



Public Hospital District No.1: Board of Commissioners Meeting Agenda
Wednesday July 24, 2024 | 5:30 PM
Arleen Blackburn Conference Room and Zoom Connection

All times listed are approximates and not a true indication of the amount of time to be spent on any area.

I.	Call to Order				5:30	Bruce Williams
II.	Pledge of Allegiance				5:30	Bruce Williams
III.	Consent Agenda				5:30	Bruce Williams
	All consent agenda items will be approved by the Board with a single motion. Any of the following individual items may be pulled for discussion at the request of a commissioner.					
	<ul style="list-style-type: none"> • Meeting Agenda • June 26, 2024 Board Meeting Minutes 					
	Previous Month's Warrants Issued:	10122670 – 10122951	06/15/2024 – 07/11/2024	\$		913,190.13
	Accounts Payable EFT Transactions:	20240086 – 20240099	06/15/2024 – 07/12/2024	\$		558,698.14
	Payroll EFT Transactions:	21219 – 21635	06/15/2024 – 07/12/2024	\$		867,315.54
	<ul style="list-style-type: none"> • Bad Debt: June 2024 					
IV.	Community Input				5:35	Commissioners
	Public comments concerning employee performance, personnel issues, or service delivery issues related to specific patients will not be permitted during this public comment portion of the meeting. Public comments should be limited to three minutes per person.					
V.	Foundation Report				5:40	Ann MacPherson
VI.	CM Values				5:45	Diane Blake
VII.	Public Relations Report				5:50	Clint Strand
VIII.	<u>Discussions & Reports</u>				6:00	
	a.	Strategic Plan Cycle of Work				Diane Blake
	b.	Q2 Organizational Dashboard Review				Diane Blake
	c.	EMS Levy Prep Update				Diane Blake
	<ul style="list-style-type: none"> • What considerations need to be weighed as the Board navigates the potential tension between community appetite for taxation and the amount of taxation needed to provide ready, high-quality EMS to the community? 					
	d.	Continued Conference Discussion/Education				Commissioners
IX.	<u>Committee Reports</u>				7:45	
	a.	Finance Committee				Tom Baranouskas
	b.	WSHA Hospital Governing Boards Committee				Bruce Williams
X.	<u>Action Items</u>				7:50	Commissioners
	a.	MOTION: Resolution 2024-07: Surplus Item				
	b.	MOTION: Approve Credentialing				
XI.	June Financial Report				7:55	Marianne Vincent
XII.	Administrator Report				8:10	Diane Blake
XIII.	Board Action Items				8:30	Commissioners
XIV.	Meeting Evaluation/Commissioner Comments				8:35	Commissioners
	Roundtable discussion to evaluate meeting topics and identify opportunities for improvement.					
XV.	Executive Session: Performance of a Public Employee (RCW 42.30.110(1)(g))				8:45	Commissioners
XVI.	Adjournment				9:00	Bruce Williams

BOARD CALENDAR REMINDERS

August 8, 2024	CM Blood Drive	Chelan County Fire District No.3	10:00 AM-3:00 PM
August 14, 2024	Benevolent Night	Wok About Grill	4:00 PM
August 21, 2024	CMF Board Meeting	Arleen Blackburn Conference Room	9:00 AM
August 22, 2024	Community Engagement Night	Leavenworth Festhalle	5:30 PM
August 26, 2024	Open Forum	Arleen Blackburn Conference Room	12:00 PM
August 27, 2024	Quality Oversight Committee	Administration Conference Room	9:00 AM
August 27, 2024	Open Forum	Arleen Blackburn Conference Room	12:30 PM
August 29, 2024	Open Forum	Arleen Blackburn Conference Room	5:15 PM
August 30, 2024	Open Forum	Arleen Blackburn Conference Room	11:30 AM
September 4, 2024	Medical Staff Meeting	Arleen Blackburn Conference Room	7:00 AM
September 9, 2024	Governance Committee	Administration Conference Room	9:00 AM
September 18, 2024	CMF Board Meeting	Arleen Blackburn Conference Room	9:00 AM
September 21, 2024	Jive Time in the Cascades Big Band Concert	Leavenworth Festhalle	6:00 PM
September 25, 2024	Board Meeting	Arleen Blackburn Conference Room	5:30 PM
October 2, 2024	Medical Staff Meeting	Arleen Blackburn Conference Room	7:00 AM
October 16, 2024	CMF Board Meeting	Arleen Blackburn Conference Room	9:00 AM
October 24, 2024	Finance Committee	Administration Conference Room	9:00 AM
October 26, 2024	Part Time Resident Advisory Council (PTRAC) Meeting	Arleen Blackburn Conference Room	10:00 AM
October 29, 2024	Community Engagement Night	Leavenworth Festhalle	5:30 PM
October 30, 2024	Board Meeting	Arleen Blackburn Conference Room	5:30 PM
November 11, 2024	Open Forum	Arleen Blackburn Conference Room	11:30 AM
November 12, 2024	Open Forum	Arleen Blackburn Conference Room	12:30 PM
November 13, 2024	CMF Board Meeting	Arleen Blackburn Conference Room	9:00 AM
November 14, 2024	Governance Committee	Administration Conference Room	9:00 AM
November 14, 2024	Open Forum	Arleen Blackburn Conference Room	5:15 PM
November 15, 2024	Open Forum	Arleen Blackburn Conference Room	12:00 PM
November 20, 2024	Board Meeting	Arleen Blackburn Conference Room	5:30 PM
December 9, 2024	Finance Committee	Administration Conference Room	9:00 AM
December 11, 2024	CMF Annual Board Retreat	TBD	9:00 AM
December 18, 2024	Board Meeting	Arleen Blackburn Conference Room	5:30 PM

Values

Commitment – We demonstrate our pursuit of individual and organizational development by always going above and beyond to find the answer, discover the cause, and advocate the most appropriate course of action.

Community – We demonstrate our effectiveness and quality in complete transparency with each other and in line with the values of our medical center.

Empowerment – We prove our promise to patients and our dedication to both organization and community through the manner in which we empower each other and carry out each action.

Integrity – We set a strong example of behavioral and ethical standards by demonstrating our accountability to patient needs and our devotion to performing alongside one another as we exhibit our high standards each and every day.

Quality – We demonstrate an exceptional and enduring commitment to excellence. We are devoted to processes and systems that align our actions to excellence, compassion and effectiveness on a daily basis.

Respect – We embrace equality on a daily basis through positive, personal interactions and recognize the unique value within each of our colleagues, patients, and ourselves.

Transparency – We demonstrate complete openness by providing clear, timely and trusted information that shapes the health, safety, well-being and stability of each other and our community.

AGENDA / PACKET EXPLANATION

For Meeting on July 24, 2024

Below is an explanation of agenda items for the upcoming Board meeting for which you may find pre-explanation helpful.

- **Consent Agenda** –Please feel free to connect with Marianne or Diane with any questions in advance of Wednesday’s meeting and / or pull individual warrants or other items from the consent agenda at the meeting, should you wish to discuss.
- **Discussions & Reports**
 - Strategic Plan Cycle of Work – Included in your packet is a document which defines CM’s current cycle of strategic planning and details which elements are part of the board’s work. This is intended to be both a communication and a planning tool. The Executive Team and the Governance Committee have reviewed and provided input to develop this current version. An overview will be provided at the board meeting and we look forward to your thoughts and feedback.
 - Q2 Organizational Dashboard Review – Included in your packet is our strategic plan document with 2024 objectives as well as a dashboard summarizing progress to date toward meeting annual objectives. Please bring your thoughts, questions and feedback, including how these documents could continue to be improved to ensure they clearly communicate CM’s strategic work to you.
 - EMS Levy Prep Update – Documents related to this topic will follow separately from the packet and will be sent to you before the weekend is out. While the board will have several decisions to make regarding the levy, the most significant decision is likely to be the amount of tax to ask the community to support. The information following separately and which will be discussed at the meeting is intended to help the board’s decision-making process in this area. Our goal is for the board to finalize levy decisions at the September meeting, so the July meeting is an opportunity to continue learning, to continue thinking together, and also to communicate with management what other information the board would find helpful to receive to support decision-making.
 - Continued Conference Discussion/Education – Included in your packet are notes from the attendees of the Chelan Rural Health Leadership conference, for strategic discussion.
- **Committee Reports**
 - Finance Committee – Included in your packet is the agenda from the most recent Finance Committee meeting as well as the Finance Dashboard, to facilitate Tom’s report.
 - WSHA Hospital Governing Boards Committee – No documents are included in your packet for this topic. Bruce will provide a verbal update related to the most recent committee meeting he attended.
- **Action Items**

- Resolution 2024-07 – Included in your packet is a resolution for board consideration to allow CM to dispose of an old, unusable asset.
- Credentialing – Included in your packet is a document with a list of providers for your consideration for credentialing approval.
- **June Financial Report** – Included in your packet is the financial report for June 2024.

Further Notes

- As you review your packet, please be thinking about strategic questions and ways to engage in strategic discussion as we move through the meeting.
- Included in your packet for informational purposes are CM's quarterly turnover numbers.
- Included in your packet for informational purposes is the biannual report with information on CM's public records requests. Because the year to date activity has been modest, the report is included as packet information rather than as an agenda item to be specifically discussed.
- For those tracking the education plan, you may have anticipated an update in July from the Clinic Medical Director and / or an update on Team-Based Care work in the Clinic. While work continues in the Clinic, we are holding this report until Dr. Kendall returns from maternity leave to her Clinic Medical Director work. Additionally, we are preparing an update on the Patient and Family Engagement Council work and plan to bring that in September, given there is no August meeting.
- Lastly, we are adjusting the cadence and structure of IT security reporting to the board and expect that item to return on a less-than monthly but still regular cadence in September.



