conditions available at [www.apple.com/legal/sales-support/applecare/os-reseller-support/](http://www.apple.com/legal/sales-support/applecare/os-reseller-support/); (ii) Customer Responsibilities. Customer must be actively enrolled in AppleCare for Enterprise in order to purchase a Support Incident and receive Support Services thereunder. Customer will cooperate with Reseller when seeking Support Services by providing information necessary to assist Reseller in diagnosing an issue. Customer is responsible for any and all restoration or reconstruction of lost or altered files, data or programs. Customer will maintain and implement a complete data backup and disaster recovery plan. Customer is solely responsible for any and all security of confidential, proprietary or classified information of Customer and any third parties whose data Customer possesses or processes. Customer will not disclose to Reseller confidential, proprietary or any information that is subject to intellectual property rights that may expose Reseller to liability; and (iii) Data Protection. Customer agrees and understands that it is necessary for Reseller to collect, process and use Customer data in order to perform the service and support obligations under the Support Incident. This may include transferring Customer data to affiliated companies, service providers, and/or Apple.

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This order is subject to CDW's Terms and Conditions of Sales and Service Projects at

<http://www.cdwg.com/content/terms-conditions/product-sales.aspx>

For more information, contact a CDW account manager.

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June 20, 2024

## Finance Options for

Customer Name: **Morton General Hospital**  
Equipment Description: Quote # NXTJ428  
Transaction Amount: \$65,053.38  
Vendor Name: CDW - Riya Shah

To apply for credit, please circle the payment option(s) of most interest to you. Then, complete and submit the application below. Note: payment figures do not include applicable taxes.

### Payment Proposal Summary:

No advance payment is required

#### Standard Term

36

#### \$1 Out Annual Payment

\$23,808.89

#### Your End-Of-Lease Options Are:

FMV (Fair Market Value)

- 1) Purchase the equipment for its Fair Market Value, or
- 2) Continue to lease the equipment for your regular monthly payment, or
- 3) Renew the lease for a specified time, or
- 4) Return the equipment to the Lessor

\$1 Out

- 1) Purchase the equipment for \$1.00.

When you choose to lease, there may be no greater advantage than the ability to purchase more equipment and services through a financed structure compared to a cash purchase. This added buying power allows you to get more of the solution you need to meet the goals of your organization. Other benefits include:

Finance the Entire Solution:  
Technology Obsolescence:  
Predictable, Monthly Payments:  
Tax & Accounting Benefits:  
Easier Budget Forecasting:

We can finance hardware, software, services, installation, training and more.  
Avoid the full cost of ownership of equipment that becomes obsolete due to technology advances.  
Leasing enables you to pay over time, rather than invest a lump sum up front.  
Payments may be tax deductible. See your tax and accounting advisor to confirm the benefits.  
Fixed monthly payments allow to you accurately forecast budgets now and in the future.

Terms: I) Quote is valid for, and must fund within, 30 days from issuance, II) Quote is good for new equipment only, III) Quote does not include applicable taxes, which may be billed in addition to the monthly payment, IV) All quotes and transactions are subject to Lenovo Financial Services credit, documentation and equipment configuration review and approval, V) Rates subject to change without notice, VI) Monthly payments may reflect monthly pass through payments for vendor supplied maintenance / service, VII) All transactions are subject to a \$75.00 Documentation Fee.

Please contact me should you have any questions about your finance options.

I look forward to working with you and designing a finance solution to fit your needs.

Thank You,  
**Ron Cinalli**  
**609-314-2035**  
**Ronald.Cinalli@LenovoFS.com**

**Please Contact: Ron Cinalli@ Ph: 609-314-2035; Email: Ronald.Cinalli@LenovoFS.com**



Solution Id: 19243880.1

Solution Name: 00320709 - 2.0

Solution Category: General

Solution Info:

Solution Created 6/18/2024 by seth.ymker@cdwg.com

Version Last Modified 6/18/2024 by seth.ymker@cdwg.com

Group Name	Group ID	Product Name
Group 1	19243880.1.1	PowerEdge R650 Tailor Made - [pe_r650_tm_vi_vp]

Product Qty	Module Name	Option ID	Option Name	SKUs	Qty
1	Base	GE0MI3U	PowerEdge R650 Server	[210-AYJZ]	1
	FRONT STORAGE	GYEFL4N	10x2.5 Front Storage	[379-BEID]	1
	BACKPLANE	GK0E3OX	SAS/SATA Backplane	[379-BDSS]	1
	REAR STORAGE	G0XF0L2	No Rear Storage	[379-BDTE]	1
	Trusted Platform Module	GGX1VDO	Trusted Platform Module 2.0 V3	[461-AAIG]	1
	Chassis Configuration	G4UOQAB	2.5" Chassis with up to 10 Hard Drives (SAS/SATA), 3 PCIe Slots, 2 CPU	[321-BGHN]	1
	Processor	GFEG84U	Intel® Xeon® Gold 6354 3G, 18C/36T, 11.2GT/s, 39M Cache, Turbo, HT (205W) DDR4-3200	[338-CBBW]	1
	Additional Processor	GFG5U3Q	Intel® Xeon® Gold 6354 3G, 18C/36T, 11.2GT/s, 39M Cache, Turbo, HT (205W) DDR4-3200	[338-CBBW], [379-BDCO]	1
	Processor Thermal Configuration	G3KT0LF	Heatsink for 2 CPU configuration (CPU more than 165W)	[412-AAVM]	1
	Memory Configuration Type	GH9QBEI	Performance Optimized	[370-AAIP]	1
	Memory DIMM Type and Speed	GR3CFNV	3200MT/s RDIMMs	[370-AEVR]	1
	Memory Capacity	GQC5KJW	64GB RDIMM, 3200MT/s, Dual Rank, 16Gb	[370-AEVP]	8
	RAID Configuration	G8510ID	C1, No RAID for HDDs/SSDs (Mixed Drive Types Allowed)	[780-BCDI]	1
	RAID/Internal Storage Controllers	GM47NJB	Front PERC H355 Rear Load	[405-ABCQ], [750-ACFQ]	1
	Hard Drives	GW19KER	1.92TB SSD SATA Mix Use 6Gbps 512 2.5in Hot-plug AG Drive, 3 DWPD	[400-AZTN]	4
	BIOS and Advanced System Configuration Settings	GJO594B	Performance BIOS Setting	[384-BBBL]	1
	Advanced System Configurations	GSFTG4Y	UEFI BIOS Boot Mode with GPT Partition	[800-BBDM]	1
	Advanced System Configurations	G9I0NL3	No Energy Star	[387-BBEY]	1
	Fans	GKMQ9T4	4 High Performance Fans for 2 CPU	[750-ADIH]	1
	Power Supply	GIW6SNG	Dual, Hot-plug, Power Supply Fully Redundant (1+1), 1400W, Mixed Mode, NAF	[450-AIQZ]	1
	Power Cords	G749Q3L	NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America	[450-AALV]	2
	PCIe Riser	G1GWFKU	Riser Config 1, Half Length, Low Profile, 1 x16 and 1 x8 Slots, 1x SNAP IO Slot, SW GPU Capable	[330-BBRR]	1
	Motherboard	GXJ3L89	PowerEdge R650 Motherboard with Broadcom 5720 Dual Port 1Gb On-Board LOM	[329-BFGQ]	1
	OCN 3.0 Network Adapters	G4KWJT7	Broadcom 57454 Quad Port 10GbE Base-T Adapter, OCN NIC 3.0	[540-BDOT]	1
	Additional Network Cards	G7BFQ2Y	Broadcom 57414 Dual Port 10/25GbE SFP28 Adapter, PCIe Low Profile, V2	[540-BDGV]	1
	Bezel	GQMOIPK	Standard Bezel for x8 and x10 Chassis	[325-BCHH], [350-BCEI]	1
	Boot Optimized Storage Cards	GIEP1Z6	No BOSS Card	[403-BCID]	1
	Operating System	G78MU35	No Operating System	[611-BBBF]	1
	OS Media Kits	GKH7AZI	No Media Required	[605-BBFN]	1
	Embedded Systems Management	G4NWS93	iDRAC9, Enterprise 15G	[385-BBQV]	1
	Quick Sync	G1FEZA	No Quick Sync	[350-BBXM]	1
	Password	G2T768J	iDRAC,Factory Generated Password	[379-BCSF]	1
	iDRAC Service Module	GX95LG2	iDRAC Service Module (ISM), NOT Installed	[379-BCQX]	1
	Group Manager	GTC0D81	iDRAC Group Manager, Enabled	[379-BCQV]	1
	Rack Rails	GXMEV3F	No Rack Rails or Cable Management Arm or Strain Relief Bar	[770-BDMV]	1
	System Documentation	GVRYSM7	No Systems Documentation, No OpenManage DVD Kit	[631-AACK]	1
	SHIPPING	GDVZYP6	PowerEdge R650 Shipping	[340-CUQR]	1
	Shipping Material	GSK7QEV	R650 Ship 4x3.5, 10x2.5, 8x2.5 NVMe	[340-CUQN]	1
	Regulatory	G8JVNRM	PowerEdge R650 BIS Marking , No CE or CCC Marking on 2.5" Chassis	[343-BBQV], [389-DYIC]	1
	FGA Module	NOFGA	No FGA	[817-BBBB]	1
	ECCN	GRO1P6G	Decline Selection	[817-BBBP]	1
	Dell Services: Hardware Support	G5ZBAK0	Basic Next Business Day 36 Months, 36 Month(s)	[709-BBFB]	1
	Extended Service	G01749W	Basic Next Business Day, 60 Month(s)	[865-BBNP]	1
	Infrastructure Deployment Svcs	GMZGA07	No Field Deployment Customer Install Required	[883-BBFN]	1
	Enterprise Deployment Services	GKVH3QP	Infrastructure Deployment Selected	[701-6538]	1



Thank you for choosing CDW. We have received your quote.

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Services

IT Solutions

Brands

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## QUOTE CONFIRMATION

JIM FREY,

Thank you for considering CDW•G for your technology needs. The details of your quote are below. **If you are an eProcurement or single sign on customer, please log into your system to access the CDW site.** You can search for your quote to retrieve and transfer back into your system for processing.

For all other customers, click below to convert your quote to an order.

**Convert Quote to Order**

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
NXNJ588	6/11/2024	CISCO SWITCH	1519324	\$19,381.41

### IMPORTANT - PLEASE READ

**Special Instructions:** TAX: MULTIPLE TAX JURISDICTIONS APPLY  
TAX: CONTACT CDW FOR TAX DETAILS

### QUOTE DETAILS

ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">Cisco Catalyst 9300X - Network Essentials - switch - 12 ports - managed - r</a> Mfg. Part#: C9300X-12Y-E TAX: MORTON, WA 7.8000% \$991.76 Contract: Vizient Tier 6 All other Products (IT0031)	1	6524197	\$12,714.90	\$12,714.90
<a href="#">Cisco Smart Net Total Care - extended service agreement</a> Mfg. Part#: CON-SNT-C9300X12 Electronic distribution - NO MEDIA TAX: MORTON, WA 7.8000% \$289.76 Contract: Vizient Tier 6 All other Products (IT0031)	1	6541684	\$3,714.84	\$3,714.84
<a href="#">Cisco Digital Network Architecture Essentials - subscription license (3 yea</a> Mfg. Part#: C9300-DNA-L-E-3Y Electronic distribution - NO MEDIA TAX: MORTON, WA 7.8000% \$35.76 Contract: Vizient Tier 6 Software (IT0031)	1	6524409	\$458.43	\$458.43
<a href="#">Cisco Config 1 Secondary Power Supply - power supply - hot-plug redundant</a> Mfg. Part#: PWR-C1-715WAC-P/2 UNSPSC: 39121004 TAX: MORTON, WA 7.8000% \$74.42 Contract: Vizient Tier 6 All other Products (IT0031)	1	5428371	\$954.10	\$954.10

<b>SUBTOTAL</b>	\$17,842.27
<b>SHIPPING</b>	\$136.77
<b>SALES TAX</b>	\$1,402.37
<b>GRAND TOTAL</b>	<b>\$19,381.41</b>

<b>PURCHASER BILLING INFO</b>	<b>DELIVER TO</b>
<b>Billing Address:</b> MORTON GENERAL HOSPITAL PO BOX 1138 MORTON, WA 98356-0019 <b>Phone:</b> (360) 496-5112 <b>Payment Terms:</b> NET 30-VERBAL	<b>Shipping Address:</b> MORTON GENERAL HOSPITAL 521 ADAMS STREET MORTON, WA 98356 <b>Shipping Method:</b> DROP SHIP-GROUND
<b>Please remit payments to:</b>	
CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	



## Sales Contact Info

**Riya Shah** | (877) 376-0904 | [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com)

<b>LEASE OPTIONS</b>			
<b>FMV TOTAL</b>	<b>FMV LEASE OPTION</b>	<b>BO TOTAL</b>	<b>BO LEASE OPTION</b>
<b>\$17,979.04</b>	<b>\$521.57/Month</b>	<b>\$17,979.04</b>	<b>\$594.75/Month</b>

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

### Why finance?

- **Lower Upfront Costs.** Get the products you need without impacting cash flow. Preserve your working capital and existing credit line.
- **Flexible Payment Terms.** 100% financing with no money down, payment deferrals and payment schedules that match your company's business cycles.
- **Predictable, Low Monthly Payments.** Pay over time. Lease payments are fixed and can be tailored to your budget levels or revenue streams.
- **Technology Refresh.** Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.
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## Need Help?



