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CASCADE MEDICAL
PARTNERS IN YOUR HEALTH

**Minutes of the Board of Commissioners Meeting**
Chelan County Public Hospital District No. 1
Arleen Blackburn Conference Room & Video Conference Connection
September 24, 2025

**Present:** Shari Campbell, President; Tom Baranouskas, Vice President; Cary Ecker, Commissioner; Dr. Jesse Knight, Commissioner; Jessica Kendall, Commissioner; Diane Blake, Chief Executive Officer; Melissa Grimm, Chief Human Resources Officer; Marianne Vincent, Chief Financial Officer; Natasha Piestrup, Senior Director of Nursing; Whitney Lak, Senior Director, Rural Health Clinic

**Guests:** Bob Jennings, Foundation: Erin Adams, MSO; Jason Satterfield, EMT

**Zoom:** None present

| Topics | Actions/Discussions |
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| **Call to Order** | President Shari Campbell called the meeting to order at 5:01 PM. Shari Campbell then led the Pledge of Allegiance. |
| **Consent Agenda** | Tom Baranouskas moved to approve the consent agenda; Jessica Kendall seconded. Motion unanimously approved. |
| **Community Input** | No community input |
| **Foundation Report** | Bob Jennings delivered the report. “All Good News”. Will be taking on another project, following a successful Jive Time event. Five members going off the board, looking for new recruits, any suggestions provide their contact information to Bob Jennings. |
| **Board Education: Budget** | Marianne delivered a presentation on the budget cycle, budget development and formation process. Presentation included introduction of budget process, budget calendar, risk assessment, strategic plan, capital budget, operating budget, market wage analysis, FTE budget, budget assumptions, budget packet/data, annualized expenses, contractual allowances, non-departmental revenues and expenses, cashflow forecast, board approved increase, 1st draft and final draft review, final budget approval. |
| **CM Values** | Diane Blake provided reflections on CM’s culture of Shared Values<br>Diane shared a note from one team member about another team member – which highlighted 4 shared values: Commitment, Community, Quality and Respect. |
| **Committee Reports** | **Governance**<br>Shari Campbell delivered the report.<br>A large portion of the meeting was discussing the planning for the board retreat on October 3rd. Discussion on board evaluation surveys and the process; Governance will review questions again and pass those on to the committee chairs for review during their subsequent in person meetings. Discussion on succession planning and process, including on inviting community members onto board committees.<br><br>**Medical Staff** |

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| | Cary Ecker delivered the report.<br>Cary noted a large amount of respect and rapport amongst provider staff. Discussion on MD's signing off on advanced practice provider charts and notes. Discussion about a new lab test. Cary shared with Med Staff that the board is committed to the clinic remodel going smoothly, provider comp study to be completed by the end of the year and to hiring a new provider.<br><br>**Quality Oversight Committee**<br>Jessica Kendall delivered the report.<br>Shared highlights from the August meeting: Dashboard data discussion, still working through the correct data for the board dashboard. Shared information on the Critical Access Hospital requirement around the 96-hour rule. Board rounding review. Shared external data points with which CM staff receive or share information.<br><br>**Board Quality Rounding**<br>Jesse Knight delivered the report.<br>Cary and Jesse rounded in August. Rounded with Shawndra about internal compliance goal of 95% of Avade (workplace violence) training by September 2025 (all staff excluding pool employees), currently at 90%.<br>Lab project related to results from pathology. Goal to reduce to 0.5 incidents or less, per month, in a rolling 12 months. This is being done by an electronic fax versus hardcopy. |
| **Discussion and Reports** | **First Reading of Draft 2026 Budget**<br>Reviewed volume forecast Acute, Swing Bed, ED and Clinic. Most potential for variability coming into 2026 is the clinic due to changing factors, including the potential expansion of hours, adding providers. Project an increase in charges at 5%, proposed FTE increase of 5.3 (2 MSO proposal, 1.8 Rehab staff, 1 laundry and environmental, 0.5 HIM). Rehab and MSO are still under discussion with executive team. Proposed capital budget amount of $1,656,000 (large item for Zoll monitors in the ambulances). Wage work to implement long-term philosophy/strategy is underway; this work will be a 2–3-year project and the first step is included in the draft budget. Reviewed Revenue and Expense Summary projections for remaining 2025 and 2026. Reviewed capital budget items for 2026.<br><br>**Prep for October Retreat**<br>Shari gave a summary of the plan for the upcoming board retreat and solicited input from the board related to needs, questions, expectations for the board retreat. Commissioner discussion included:<br>What does our community need and want and how do we provide this in the highest quality way.<br>Low primary care market share and challenging access to the facility due to location and parking.<br>Discussion on expansion opportunities, including whether there were opportunities on alternative campus locations.<br>CHNA – reducing the out-migration of services. How could we determine this data?<br>An understanding of service line expansion and payor mix.<br>Request for presentation on "what will a hospital look like in the future".<br>Send questions and thoughts to Diane, if you have them in advance of the board retreat<br><br>**Rural Advocacy Recap**<br>Summary presented by Shari:<br>WSHA and AWPHD were present in DC also and bring great knowledge and strength to the work. Diane has been engaged with both local, state and |