Minutes of the Board of Commissioners Meeting

Chelan County Public Hospital District No. 1

Arleen Blackburn Conference Room & Video Conference Connection

June 26, 2024

Present: Bruce Williams, President; Tom Baranouskas, Vice President; Jessica Kendall, Commissioner; Gustavo Montoya, Commissioner; Shari Campbell, Commissioner; Diane Blake, Chief Executive Officer; Pat Songer, Chief Operations Officer; Marianne Vincent, Chief Financial Officer; Melissa Grimm, Chief Human Resources Officer; Megan Baker, Executive Assistant

Via Zoom: Chad Schmitt, Virtual Fractional Chief Information Officer

Guests: Kathy Jo Evans, Director of Accounting; Rich Adamson, CM Foundation; Kami Matzek, DZA; Kathleen Lince, SAO

Topics	Actions/Discussions
Call to Order	<ul style="list-style-type: none"> President Bruce Williams called the meeting to order at 5:31 pm. Tom then led the pledge of allegiance.
Consent Agenda	<ul style="list-style-type: none"> Jessica moved to approve the consent agenda. Tom seconded the motion and the group unanimously approved.
(Action Item) New Commissioner Appointment, Position No.5	<ul style="list-style-type: none"> Bruce Williams moved to appoint Shari Campbell to Position No. 5. Gustavo seconded and the group unanimously approved.
Oath of Office	<ul style="list-style-type: none"> Megan Baker administered the oath of office to Shari Campbell, who affirmed her commitment as a commissioner to Cascade Medical. Shari joined the other Commissioners and participated in her newly designated capacity.
Community Input	<ul style="list-style-type: none"> None
Foundation Report	<p>Rich Adamson provided the Foundation Report.</p> <ul style="list-style-type: none"> The CM Foundation hosted their annual golf tournament on June 17, 2024, which was a great success. The event attracted 116 golfers and generated approximately \$40,000 in sponsorship revenue. Due to high demand, two new sponsorships were created, resulting in a total of just over 50 sponsors. The Foundation hopes to net around \$49,000 from the event. The group has fully funded the hematology analyzer and has approximately \$22,000 in excess funds, which will contribute towards their stretch goal of purchasing an MIH vehicle. Upcoming Benevolent Nights: <ul style="list-style-type: none"> Plain Cellars: July 6 Squirrel Tree: July 17 Jive Time in the Cascades: September 21
CM Values	<p>Diane Blake provided the report.</p> <ul style="list-style-type: none"> CM defines quality as "We demonstrate an exceptional and enduring commitment to excellence. We are devoted to processes and systems that align our actions to excellence, compassion and effectiveness on a daily basis." At CM, quality behaviors include but are not limited to expecting excellence, being the best we can be, going the "second mile," and fixing not blaming. The EMS team responded promptly to a patient experiencing a stroke, arriving quickly after being dispatched to an in-town call. Initially the patient's family requested transport to Confluence. A team member explained CM's access to the University of Washington's Telestroke program, and the family elected to be routed to CM, a

	<p>Level III Trauma Center. One of the Chelan County Fire District No.3 personnel accompanied the EMS team during the transport. The patient received rapid response and care from the CRN, Dr. Gentles, and the UW telestroke team. Overall, the patient was assessed, treated, and transferred in under an hour. This swift and coordinated effort highlights the importance of excellent communication, teamwork, and collaboration in supporting high quality patient care. The team member who submitted the patient story also expressed their gratitude to all staff and personnel involved.</p>
<p>Public Relations Report</p>	<p>No report.</p>
<p>Financial Audit Report</p>	<p>Kami Matzek from DZA presented the report.</p> <p>Basic Financial Statements and Independent Auditors' Reports</p> <ul style="list-style-type: none"> • Initial Items to Note <ul style="list-style-type: none"> ○ Unqualified opinion: clean opinion of financial statements ○ No audit findings. ○ The District changed accounting policies related to accounting for leases by adopting Governmental Accounting Standards Board (GASB) Statement No. 96, <i>Subscription-Based Information Technology Arrangements</i>, in 2023. • Assets and Deferred Outflows of Resources <ul style="list-style-type: none"> ○ Nearly \$3,000,000 cash increase in Current Assets in 2023 • Liabilities, Deferred Inflows of Resources, and Net Position <ul style="list-style-type: none"> ○ The electronic health records incentive of \$741,000 is still reflected under Current liabilities; whether repayment will be required in a subsequent period remains uncertain. • Income Statement <ul style="list-style-type: none"> ○ CM is in a strong cash position. ○ Net Patient Service revenue increased 14% from 2022. ○ Most ancillary services saw increases. ○ Salaries and benefits were 61% of operating expenses. ○ Professional fees increased by \$800,000 from 2022. ○ CM experienced an operating loss \$3.4 million. ○ CM's net position was a loss of \$95,000. • Patient Accounts Receivable <ul style="list-style-type: none"> ○ Patient accounts receivable, \$5,026,265 were reduced by an allowance for uncollectible accounts, \$1,395,335 yielding a net of \$3,630,930. <p>Notes to Basic Financial Statements</p> <ul style="list-style-type: none"> • Note 1: CM appropriately adopted the GASB Statement accounting principle. • Note 3: CM had \$2,955,281 in receivables from patients and their insurance carriers. • Note 6: CM had \$41,852 in lease liabilities in 2023. • Note 7: The 340B Contract yielded an increase of \$81,606 in 2023 compared to 2022. Additionally, Medicare Advantage insurance payors were mapped differently in contractual adjustments compared to revenues, which did not impact CM's financials overall. Patient reports were utilized to create a more accurate reflection of the payor mix, which has been updated in the reissued financial statements. <p>Financial Indicators</p> <ul style="list-style-type: none"> • Total Margin: -0.3% <ul style="list-style-type: none"> ○ The ratio reflects profits from both operational and non-operational sources.

	<ul style="list-style-type: none"> • Operating Margin: -13.4% <ul style="list-style-type: none"> ○ The goal is to break even or achieve an operating margin closer to -4% or -5%, given the tax revenue for service line support is not reported as part of operations. • Days Cash on Hand: 189 days <ul style="list-style-type: none"> ○ DZA recommends maintaining minimum 90 days cash on hand. ○ Although CM's reserves are slightly decreasing, the hospital's reserves remain significantly higher than comparable benchmarks. • Current Ratio: 5.0 <ul style="list-style-type: none"> ○ CM's ratio decreased from 5.5 in 2022 to 5.0 in 2023 yet remains above comparable benchmarks. • Capital Expenditures Percentage of Annual Depreciation: 27% <ul style="list-style-type: none"> ○ CM has a rolling average of 100% over the last five years, which aligns with industry recommendation. • Long-term Debt to Net Position: 37% <ul style="list-style-type: none"> ○ CM is right in the average with comparable benchmarks. • Days in Net Patient Accounts Receivable: 52 days <ul style="list-style-type: none"> ○ CM saw a decrease from 57 days in 2022 to 52 days in 2023. • Gross Days in Patient Accounts Receivable: 65 days <ul style="list-style-type: none"> ○ Gross days in accounts receivable will always be higher than net days. Overall, CM has maintained steady numbers over the past five years. • Contractual Adjustment Percentage: 31% <ul style="list-style-type: none"> ○ Medicare rates typically drive changes in contractual adjustments. CM has remained steady in this area. • Bad Debt as a Percentage Net Patient Revenue: 4.8% <ul style="list-style-type: none"> ○ In 2023, CM experienced a slight increase from the 2.6% rate in 2022. • Bad Debt and Charity Care Percentage: BD 2.9% 1.7 CC % <ul style="list-style-type: none"> ○ CM remained within 1% from 2022 to 2023. • Full-time Equivalent Employees FTE: 126 Employees <ul style="list-style-type: none"> ○ Full-time equivalent employees represent the largest single expense of the organization. There was a slight increase in FTE from 2022 to 2023. • Salaries and Benefits per FTE: \$142,200 <ul style="list-style-type: none"> ○ CM's salaries and benefits per FTE increased from \$135,135 in 2022 to \$142,200 in 2023. • Net Patient Service Revenue per FTE: \$201,607 <ul style="list-style-type: none"> ○ This number does not reflect contracted employees. The rate is increasing faster than salaries, which is a positive trend. <p>Letter to the Commissioners</p> <ul style="list-style-type: none"> • There were no difficulties performing the audit and no disagreements with CM leadership. <p>A big thanks to Marianne and Kathy Jo for leading yet another year of clean financials.</p>
<p>Discussions & Reports</p>	<p>A. IT Security/System Update Chad Schmitt provided the report.</p> <ul style="list-style-type: none"> • CM staff has shown resilience and responsiveness when faced with suspicious behavior. CM continues to invest time and effort in providing the right tools and education. • Regarding Artificial Intelligence (AI), CM is keeping pace with other hospitals, and leadership is developing a strategic approach to effectively access and utilize AI opportunities. • CM is collaborating with organizations that can assist us in recovering

costs from technology procurement. We aim to be prepared to access those funds by 2025.

B. Hematology Analyzer Purchase

Pat Songer provided the report.

- Thanks to the CM Foundation for their outstanding fundraising efforts!
- Tom moved to approve purchase authorization; Shari seconded. The Commissioners unanimously approved.

C. Meditech System Addition

Pat Songer provided the report.

- CM is considering the purchase of three new Meditech solutions—Expanse Now, Virtual Care, and High Availability Snapshot. Dr. Wefel, the Meditech Provider Champion, has thoroughly reviewed the products and strongly supports their value in enhancing workflows. Additionally, a Meditech Physician Lead visited CM and clinic physicians in May to deliver a presentation on the products.
- CM currently pays around \$44,000/month for Meditech and the add-ons would increase the total by a little over \$2,500/mo.
- The Commissioners engaged in a discussion around the value add of these programs.
- Shari moved to approve purchase authorization; Gustavo seconded. The Commissioners unanimously approved.

D. EMS Levy Prep

Diane Blake provided the report.

- 2025 is the last year of tax collections under the current EMS Levy. Brad Berg provided a levy presentation at the May Board meeting, highlighting the timeline for the ballot proposition, the duration of the levy, and the levy amount as areas that need to be determined by the Commissioners.
- The report provided detail on other agencies and the timing of their planned ballot propositions. Agencies prefer not to compete with one another on the same ballot. Other local agencies are planning ballot propositions for August 2024, potentially November 2024, and February 2025.
- The Commissioners plan to finalize their decisions in July, but no later than September.
- Effectively communicating CM's story to the community through marketing and social media will be crucial to levy renewal.

E. Conference Discussion/Education

The Commissioners shared their experiences from the June 23-26th WSHA + AWPMD Annual Conference.