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For more information, contact a CDW account manager.

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June 12, 2024

## Finance Options for

Customer Name: **MORTON GENERAL HOSPITAL**  
Equipment Description: Quote # NXNJ588  
Transaction Amount: \$17,979.04  
Vendor Name: CDW - Riya Shah

To apply for credit, please circle the payment option(s) of most interest to you. Then, complete and submit the application below. Note: payment figures do not include applicable taxes.

### Payment Proposal Summary: No advance payment is required

**\$1 Out**

#### Standard Term

#### Monthly Payment

#### Annual Payment

36

\$589.71

\$6,749.15

**FMV (Fair Market Value)**

**Your End-Of\_Lease Options Are:**

- 1) Purchase the equipment for its Fair Market Value, or
- 2) Continue to lease the equipment for your regular monthly payment, or
- 3) Renew the lease for a specified time, or
- 4) Return the equipment to the Lessor

**\$1 Out**      1) Purchase the equipment for \$1.00.

When you choose to lease, there may be no greater advantage than the ability to purchase more equipment and services through a financed structure compared to a cash purchase. This added buying power allows you to get more of the solution you need to meet the goals of your organization. Other benefits include:

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**Predictable, Monthly Payments:**  
**Tax & Accounting Benefits:**  
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We can finance hardware, software, services, installation, training and more.  
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Leasing enables you to pay over time, rather than invest a lump sum up front.  
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Please contact me should you have any questions about your finance options.

I look forward to working with you and designing a finance solution to fit your needs.

Thank You,  
**Ron Cinalli**  
609-314-2035  
Ronald.Cinalli@LenovoFS.com

**Please Contact: Ron Cinalli@ Ph: 609-314-2035; Email: Ronald.Cinalli@LenovoFS.com**



Thank you for choosing CDW. We have received your quote.

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# QUOTE CONFIRMATION

JIM FREY,

Thank you for considering CDW•G for your technology needs. The details of your quote are below. **If you are an eProcurement or single sign on customer, please log into your system to access the CDW site.** You can search for your quote to retrieve and transfer back into your system for processing.

For all other customers, click below to convert your quote to an order.

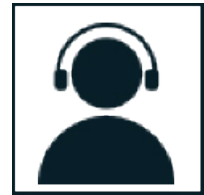
Convert Quote to Order

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
NXNT616	6/11/2024	L/SA UPFRONT- 3YR	1519324	\$145,343.72

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">Microsoft Windows Server Datacenter Edition - license &amp; software assurance</a>	108	4324404	\$1,248.40	\$134,827.20
Mfg. Part#: AAA-30380-CCJ-3				
UNSPSC: 43233004				
Electronic distribution - NO MEDIA				
Contract: Vizient Tier 6 Software (IT0031)				

SUBTOTAL		\$134,827.20
SHIPPING		\$0.00
SALES TAX		\$10,516.52
GRAND TOTAL		\$145,343.72

PURCHASER BILLING INFO	DELIVER TO
<b>Billing Address:</b> MORTON GENERAL HOSPITAL PO BOX 1138 MORTON, WA 98356-0019 <b>Phone:</b> (360) 496-5112 <b>Payment Terms:</b> NET 30-VERBAL	<b>Shipping Address:</b> MORTON GENERAL HOSPITAL 521 ADAMS STREET MORTON, WA 98356 <b>Shipping Method:</b> ELECTRONIC DISTRIBUTION
<b>Please remit payments to:</b>	
CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	



Sales Contact Info

Riya Shah | (877) 376-0904 | [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com)

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$134,827.20	\$3,815.61/Month	\$134,827.20	\$4,387.28/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

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- Technology Refresh. Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.
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Customer's use of iCloud, the Products or either of their incumbent software or functionality is subject to compliance with all end user licenses agreements ("EULAs"), Product terms and conditions, and iCloud terms and conditions (available at [www.apple.com/legal/internet-services/icloud/en/terms.html](http://www.apple.com/legal/internet-services/icloud/en/terms.html)) and any other terms and conditions provided by Apple. Customer shall not use the Products, iCloud Storage APIs and iCloud service, or any component or function thereof, (i) to create, receive, maintain, or transmit protected health information (as defined at 45 C.F.R § 160.103); or (ii) in any manner that would make Apple or any other third-party distributor, supplier, or provider of those technologies a business associate, as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") at 45 C.F.R. § 160.103, of the Reseller or any third party. If Customer is purchasing AppleCare, Customer agrees to the following terms and conditions: (i) Service Plan Terms and Conditions. Customer agrees to the Service Plan Terms and Conditions available at [www.apple.com/legal/sales-support/applecare/os-reseller-support/](http://www.apple.com/legal/sales-support/applecare/os-reseller-support/); (ii) Customer Responsibilities. Customer must be actively enrolled in AppleCare for Enterprise in order to purchase a Support Incident and receive Support Services thereunder. Customer will cooperate with Reseller when seeking Support Services by providing information necessary to assist Reseller in diagnosing an issue. Customer is responsible for any and all restoration or reconstruction of lost or altered files, data or programs. Customer will maintain and implement a complete data backup and disaster recovery plan. Customer is solely responsible for any and all security of confidential, proprietary or classified information of Customer and any third parties whose data Customer possesses or processes. Customer will not disclose to Reseller confidential, proprietary or any information that is subject to intellectual property rights that may expose Reseller to liability; and (iii) Data Protection. Customer agrees and understands that it is necessary for Reseller to collect, process and use Customer data in order to perform the service and support obligations under the Support Incident. This may include transferring Customer data to affiliated companies, service providers, and/or Apple.

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<http://www.cdwg.com/content/terms-conditions/product-sales.aspx>

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June 12, 2024

## Finance Options for

Customer Name: **MORTON GENERAL HOSPITAL**  
Equipment Description: Quote # NXNT616  
Transaction Amount: \$134,827.20  
Vendor Name: CDW - Riya Shah

To apply for credit, please circle the payment option(s) of most interest to you. Then, complete and submit the application below. Note: payment figures do not include applicable taxes.

**Payment Proposal Summary:**  
No advance payment is required

**\$1 Out**

**Standard Term**

**Monthly Payment**

**Annual Payment**

36

\$4,248.41

\$49,220.02

**FMV (Fair Market Value)**

**Your End-Of\_Lease Options Are:**

- 1) Purchase the equipment for its Fair Market Value, or
- 2) Continue to lease the equipment for your regular monthly payment, or
- 3) Renew the lease for a specified time, or
- 4) Return the equipment to the Lessor

**\$1 Out**      1) Purchase the equipment for \$1.00.

When you choose to lease, there may be no greater advantage than the ability to purchase more equipment and services through a financed structure compared to a cash purchase. This added buying power allows you to get more of the solution you need to meet the goals of your organization. Other benefits include:

**Finance the Entire Solution:**  
**Technology Obsolescence:**  
**Predictable, Monthly Payments:**  
**Tax & Accounting Benefits:**  
**Easier Budget Forecasting:**

We can finance hardware, software, services, installation, training and more.  
Avoid the full cost of ownership of equipment that becomes obsolete due to technology advances.  
Leasing enables you to pay over time, rather than invest a lump sum up front.  
Payments may be tax deductible. See your tax and accounting advisor to confirm the benefits.  
Fixed monthly payments allow to you accurately forecast budgets now and in the future.

Terms: I) Quote is valid for, and must fund within, 30 days from issuance, II) Quote is good for new equipment only, III) Quote does not include applicable taxes, which may be billed in addition to the monthly payment, IV) All quotes and transactions are subject to Lenovo Financial Services credit, documentation and equipment configuration review and approval, V) Rates subject to change without notice, VI) Monthly payments may reflect monthly pass through payments for vendor supplied maintenance / service, VII) All transactions are subject to a \$75.00 Documentation Fee.

Please contact me should you have any questions about your finance options.

I look forward to working with you and designing a finance solution to fit your needs.

Thank You,  
**Ron Cinalli**  
609-314-2035  
Ronald.Cinalli@LenovoFS.com

**Please Contact: Ron Cinalli@ Ph: 609-314-2035; Email: Ronald.Cinalli@LenovoFS.com**



Thank you for choosing CDW. We have received your quote.

Hardware      Software      Services      IT Solutions      Brands      Research Hub

# QUOTE CONFIRMATION

JIM FREY,

Thank you for considering CDW•G for your technology needs. The details of your quote are below. **If you are an eProcurement or single sign on customer, please log into your system to access the CDW site.** You can search for your quote to retrieve and transfer back into your system for processing.

For all other customers, click below to convert your quote to an order.

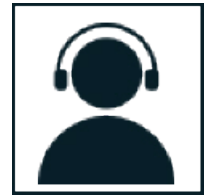
Convert Quote to Order

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
NXNT547	6/11/2024	LICENSE ONLY	1519324	\$83,067.36

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">Microsoft Windows Server Datacenter Edition - license - 2 cores</a>	108	4324403	\$713.49	\$77,056.92
Mfg. Part#: AAA-30379-CCF				
UNSPSC: 43233004				
Electronic distribution - NO MEDIA				
Contract: Vizient Tier 6 Software (IT0031)				

SUBTOTAL		\$77,056.92
SHIPPING		\$0.00
SALES TAX		\$6,010.44
GRAND TOTAL		\$83,067.36

PURCHASER BILLING INFO	DELIVER TO
<b>Billing Address:</b> MORTON GENERAL HOSPITAL PO BOX 1138 MORTON, WA 98356-0019 <b>Phone:</b> (360) 496-5112 <b>Payment Terms:</b> NET 30-VERBAL	<b>Shipping Address:</b> MORTON GENERAL HOSPITAL 521 ADAMS STREET MORTON, WA 98356 <b>Shipping Method:</b> ELECTRONIC DISTRIBUTION
<b>Please remit payments to:</b>	
CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	



Sales Contact Info

Riya Shah | (877) 376-0904 | [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com)

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$77,056.92	\$2,208.45/Month	\$77,056.92	\$2,525.16/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

Why finance?

- Lower Upfront Costs. Get the products you need without impacting cash flow. Preserve your working capital and existing credit line.
- Flexible Payment Terms. 100% financing with no money down, payment deferrals and payment schedules that match your company's business cycles.
- Predictable, Low Monthly Payments. Pay over time. Lease payments are fixed and can be tailored to your budget levels or revenue streams.
- Technology Refresh. Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.
- Bundle Costs. You can combine hardware, software, and services into a single transaction and pay for your software licenses over time! We know your challenges and understand the need for flexibility.

General Terms and Conditions:

This quote is not legally binding and is for discussion purposes only. The rates are estimate only and are based on a collection of industry data from numerous sources. All rates and financial quotes are subject to final review, approval, and documentation by our leasing partners.

