BOARD OF COMMISSIONERS
PEND OREILLE COUNTY PUBLIC HOSPITAL DISTRICT NO. 1
May 28, 2026

In Attendance: Commissioners: Becky Walrath, Lynnette Elswick, Melanie Kiss, Susan Johnson; Executive Officers: Kim Manus, Justin Peters, Jennifer Lunz; Others: Jenny Smith, RaeLynn Wellman, Tina Batsch, Cassie Wise, Rhi Drake, Rachel Davis, Trina Gleese, Jacob Denham, Aron Hutchison, Tammy Roberts, Daniel Eldred, Jane Tilley, Karen Knorr, Sandy Nichols

CALL TO ORDER:

Vice Chairperson Johnson called the meeting to order at 8:30 a.m.

READING OF LEGAL NOTICE:

The regular meeting legal notice was distributed as required.

APPROVAL OF AGENDA / CONSENT ITEMS:

The meeting agenda, auditor's reports, and Uncompensated Care Report (Consent Packet) were approved by a motion that was made, seconded, and passed unanimously.

Bad Debt/Charity: April, inclusive District Write-off: $ 295,179.00

APPROVAL OF PREVIOUS MEETING MINUTES,

April 23rd, meeting minutes were approved via a motion made, seconded, and unanimously approved.

April 28th, special meeting minutes were approved via a motion made, seconded and unanimously approved.

COMMITTEE REPORTS:

Finance: Justin Peters advised days cash on hand for April increased from 88 to 93 days. FTE stayed the same. March was a record month, with April beating that record by $100K closing the month at $9.4M in revenue – bringing the total year-to-date to negative $753K. The Idaho Medicaid cost settlement dollars ($752,871) for 2020 to 2021 were received.

DZA will be at the next board meeting to review the 2025-year end financials. Every year there are year-end adjustments, this year there was an abnormal number of changes, one of those being the Idaho Medicaid prior-year settlements for the timeframe of 2020 through 2024. All adjustments were good, moving forward going to do adjustments monthly to avoid having a big swing. 2025 bottom line ended at approximately $3M this is a significant change from the prior internal reporting of negative $300K.

An engagement letter has been signed with a consultant that is working on the Employee Retention Credit from the pandemic. Eligibility requirements have changed meaning the District may qualify for additional funds, if successful the consultants will maintain 30% of the funds; there could be a 2-year lag.

RHTP – discussed challenges related to funding category "sub-buckets", the five-year funding schedule, and overlapping spending periods. It was noted that funding availability and application timelines will be reviewed annually, and future awards will allow a two-year spending period. Funding use is restricted by state-defined categories and cannot be used for construction, building expansion, or grant matching. The overall timeline continues to be delayed.

Revenue Cycle Report: Cassie Wise Revenue Cycle Report – Cassie reported another record month in April, exceeding the previous hospital revenue record by approximately $100K. May revenue is trending lower, while the June 1 chargemaster changes are expected to increase revenue by approximately $400K per month. Days in Accounts Receivable decreased to 40.0, down 2.4 days from March, with May projected to close at 39 days and a long-term goal of 36 days within the next 3–6 months. The team continues to focus on reducing aging accounts while monitoring a shift in payer mix, with Medicare Advantage plans increasing and commercial payers decreasing. Aging accounts challenges remain due to slower reimbursement from Medicare Advantage plans; complaints have been submitted through payer portals in an effort to improve payment timeliness.

RMAC/RMV -- 2 admissions and 2 discharges.

Delinquent account is resolved payment has been received.

Quality & Compliance: Rhi Drake reviewed the quality score cards noting an improvement in restraint documentation. She is working with Lindsey, Brea and Epic on data issues for the clinic. Conflict of interest documents are completed with 20% under review for potential conflicts.

External Affairs & IT: Jenny reported significant media activity, including a well-received article in *The Inlander* highlighting the GU/UW partnership and an interview with Dr. McNamee. The organization currently has 14 active collaborations and continues to provide bond education sessions. The Eloise Eckart Estate has been fully closed, resulting in total proceeds of $424,130.29, and an anonymous planned gift of $53,000 was received from a former registered nurse. Appropriation requests have been accepted by Senator Maria Cantwell's office, while no update has been received from Senator Patty Murray's office.

Cybersecurity & Technology – Cybersecurity remains the primary focus for Information Technology, with staff taking a more cautious approach to websites accessed on District computers. The organization is also establishing a Technology and Innovation Committee to address emerging technologies, including AI governance, and to identify opportunities for future technology investments.

Marketing – The MRI advertising campaign continues to perform very well.

Foundation – The Foundation Board approved $103K from the Eloise Eckhardt estate gift in April to reimburse the Hospital for Specialized Dementia Unit expenses. The annual golf tournament has exceeded its sponsorship and fundraising goals prior to the event and has attracted more teams than any tournament since 2019.