- **AI & the Digital Transformation in Healthcare** presentation raised many questions around policy, communication, and insurance components.
- **Engaging Community When Running Levy** was beneficial, as it provided insights into other hospital's strategies for running bonds or levies. Key takeaways included organizing a CEO/leadership speaking tour and hiring a temporary coordinator to manage levy education initiatives, emphasizing the value of CM services and building community trust.
- **Reproductive Health Services in Rural Communities: Legal Requirements, Quality Considerations, and Community Engagement** affirmed that Washington medical providers must have termination services available if also offering obstetric care. Additionally,

	<p>Washington state will continue to protect patient access to emergency care and provider ability to deliver that care.</p> <ul style="list-style-type: none"> • Stealth Jets, Helicopters & Space Stations: The Role of Boards in Using Data to Guide Strategy demonstrated the opportunity to share more about quality initiatives during board meetings, as long as the content remains focused on strategic insights rather than operational details. • The CEO Performance Evaluation: Best Practices & Recommendations affirmed CM's intention to revise and refresh the current review process. • Navigating Washington's New Hospital Staffing Laws: How Governance Boards Can Support Implementation described the labor standards and enforcement regarding mandatory overtime and uninterrupted meal and rest breaks for certain health care workers. The law goes into effect July 1 and applies to all hourly employees involved in direct patient care activities or clinical services, including those who are covered by a collective bargaining agreement.
<p>Committee Reports</p>	<p>Governance Committee Bruce Williams provided the report.</p> <ul style="list-style-type: none"> • The committee focused primarily on succession planning. The retreat is tentatively scheduled for the first half of October and will likely include components on Urgent Care, a CHNA update, and organizational risk assessment. An updated board education plan is included in the packet. Diane has created a three-year document outlining the roles and responsibilities of management and the board, in relation to strategic planning, which will be shared in July. The group will also advance efforts to redesign the CEO review process.
<p>Action Items</p>	<p>Motion: Officer Election- Board Secretary</p> <ul style="list-style-type: none"> • Bruce nominated Shari as board secretary; Gustavo seconded. Motion unanimously approved. <p>Motion: Committee Appointments: Appoint QOC Member</p> <ul style="list-style-type: none"> • Bruce moved to appoint Shari to the Quality Oversight Committee; Jessica seconded. Motion unanimously approved. <p>Motion: Approve Resolution 2024-05: Surplus Items</p> <ul style="list-style-type: none"> • Tom moved to approve; Gustavo seconded. Motion unanimously approved. <p>Motion: Approve Resolution 2024-06: Authorization to join The Rural Collaborative's Enterprise Interlocal Agreement</p> <ul style="list-style-type: none"> • CM joined The Rural Collaborative (TRC) last fall and currently pays dues. By joining the Enterprise, CM would collaborate with other hospitals to enhance group buying power, jointly negotiate contracts, and secure better vendor pricing. CM has already moved a few contracts to a TRC vendor and anticipates value to exceed the cost of annual dues in the future. • Certain highly valuable contracts allow non-TRC members to access them, potentially lowering prices for everyone. Participation in the Rural Health Enterprise is not mandatory, but CM believes that, if successful, it will eventually generate a revenue stream. This agreement to join the RHE has been reviewed by legal. • TRC is working on a system to credit back dues without affecting cost reimbursement. • Tom moved to approve; Jessica seconded. Motion unanimously approved. <p>Motion: Approve Credentialing</p> <ul style="list-style-type: none"> • Jessica moved to approve; Tom seconded. Motion unanimously approved.

<p>May Financial Report</p>	<p>Marianne Vincent provided the financial report.</p> <ul style="list-style-type: none"> • May gross patient revenue of \$3,930,000 exceeded the budgeted amount of \$3,130,000 by \$800,000. • The May net margin of \$281,000 was greater than the budgeted net margin of (\$105,000) by \$386,000. • Professional fees were over budget in May by (\$117,000) due to Acute nurse registry expense, Hospitalist expense, Clinic Medical Director coaching, Clinic practice share consulting and Fiscal Services expense for actuarial consulting and audit fees. • Purchased Services for May were over budget by (\$51,000) due to Business Office Support expenses and Plant expenses for an MRI connectivity assessment and sounds system repairs. • Collections on patient accounts of \$2,330,000 in May were above budgeted patient account collections of \$1,850,000 by \$480,000. • Days in Net Accounts Receivable decreased from 53.7 days in April to 51.0 days in May. Gross Accounts Receivable has increased by \$417,000 from April. • Clinic Volumes: 1.2% ahead on clinic volumes. • CM ended the 2023 year in a \$95,000 deficit. CM is collaborating with the statement vendor to develop a billing solution for recurring services, which is those from our Rehab department. Patients receiving Rehab services have been informed of the delay.
<p>Administrator Report</p>	<p>Diane Blake provided the report.</p> <p>CM Updates</p> <ul style="list-style-type: none"> • Public Relations: The June 8th Health and Safety Fair was a great success. CM also participated in Wenatchee Pride on Saturday, June 22. Our summer outreach efforts include regularly staffing a booth at the Leavenworth Farmer's Market. • X-ray Suite: All equipment has been successfully installed and the team loves it. We experienced our busiest day ever in radiology when having to access portable-only equipment during the transition. • CRN (Charge Nurse) Retreat: Natasha has gathered feedback and collaborated with CRN's on developing a work plan aimed at aligning job approaches and demonstrating cohesive expectations. This effort has introduced added structure and included training on policies, which has been received positively. The executive team attended a portion of the retreat and enjoyed the opportunity to connect. • Interim Clinic Medical Director: Dr. Richardson has graciously stepped in as Interim Clinic Medical Director, and the team appreciates his commitment to fulfilling this dual role. • Part-time Resident Advisory Council (PTRAC) Recruitment: A big thank you to Tom for assisting in recruiting a new PTRAC member who plans to attend the October meeting. <p>Meal/Rest Breaks Staffing Discussion</p> <ul style="list-style-type: none"> • CM's staffing committee charter is due to the Department of Health by July 1, or we risk being considered out of compliance. Melissa plans to submit our current progress and highlight areas still under discussion. Our current staffing matrix, due to the CEO by July 1, meets operational and team needs, and we anticipate no issues in finalizing it in the new required format. However, recent legislation has removed the flexibility employees previously enjoyed around meal and rest breaks; CM's change to comply with the law may lead to dissatisfaction among staff. <p>External Collaboration</p> <ul style="list-style-type: none"> • At a recent meeting between the WSHA executive committee and Dr. Shah, the Secretary of Health for the Washington State Department of Health, the group discussed how WSHA and hospitals can collaborate more effectively with the DOH. The discussion was positive. There is an

	<p>opportunity to explore forward-thinking approaches to workforce flexibility and continue building positive relationships.</p> <ul style="list-style-type: none"> • Region 10 CMS Team Visit: Dr. Wolfe, the regional Chief Medical Officer at the Centers for Medicare and Medicaid Services, recently discussed with Pat the potential for community paramedicine and hospital-at-home services. There are opportunities to innovate further in the rural setting. Kudos to Pat for making and maintaining this connection.
Board Action Items	<ul style="list-style-type: none"> • Please continue recruitment efforts for the CM Foundation and PTRAC. • Please check your email. • No August board meeting.
Meeting Evaluation/Commissioner Comments	<ul style="list-style-type: none"> • The Commissioners noted that the July meeting went well. They requested no executive session after the conference in 2025.
Executive Session: Performance of a Public Employee (RCW 42.30.110(1)(g))	<ul style="list-style-type: none"> • Bruce called the executive session to order at 8:25 PM for 30 minutes. • At 8:55 PM, the group extended the meeting for an additional 15 minutes. • The group exited the executive session at 9:10 PM.
Adjournment	<ul style="list-style-type: none"> • Jessica moved to adjourn; Tom seconded and the group unanimously agreed.

Bruce Williams, President

Shari Campbell, Secretary

FINANCIAL ACCOUNTING
WARRANTS / EFTS ISSUED

Commissioner Meeting: July 24, 2024

Below is a listing of the Accounts Payable warrants issued since the last Board of Commissioners meeting along with the EFT transactions and payroll EFT transactions since the last Board of Commissioners meeting.

Accounts Payable Warrant Numbers ¹	10122670 – 10122951	\$913,190.13	6/15/2024 – 7/11/2024
Accounts Payable EFT Transactions	20240086 – 20240099	\$558,698.14	6/15/2024 – 7/12/2024
Payroll EFT Transactions	21219 – 21635	\$867,315.54	6/15/2024 – 7/12/2024
Grand Total		\$2,339,203.81	

Notes:

1. AP warrants #10122545 – 10122669, #10122799 – 10122823, #10122848 – 10122899 voided due to a printing issue.

Prepared by:

Kathy Jo Evans
Director of Accounting

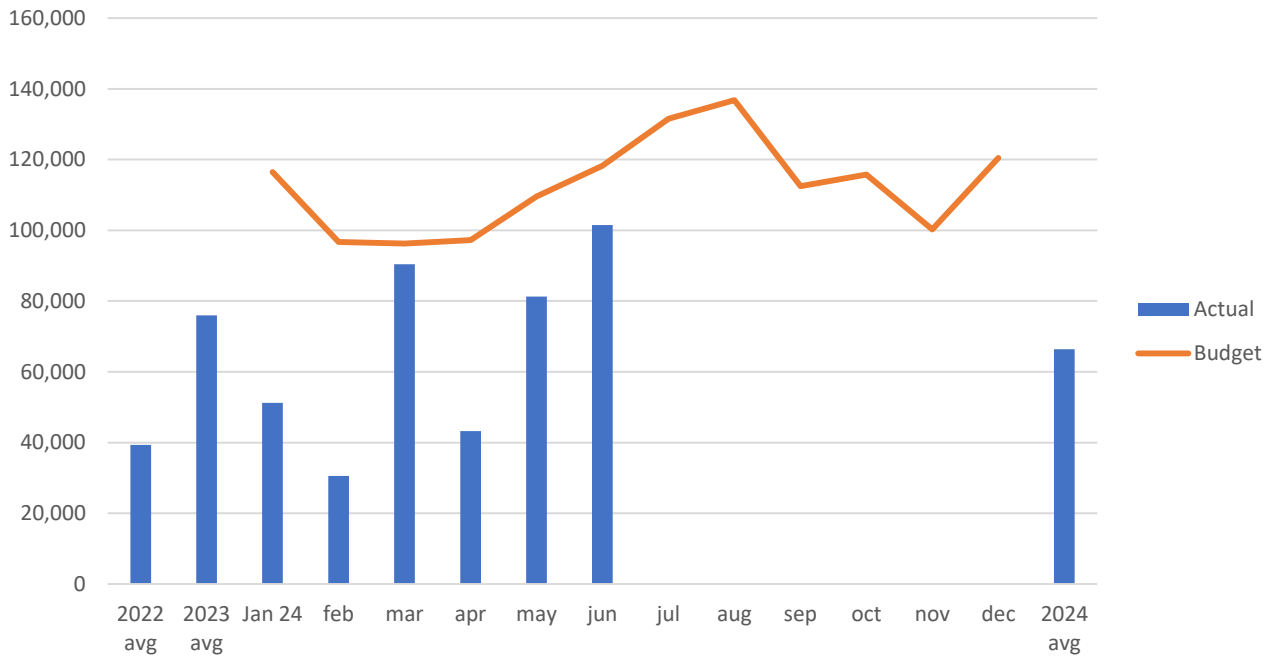
Cascade Medical
 Bad Debt Write Offs
 Financial Assistance Program Discounts