Payments above exclude all applicable taxes. Financing is subject to credit approval and review of final equipment and services configuration.

Fair Market Value leases are structured with the assumption that the equipment has a residual value at the end of the lease term.

## Need Help?



My Account



Support



Call 800.800.4239

## Apple Terms and Conditions

Customer's use of iCloud, the Products or either of their incumbent software or functionality is subject to compliance with all end user licenses agreements ("EULAs"), Product terms and conditions, and iCloud terms and conditions (available at [www.apple.com/legal/internet-services/icloud/en/terms.html](http://www.apple.com/legal/internet-services/icloud/en/terms.html)) and any other terms and conditions provided by Apple. Customer shall not use the Products, iCloud Storage APIs and iCloud service, or any component or function thereof, (i) to create, receive, maintain, or transmit protected health information (as defined at 45 C.F.R § 160.103); or (ii) in any manner that would make Apple or any other third-party distributor, supplier, or provider of those technologies a business associate, as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") at 45 C.F.R. § 160.103, of the Reseller or any third party. If Customer is purchasing AppleCare, Customer agrees to the following terms and conditions: (i) Service Plan Terms and Conditions. Customer agrees to the Service Plan Terms and Conditions available at [www.apple.com/legal/sales-support/applecare/os-reseller-support/](http://www.apple.com/legal/sales-support/applecare/os-reseller-support/); (ii) Customer Responsibilities. Customer must be actively enrolled in AppleCare for Enterprise in order to purchase a Support Incident and receive Support Services thereunder. Customer will cooperate with Reseller when seeking Support Services by providing information necessary to assist Reseller in diagnosing an issue. Customer is responsible for any and all restoration or reconstruction of lost or altered files, data or programs. Customer will maintain and implement a complete data backup and disaster recovery plan. Customer is solely responsible for any and all security of confidential, proprietary or classified information of Customer and any third parties whose data Customer possesses or processes. Customer will not disclose to Reseller confidential, proprietary or any information that is subject to intellectual property rights that may expose Reseller to liability; and (iii) Data Protection. Customer agrees and understands that it is necessary for Reseller to collect, process and use Customer data in order to perform the service and support obligations under the Support Incident. This may include transferring Customer data to affiliated companies, service providers, and/or Apple.

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For more information, contact a CDW account manager.

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June 12, 2024

## Finance Options for

Customer Name: **MORTON GENERAL HOSPITAL**  
Equipment Description: Quote # NXNT547  
Transaction Amount: \$77,056.92  
Vendor Name: CDW - Riya Shah

To apply for credit, please circle the payment option(s) of most interest to you. Then, complete and submit the application below. Note: payment figures do not include applicable taxes.

**Payment Proposal Summary:**  
No advance payment is required

**\$1 Out**

**Standard Term**

**Monthly Payment**

**Annual Payment**

36

\$2,437.31

\$28,202.06

**FMV (Fair Market Value)**

**Your End-Of\_Lease Options Are:**

- 1) Purchase the equipment for its Fair Market Value, or
- 2) Continue to lease the equipment for your regular monthly payment, or
- 3) Renew the lease for a specified time, or
- 4) Return the equipment to the Lessor

**\$1 Out**      1) Purchase the equipment for \$1.00.

When you choose to lease, there may be no greater advantage than the ability to purchase more equipment and services through a financed structure compared to a cash purchase. This added buying power allows you to get more of the solution you need to meet the goals of your organization. Other benefits include:

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**Technology Obsolescence:**  
**Predictable, Monthly Payments:**  
**Tax & Accounting Benefits:**  
**Easier Budget Forecasting:**

We can finance hardware, software, services, installation, training and more.  
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Please contact me should you have any questions about your finance options.

I look forward to working with you and designing a finance solution to fit your needs.

Thank You,  
**Ron Cinalli**  
609-314-2035  
Ronald.Cinalli@LenovoFS.com

**Please Contact: Ron Cinalli@ Ph: 609-314-2035; Email: Ronald.Cinalli@LenovoFS.com**



# HPE Alletra MP Storage Proposal



Prepared For: Arbor Health

Submitted By: Riya Shah  
Component of RFP response  
Storage device

Date: 6/14/2024

Quote #: QUO-19581456-S5M8V5 -0

	Qty.	Part Numbers	Description	
Hardware	1	ZU715A	HPE Virtual Rack	
	1	S0B84A	HPE GreenLake Block STG MP Base Config	
	1	581817-B21	Configurator Defined Build Instructions	
	1	R7C75A	HPE Alletra STG MP 2U Chassis	
	2	S0R21A	HPE Alletra STG MP 16c Block Cntrl Node	
	2	R7C82A	HPE Alletra STG MP 10/25GbE 4p HBA	
	4	Q2P64B	HPE 25Gb SFP28 SW E Temp 1-pack PT XCVR	
	2	S2A68A	HPE Alletra STG MP 100GbE 2p OCP HBA	
	2	R7C76A	HPE Alletra STG MP C14 1600W AC PS	
	10	R9H67A	HPE Alletra STG MP 3.84TB NVMe SED SSD	
	1	R9R52A	HPE C13 - C14 250V Blk 1.4m WW Pwr Cord	
	1	R9S00A	HPE C13 - C14 250V Gry 1.4m WW Pwr Cord	
	1	S1J10A	HPE AL STG MP NVMe CTO Block Shelf	
	2	R7C76A	HPE Alletra STG MP C14 1600W AC PS	
	2	S1R28A	HPE Alletra STG MP Block Shelf Node	
	2	S2A68A	HPE Alletra STG MP 100GbE 2p OCP HBA	
	10	R9H67A	HPE Alletra STG MP 3.84TB NVMe SED SSD	
	1	R9R52A	HPE C13 - C14 250V Blk 1.4m WW Pwr Cord	
	1	R9S00A	HPE C13 - C14 250V Gry 1.4m WW Pwr Cord	
	1	S0U79A	HPE Alletra STG MP CDM BT Conn Kit	
	1	S0U79A#B01	HPE Alletra STG MP CDM BT Conn Kit	
	2	R9F77A	Aruba 100G QSFP28 to QSFP28 1m DAC HPE	
	2	R9F77A#B01	Aruba 100G QSFP28 to QSFP28 1m DAC HPE	
			Extended Sell	
			Hardware Total:	\$119,260.94
Software	1	S3Q00A	HPE GreenLake Bk OS 3yr LTU	
	1	S0A98A	HPE Stg Data Encryption LTU	
			Extended Sell	
			Software Total:	\$1.17
Support	77	S3Q00AAE	HPE GreenLake Bk OS /TB 3yr SW/Sup SaaS	
	1	HU4A3A3008W	HPE Alletra Stg MP Base Config Supp	
	1	HU4A3A3008L	HPE Alletra Storage MP 2U Chassis Supp	
	2	HU4A3A3008N	HPE Alletra StgMP 16C Swtchles Node Supp	
	2	HU4A3A3008Q	HPE Alletra Stg 10/25GbE 4-port HBA Supp	
	20	HU4A3A3008S	HPE Alletra Stg MP 3.84TB NVMe SSD Supp	
	2	HU4A3A3008X	HPE Alletra STG MP Block Shelf Node Supp	
	1	HU4A3A3008Z	HPE Alletra STG MP NVMe CTO Shelf Supp	
	4	HU4A3A3009A	HPE Alletra STG MP 100GbE 2p OCPHBA Supp	
			Extended Sell	
			Support Total:	\$75,373.52
ices	1	H38NHAS	HPE GreenLake for Block Storage SVC	
	1	HU4A3A3	HPE 3Y Tech Care Critical SVC	
	1	HA124A1	HPE Technical Installation Startup SVC	
	1	HA124A1#VZJ	HPE GreenLake Blk Strg Drv Encl Fld SVC	

Qty.		Part Numbers	Description		
serv	1	HA124A1#VZW	HPE GreenLake Blk Strg OS Srtup SVC		
	1	HA124A1#VZS	HPE GreenLake Blk Strg 2N Fld Srtup SVC		
				Extended Sell	
				Services Total:	\$5,248.44
				Extended Sell	
				Solution Total:	\$199,884.07

Pricing expires 30 calendar days from date on Proposal

Prices are contingent on final pricing approval from Manufacturer  
Quote provided based on specification provided by customer. No workload validation has been done.  
The terms and conditions provided on this link apply: <https://www.cdwg.com/content/cdwg/en/terms-conditions.html>  
Applicable Taxes and Shipping not shown.



## Proposal to: Lewis County Hospital

**Lessee:** Lewis County Hospital  
240 7TH St,Morton,Washington,United States of America,98356-9005

**Customer Email:** cavanaugh@hpe.com

HPE Financial Services is pleased to provide Lewis County Hospital with the following proposal for the acquisition of your IT needs. HPEFS provides flexible and cost-effective methods to obtain your complete technology solution and makes it easy for you to address your changing technology needs in a fast paced business environment.

**Supplier/Vendor:** Cdw LLC

**Total Cost:** \$ 199,884.07 USD

**Equipment Location:** 240 7TH ST, MORTON, LEWIS, Washington, United States of America, 98356-9005

Lease Type:	Lease Term:	Payment Frequency:	PaymentTiming	Down Payment Amount: \$	Deferral:	Payment Amount: \$
Finance Lease	36	Yearly	Advance	0.00		73680.86

The payment Factor(s) and or Payment Amount(s) above are based on the specific Products, Product mix and Cost/Cash Price entered above. Any change to those products, prices or mix of product type will necessitate a review of the Payment Factors or Payment Amount(s) by HPE Financial Services (HPEFS) with "Hewlett-Packard Financial Services Company and/or its affiliates and subsidiaries (HPFSC) for this Proposal.

**Doc Fee:** \$ 100.00

**Rate Expiration:** The lease rate factor(s) in this Proposal is/are fixed through 8/19/2024

**Net Lease:** Lessee shall be responsible for any and all taxes, fees, maintenance, insurance, registration and other fees and charges relating to the purchase, lease, ownership, possession and use of the Equipment.

**Fair Market Value end-of-lease term options:** Upon expiration of the original lease term, Lewis County Hospital may exercise the following options:

- a) Continue to lease on a month-to-month basis
- b) Negotiate a renewal or extension at a reduced rate
- c) Request a fair market buy out from HPFSC
- d) Return the equipment to HPFSC

**\$1 Purchase Option:** Allows the customer to purchase the equipment for \$1.00 at the end of the term.

**Confidentiality:** This letter is delivered to you with the understanding that neither this letter nor its substance shall be disclosed by Lessee to any third party.

**Basis of Proposal:** This letter is a proposal for discussion purposes only and does not represent either an offer or a commitment of any kind on the part of HPFSC. It does not purport to be inclusive of all terms and conditions that will apply to a leasing transaction between us. Neither party to the proposed transaction shall be under any legal obligation whatsoever until, among other things, HPFSC has obtained all required internal approvals (including credit approvals) and both parties have agreed upon all essential terms of the proposed transaction and executed acceptable definitive written documentation. This proposal can be modified or withdrawn by HPFSC at any time.

HPEFS Financial Account Manager Name:  
Phone number: Email Address:

Signed for and on behalf of Lewis County Hospital

Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_

### Equipment List

Please reference supplier quote for detailed equipment list:

Description of Equipment	Description	Unit Price	Quantity	Total Price
Storage Hardware - HPE	Alletra	119,260.94 USD	1	119,260.94 USD
All Software		1.17 USD	1	1.17 USD
Services/Softcosts-Generic	Support	75,373.52 USD	1	75,373.52 USD
Services/Softcosts-Generic	Services	5,248.44 USD	1	5,248.44 USD

# SERVICES PROPOSAL

## PROJECT FUNDAMENTALS

<b>Project Name:</b>	Dell and Hyper-V Services	<b>Requested By (Sales):</b> Riya Shah +1 (312) 547-2116 riya.shah@cdwg.com
<b>Customer Name:</b>	Morton General Hospital	
<b>CDW Affiliate:</b>	CDW Direct LLC	
<b>Effective Date:</b>	June 11, 2024	<b>Submitted By (SA/ISA):</b> James Hagemann (Prin. FSA), Abby Munn
<b>Version:</b>	2.0	

## CUSTOMER-DESIGNATED LOCATIONS

Location(s)	Service(s)		
Morton General Hospital TBD	<input type="checkbox"/> Assessment <input checked="" type="checkbox"/> Configuration <input type="checkbox"/> Design <input type="checkbox"/> Implementation	<input type="checkbox"/> Knowledge Transfer <input checked="" type="checkbox"/> Project Management <input type="checkbox"/> Reconfiguration <input type="checkbox"/> Reinstallation	<input type="checkbox"/> Staff Augmentation <input type="checkbox"/> Support <input type="checkbox"/> Training <input type="checkbox"/> Custom Work

## PROJECT SCOPE

The Seller team will complete the following for Customer.

