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BOARD OF COMMISSIONERS
PEND OREILLE COUNTY PUBLIC HOSPITAL DISTRICT NO. 1
July 23, 2026

In Attendance: Commissioners: Becky Walrath, Lynnette Elswick, Melanie Kiss, Susan Johnson; Lois Silva, Executive Officers: Kim Manus, Justin Peters, Jennifer Lunz; Joseph Clouse Others: Jenny Smith, RaeLynn Wellman, Jane Tilley, Cassie Wise, Rhi Drake, Rachel Davis, Trina Gleese, Aron Hutchison, Tammy Roberts, Jennifer Means, Jeremy Lamecker, Adam Wiltse, Amy Howell, Lindsy Coon, Tina Batsch, Josh Johnson, Sandy Nichols

CALL TO ORDER:

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

Bad Debt/Charity: May, inclusive District Write-off: $ 312,767.00

APPROVAL OF PREVIOUS MEETING MINUTES,

June 25th, meeting minutes were approved via a motion made, seconded, and unanimously approved.

July 7th, special meeting minutes were approved via a motion made, seconded and unanimously approved.

BUSINESS FROM THE AUDIENCE:

Adam Wiltse provided an update on recent HR initiatives. Highlighting immediate traction with adding more suggestion boxes throughout the District. An email was sent to all staff introducing the new people, positions and hours of HR. Exit interviews have been paused for the last few years, however, effective now they will be conducted moving forward. Adam and Danielle have been holding listening sessions with leadership.

COMMITTEE REPORTS:

Finance: Justin Peters reported the chargemaster increases resulted in approximately $989K for June's revenue, bringing the year-to-date loss to approximately $303K. Days cash on hand remained at approximately 94 days, although days of expenses continue to increase. Accounts receivable days increased to 39 days. Revenue continued to trend positively, with the District recently reaching its highest monthly revenue of approximately $10.2M. Contract labor costs have approximately doubled over the past several years.

He also advised the District was awarded approximately $731K in Rural Health Transformation Program (RHTP) funds. Regarding the Employee Retention Credit, the District anticipates receiving approximately $4.2M plus interest, with the process expected to take up to two years.

He discussed the upcoming bond vote and noted that, if approved, Klosh will provide approximately 90% of the presentation to the PRC. The District met with Moody's to explain the reasons its financial position should not be downgraded, although there is a possibility the District may be affected by broader CAH trends.

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He also reported the District is interviewing for a part-time physical therapy assistant to provide services at residential care. The District is also considering expanding MRI services to seven days per week. The OR has been experiencing some delays in scheduled surgeries as we are noticing an increase in emergency surgeries. The District is also considering hiring several PAs to support Express Care and float to the Emergency Department to see lower-acuity patients, provide breaks for ED physicians, and perform services such as PICC line placement and thoracentesis.

He advised that risk mitigation and compliance work continues, with Rhi and Adam working on policies. The District is also evaluating its use of the BFR budgeting system due to the amount of time required and is considering moving the budgeting process internally.

He noted strategic growth efforts are also focused on evaluating each department's busiest times by day and time of day to better align staffing and resources with demand.

Revenue Cycle Report: Cassie Wise reported gross revenue for June closed at a record $9.2M, surpassing April's record-breaking month by $717K. Cash collections remain strong at approximately $4.58M.

Days in Accounts Receivable closed at 41.1 days and are currently holding near 40 days, primarily due to the significant increase in revenue. She expects similar numbers in the coming months while adjusting to the chargemaster increases.

RMAC/RMV: Two admissions and five discharges were reported.

Quality & Compliance: Rhi Drake did not have anything significant to report advising her updates will be discussed during the executive session per RCW 70.41.205.

External Affairs & IT: Jenny Smith reported there has been a lot of press since the last meeting.
She provided an update on RHTP and HCA grant applications she and Justin are working on that are due in August. She addressed other new grant opportunities including one related to additional EPIC training for the RHC. $8,000 was received for the RHC Nurse triage funding program.
Cybersecurity & Technology – Information Technology continues to focus on cybersecurity with more education forthcoming.
Marketing – The bond facts mailer was distributed the week of July 13th.
Foundation – The Foundation has supported the District with $254,936 so far in 2026 (does not included Healthy Kids Snack Bags program).