Month of June, 2024

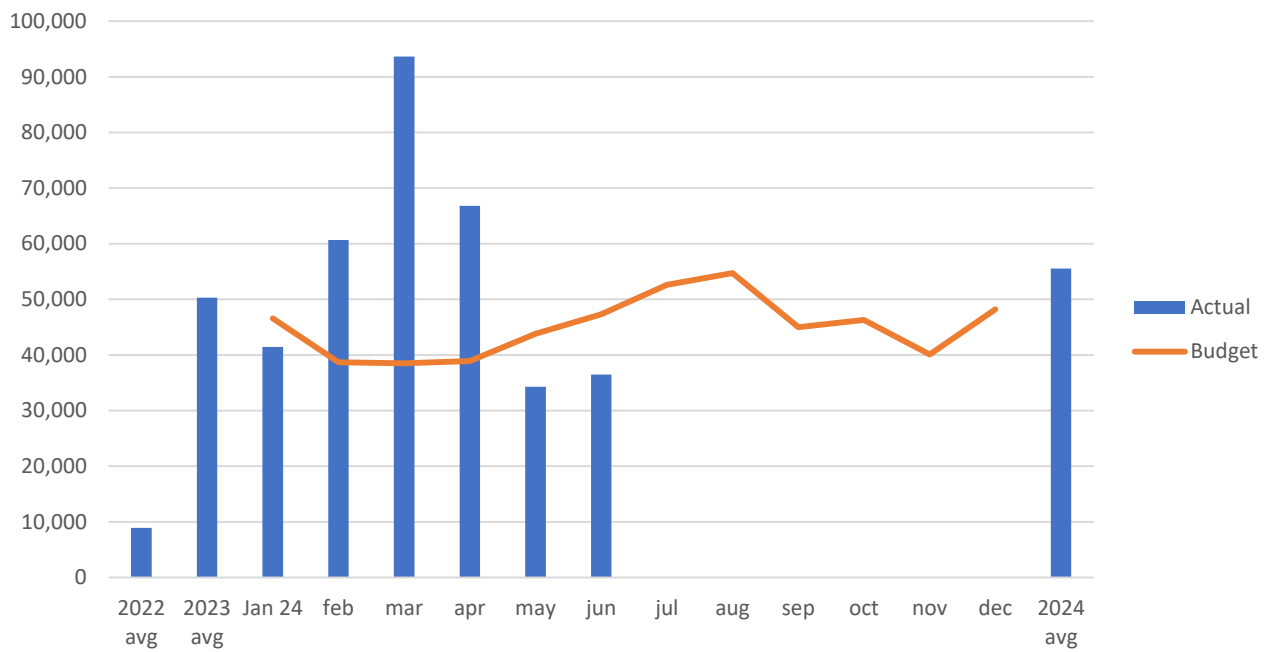
Net Bad Debt Write-Offs for Board Approval	\$	101,534.18
CFSP/Financial Assistance Program Discounts for Board Approval	\$	36,463.79

Bad Debt/ Financial Assistance Supplemental Information		
Bad Debt Write-Offs	Sent to Collection Agency	140,114.26
	less: pullback from Agency due to receipt of payments	(38,580.08)
	Net Bad Debt Write-Offs	101,534.18
CFSP/Financial Assistance Applications - Discounts Approved	\$	36,463.79
Total		137,997.97

Net Account Balances Sent to Collections



CFSP/Financial Assistance Discounts



Three-Year Strategic Plan Cycle of Work

Black = Work involving Board; Orange = Management work

Quarter	Year One	Year Two	Year Three
Q1 Jan – Mar	<ul style="list-style-type: none"> • Outcomes of prior strategic plan year reported at Board meeting • In January, finalize workplans, timelines, measures for current year and document in strategic plan software, if still outstanding • Exec team checks year one progress toward meeting organizational objectives • Governance Committee begins prep for Board retreat, including identifying strategic priority topics • Governance Committee proposes Board education plan for the year, including strategic topics • Management finalizes CHNA workplan elements 	<ul style="list-style-type: none"> • Outcomes of prior strategic plan year reported at Board meeting • In January, finalize workplans, timelines, measures for current year and document in strategic plan software, if still outstanding • Exec team checks year two progress toward meeting organizational objectives • Governance Committee begins prep for Board retreat, including identifying strategic priority topics • Governance Committee proposes Board education plan for the year, including strategic topics 	<ul style="list-style-type: none"> • Outcomes of prior strategic plan year reported at Board meeting • In January, finalize workplans, timelines, measures for current year and document in strategic plan software, if still outstanding • Exec team checks year three progress toward meeting organizational objectives • Finalize work to develop next three-year strategic plan in conjunction with Governance Committee; this work is likely to be the focus of the annual Board retreat. • Governance Committee proposes Board education plan for the year, including strategic topics • CHNA work commences in collaboration with third-party partner • Begin planning with partner to facilitate work to develop three-year strategic plan, if different from CHNA partner

Quarter	Year One	Year Two	Year Three
Q2 Apr – June	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Governance Committee continues prep for Board retreat, finalizing strategic topics and retreat date • Governance Committee continues thinking of possible strategic Board education topics and reviews education plan with Board • Exec team checks year one progress toward meeting organizational objectives • Exec team, including Clinic Medical Director, kicks off risk stratification work, in preparation for planning future year(s) plan • In June, budget work kickoff for following year • Late in quarter/early Q3, Exec team begins development of subsequent year objectives • Board reviews and, in May, approves CHNA workplan 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Governance Committee continues prep for Board retreat, finalizing strategic topics and retreat date • Governance Committee continues thinking of possible strategic Board education topics and reviews education plan with Board • Exec team checks year two progress toward meeting organizational objectives • Exec team reviews CHNA workplan to ensure alignment, check progress, prepare for future work • Exec team, including Clinic Medical Director, kicks off risk stratification work, in preparation for planning future year(s) plan • In June, budget work kickoff for following year • Late in quarter/early Q3, Exec team begins development of subsequent year objectives 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Governance Committee continues prep for Board retreat, finalizing strategic topics and retreat date, recognizing retreat is likely to be framed around CHNA priority focus areas and/or development of a three-year strategic plan • Governance Committee continues thinking of possible strategic Board education topics and reviews education plan with Board • Exec team checks year three progress toward meeting organizational objectives • Exec team reviews CHNA workplan to ensure alignment, check progress, prepare for future work (if not done during CHNA work) • Exec team, including Clinic Medical Director, kicks off risk stratification work, in preparation for planning future year(s) plan • In June, budget work kickoff for following year • Finalize CHNA priority focus areas; location / schedule TBD • Board and Exec Team brainstorm topics to be considered for next three-year plan • Finalize details with facilitator to conduct Q3 Board retreat and development of three-year strategic plan

Quarter	Year One	Year Two	Year Three
Q3 July – Sept	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Exec team checks year one progress toward meeting organizational objectives • Exec team performs market wage review/strategy work • Gather input from Leadership Team regarding organizational risks and subsequent year objectives • Gather input from Medical Staff to shape subsequent year objectives • Board reviews draft budget in September • Either at a Board retreat or during the September Board meeting, focus on strategic plan & CHNA work plan progress to date as well as development of subsequent year objectives; consider reviewing risk stratification at retreat or during September Board meeting 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Exec team checks year two progress toward meeting organizational objectives • Exec team performs market wage review/strategy work • Gather input from Leadership Team regarding organizational risks and subsequent year objectives • Gather input from Medical Staff to shape subsequent year objectives • Board reviews draft budget in September • Either at a Board retreat or during the September Board meeting, focus on strategic plan & CHNA work plan progress to date as well as development of subsequent year objectives; consider reviewing risk stratification at retreat or during September Board meeting 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for future education or discussion • Exec team checks year three progress toward meeting organizational objectives • Exec team performs market wage review/strategy work • Gather input from Leadership Team regarding organizational risks and subsequent year / three-year objectives • Gather input from Medical Staff to shape subsequent year / three-year objectives • Board reviews draft budget in September • Substantially complete development of next three-year strategic plan by end of Q3, at Board retreat; consider reviewing risk stratification at retreat or during September Board meeting

Quarter	Year One	Year Two	Year Three
Q4 Oct – Dec	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for education • Board approves budget for following year in October • Exec team checks year one progress toward meeting organizational objectives • Continue to review subsequent year objectives at Board meetings; Board approves annual plan by no later than the December Board meeting • Exec team leads finalization of workplans, timelines, measures for next year’s plan • Exec team reviews service line analysis • Board reviews and approves organization Succession Plan, typically in November 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for education • Board approves budget for following year in October • Exec team checks year two progress toward meeting organizational objectives • Continue to review subsequent year objectives at Board meetings; Board approves annual plan by no later than the December Board meeting • Exec team leads finalization of workplans, timelines, measures for next year’s plan • Exec team reviews service line analysis • Board reviews and approves organization Succession Plan, typically in November • Board considers future-oriented education topics that may influence next three-year strategic plan • Governance Committee provides input on scope of work for next three-year planning cycle • Management finalizes contract(s) for CHNA and three-year strategic plan work 	<ul style="list-style-type: none"> • Board reviews current year strategic plan progress via dashboard reporting and identifies related strategic topics for education • Board approves budget for following year in October • If three-year strategic plan was not approved by Board in Q3, Board and management work to complete outstanding items remaining from Board retreat at Q4 Board meetings, with goal of adopting three-year strategic plan no later than the December Board meeting • Shape subsequent year objectives with the Board at Board meetings throughout Q4; Board approves annual plan by no later than the December Board meeting • Exec team checks year three progress toward meeting organizational objectives • Exec team leads finalization of workplans, timelines, measures for year one of next three-year strategic plan cycle • Exec team reviews service line analysis • Board reviews and approves organization Succession Plan, typically in November

2024 Goals
Includes Pillar Statements & 2023-2025 Objectives
Cascade Medical

Patient & Family Centered Care: Patients and their families will experience exceptional, high-quality, safe, compassionate, whole-person care.