### Engineering Tasks

- Rack Servers
- Cable for iDRAC management
- Cable servers for power
- Cable for network connectivity
- Cable for storage connectivity
- Configure IP address and host names for iDRACs
- Upgrade firmware
- Install windows server operating system provided by client
- Configure host names, IP address of servers
- Join servers to the Active Directory domain
- Patch the server with Windows updates
- Install failover cluster manager and Hyper-v roles
- Configure virtual networking
- Run cluster validation wizard to ensure all tests pass
- Create cluster
- Configure clustered shared volumes and quorum disk
- Configure cluster roles
- Test cluster failover

## PROJECT ASSUMPTIONS

- CDW will not be responsible for delays caused by Customer and the consequent costs incurred. Any delay caused by a third party vendor providing services or products to Customer that impact the Services, will be considered Customer's responsibility and an excusable delay to the extent the Services are impeded or delayed.
- Customer is responsible for the performance of its employees and agents, including any contribution they make to the Services (including Deliverables), and for the accuracy and completeness of all data, information and materials provided to CDW. CDW's performance is dependent upon timely decisions and approvals of Customer in connection with the Services and CDW is entitled to rely on all decisions and approvals of Customer.
- In the event that circumstances result in delay in the delivery of CDW Professional Services, CDW retains the right to cancel any or all project meetings until such circumstances have been resolved and project delivery can continue without delay.

## PROJECT MANAGEMENT

The following activities focus on managing the initiation, planning, execution, and closure of the project including coordinating delivery resources and communicating with stakeholders:

- Manages resources assigned to the project.
- Works with the Customer assigned single point of contact to coordinate project tasks and the resources assigned to complete said tasks.
- Acts as the single point of contact for all project communication and escalations.
- Determines the engagement process and schedule.
- Develops a high-level Project Plan with critical path events and milestones.
- Conducts a kick-off meeting to review the project scope, expectations, communication plans, and availability of required resources.
- Conducts periodic status meetings to review project process, issues and potential risks. The frequency of the meetings will be mutually agreed upon by the Customer and CDW.
- Coordinates project closeout, review and sign-off.

## OUT OF SCOPE

- Services not specified in this SOW are considered out of scope and will be addressed with a separate SOW or Change Order.

This Services Proposal is valid for 30 days from the above “Effective Date”.

## ITEM(S) PROVIDED TO CUSTOMER

Table 1 – Item(s) Provided to Customer

Item	Description	Format
#1	As-built documentation	PDF
#2	Architecture Diagrams	PDF

## PROJECT SCHEDULING

Customer and Seller, who will jointly manage this project, will together develop timelines for an anticipated schedule (“**Anticipated Schedule**”) based on Seller’s project management methodology. Any dates, deadlines, timelines or schedules contained in the Anticipated Schedule, in this SOW or otherwise, are estimates only, and the Parties will not rely on them for purposes other than initial planning.

## TOTAL FEES

The total fees due and payable under this SOW (“**Total Fees**”) include both fees for Seller’s performance of work (“**Services Fees**”) and any other related costs and fees specified in the Expenses section (“**Expenses**”). Unless otherwise specified, taxes will be invoiced but are not included in any numbers or calculations provided herein.

Seller will invoice for the Total Fees.

## SERVICES FEES

Services Fees hereunder are **FIXED FEES**, meaning that the amount invoiced for the Services will be \$11,490.00.

The invoiced amount of Services Fees will equal the amount of fees applicable to each completed project milestone, as specified in Table 1.

Table 2 – Services Fees

Project Milestones	Percentage	Fees
Completion of Work	100%	\$11,490.00
<b>Totals</b>	<b>100%</b>	<b>\$11,490.00</b>

## EXPENSES

Neither travel time nor direct expenses will be billed for this project.

Upon execution of this SOW, travel will be scheduled to occur no less than two (2) weeks after the date of Customer’s request for travel. Should Customer request that travel be expedited, Customer will be billed for any additional travel and expense costs that apply.

## NOT FOR SIGNATURE

THIS DOCUMENT IS A DRAFT INTENDED ONLY FOR USE IN THE REVIEW OF TEXT APPLICABLE TO A POSSIBLE SERVICES ENGAGEMENT. IT DOES NOT CONSTITUTE A CONTRACT OR A PROPOSAL FOR A CONTRACT. THE CONTENT OF THIS DOCUMENT, AS IT MAY BE NEGOTIATED BY THE PARTIES, IS INTENDED TO BE INCORPORATED INTO A STATEMENT OF WORK, WHICH WILL INCLUDE OTHER PROVISIONS AND WHICH WILL BE GOVERNED BY ADDITIONAL TERMS AND CONDITIONS. A PARTY'S SIGNATURE OR OTHER INDICATION OF APPROVAL ON OR RELATED TO THIS DOCUMENT SHALL HAVE NO BINDING OR CONTRACTUAL EFFECT.

June 12, 2024

## Finance Options for

Customer Name: **MORTON GENERAL HOSPITAL**  
Equipment Description: Quote # SOW  
Transaction Amount: \$11,490.00  
Vendor Name: CDW - Riya Shah

To apply for credit, please circle the payment option(s) of most interest to you. Then, complete and submit the application below. Note: payment figures do not include applicable taxes.

### Payment Proposal Summary: No advance payment is required

#### \$1 Out

#### Standard Term

#### Monthly Payment

#### Annual Payment

36

\$376.87

\$4,313.23

FMV (Fair Market Value)

**Your End-Of\_Lease Options Are:**

- 1) Purchase the equipment for its Fair Market Value, or
- 2) Continue to lease the equipment for your regular monthly payment, or
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\$1 Out    1) Purchase the equipment for \$1.00.

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Technology Obsolescence:  
Predictable, Monthly Payments:  
Tax & Accounting Benefits:  
Easier Budget Forecasting:

We can finance hardware, software, services, installation, training and more.  
Avoid the full cost of ownership of equipment that becomes obsolete due to technology advances.  
Leasing enables you to pay over time, rather than invest a lump sum up front.  
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Fixed monthly payments allow to you accurately forecast budgets now and in the future.

Terms: I) Quote is valid for, and must fund within, 30 days from issuance, II) Quote is good for new equipment only, III) Quote does not include applicable taxes, which may be billed in addition to the monthly payment, IV) All quotes and transactions are subject to Lenovo Financial Services credit, documentation and equipment configuration review and approval, V) Rates subject to change without notice, VI) Monthly payments may reflect monthly pass through payments for vendor supplied maintenance / service, VII) All transactions are subject to a \$75.00 Documentation Fee.

Please contact me should you have any questions about your finance options.

I look forward to working with you and designing a finance solution to fit your needs.

Thank You,  
**Ron Cinalli**  
609-314-2035  
Ronald.Cinalli@LenovoFS.com

**Please Contact: Ron Cinalli@ Ph: 609-314-2035; Email: Ronald.Cinalli@LenovoFS.com**

## CDW Healthcare Overview









Arbor Health is seeking the most reliable and experienced provider for Virtual Environment Hardware. CDW Healthcare will help your organization assess, design, deploy, and manage the best solutions for your specific needs. Whether tied to digital transformation, security, clinical collaboration, or another IT initiative, CDW Healthcare will ultimately enable you to mitigate risk and better control costs. Our goal is to help you maximize your return on investment and ensure your technology investment continues to add value to your organization well into the future.

The healthcare industry is in the midst of a digital revolution. Technology innovation impacts patient care like never before. From an influx of artificial intelligence, machine learning, and blockchain tools, to increased mergers and acquisitions, today's healthcare organizations face unprecedented challenges and opportunities to leverage next-generation IT to unite the full continuum of care. CDW Healthcare offers the solutions and support you need to embrace the latest industry trends and initiatives, including transforming the patient experience, enabling clinicians, improving security and risk management, and preparing for the future.

CDW Healthcare is a specialized segment of CDW Government LLC ("CDW-G"), the wholly-owned subsidiary of CDW LLC, and a trusted IT resource to more than 15,000 healthcare organizations and senior care facilities.

## We Can Help Arbor Health Achieve Your Goals

As Arbor Health evaluates its options for this RFP, CDW Healthcare would like to call out several benefits of partnering with us:

 <p><b>Technical Resources:</b> Access to hundreds of CDW solution architects in multiple disciplines.</p>	 <p><b>Post-Sales Services:</b> Access to more than 300 technicians, engineers, and support staff who perform desktop imaging, network configuration, server builds, and full rack buildouts.</p>	 <p><b>Redundancy and Speed:</b> Store products in one of our two US CDW-owned, ISO 9001:2015-certified distribution facilities. CDW Healthcare can assist with equipment schedules and logistics.</p>
 <p><b>Turnkey with Breadth of Solutions:</b> We are technology neutral with 100,000+ products and services from 1,000+ leading and emerging brands. We continually update these partners and products, allowing you access to industry-leading solutions.</p>	<b>Arbor Health and CDW Healthcare</b>	 <p><b>Financial Strength:</b> Our financial stability stems from our vendor-neutral solutions and multiple dedicated customer channels. Multiple avenues for growth and a balanced customer base allow us to weather economic and technology cycles.</p>
 <p><b>Scalability:</b> A team of CDW Healthcare IT professionals will be dedicated to Arbor Health. Those resources will continue to grow as business grows. CDW Healthcare is committed to making sure you receive the highest level of service and have the right team engaged.</p>	 <p><b>Economies of Scale:</b> Arbor Health gains the advantage of CDW's size in the marketplace. As a top partner (often the No. 1 partner worldwide) to such manufacturers as Cisco, Dell EMC, HPE, and Lenovo, CDW can provide you with insight into new technology.</p>	 <p><b>Tracking and Visibility:</b> Online procurement capabilities streamline and standardize purchasing, support flexible reporting, and improve decision making.</p>



Many respected vendors have well-established procurement/delivery and installation procedures but no plan or personnel in place to ensure their company remains compliant with the contract once signed. Arbor Health will benefit from partnering with a vendor who not only offers a diverse breadth of technology solutions but also has proven dexterity in the intricacies of contracts. In addition to our customer-centric account management teams, we have a program management department singularly devoted to managing contracts. CDW·G's experienced program management team manages nearly 1,000 active state, local, education, and healthcare contracts. When Arbor Health signs a contract with us, you also save time you might otherwise spend tracking data on the contract, advertising your contract to potential end users, and ensuring proper pricing and discounts are applied to every purchase.

Along with unwavering customer focus, we are committed to technology solutions delivering the best possible service and support with one-stop shopping for customized solutions. We understand you need more than technology – you need a partner who can provide knowledgeable guidance, respond quickly to your questions, and help maintain your hardware and software for optimal performance. You can work closely with your dedicated account manager to access our broad spectrum of services. Some benefits Arbor Health will realize when partnering with CDW Healthcare are:

- Accessibility, reliability, and consistency for a smooth experience
- Efficiencies through automated operations, agility, and scalability
- Infrastructure security with preventative and proactive protection and remediation
- Robust solution development for your unique challenges by experienced and knowledgeable engineers
- Integrated technology solutions designed, implemented, and managed by highly specialized solution architects who can help you capitalize on new opportunities
- Management of your technology environment today and into the future with lifecycle technical and customer support, from presales consultations to post-implementation issue resolution
- Savings of time money by supplementing your IT staff quickly with award-winning staff augmentation
- A strong partnership with individuals Customer Name knows and trusts due to high retention of quality coworkers motivated to maximize performance and productivity

## **Comprehensive IT Solutions for Arbor Health**

Arbor Health can develop the best total solution while attaining the most value with CDW Healthcare's full range of products and services, from discrete hardware and software products to integrated IT solutions. We are technology agnostic, focused on finding the right solution for you rather than pushing a particular brand, and our sales and service delivery teams consist of nearly 6,000 customer-facing coworkers, including more than 2,000 field sellers, highly skilled technology specialists, and advanced

service delivery engineers. Our offerings are comprehensive, including expert consulting, design, configuration, installation, and lifecycle management services.