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| | federal advocacy. Three main areas of advocacy included:<br>Enhancement for premium tax credit related to those covered by ACA products.<br>PAYGO – Asked lawmakers to waive the coming 4% cuts to Medicare and Medicaid payments; given all the cuts that have already occurred, further cuts could be disastrous to hospitals.<br>Rural Health Transformation Program – asked that the monies go to rural hospitals and not companies that do not provide direct care to rural patients. |
| **Action Items** | **Motion: Approve Credentialing**<br>Jessica Kendall moved to approve the revised list of providers to credential, Tom Baranouskas seconded. Motion unanimously approved for the following appointments:<br>Teleradiology Initial Privileges (1-year)<br>• Rachel Nelson, MD<br>Teleradiology Active Privileges: (2-years)<br>• Jason Grennen, MD<br>Locum Tenens Privileges: (90 Days)<br>• Theodore Weatherwax, MD<br>• Kathryn Earle, PA<br>• Tai Moses, PA<br><br>**Motion: Appoint Community Member to COAC**<br>Jessica Kendall moved to appoint Luke Knutson; Jessie Knight seconded. Motion unanimously approved.<br><br>**Motion: Resolution for Surplus Equipment**<br>Tom Baranouskas moved to approve resolution to surplus equipment, Jessie Knight seconded. Motion unanimously approved.<br><br>**Motion: Capital Approval Request Nutanix Switches**<br>Cary Ecker moved to approve capital request for Nutanix switches, Tom Baranouskas seconded. Motion unanimously approved. |
| **August 2025 Financials** | Marianne Vincent provided the report.<br>**Summary**<br>August financial results of a net margin of $515,000 were favorable to the budgeted margin of $227,000 by a positive variance of $288,000. Gross revenues of $4,226,000 were below budgeted revenues of $4,302,000 by ($76,000). August operating expenses exceeded budgeted operating expenses by ($301,000).<br><br>**Revenue, Expense, and Volume Variances**<br>Professional fees were over budget by ($149,000) in August due to Locum fees in the ED, Admin consulting fees for the Master Facilities Plan and consulting fees for Meditech optimization.<br><br>Supply expenses were over budget in August by ($36,000) with much of this attributable to Lab purchases and Clinic small equipment purchases related to the construction buildout.<br><br>Other expenses were over budget by ($34,000) primarily due to timing of payments related to the Safety Net Assessment Program.<br><br>**Patient Statistics** |

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| | Swing Bed and Ambulance exceeded budgeted volumes in August while Radiology, Lab, Rehab and Clinic were below budgeted volumes<br><br>**Cash Receipts and Balances**<br>August cash collections on patient accounts were $335,000 more than budgeted. Cash balances for the year remain strong at $2,779,000 greater than budgeted cash balances<br><br>**Accounts Receivable**<br>Days in Net Accounts Receivable are at 39.8 days.<br><br>**Contractual Allowance**<br>The contractual allowance is at 45%, allowing for a conservative estimate of our uncollectible accounts.<br><br>We continue to see strong financial performance in August. In august we also saw the roll out of the MRI services. We will begin working on the Medicare cost report as well as working with a third-party vendor who is assisting with our 340B program audit.<br><br>Working with the TRC and the United Healthcare Roster to correct the letters going out to patients from United that providers are no longer covered. |
| **Administrator Report** | Diane delivered the report, including updates regarding staffing and recruitment related to providers. We have a locum provider in the clinic most weeks Wednesday-Friday. We are still recruiting for a primary care provider and we opened the recruitment to nurse practitioners and will likely open to PA's once we have clarity on how we address physician oversight. We've extended a job offer to the NP candidate we interviewed earlier this month. We will still continue the recruitment process, as we have 2 primary care positions open. In October we have 2 interviews scheduled with residents that are looking for positions starting late summer of 2026. Continue to work on provider compensation.<br>Dr. Jerome is reducing clinic days to 3 days per week in the clinic starting October 1, 2025, and he will pick up 2-3 shifts per month in the ED.<br>All Q4 ED shifts now covered.<br>MRI has been going well; we performed 5 today and already have 5 on the schedule for next week. Capacity is 8-10 MRIs per day.<br>1st phase of the clinic remodel is complete and work beginning on phase 2.<br>DOH arrived September 23-24 to do the rural health clinic survey. Whitney did a great job, the surveyor commented on how much she appreciated working with Whitney. No findings in any areas at this point, and one open item related to annual equipment inspections. |
| **Board Action Items** | Check your emails regularly<br>Retreat October 3rd at 8:30<br>Please complete timecards |
| **Executive Session: Performance of a Public Employee (RCW 42.30.110(1)(g))** | Shari called the executive session to order at 8:02 for 20 minutes.<br>The group extended the executive session at 8:22 for 10 minutes and again at 8:32 for 20 minutes. Returned to regular session at 8:52. |
| **Adjournment** | Tom Baranouskas moved to adjourn the meeting at 8:53, Jessica Kendall seconded and motion was unanimously approved. |

Signed by: Shari Day-Campbell A1777FE3BF594A3...
Shari Campbell, President

Signed by: Jessica Kendall 8A0067F03C2B48C...
Jessica Kendall, Secretary