Long Term Objective: Deliver quality care that is accessible, equitable, and safe every time, every touch

2024 Annual Goals (with some tactics noted):

- Implement Mobile Integrated Healthcare
- Optimize Team-Based Care
 - Explore expansion of family practice hours
 - Identify new provider for telepsychiatry services
 - Implement school-based clinic
 - Continue optimization of mobile clinic
 - Partner mobile clinic with other community resources, such as mobile library and mobile food bank
- Improve patients' first touch experience at CM

Financial Stewardship: Maintain a financially stable Public Hospital District that meets our communities' needs now and in the future.

Long Term Objective: Grow revenue, maintain strong cash balances and manage expenses to sustain essential services and support our commitment to funding future growth

2024 Annual Goals (with some tactics noted):

- Service Line Expansion
 - Explore and implement outpatient infusion opportunities
 - Develop implementation plan for urgent care (dependent upon study)
 - Explore mobile MRI
 - Explore telehealth expansion with attention to retail health trends
- Develop and implement charge capture program
- Build structure for developing and sustaining long term financial plan
- Optimize Rehab Services

Our People: Retain, attract, engage, develop, and support outstanding, community-focused team members who consistently demonstrate commitment to our Shared Values.

Long Term Objective: Provide an exceptional employee experience within a safe, stable, family-based work environment

2024 Annual Goals:

- Optimize the Living Well Program
- Continue to develop leaders
- Expand education / training opportunities and workforce training / apprenticeship programs
- Explore alternative retention strategies

Community Connections: Deliver services, programs and outreach that increase access, meet community-defined needs and are developed in partnership with our communities.

Long Term Objective: Collaborate with community to define needs and nurture partnerships to support healthy lifestyles

2024 Annual Goals (with some tactics noted):

- Promote Cascade Medical in the community
 - Prepare for educating the community about EMS Levy
 - Develop and implement comprehensive external communication plan, including around marketing
 - Increase promotion of Charity Care
- Develop and implement Spanish language focus for mobile clinic, chronic care, and same day appointments

Mission

Cascade Medical is an exceptional rural healthcare facility. We are a team of compassionate and dedicated professionals who provide quality primary care, services and resources to our patients and their families

Vision

Patient & Family Centered Care: Patients and their families will experience exceptional, high-quality, safe, compassionate, whole-person care.

Financial Stewardship: Maintain a financially stable Public Hospital District that meets our communities' needs now and in the future.

Our People: Retain, attract, engage, develop, and support outstanding, community-focused team members who consistently demonstrate commitment to our Shared Values.

Community Connections: Deliver services, programs and outreach that increase access, meet community-defined needs and are developed in partnership with our communities.

Values

Commitment

We demonstrate our pursuit of individual and organizational development by always going above and beyond to find the answer, discover the cause, and advocate the most appropriate course of action.

Community

We demonstrate our effectiveness and quality care in complete transparency with each other and in line with the values of our medical center.

Empowerment

We prove our promise to patients and our dedication to both organization and community through the manner in which we empower each other and carry out each action.

Integrity

We set a strong example of behavioral and ethical standards by demonstrating our accountability to patient needs and our devotion to performing alongside one another as we exhibit our high standards each and every day.

Quality



We demonstrate an exceptional and enduring commitment to excellence. We are devoted to processes and systems that align our actions to excellence, compassion and effectiveness on a daily basis.




Respect



We embrace equality on a daily basis through positive, personal interactions and recognize the unique value within each of our colleagues, patients, and ourselves.






Transparency


We demonstrate complete openness by providing clear, timely and trusted information that shapes the health, safety, well-being and stability of each other and our community.

Long Term Objectives	Organizational Goals	Analysis	Recommendations
PILLARS			
Patient & Family Centered Care			
<p>Deliver quality care that is accessible, equitable and safe every time every touch</p>	<p> Implement Mobile Integrated Healthcare</p>	<p>Implementing the Mobile Integrated Health (MIH) Program experienced a delay due to the extended time required to hire two Medical Services Officers (MSOs). To address this, we will rework the plan to meet a six-month time frame, emphasizing community outcomes and developing a return on investment (ROI) for 2025. Concurrently, we will continue to develop the MSO program, focusing on achieving cost savings through the efficient use of MSOs and enhanced system integration with our community partners. This revised strategy aims to ensure that the MIH program effectively meets the needs of our community while demonstrating measurable value and sustainability. This objective is receiving a caution/at risk rating due to being behind initial timeline; now that both MSOs are in place, the MIH program will proceed through full implementation.</p>	<p>To advance the Mobile Integrated Health (MIH) Program, it is recommended to prioritize the rapid onboarding and training of the newly hired MSOs to ensure they are fully integrated and operational within the revised six-month timeframe. Additionally, a clear focus on establishing and tracking key program outcomes should be maintained to demonstrate the program's immediate impact. Developing a robust ROI model for 2025 will be crucial in showing the program's benefit to our community. It is also essential to enhance collaboration with community partners to optimize system integration, leveraging their resources and networks to maximize cost savings and improve service delivery.</p>
	<p> Improve patients' first touch experience at CM</p>	<p>Cascade is in the beginning stages of implementing Luma, a patient success platform that will improve patients' first touch experience. Online appointment scheduling, appointment reminders, and NPS surveys are all part of the program to be rolled out. All PSRs will have completed customer service training by mid-July and work continues with Zultys to collect and analyze phone data. In addition, welcome packets are being finalized to ensure accurate information prior to translating to the top languages spoken at CM.</p>	<p>Continue conversations with our consultant, Liberty Street Partners, to assess their ability to assist with Luma integration. Additionally, continue to monitor patient feedback survey responses as one way to track efficacy of the the work. Trend line for "The appointment process was satisfactory" shows consistent improvement, with Q2 averaging 4.86 on a scale of 1 - 5 (1=least & 5=most satisfactory). Trend line for "The check in/out process was a pleasant experience" shows modest, consistent improvement, with an average score in Q2 of 4.77 out of 5. Trend line for "The staff was professional" also shows modest improvement, with an average score of 4.93 out of 5.</p>

Long Term Objectives	Organizational Goals	Analysis	Recommendations
	 Optimize Team-Based Care	<p>Efforts to enhance the mobile clinic are ongoing, despite the delay with fully implementing operational functions of team based care. The tele-psychiatry initiative has been delayed due to operational workloads but is scheduled to advance in July. Implementing the school-based clinic remains problematic as we continue to address the operational needs of team-based care, with no clear course of action yet established. Additionally, exploring the expansion of family practice hours has been postponed both due to the focus on optimizing team-based care and the desire to ensure plans are coordinated with the exploration of urgent care.</p>	<p>Moving forward, it is recommended that we continue to work closely with our team-based care consultant to finalize full implementation of team-based care and ensure that work continues to align with other organizational work, for maximum efficiency.</p>
<p>PILLARS</p> <p>Financial Stewardship</p>			
<p>Grow revenue, maintain strong cash balances and manage expenses to sustain essential services and support our commitment to funding future growth</p>	 Develop and implement charge capture program	<p>Work to identify a resource for Revenue Cycle optimization, including of the Meditech build, was close to completion at end of Q2, with a contract for that work finalized in early July. This project is on track.</p>	<p>Next step is to begin the engagement/work, which includes both an assessment phase and then active optimization phase.</p>
	 Build structure for developing and sustaining long term financial plan	<p>Work on this objective, while behind, should become more visible as we begin work on the 2025 budget. We plan to work with our audit partner, DZA, on this objective and initial contact has occurred. We have received the 2023 Reimbursement tool that helps us to look at the cost/benefit of Medicare reimbursement when expenses are added or reduced in a specific department and work is currently being completed by DZA to complete the 2023 Contribution Margin Analysis by service line.</p>	


Long Term Objectives	Organizational Goals	Analysis	Recommendations
	<p> Optimize Rehab Services</p>	<p>The completed consultant's report assesses the department's current staffing, scheduling, and clinical practices. The analysis highlights key areas of strength, including the effective use of varied clinical schedules and the integration of multidisciplinary services. However, the review identifies significant opportunities for improvement, such as standardizing patient schedules, increasing the utilization of existing resources, and enhancing documentation practices. The review emphasizes the importance of staff education on billing and coding, making them feel valued and integral to the department's success. It also underlines the importance of optimizing clinical efficiency and productivity through better scheduling practices. Additionally, there is a focus on expanding services, particularly in underutilized areas like aquatic therapy and pediatric care, and strengthening relationships with referring physicians and the community.</p>	<p>Several strategic recommendations are proposed to address the identified challenges and capitalize on opportunities that could be implemented as following steps:</p> <ol style="list-style-type: none"> 1. Standardizing the outpatient scheduling process to a consistent 45-minute schedule for all patient types can improve efficiency and patient throughput. 2. Increasing the use of rehabilitation technicians for support during peak times and reducing their presence during less busy periods can optimize resource utilization. Enhancing staff training on proper billing practices and documentation will help improve revenue capture and compliance. Expanding the use of PTAs and COTAs can drive greater accessibility and allow primary therapists to focus on higher-level clinical tasks. 3. Developing a robust marketing strategy to promote underutilized services and implementing regular patient and physician satisfaction surveys can strengthen community and referral relationships. 4. Adopting a more strategic approach to facility management and equipment utilization will support future growth and improve overall department efficiency.
	<p> Service Line Expansion</p>	<p>This objective consists of four focus areas: 1) explore and implement outpatient infusion program, 2) develop implementation plan for urgent care, 3) explore mobile MRI, and 4) explore telehealth expansion with attention to retail health trends. All projects are currently on track, with mobile MRI and urgent care through the financial analysis phase and now in operational consideration phase. Outpatient infusion analysis has begun and is in early stages, but meeting timeline. Telehealth work is not set to begin until last half of the year.</p>	<p>Given the other work that lies ahead through the remainder of the year, the challenge will be on maintaining focus/resources in order to complete all four.</p>