We have services dedicated to each stage of your solution rollout and IT journey, with technical support and professional services experts, architects and engineers that give your IT team the time they need to turn IT into a competitive advantage.

## Full-Stack Expertise

Products and Partnerships	Technology Services	Total Solutions
<b>100,000+ products from more than 1,000 vendors including Acer, Adobe, Cisco, Dell EMC, HP, IBM, Lenovo, Microsoft, NetApp, and VMware.</b>	<ul style="list-style-type: none"><li>▪ eProcurement integration</li><li>▪ Leasing services</li><li>▪ Managed services</li><li>▪ Pre-shipment configuration</li><li>▪ Professional services</li><li>▪ Warranty and maintenance</li></ul>	<ul style="list-style-type: none"><li>▪ Cloud</li><li>▪ Collaboration</li><li>▪ Data center and networking</li><li>▪ Managed Print Services</li><li>▪ Point of Sale</li><li>▪ Security</li><li>▪ Software management</li><li>▪ Total Mobility Management</li></ul>

CDW Healthcare has served the healthcare IT industry for more than 30 years, so we understand the nuances of leveraging technology in the care arena, whether you are a large hospital, small doctor's office, or anything in between. In addition, we have been affiliated with HIMSS for over 10 years and CHIME for nearly a decade and cultivate partnerships with the world's leading IT innovators. CDW Healthcare is a contracted supplier to the industry's top group purchasing organizations, including Vizient, Intalere, Premier, and HealthTrust. CDW Healthcare offers the solutions and support you need to embrace the latest industry trends and initiatives, including transforming the patient experience, enabling clinicians, improving security and risk management, and preparing for the future.

# CDW Quick Facts

CDW Quick Facts					
<b>Vernon Hills, IL</b> Headquarters	<b>\$24B</b> 2022 Annual Net Sales	<b>14,900</b> Coworkers	<b>53</b> U.S. Offices	<b>250,000+</b> Customers	<b>166</b> 2023 Fortune 500 Rank

CDW Healthcare is a specialized segment of CDW Government LLC ("CDW-G"), the wholly-owned subsidiary of CDW LLC, and a trusted IT resource to more than 15,000 healthcare organizations and senior care facilities. We have been addressing healthcare IT for more than 30 years, so we understand the nuances of leveraging technology in the care arena, whether you are a large hospital, small doctor's office, or anything in between. We have been affiliated with HIMSS for over 10 years and CHIME for nearly a decade, and regularly cultivate partnerships with the world's leading IT innovators. And because we are the largest technology solutions provider in the U.S., we give you access to 1,000+ brands and 100,000+ products to ensure you get the most out of your IT investment. For more information on our healthcare solutions and offerings, please visit our website.

CDW debuted on the Fortune 500 in 2001. and now ranks at number 166. CDW ranks at No. 4 on CRN's 2023 Solution Provider 500 list. The sustainable growth and continued financial stability of our company serves to assure Arbor Health that we are here to stay and can support you through the life of this contract and beyond.

## CDW Healthcare Support to Help Propel Your Mission Forward

Your CDW Healthcare account team will serve as a liaison between our internal technical resources, external partners, and original equipment manufacturers (OEMs) to create a seamless experience for Arbor Health. We will support Arbor Health from project launch to post-implementation. We will also leverage our distributor relationships as a world-class value-added reseller (VAR), as well as our capabilities as a specialized systems integrator and managed service partner. We will work hard to ensure your questions are promptly addressed and your issues are quickly resolved.

### WE GET Protecting Patients and Caregivers

Arbor Health should know that we are relentlessly devoted to helping our customers overcome the challenges related to resolving their technology needs. We understand that how we deal with adversity impacts how and when we succeed for Arbor Health (and those essential heroes who play a critical role in your organization to help keep your patients healthy). One way we achieve this is through our agility in adapting to the unexpected, such as during the earliest stages of the COVID-19 crisis. Because CDW Healthcare plays a critical role in continuing to supply IT products and services to our customers, we prioritized a strategic response that would ensure our customers' needs were met in the face of a

significant strain on the global supply chain. We worked closely with our manufacturer partners to identify product recommendations based on projected availability. At the same time, we maintained focus on the wellbeing of our communities and helping our customers navigate a rapidly changing environment.

During the early months of the COVID-19 pandemic, healthcare providers relied on technology to connect patients with their families while curbing the spread of the disease. CDW Healthcare was able to support this vital need by prioritizing our healthcare customers. In one instance, our company donated 50 iPads to one Massachusetts hospital. These were distributed to multiple critical care units located throughout the hospital, allowing nurses to coordinate calls with family members to ensure no lines of communication were lost with loved ones.

CDW Healthcare is also working with OEMs to develop new ways of managing healthcare communications. For example, CDW Healthcare and Cisco partnered to assist Florida's Memorial Healthcare Systems in building a solution to efficiently scale automatic notifications for patients whose COVID-19 test results are negative. The resulting COVID-19 Telephony Bot solution – which potentially frees up a minimum of 75 clinician hours so healthcare professionals can focus on treating patients who test positive – went from concept to live operations within five days.

Additionally, we have implemented stringent safety measures in our distribution centers to maintain business continuity while prioritizing the well-being of our coworkers. With two distribution centers in different portions of the country, we are able to maintain our supply chain in the event one of those centers goes down for any reason.

## Value-Added Resources & Account Management Team

CDW Healthcare offers an account management structure that focuses on providing value-added presales consulting and comprehensive support throughout the lifecycle management of your assets. When you work with CDW Healthcare, you have access to expertise that is not available within your organization. Your CDW Healthcare Account Management Team coordinates with the applicable value-added resources to help your organization develop the best solution for your specific needs, challenges, and long-term goals.

Whether you need software, network communications, notebooks/mobile devices, data storage, video monitors, desktops, and printers—or you require more advanced virtualization, collaboration, security, mobility, data center optimization and cloud computing solutions—CDW Healthcare gets IT. Our team of technology experts and dedicated account managers will tailor a piece of equipment or an entire network to deliver the most effective and sustainable results. We will work closely with your organization and respond with solutions that provide robust functionality, efficiencies, and cost savings.

### CDW Healthcare Strategists

This team of subject matter experts provide guidance to our customers around CDW Healthcare capabilities and service offerings. From supply chain and services to virtual care and post-acute care, our technology strategists create new partnerships and customized solutions for healthcare environments.

### Account Management Team

Your dedicated account management team is responsible for managing your procurement needs and overseeing all facets of your account. Key personnel include:



**Riya Shah, Account Manager**

**P: (312) 547-2116, E: [riya.shah@cdwg.com](mailto:riya.shah@cdwg.com)**

Riya Shah serves as Arbor Health's primary point of contact. Riya is available on an as-needed basis to tackle all of Arbor Health's product quote, order placement, and problem resolution needs. With over two years of CDW tenure, Riya is highly trained to address your questions and concerns. Having managed numerous accounts based in the Washington region, Riya is extremely familiar with the processes, challenges, and needs that are specific to organizations similar to Arbor Health.



**Chris Popielski, Sales Manager**

**P: (866) 723-2011, E: [chripop@cdw.com](mailto:chripop@cdw.com)**

Chris Popielski oversees your account team and helps to develop strategies that best serve your organization's long-term success. Chris spends a significant amount of time meeting with customers to understand the dynamics of their local markets and to ensure that they take full advantage of CDW Healthcare's offerings. Also, Chris is responsible for building and maintaining strong relationships locally with our top OEM partners. Chris's ability to leverage those relationships will greatly benefit your organization. Chris Popielski has been employed at CDW since 2003.

## Presales Consulting Expertise

A unique advantage of CDW's business model is that Arbor Health has access to an incomparable depth and breadth of value-added technical expertise. Your CDW Healthcare Account Team includes highly trained presales specialists who are experts in particular areas of technology or for specific partner products. Your account manager engages these value-added resources to bring Arbor Health the best advice and technology solutions to meet your unique needs. Your account team coordinates meetings with Arbor Health and vendors to review future needs, standards, and roadmaps. In addition, your account team has access to dedicated manufacturer representatives who are onsite at CDW's sales offices to provide guidance and support.

## Technology Specialists

Our teams of technology specialists are highly trained and experienced in particular products and technologies including:

- Leasing and Finance
- Managed Print Services
- Mobility
- Networking
- Power and Cooling
- Security
- Servers and Storage
- Software Licensing and Management
- Unified Communications/Collaboration
- Voice and Data

## **Presales Systems Engineers**

CDW has a large team of more than 100 presales systems engineers who hold vendor-funded positions and provide presales support for that particular partner's products. These experts assist with evaluating products based on your unique operational requirements and budgetary constraints. They review quotes for product compatibility, functionality, and compliance.

## **Solution Architects**

Our teams of solution architects work closely with the vendor partners whose solutions they design. They assess your environment and work with your IT staff to design plans for solutions that boost productivity and improve operational efficiencies. They are extremely knowledgeable about the latest technologies and have important insight regarding the pros and cons of different solutions.

## **Onsite Vendor Representatives**

CDW has manufacturer and software publisher representatives who are onsite at our sales offices to assist account managers and specialists with requests for technology roadmaps and other information, and to provide training on an ongoing basis. CDW's strong relationships facilitate presales consultation and timely notification regarding product changes and products going "end of life."

## **Ongoing Customer Support**

CDW strives to provide outstanding customer support and resolve issues quickly so your organization will maintain a high level of productivity. While your account manager can generally handle most issues and concerns, our Technical Support, Customer Relations, and Site Support staff are available to help. We have customer relations representatives who are available to resolve post-sales inquiries from 7:00 a.m. until 9:00 p.m. CT, Monday through Friday. We service customers through phone support, email, and live chat.

Excellence in customer service is a top priority for CDW Healthcare. We have many quality controls and metrics in place to ensure high quality standards across the organization. We track and monitor a variety of service metrics and ratios daily to ensure that we provide continuous, high-quality customer service. We make adjustments and evaluate process changes as needed when we see high volumes for particular types of issues.



**Healthcare**

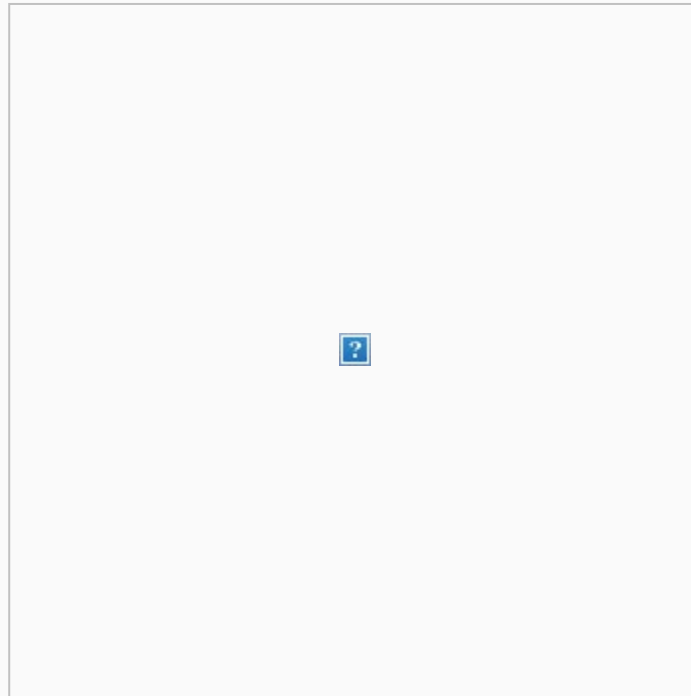


**From:** [WSHA & AWPHD](#)  
**To:** [Shana Garcia](#)  
**Subject:** Resources from the Rural Hospital Leadership Conference now available  
**Date:** Tuesday, July 16, 2024 2:59:29 PM

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*[EXTERNAL] - This message is from an outside sender: STOP, LOOK and THINK!*

[View this email in your browser](#)



**Thank you for joining us in Chelan.**

[Presentation slides](#) from the 2024 WSHA & AWPHD Rural Hospital Leadership Conference are now available.