Administrative Services Report: With there being no questions surrounding the content of the report, Joseph highlighted Aron Hutchison's completion of a 3-year operations strategic vision covering Engineering, EVS, Security, Public Works/Capital Projects, Emergency Management, Safety and Dietary. The board requested a report from Aron on this at an upcoming Board meeting.

Clinical Services Report: Tina Batsch noted record number of speech therapy visits and Imaging hit a new record number of total exams.

Nursing Report: Lindsy Coon, Nurse Manager was introduced to the Board.

CEO Report: Kim Manus noted significant information from the CEO report – starting with the completion of the community education sessions presenting Bond Facts. She was happy to report the City of Newport completed seal coating on Scott Avenue, making a significant improvement.

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She shared Med Staff approved the recommendation of adding Taylor Stewart, MD as the Chief Medical Officer.

Kim provided an update on River Mountain Village – Specialized Dementia Care Unit noting the water damage renovations are complete. The unit is waiting for DSHS surveyors' final inspection.

Kim, Justin and Jen visited Summit Cancer Centers in Spokane and Spokane Valley. They discussed next steps which include Summit attending an upcoming Medical Staff meeting.

ACTION ITEMS:
Motion to amend the dollar amount on the emergency capital purchase of the AHU-3 from $35,638 to $43,202 plus tax and shipping was made, seconded, and unanimously approved.
Motion to approve Resolution 2026-05 to surplus the Skytron bed from surgery due to it being beyond repair was made, seconded, and unanimously approved.
Motion to approve Resolution 2026-06 to preserve the District's ability to place a proposition authorizing the issuance of general obligation bonds for the purposes described in the resolution at the November 3, 2026, General Election; in the event the August 4, 2026, bond proposition is not approved was made, seconded, and unanimously approved.
Motion to approve the pro committee members consisting of Dr. Stewart, Dr. McNamee and Joann Bell was made, seconded, and unanimously approved.
Motion to modify the NHHS Org Chart to add the position of Chief Medical Officer was made, seconded, and unanimously approved.
Motion to approve the capital purchase of the Medical Gas system upgrade if the RHTP application is approved to be reimbursed by WSHA in the amount of $200,000.
Motion to approve the capital purchase of the Virtual IT Environment if the RHTP application is approved to be reimbursed by WSHA in the amount of $100,000.
Motion to approve the capital purchase of the surgical C-Arm if the RHTP application is approved to be reimbursed by WSHA in the amount of $196,000.
Motion to approve the capital purchase of the Defibrillators and supplies if the RHTP application is approved to be reimbursed by WSHA in the amount of $122,816.
Motion to approve the capital purchase of the SentiMag system if the RHTP application is approved to be reimbursed by WSHA in the amount of $108,390.
Motion to approve the capital purchase of the Compass Rose system if the RHTP application is approved to be reimbursed by WSHA in the amount of $21,569.

EXECUTIVE SESSION:
As permitted by RCW 42.30.110, the meeting was moved to Executive Session at 10:00 for approximately 20 minutes per RCW 70.41.205 to consider information regarding staff privileges or quality improvement committees.

RETURN TO OPEN:
The Commission returned to Open Session at 10:20 am.

NEXT MEETING DATE
The next meeting will be on August 27, 2026, at 8:30 am.

Per the recommendation of the Medical Staff Executive Committee, the Board of Commissioners approved the following privileges by motion made, seconded, and passed unanimously:

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Provisional-CRNA	Robert Reynolds
Courtesy Teleneuro	Brent Morel, MD Hope Opara, MD

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 10:20 am.

Minutes recorded by RaeLynn Wellman, Executive Administrative Assistant.

Signed by:
Lynnette Elswick
C73699F42BDC4B7...
Lynnette Elswick, President
Board of Commissioners

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