Long Term Objectives	Organizational Goals	Analysis	Recommendations
PILLARS			
Our People			
<p>Provide an exceptional employee experience within a safe, stable, family-based work environment</p>	<p> Optimize the Living Well Program</p>	<p>With half the year behind us, the 2 quarterly open forums have been attended and Living Well has been part of the standing agenda. Each cohort is being introduced at forums. Additionally, information about them is being disseminated on presentation boards which includes their planned events that are happening throughout the year. Presentation boards are located in key staff areas including admin foyer, and at the bottom of the main stairs to the basement.</p>	<p>Continue support for the CM team members leading this work, by allowing space, resources and time to implement. This works supports positive culture and whole team well-being.</p>
	<p> Continue to develop leaders</p>	<p>Focused attention on new leaders is on track with cohort projects to be assigned in the next 60 days. Continue to meet quarterly leadership education goals with presentations on facilitative leadership and retention strategies.</p>	<p>Continue to seek out opportunities for leaders to share information learned from external/outside trainings.</p>
	<p> Expand education / training opportunities and workforce / apprenticeship programs</p>	<p>Successfully launched the CNA training program with 4 students beginning classes on June 25th. Additionally, hired our first employee into the EMT to MA-R cross training program. Three internal employees remain on track with training and onboarding.</p>	
	<p> Explore alternative retention strategies</p>	<p>Presented retention strategy education at the June 11th leadership team meeting. Continued work with broker to identify alternative medical benefit options with meeting schedule 7/8 to review. Began to receive market comps from comparators. Began exploration into sick leave options in accordance with WA state law. All milestones are on track and progressing according to schedule.</p>	<p>No recommendations - all milestones on track.</p>
PILLARS			
Community Connections			
<p>Collaborate with community to define needs and nurture partnerships to support healthy lifestyles</p>	<p> Develop and implement Spanish language focus for mobile clinic, chronic care, and same day appointments</p>	<p>Working with social media consultant to highlight bilingual staff via social media campaigns. A Spanish speaking PSR continues to be available 90% of the time.</p>	<p>Focus efforts on workflows to embrace patients who are Spanish speaking outside of other established milestones as we progress into Q3.</p>

Long Term Objectives	Organizational Goals	Analysis	Recommendations
	 Promote Cascade Medical in the community	<p>This objective consists of three focus areas: 1) Develop and implement a comprehensive external communication plan, including around marketing; 2) increase promotion of Charity Care; and 3) Prepare for educating the community on the EMS Levy. This goal is considered on track. Work has been completed on the external communication plan, with strategic planning and execution on community outreach opportunities all through Q2, and planning/preparation for monthly brand awareness campaigns. These are set to start in August and run through Q4. These brand awareness campaigns tie to our organizational goals and align with service lines we wish to grow. In addition, content creation has begun for a quarterly mailed newsletter to our hospital district and will touch upon calls to action and education aligning with org goals (e.g. spotlight on Charity Care). Marketing is also aligning with leading community Latino voices to create content for CM's Spanish language-only Facebook page – one of the only pages of its kind for a NW healthcare organization. The second focus area, Charity Care, is on track with completed quarterly outreach, staff training, and social media posts. EMS levy work will be focused in Q3 & Q4.</p>	<p>The Marketing and Communications plan structure is sound, scalable, continues to grow to serve our community well. Given the amount of work in the plan which is new to CM, special attention will need to be paid to ensuring timelines are met and adjusting resource availability, if needed, to ensure plan is met.</p>


Description

Status Key

 On Target

 Caution/At Risk

 Below Target

 Not Defined (Project has not started per timeline)

Bruce's Chelan Conference Notes- Strategic Topics

Strategic marketing which relates to a levy election in 2025. This is a broad topic, including community engagement, messaging, community awareness and perceptions of CM, listening to the community, brand loyalty, and commissioner engagement with the community, etc.

- AWP/WSHA: residents of public hospital districts have low awareness of their public hospital, including the fact that it is their public hospital, services it provides, quality of care, etc.
 - This hinders community use of their public hospital;
 - This potentially hinders passing levy and bond issues;
- **What to do:**
 - Revise CM's community engagement strategy and begin implementation this year;
 - Develop plan for educating residents about the EMS levy;
- **Board's role:** Strategic direction and Oversight with 2 exceptions
 - Shari has considerable expertise that may be helpful to management; perhaps she could be part of a temporary Outreach/Community Connection committee.
 - Commissioners have a role to play; this should be defined, and commissioners trained;

Artificial Intelligence- rapidly changing environment with big risks and opportunities

- **What to do:** CM needs a strategy and plan as to how it will adapt and stay current
- **Board's role:** Oversight and education (management leads and periodically reports to the board)
 - Board should request management to propose an Artificial Intelligence Use policy.

Board's role in quality

- Does our board need to focus more (or better) on quality?
- **What to do-** CM should review its board practices
- **Board's role:** Begin quarterly review of quality dashboard; consider additional board education;
- **QOC role:** Review our practices as part of the education of the new QOC member.

CEO Evaluation Process

- The speaker's recommended process differs in some ways from our current practice;
- **What to do:** consider revising our process, including possibly using a consultant to help with that
- **Board's role:** The Governance Committee, working with Diane and Melissa, should lead this process but all board members are responsible for the CEO Evaluation

CEO resilience

- WSHA is concerned about this, and stated the board has a responsibility to pay attention to this.
- **What to do?** Perhaps in the future we should discuss with Diane in an executive session "to review the performance of a public employee."

WSHA Conference notes
Tom Baranouskas

- **AI and the digital transformation in healthcare**
 - A call to action for healthcare to understand the many implications of AI
 - Communication at many levels will be critical
 - **Strategic Question: How/when will CMC develop and implement a policy regarding AI?**

- **Transforming Rural Healthcare, Navigating the digital frontier**
 - There are transformative/significant changes to healthcare coming out of the pandemic; e.g., there are many new patient interaction capabilities
 - Must focus on patient trust in “System” vs generally trusted providers.
 - **Strategic Question: We have significant initiatives with Urgent Care, MIH, Social networking, non-provider patient contact improvement. Are we doing enough, fast enough?**

- **Regarding Levy’s; Asking voters for funding, what it means & how to get there**
 - Must show value, why it matters to the community
 - Clarify we are a public hospital, not Federal, not state
 - Regarding the financial impact—do the math for the voters.
 - **Strategic question: While our EMS Levy will be less complicated to communicate vs an M&O levy, Should we utilize some external resources to guide our approach; i.e., MRSC kit? Have Matt Ellsworth help?**

Chelan Conference Thoughts June 2024 - Diane Blake

Several sessions reaffirmed that CM has a great board and solid board processes:

- Board's role in Safety & Quality: the session highlighted board best practices in this area, affirming the processes with the Quality Oversight Committee strongly align with those recommendations. Opportunity may exist in creating greater visibility to quality and safety work with the full board. **Strategic question / thought**: What information should a board quality dashboard have so that it communicates the essential strategic quality and safety information to the full board in a way that does not compromise patient privacy or unintentionally invite the board to weigh in on operational details?
- Supporting the Board in their Role of Governance: this session was for CEOs and provided tips and tools for CEOs to be able to assist the board in operating at a strategic level, rather than in operations. CM board is already good at this, which was reaffirmed by participating in the session. This strikes me as an area that's good to keep working on, particularly as board composition changes. **Strategic question / thought**: What additional tools, practices or other processes can become part of CM board and management work structure to support the board's continued focus on strategic board work? What works well that we should keep doing?
- Board & CEO lunch: this session reaffirmed CM's strength of our board and our management/board collaboration. Topics focused on the importance of mutual respect, role clarity between board & management and regular focus on board education.

Two presentations on AI/Digital Landscape

- The importance of marketing as patient education, that medical providers need to clean up the mess of disinformation, to fill the knowledge gap that's being incorrectly filled by social media currently. Know where people get their information and be there. Build trust and brand loyalty. Patients need to: 1) Know/be aware of CM, 2) Like CM, and 3) Trust CM. Focus here also helps with recruiting. **Strategic question / thought**: Should health education be part of how CM serves the community? Should we have a disinformation strategy? Does CM have the right organizational structure in place to do this well?
- Know where AI can be a strength and leverage that, provided appropriate systems are in place to use it safely. Examples include: back office assistance (removing common healthcare administrative burdens), auto-populate intake forms, reading mammograms, identifying sepsis more quickly, etc.
- Prepare to mitigate AI risk. Have an AI Governance and AI Use policy/plan. (WSHA is working on something to share with WA hospitals.) Know who in the organization is using AI. Understand implication around patient consent. Will AI bring a new standard of care that we will have to meet or be negligent – implications for rural providers in that scenario. **Strategic question / thought**: What processes can we put in place to ensure the board is appropriately informed of management's work in this area? What processes can we implement / what resources can we provide to ensure the board is able to provide appropriate strategic oversight of AI? (Management encourages the board to regularly ask of our progress in this area.) Does CM have the right organizational structure in place to both leverage AI strengths and mitigate risk?

Chelan Conference, June 2024
Melissa Grimm

Matt Ellsworth -AWPHD

All of this presentation was enlightening as this is the first levy vote I will be a part of – understanding the do's and don'ts.

Key Take Aways:

- Start promoting your facility now – We need to educate about the need and the good services the funds are providing before we are campaigning for votes.
- Ensure we know our internal constituents and that their votes are needed.
- Find the small ways to connect with the community and share the work we are doing and how the levy will support continued work.
- Use our recourse from AWPFD

Kim Russel - CEO Performance Evals

Much of what was presented I believe we as an organization already do – there were definitely some areas I believe we have opportunity to evaluate, reflect on and revise.

Key Take Aways

- Make them relevant.
- Consider removing the 360 reviews. Boards should have visibility to those who are in direct report of the CEO and the communication effectiveness, teamwork, and overall professional health of the team. 360 reviews do not allow for open communication and dialogue.
- CEO goals should support the overall organizational goals.
- Review the CEO Job Description – is it accurate and relevant to the current work expectations.