Presentation recordings coming soon!

**Password: rhlc2024**

### **Healthcare Governance Certification Credits**

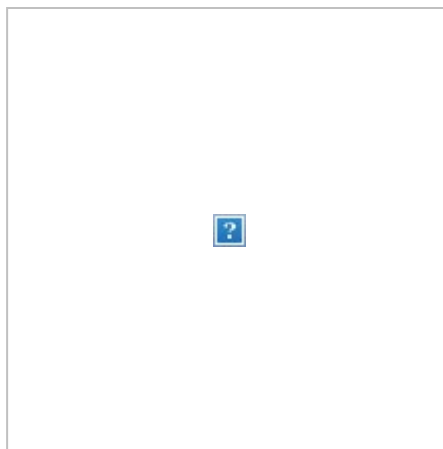
Don't forget to [log your credits](#) earned at the 2024 WSHA & AWPHD Rural Hospital Leadership Conference in the [Governance Education Portal](#). The following conference sessions are eligible for credit:

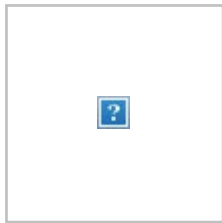
- AI & the Digital Transformation in Healthcare
- Asking Voters for Funding: What it Means and How to Get There
- The CEO Performance Evaluation: Best Practices & Recommendations
- The Board's Role in Safety & Quality
- Stealth Jets, Helicopters & Space Stations: The Role of Boards in Using Data to Guide Strategy
- Straight From the Boardroom: Governance Case Studies
- Reproductive Health Services in Rural Communities: Legal Requirements, Quality Considerations, and Community Engagement
- Rural Hospital Finances: Challenges, Opportunities & How to Advocate for your Hospital
- What's New in Open Public Meetings and Records Rules
- Make Your Own Luck: The Value of Being Seen by Your Community
- Navigating Washington's New Hospital Staffing Laws: How Governance Boards Can Support Implementation
- Getting Back to Community Through Organizational Wellness

For questions about how to create an account, login to your account or log credit hours in the [Governance Education Portal](#), please email [govedu@wsha.org](mailto:govedu@wsha.org).

**Thank You, Sponsors!**

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DocID: 17952  
Revision: 0  
Status: Official  
Department: Governing Body  
Manual(s):

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## Policy & Procedure : Annual Adoption of the Compliance Plan

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### Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board of Commissioners commissions the implementation of the District's Compliance Plan in accordance with the Office of Inspector General Compliance Program Guidance.

The District's Compliance Plan will have as its basis the minimum requirements found in the appertaining documents of the Federal Office of the Investigative General, CFR42 Vol. 5 Sub Chapters G Port 482 COP and the Office of Inspector General Compliance Program Guidance.

The Board of Commissioners encourages and supports thoughtful and applicable expansion of the scope and coverage of this program beyond the minimum requirements under the law.

### Procedure:

1. In accordance with the Compliance Plan of this District, and as here-after amended, two Board of Commissioners are appointed to the Compliance Committee.
2. The Director of Compliance will present the Compliance Plan annually to the Compliance Committee for review and comment.
3. The Board of Commissioners will adopt the District's Compliance Plan by resolution at a regularly scheduled board meeting.

---

**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

- **Committees:** ( 09/25/2019 ) Board of Commissioners, ( 10/28/2020 ) Board of Commissioners, ( 09/29/2021 ) Board of Commissioners, ( 08/31/2022 ) Board of Commissioners,

- **Signers:**

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

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

**Review Date:** [09/07/2018 Rev. 0], [09/05/2019 Rev. 0], [10/08/2020 Rev. 0], [09/17/2021

**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:17952>.



**DocID:** 8610-105  
**Revision:** 3  
**Status:** Official  
**Department:** Governing Body  
**Manual(s):**

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## Policy : Annual Adoption of the Quality Program Plan

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### Policy:

In accordance with RCW 70.41.200, and as hereafter are amended, the Board of Commissioners of Lewis County Hospital District No. 1 commissions the implementation of this District's Quality Program Plan.

The District's Quality Program Plan will have as its basis the minimum requirements found in the above referenced statute. The Board of Commissioners will welcome and support reasonable expansion of the scope of coverage of this program beyond the minimum requirements under law. The Board of Commissioners will adopt the District's Quality Program Plan by resolution at a regular board meeting.

### Procedure:

1. In accordance with the bylaws of this District, and as they are hereafter amended, two hospital district commissioners are appointed to the Quality Improvement Oversight Committee.
2. The Quality Manager will present the Quality Program Plan annually to the Quality Improvement Oversight Committee members for review and comment. The plan will then go to the Board of Commissioner for final approval.

---

**Document Owner:** Herrin, Tom

**Collaborators:**

**Approvals**

**- Committees:** ( 07/25/2018 ) Board of Commissioners, ( 09/25/2019 ) Board of Commissioners, ( 07/29/2020 ) Board of Commissioners, ( 09/29/2021 ) Board of Commissioners, ( 08/31/2022 ) Board of Commissioners,

**- Signers:**

**Original Effective Date:**

**Revision Date:** [08/01/2006 Rev. 1], [05/09/2016 Rev. 2], [06/26/2018 Rev. 3]

**Review Date:** [05/29/2009 Rev. 1], [04/11/2011 Rev. 1], [01/17/2013 Rev. 1], [12/23/2014 Rev. 1], [07/24/2015 Rev. 1], [07/11/2017 Rev. 2], [09/05/2019 Rev. 3], [07/21/2020 Rev. 3], [09/17/2021 Rev. 3], [07/20/2022 Rev. 3], [07/20/2022 Rev. 3], [09/08/2023 Rev. 3]

**Standards:** GB.02 SR.1  
(WHICH REFERENCE THIS DOCUMENT) GB.02 SR.1

**Attachments:**

(REFERENCED BY THIS DOCUMENT)

**Other Documents:**

(WHICH REFERENCE THIS DOCUMENT)

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**DocID:** 8610-101  
**Revision:** 3  
**Status:** Official  
**Department:** Governing Body  
**Manual(s):**

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## Policy : Quality Improvement Oversight Information

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### Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board of Commissioners in accordance with RCW 70.41.200, and as hereafter are amended, implement the District's Quality Improvement Oversight Program.

The District's Quality Improvement Oversight Program will have as its basis the minimum requirements found in the above reference statute. The Board of Commissioners will welcome and support reasonable enlargement of the scope of coverage of this program beyond the minimum requirements under law. The Board of Commissioners will adopt the District's Quality Improvement Oversight Program by resolution at a regular board meeting.

In accordance with the bylaws of this District and as they are hereafter amended, two hospital district commissioners are appointed to the Quality Improvement Oversight Committee.

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<b>Document Owner:</b>	Herrin, Tom
<b>Collaborators:</b>	
<b>Approvals</b>	
<b>- Committees:</b>	( 01/22/2020 ) Board of Commissioners, ( 09/30/2020 ) Board of Commissioners, ( 09/29/2021 ) Board of Commissioners, ( 08/31/2022 ) Board of Commissioners,
<b>- Signers:</b>	
<b>Original Effective Date:</b>	
<b>Revision Date:</b>	[05/08/2006 Rev. 1], [06/26/2018 Rev. 2], [01/16/2020 Rev. 3]
<b>Review Date:</b>	[05/22/2007 Rev. 1], [08/17/2007 Rev. 1], [05/29/2009 Rev. 1], [04/11/2011 Rev. 1], [01/17/2013 Rev. 1], [12/23/2014 Rev. 1], [07/24/2015 Rev. 1], [05/02/2016 Rev. 1], [08/24/2017 Rev. 1], [09/21/2020 Rev. 3], [09/17/2021 Rev. 3], [07/20/2022 Rev. 3], [07/20/2022 Rev. 3], [09/08/2023 Rev. 3]
<b>Standards:</b>	MS.04 SR.6
(WHICH REFERENCE THIS DOCUMENT)	GB.02 SR.1
	GB.02 SR.1
	GB.02 SR.1
<b>Attachments:</b>	
(REFERENCED BY THIS DOCUMENT)	



**Other Documents:**

(WHICH REFERENCE THIS DOCUMENT)

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<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:10639>.

## **SUPERINTENDENT REPORT**

To: Board of Commissioner

From: Superintendent Mach

Date: 07.31.24

Re: July Superintendent Report

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***(Patient Kudos)***

Everyone in the hospital is friendly and helpful. They even know me by my name. I recommend the hospital to all my friends. The hospital has great cooks in the Dietary Department, and I enjoy the senior meals. Thank you.

You have the best healthcare workers here, ever. They are the very best, hard working and kind to everyone. Doctors are awesome.

- Planning well under way for Jubilee week
- Annual softball game was a success, clinic won for second year in a row
- Starting September 3<sup>rd</sup>, we are beginning face to face new employee orientation
- We are purchasing a new quality management software that give us additional functionality
- Working on purchasing 2 new patient lifts for patient rooms
- We are bringing on 6 new travelers
- We have seen a big turn around last month in our patient satisfaction scores (below)
- We are discussing how to expand wound care services
- Pharmacy is working on identifying infusion drugs covered by Medicare in order to see if we can offer that infusion service here
- Pharmacy is working on a communication plan to inform physicians of drug shortages
- We will be receiving new ventilators from the national stockpile in the next few months
- Mossyrock 5k race had over 270 runners
- Massage services is going extremely well where we are looking to add another therapist
- We have signed the paperwork to replace the washer and dryer Roxanne told you about in her department spotlight
- EMTALA violation was closed satisfactorily by the state
- Attended the WSHA Chelan conference with all 5 board members
- Held Q2 service awards celebration