Administrative Services Report: Aron Hutchison reported receiving Department of Health approval for Specialized Dementia Care May 5, the same day the application was submitted. Project costs came in approximately $17K under budget, largely due to the Facilities Manager personally completing electrical work and utilizing the facilities team. The Hospital also submitted its Clean Buildings Performance Standards report one year ahead of schedule and ranked in the 77th percentile.

Culture of Excellence – Exterior improvements to River Mountain Village continue to progress and are expected to be completed prior to the ribbon-cutting ceremony. Collaboration with Accounting to automate EVS time studies is projected to generate approximately $20K in annual savings.

High Reliability Organization (HRO) – The organization received "Program of Distinction" status through the International Association for Healthcare Security and Safety (IAHSS). This designation requires at least 70% of security officers to hold basic IAHSS certification and the Security Director or administrative leader to maintain Certified Healthcare Protection Administrator (CHPA) credentials.

Residential Care – An update was provided on staff memory care training. Beds for the SDC unit will be received in phases. Aron also reported a flood at RMV caused by a contractor falling through the attic. The contractor has accepted full responsibility and filed an insurance claim, with no anticipated cost to the District for repairs.

Clinical Services Report: Tina Batsch reviewed the clinical services report highlighting Rehab hit a record number of 1478 visits. There are two full-time openings in the department for a Physical Therapist and a PT Assistant. Imaging also reported a record number of MRI 166 and Echo 53. They have a goal of being open 5 days a week next year. Tina advised the hematology instruments should arrive June 9th; training and implementation should take about one month.

Nursing Report: Jenn Lunz advised OB is expecting a baby boom this summer; she reported there were 10 deliveries in April. OR is almost fully staffed. Review for anesthesia workflow requirements and maximizing block time is underway.

Jenn and Amy are working to standardize nursing unit schedules with the goal of having them look the same and create templates to ensure staffing is the same every day. Amy is especially trying to stabilize the evening schedules to fill holes. They are working on cross training nurses to minimize low census. She provided an update on SANE training, noting that 6 nurses are scheduled to complete training this week, with more to come. Amy is working with Mark on several training courses for the nursing units. The house supervisors are fully staffed; there will now be 24/7 coverage.

CEO Report: Kim Manus provided an update on the District renovation and expansion projects noting she is looking forward to the community outreach sessions. She shared feedback from the EDC emphasizing the importance of focusing on what the project means for community members rather than the building itself.

Kim recommended replacing the existing tax credit resolution with a broader resolution that applies to all District facilities rather than only assisted living. The Board discussed increasing the tax reimbursement amount from $500 and including Seeber's prescriptions as a qualifying expense. C

Kim reported on the CMS demonstration started on January 1, 2026. She mentioned that Washington State is one of 6 states participating in the WISeR (Wasteful and Inappropriate Services Reduction) program. This is a six-year demonstration with CMS. Fortunately, Critical Access Hospitals are not subject to the prior authorization now being required for a handful of medical procedures. The project has added complexities to referrals to pain specialists, as epidural steroid injections for pain management are one of the treatments now requiring prior authorization for traditional Medicare patients receiving care in Washington State.

Medicare Cost Report – The District's audit for the 2019 Medicare Cost Report resulted in a $124,997 receivable for the 2019 Medicare Cost Report. Work is now underway on the 2020 audit , with hopes for faster completion.

Specialized Dementia Unit - The District is waiting for onsite surveys from DSHS surveyors and the Fire Marshal.

SANE Program – Six registered nurses completed SANE training at KMC this week, with additional staff expected to complete training later this fall.

Express Care – The District received a 90-day notice from Express Care PA-C Eric Renk to resign his position. Several physician assistant candidates have expressed interest in the position. Discussions taking place regarding the opportunity to expand to three PAs within Express Care, providing greater flexibility to support both Express Care and Emergency Department. Additional opportunities include support for wound care services, and PICC line procedures. Kim shared the challenges faced related to Laura Noyes (PA-C) receiving DOT testing certification; she has completed and passed the test. She has proof of completion; however, the third-party testing agency and Federal Motor Carrier Safety Administration (FMCSA) cannot find the test. As a result, there has been a delay in receiving the license that will allow her to start doing DOT exams.

ACTION ITEMS:
Motion to proceed with the recommendations made by the Retirement committee to freeze the existing 457B plan based on the current participation and investment fee structure. Motion was made, seconded, and unanimously approved.
Motion to approve the 2026 Infection Prevention Plan was made, seconded, and unanimously approved.
Motion to approve the proposed purchasing matrix, with an update to setting the purchasing limits for the Controller and officers to match the Director level purchasing limits was made, seconded, and unanimously approved.
Motion to ratify the 2026-2028 SEIU RN collective bargaining agreement. was made, seconded and unanimously approved.

NEXT MEETING DATE
The next meeting will be on June 25, 2026, at 8:30 am.

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 10:30 am.

Minutes recorded by RaeLynn Wellman, Executive Administrative Assistant.

Signed by:
Lynnette Elswick
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Lynnette Elswick, President
Board of Commissioners

Signed by:
Melanie Kiss
B02CE91C75134D1...
Melanie Kiss, Secretary
Board of Commissioners