Gena, Darcy and Ashlen – WWSA New Hospital Staffing Laws

The new rest, meal and overtime laws we recently passed with an effective date to employers of July 1, 2024. In the past many DOH and LNI WAC's and RCW's had more lenient ruling or time lines for Rural facilities, this is not the case with these two new laws.

Key Take Aways

- We are not alone in the struggle. This is going to be difficult to navigate, balance employees desire for flexibility and meet the requirements of the law of "scheduled time".
- There are costly penalties associated with an employee missing even a min of their break/lunch.
- We will need to change our current clocking system from the rounding rule to the pay by the minute to ensure for accurate reporting.
- LNI expanded the impacted employees beyond nursing to all hospital patient facing/interacting staff – PCT, LPN's, Radiology, Rehab and Lab.
- Rural hospitals must comply July 1, 2024, begin reporting in 2026 and penalties apply for failing to meet the 80% guideline in 2028.



A G E N D A

Board Finance Committee

July 24, 2024

9:00 – 11:00 AM

Administration Conference Room

Agenda Item		Time
1.	Call to Order	9:00 AM
2.	Consent Agenda Approval <ul style="list-style-type: none">July 24, 2024 AgendaApril 19, 2024 Minutes	9:00 AM
Committee Work		
1.	Review follow-up items from minutes	9:05AM
2.	Policy Review <ul style="list-style-type: none">Non-Payroll / EFT Release PolicyCapital Spending Approval Matrix PolicyFinancial Management Policy	9:10AM
3.	Review Q2 Financials, Contractual Allowance Summary, Bad Debt, Dashboard	9:25 AM
4.	Financial Assistance stats	9:50 AM
5.	Review financial impact of and data related to Financial Assistance & Compliance	9:55 AM
6.	Review Clinic stats/revenue	10:10 AM
7.	Update on compliance with MSP Questionnaire	10:15 AM
8.	Discuss long-term financial planning	10:20 AM
9.	Discuss industry trends	10:30 AM
10.	Discuss Board education	10:40 AM
11.	Review Q2 OICC quarterly report	10:50 AM
Adjournment		
1.	Adjournment	11:00 AM

Materials provided in advance of meeting along with agenda:

1. April 19, 2024 Minutes
2. Non-Payroll / EFT Release Policy
3. Capital Spending Approval Matrix Policy
4. Financial Management Policy
5. Q2 Financial Packet & Notes
6. Q2 Dashboard
7. Financial Assistance stats
8. Clinic stats/revenue
9. OICC Q2 Report

2024 Meeting Schedule

- October 24, 2024
- December 9, 2024

Dashboard Strategy / Performance Measures for the Finance Pillar

Cascade Medical FYE 12/31/2024

Strategic Pillar	Measure	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024 YTD	2024 CM Budget/Baseline	YTD Status to Budget	Flex 2016 Benchmark	YTD Status to Flex
Financial	Total Margin	3.1%	24.8%	-6.1%	-2.6%	-5.1%	7.3%			1.7%	-3.1%		3.0%	
	Days Cash on Hand	235	217	194	190	171	162			167	90		60	
	Cash Growth available to Operations	6,892	166	22	1,314	-542	-283			-825	255		-	-
	Days in Net Patient Accounts Receivable	68	57	61	56	56	50			55	54		54	
	% of AR balances > 90 days since DOS	22.0%	33.6%	41.2%	0.0%	0.0%	0.0%			0.0%			-	-
	Net Revenue as % of Staffing Costs	146%	153%	144%	152%	145%	166%			156%	149%		-	-
	Debt Service Coverage	2.39	7.36	0.73	1.44	0.70	4.20			2.43	3.60		3.00	
	Long Term Debt to Capitalization	74%	46%	44%	40%	41%	38%			38%	NA		25%	
	Medicare Outpatient Cost to Charge Ratio	0.49	0.45	0.55	0.59						NA		0.55	

Key: Blue = Better than Target, Green = At Target, Red = Worse than Target

Note: If targets were established by the Cascade Medical budget, then current performance is measured against those targets. For measures which a corresponding target was not established during the most recent budget process, the dashboard uses benchmarks established by the Flex Monitoring Team as a basis for comparison.

Total Margin is a measure of how *profitable* an organization is. This measure is important because it lets us know how well expenses are controlled, relative to revenues. Over time, a consistent negative margin indicates an organization's current business model may not be sustainable.

Days Cash on Hand is a measure of an organization's *liquidity*. Days cash on hand measures the number of days an organization could operate if no cash was collected or received.

Cash Growth available to Operations is an internal measure of *liquidity*. It measures how well we are growing our operational cash balance since the start of the fiscal year and compares this to our Cash Flow budget.

Days in Net Patient Accounts Receivable is another measure of *liquidity*. This measure tells us how many days, on average, it takes us to collect what we've billed to insurers and patients. Too high or too low of a value indicates processes may not allow for the full collection of what we're owed for services we provide.

Percent of AR balances over 90 days since Date of Service is also an operational measure of our Business Office operations and measures how consistently we follow through working older accounts.

Net Revenue as a % of Staffing Costs is designed to gauge the effectiveness of the organization's ability to generate net revenues from patient care activities, using not only staffing costs but also professional fees in the denominator.

Debt Service Coverage and **Long Term Debt to Capitalization** are *capital structure* indicators. These measures show our ability to meet current debt service requirements and the percentage of total capital that is debt. Cascade Medical is fairly highly leveraged, primarily due to the debt we incurred to remodel and build our new facility. With the refinancing we completed in 2017, we will actually see somewhat higher debt service amounts during the next several years than we would have under the previous financing. Both ratios will improve over time as we retire bond debt.

Medicare Outpatient Cost to Charge Ratio is a *revenue* indicator. This indicator tells us, for Medicare patients, how many dollars it costs us to provide care for every dollar of revenue we bill. It is important to have a cost to charge ratio close to benchmark so that the amount we bill less the amount we do not collect (contractual adjustments + Charity Care + bad debts) still exceeds the amount it costs to provide the care. The amount shown in the 2023 YTD column is the rate from the 2023 final cost report.

RESOLUTION NO. 2024-07

CHELAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 1
CHELAN COUNTY, WASHINGTON dba CASCADE MEDICAL

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 1 of Chelan County, Washington (the “District”), relating to the finances of the District; authorizing the surplus of equipment identified by the following description:

Description	Serial No.	Model Number	CM Asset Tag No.	Market Value	Recommendation
FCR Carbon XL-2	4657393	CR-IR-359	031727 & 03227	Unknown	Auction

WHEREAS, the members of the commission approved a motion for the surplus of equipment at a regular meeting of the board on July 24, 2024.

WHEREAS, the members of the commission of the district, after due consideration, declare that the above equipment is surplus to the needs of the District, agree to sell of the equipment listed above.

BE IT RESOLVED BY THE COMMISSION OF PUBLIC HOSPITAL DISTRICT NO 1, CHELAN COUNTY, WASHINGTON, AS FOLLOWS:

It is hereby found and declared that the equipment be disposed of through Siemens.

ADOPTED and APPROVED by the Commission of Chelan County Public Hospital District No. 1, Chelan County, Washington, at an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 24th day of July 2024, the following commissioners being present and voting in favor of this resolution.

Board President, Bruce Williams

Board Vice President, Tom Baranouskas

Commissioner Shari Campbell

Commissioner Gustavo Montoya

Commissioner Jessica Kendall

Credentialing Approvals

Active Privileges (2-years)

- Alex Pelman, PA-C
- Maxwell Moholy, PhD

Adjunct Privileges (2-years)

- Matthew Messerschmidt, MD
- Andrew Otto, MD
- Joshua Frank, MD

Teleradiology Initial Privileges: (1-year)

- Dr. Oded Greenberg

Accompanying Notes for the June 2024 Financial Statements

June Financial Statements – Current Month Summary

Gross patient revenue of \$3,782,000 in June exceeded the budgeted amount of \$3,378,000 by \$404,000. The contractual allowance of \$1,188,000 for June was greater than the budgeted amount of \$1,157,000 by (\$31,000). The June net margin of \$359,000 was greater than the budgeted net margin of \$57,000 by \$302,000. Cash receipts totaling \$2,396,000 For June were greater than the budgeted cash receipts total of \$2,060,000. The June month end cash balance of \$14,023,000 is less than the budgeted cash balance of \$14,286,000 by (\$263,000).

Specific Revenue and Expense Variances

1. Salaries & Wages were over budget in June by (\$73,000), much of the increase (\$56,000) can be attributed to the new IAFF contract for Ambulance staff and the effect on PTO balances for these employees (PTO is paid out at the employee's current rate of pay which caused a significant increase in PTO expense and liability in June when salary increases were implemented).
2. Other Expenses were over budget in June by (\$47,000) primarily due to our Medicaid Q1 Safety Net Assessment for the Safety Net Assessment Program. We will see quarterly payments of \$51,000 that will be offset by SNAP revenue. The program has changed significantly in 2024. Revenue will ultimately exceed the expense for the program, but there has been a lag in recognition of the revenues as the updates to the program have only been implemented very recently and assessments are due prior to the receipt of revenue from the various Managed Care Organizations.
3. Travel/training/meeting expenses for June were over budget by (\$45,000) due to Administration expense for leadership training (\$30,000) and Business Office expense for outsourced services that will be reclassified in July (\$14,000).
4. Our Employee Benefits are under budget by \$83,000 in June and this is a timing issue related to our monthly benefit accruals.

Patient Statistics

In June we saw Swing Bed and Rehab volumes well below budgeted volumes, while Acute, CT, Ambulance, Lab, and ED volumes all were well above budgeted volumes. We are looking at our Radiology volumes more closely as have recently discovered a discrepancy in the Ultrasound volumes, which are included in the Radiology volumes.

Cash Receipts

Collections on patient accounts of \$2,279,000 in June were above budgeted patient account collections of \$1,932,000 by \$347,000.

Balance Sheet

Our Balance Sheet shows a decrease in cash balances in June of (\$68,000). June payments included \$152,000 in bond interest expense. We will make another interest payment in early December, along with the principal payments due for 2024.