## The Rural Collaborative Report Metric Detail - Arbor Health

### Days Cash On Hand



Collaborative Average  
Hospital Rate

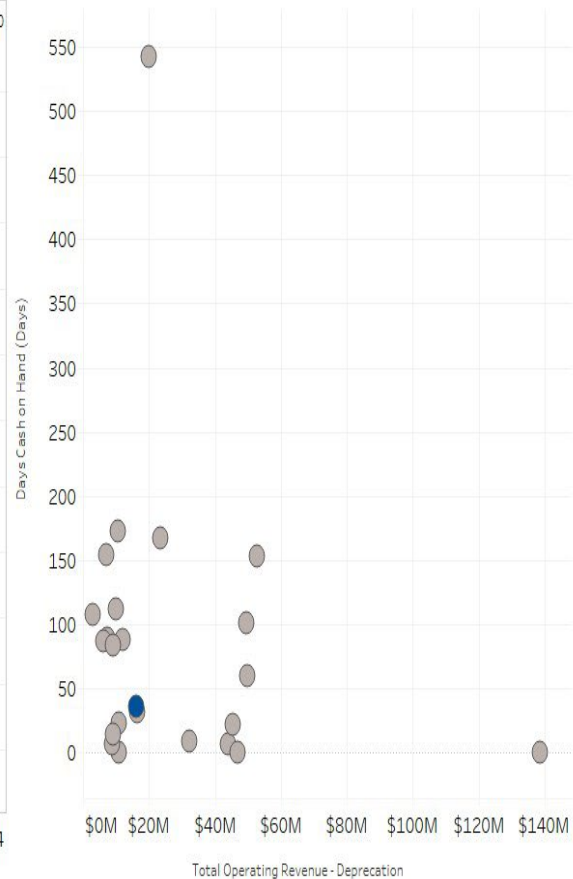
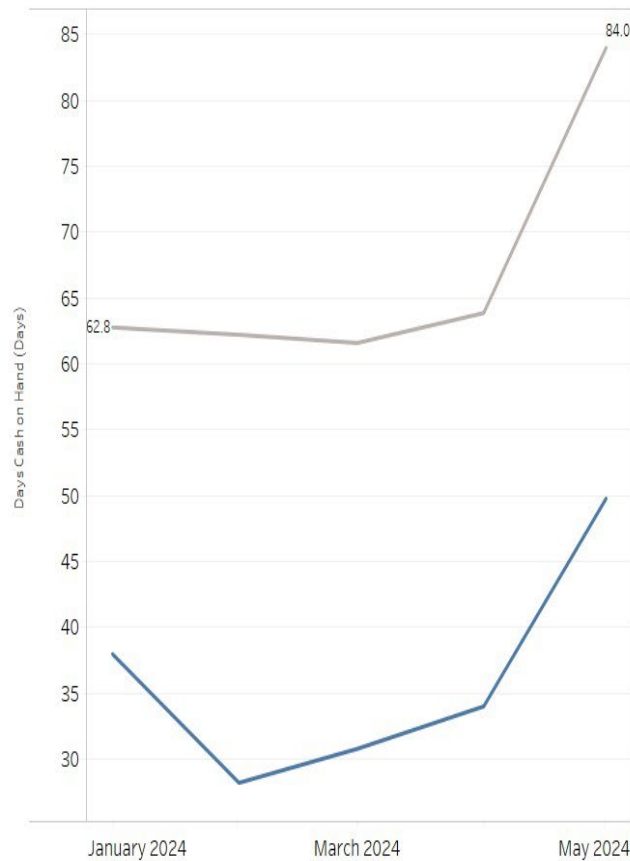
Toggle National Benchmark  
☒ On  
☐ Off

Filter Possible Errors  
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Select Hospital  
Arbor Health

Select Metric  
Days Cash On Hand

Select Date  
Jan 2024 to Jan 2099  
and Null values



## The Rural Collaborative Report Metric Detail - Arbor Health

### Operating Margin



Collaborative Average  
Hospital Rate

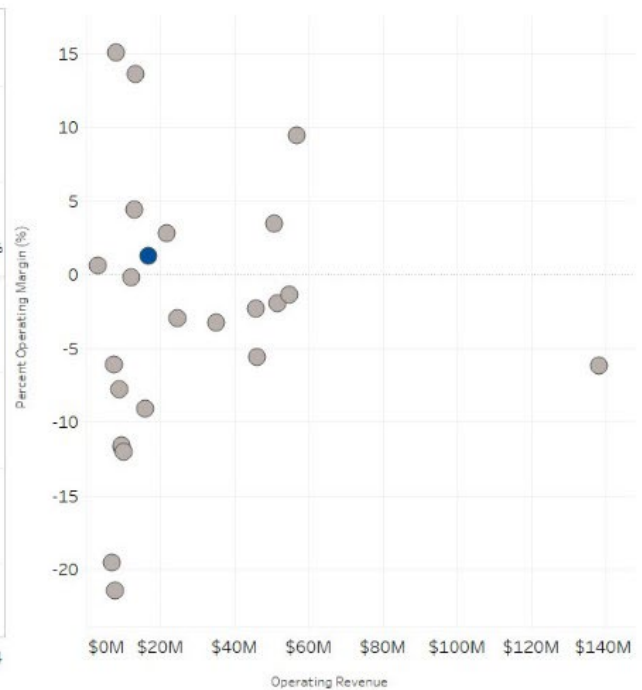
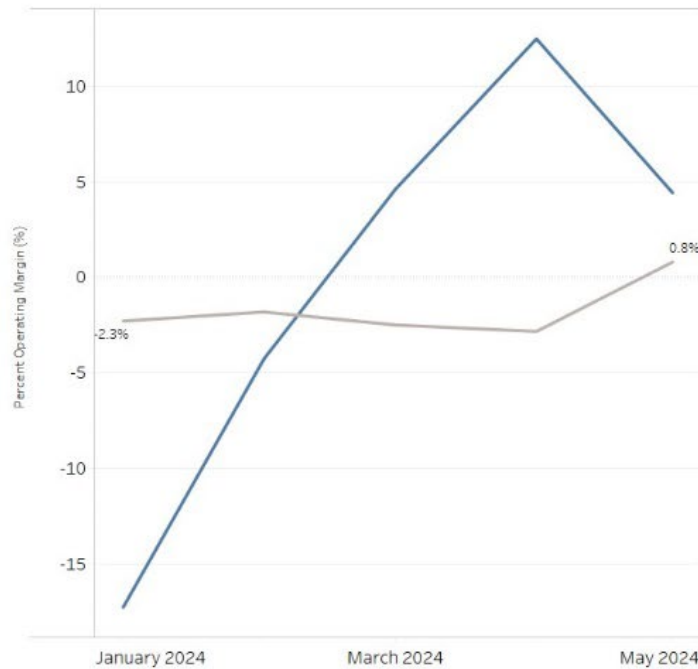
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○ Off

Filter Possible Errors  
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Select Hospital  
Arbor Health

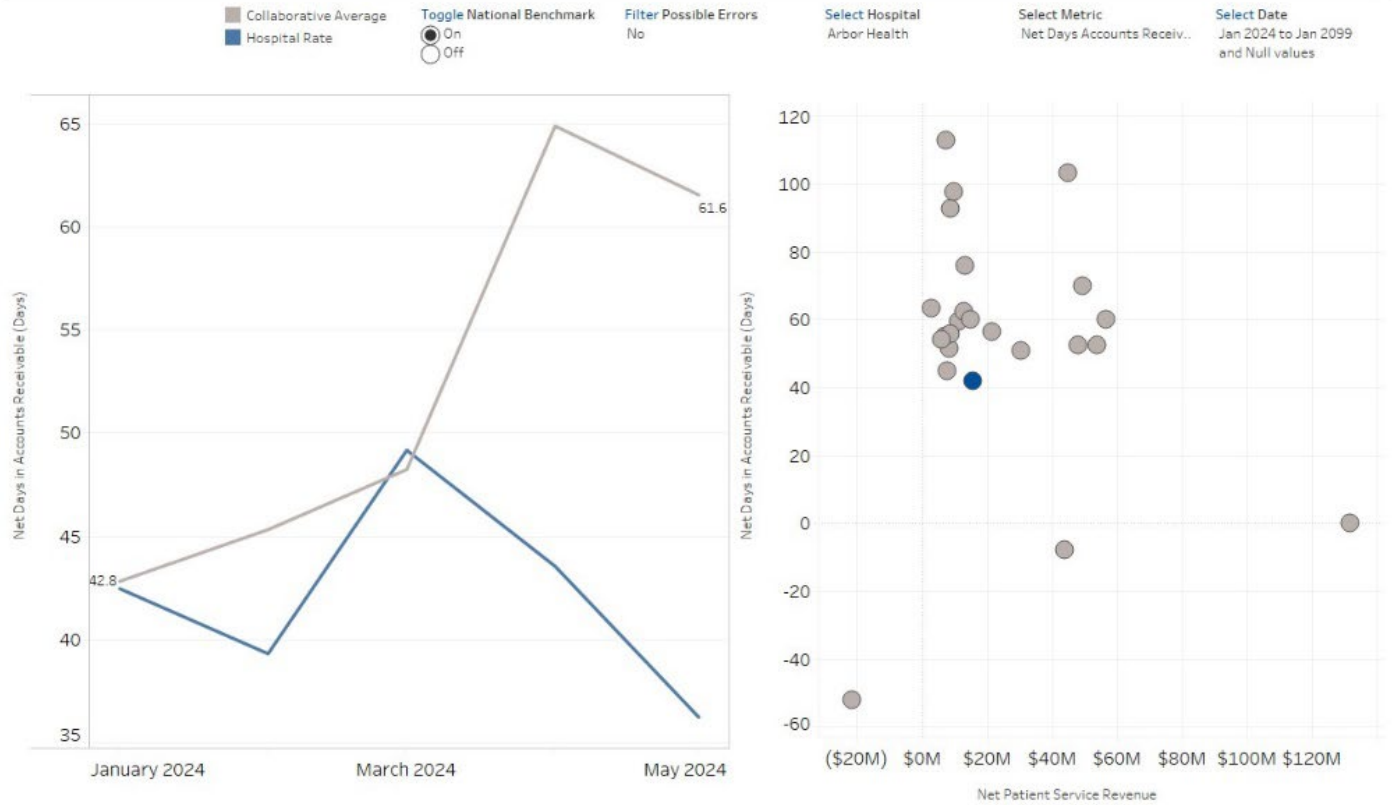
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Operating Margin

Select Date  
Jan 2024 to Jan 2099  
and Null values



## The Rural Collaborative Report Metric Detail - Arbor Health

### Net Days Accounts Receivable



The Rural Collaborative Report  
Metric Detail - Arbor Health

Annual Wellness Visits



Collaborative Average  
Hospital Rate

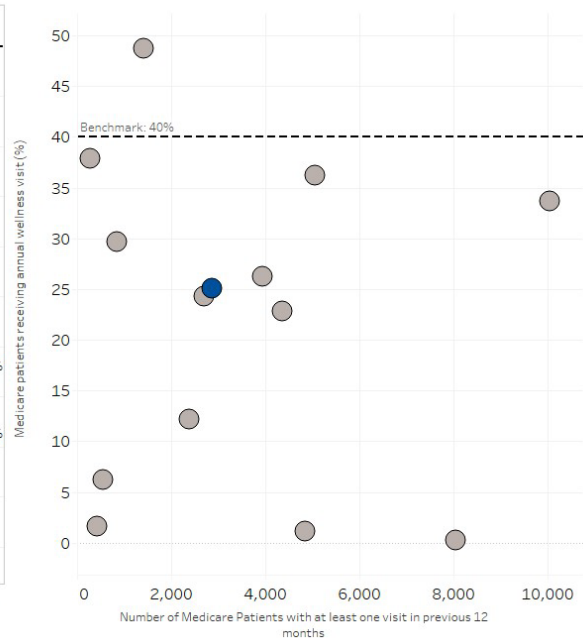
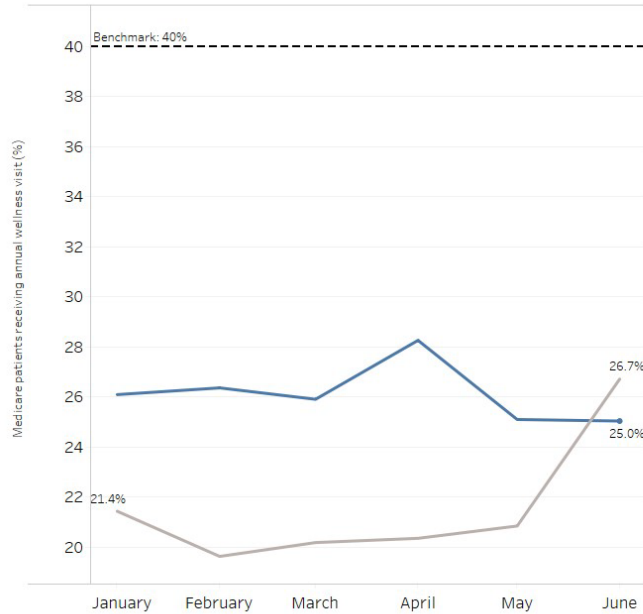
Toggle National Benchmark  
● On  
○ Off

Filter Possible Errors  
No

Select Hospital  
Arbor Health

Select Metric  
Annual Wellness Visits

Select Date  
Jan 2024 to Jan 2029  
and Null values



# Make Your Own Luck

How PHDs work to be seen and understood by their communities  
and  
How the habit of engagement creates opportunity

**AWPHD & WSHA Rural Hospital Leadership Conference**

June 26, 2024



SUNSHINE COMMUNICATIONS  
Pg 172 Board Packet  
MARYKAY@MKCRSUNSHINE.COM



# What makes a lucky PHD?

- Supported by other local governments (e.g., city land use decisions)
- “Easy” to pass bonds and levies
- Legislators champion them in Olympia
- Can quickly and effectively engage with other agencies in disasters
- Perceived as a valued community resource
- Adds services before the community even realizes they are needed
- Have quick take-up of new services when they are offered
- Their communities trust them and fight for them

**They survive.**

**Lucky people and organizations have open minds and curiosity.**

**Luck is the seeing- and taking- of opportunity.**

**Luck is optimistic.**

**Luck favors variety.**

**Luck is other people.**

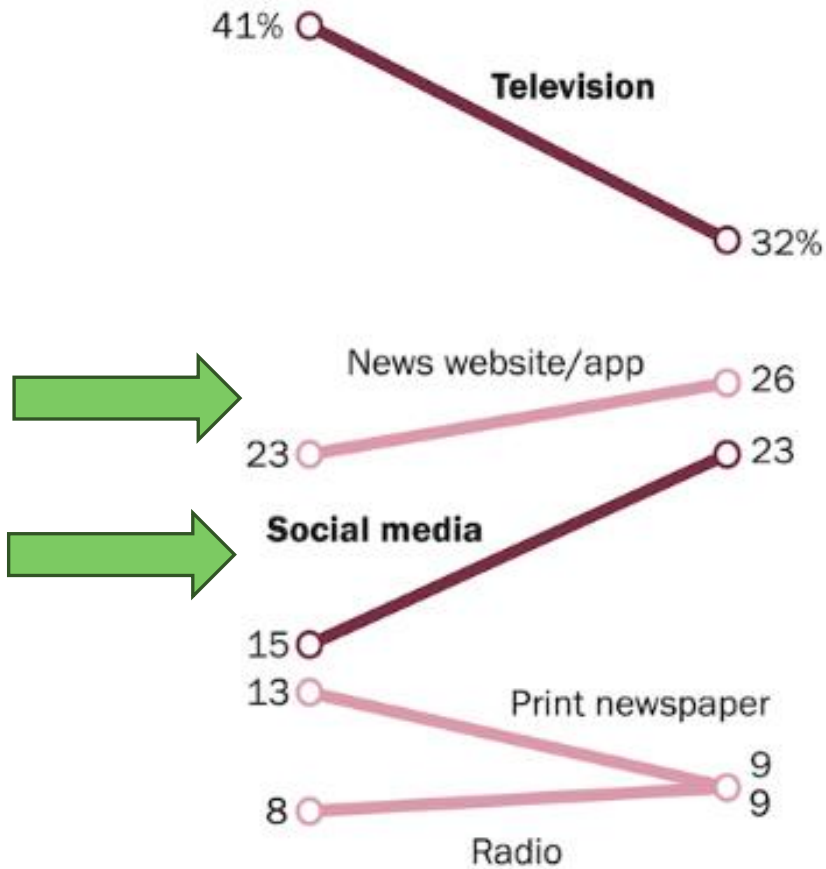
**Patients won't go to you if they don't know you.**

**They won't know you if they don't see you.**

**Good news: They want to know you, and there are better ways to talk directly with them than ever before.**

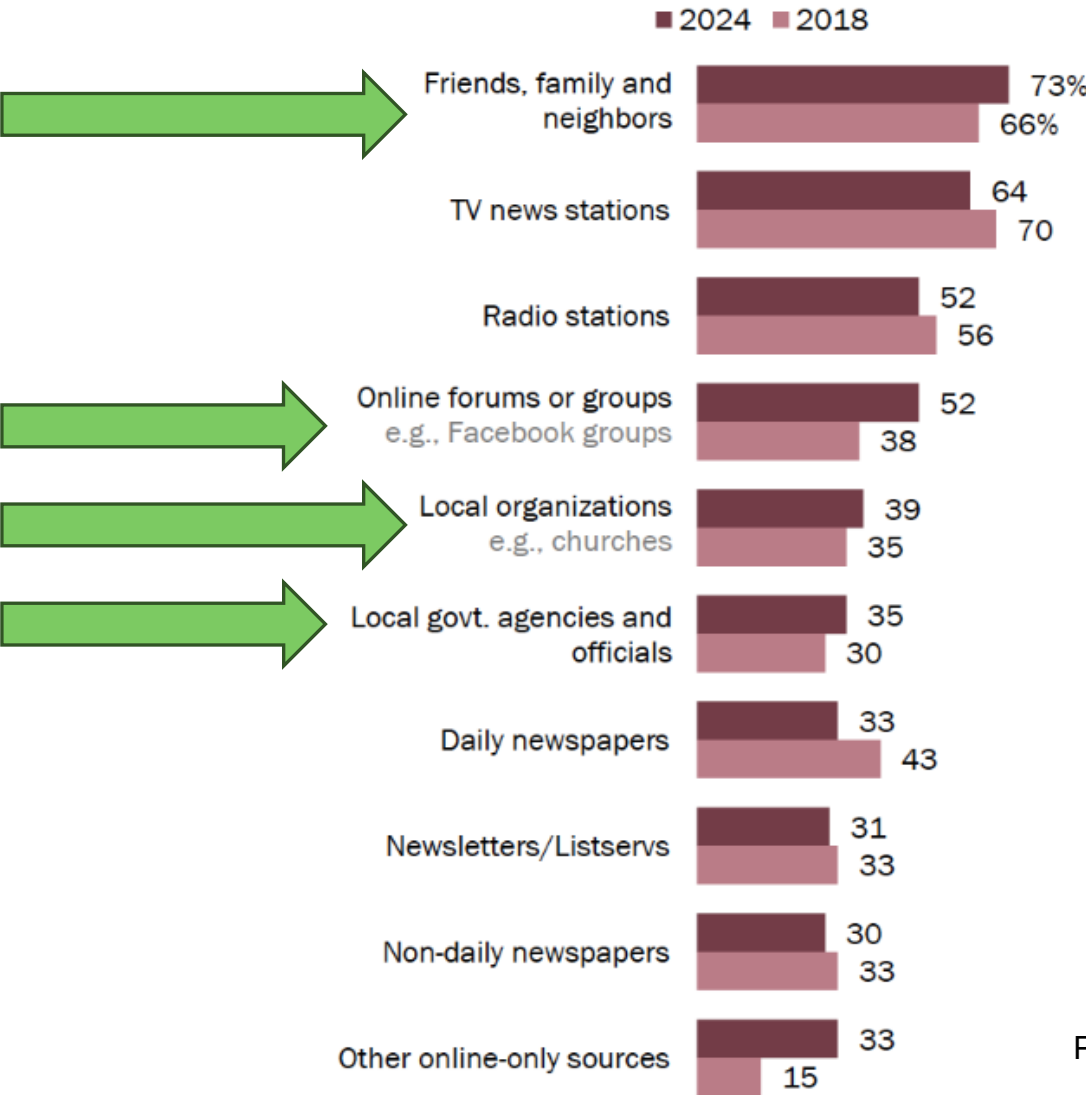
# Americans' preferred path to local news is moving online

% of U.S. adults who say they prefer \_\_\_ for getting local news and information  
2018-2024



# More Americans get local news from online forums than daily newspapers

% of U.S. adults who **often or sometimes** get local news and information from each type of source, regardless of whether they access them digitally



**Good News #1:  
You don't have to rely on local media to  
talk to your community**

**Good News #2:  
The public still has an appetite for news**

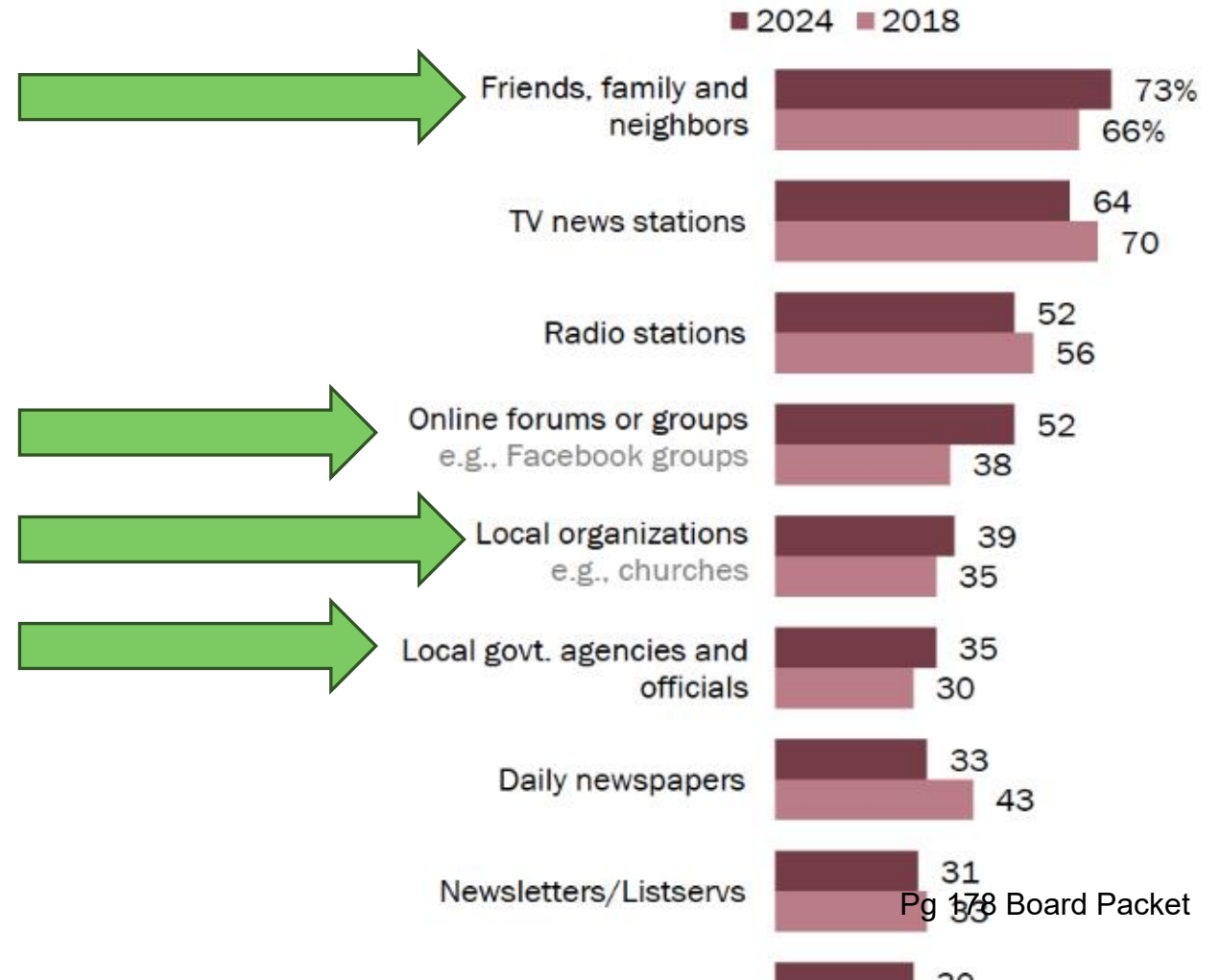
**Bad(ish) News:  
You have to do it yourself**

# Growth Areas

- Word of mouth
- Personal
- Opportunity for direct input

## More Americans get local news from online forums than daily newspapers

*% of U.S. adults who **often or sometimes** get local news and information from each type of source, regardless of whether they access them digitally*



# AWPHD Project Trends

The PHDs more likely to be lucky

- Communicate regularly and meaningfully with staff
- Have CEOs on regular speaking “circuit”
- Have commissioners and/or leadership who are engaged in other groups and cross-pollinate information and ideas
- Build information sharing and engagement into their strategic plans and their cultures
- Have many ways of listening



**Matt Kempton, CEO  
Willapa Harbor Hospital**



**Darryl Wolfe, CEO  
Olympic Medical Center**



# Resources

- <https://www.inc.com/melissa-chu/want-to-become-luckier-heres-what-you-need-to-do-a.html>
- <https://timdenning.com/why-people-get-lucky/>

## **EXECUTIVE SESSION**