Accounts Receivable

Days in Net Accounts Receivable decreased from 51 days in May to 49.6 days in June. Gross Accounts Receivable has increased by \$428,000 from May. We currently contract for two FTE with a third-party vendor to work our Medicaid and Workers Comp accounts and have found that due to a staffing vacancy, work on our accounts had been delayed. Our understanding is that the staffing vacancy has been filled.

Contractual Allowances

Our Contractual Allowance for June is 31.4% of Gross Revenues. Overall, our Contractual Allowance is 43% of Gross Accounts Receivable.

Final comments

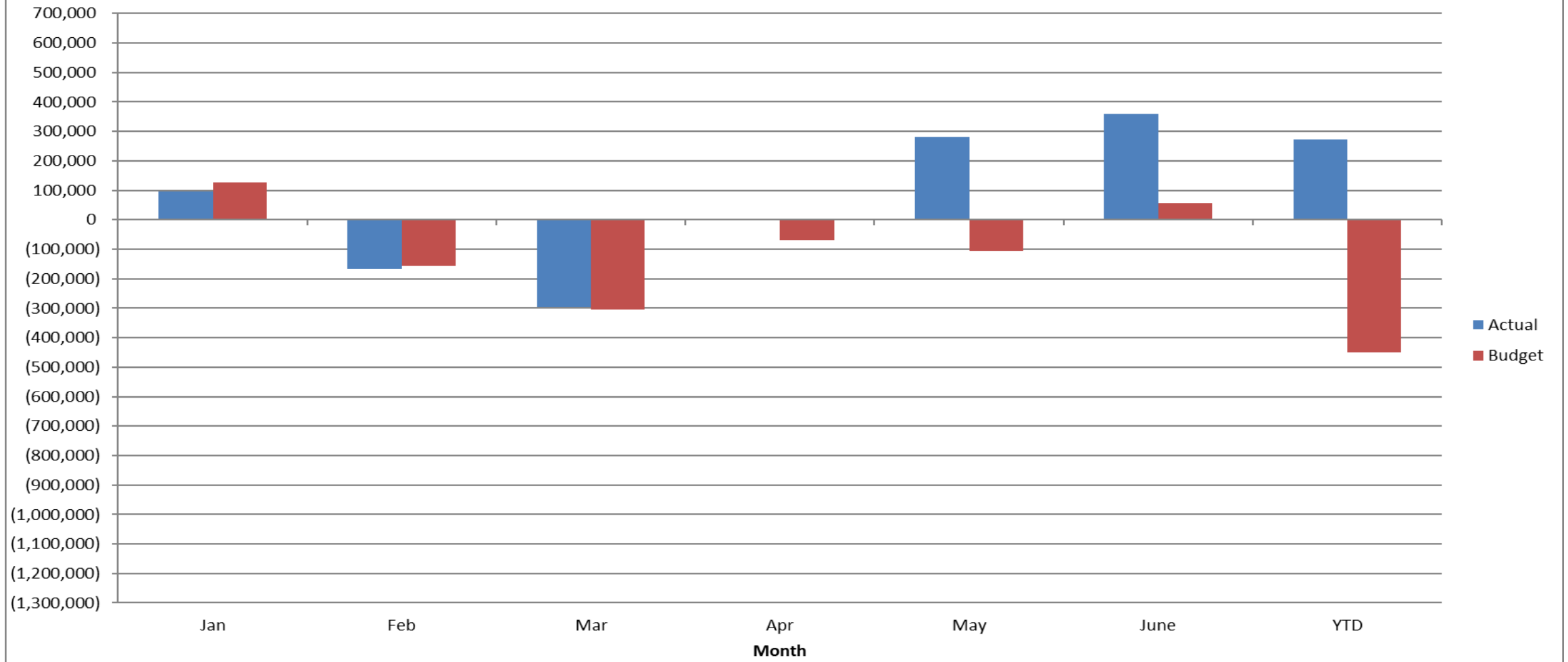
In June we recalculated the Contractual Allowance for Ambulance for our monthly and year-to-date reports after a review of payments on ambulance transports after rebilling Medicare transports on a cost basis. Please be reminded that we applied for cost-based reimbursement for our Medicare Ambulance transports in 2023 and rebilled all 2023 Medicare transports retroactively to January 1, 2023.

Our 2019-2022 State Accountability Audit concluded recently with no audit findings. The audit took a close look at our cash receipting, payroll compliance with wage rates and policy, accounts payable payments on credit cards, compliance with the Open Public Meetings Act and a review of our overall financial position.

We are in the beginning stages of our budget planning for 2025 with department directors finalizing work on their capital budget requests and work beginning on the operating budget soon. Work has begun to identify a resource to assist in the Revenue Cycle optimization of Meditech and we look forward to getting this work underway in early August.

Cascade Medical

Net Surplus/(Deficit) - 2024



**Cascade Medical Center
Financial Performance Summary
Year-to-Date - June, 2024**

000's omitted

YTD Jun

Net Margin

Actual	273
Budget	(450)
	723
Better (Worse) than Budget	723

Variance Analysis - favorable vs (unfavorable)

Gross Revenue - PT (\$259); Amb (\$181); CT \$910; ED \$385; Clinic \$306; Lab \$245; Endo \$224	1,850
Contractual Allowances	(386)
	1,464
Net Patient Revenue	1,464
Other Operating Revenue	(113)
	1,351
Total Operating Revenue	1,351

Expenses

Salaries & Benefits	72
Prof. Fees - Acute (\$139); HR (\$104); Admin (\$71); Fiscal Services (\$32)	(375)
Supplies	(53)
Purchased Services/Repairs - Bus Off (\$160); IT (\$42); CT (\$40)	(235)
Other Operating Expenses - IT \$92; Clinic Provid \$18; Amb \$16; Admin (\$100)	(37)
	(628)
Total Operating Expenses	(628)

Non-Operating Revenues & Expenses	-
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Actuals Better/(worse) than Budget	723
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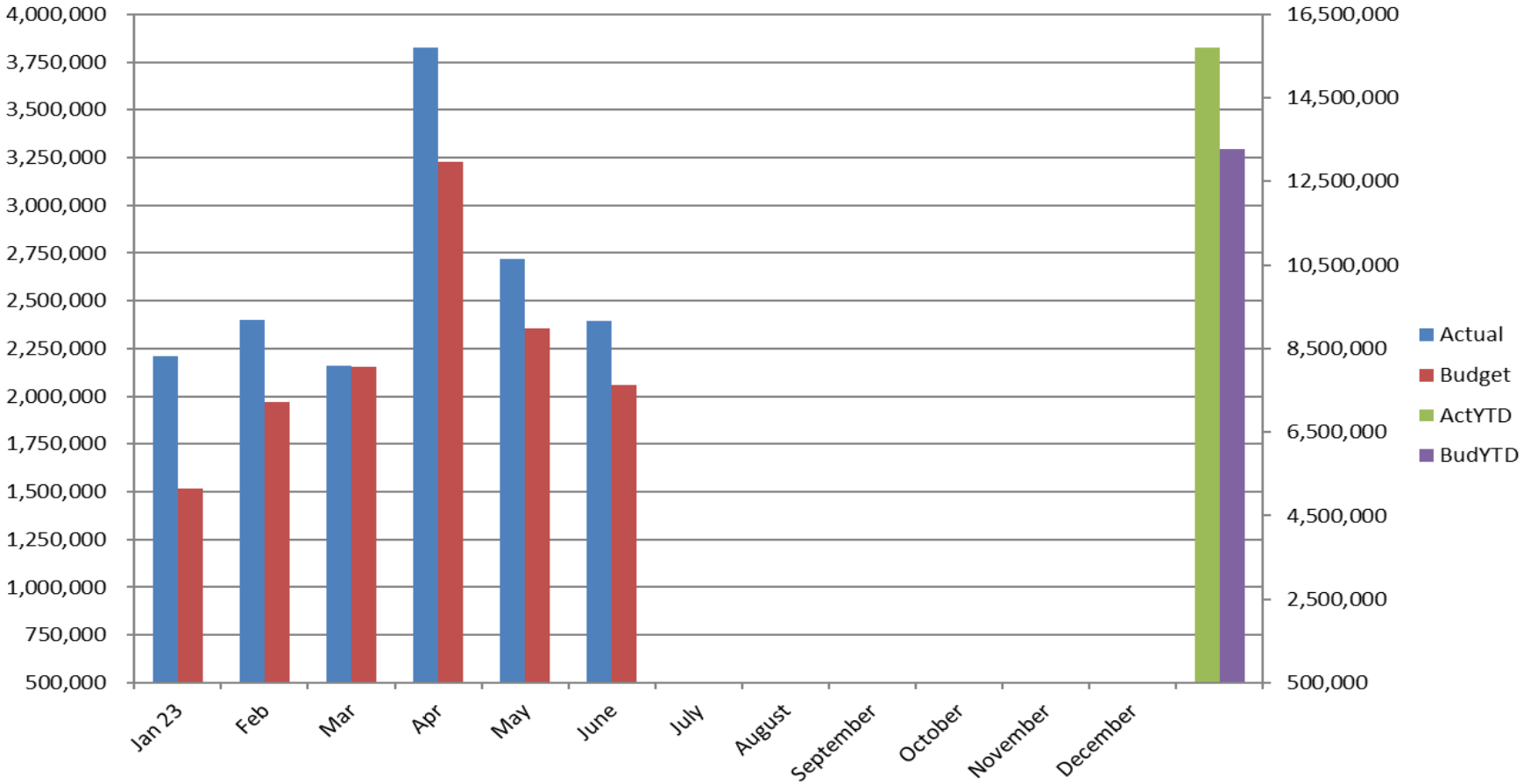
Cascade Medical Center
Statement of Revenues, Expenses and Net Income
For the Month Ending June 30, 2024

	----- Current Period -----			----- Year-to-Date -----			Prior YTD
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating revenues							
Net Patient Revenue	2,593,861	2,221,235	372,626	13,765,208	12,301,198	1,464,010	10,868,337
Grants, Contribs, Other Op Revenue	109,105	108,770	335	738,128	851,620	(113,492)	607,646
Tax Levies, unrestricted	<u>137,725</u>	<u>137,725</u>	<u>-</u>	<u>826,350</u>	<u>826,350</u>	<u>-</u>	<u>897,990</u>
Total Operating Revenue	2,840,692	2,467,730	372,962	15,329,686	13,979,168	1,350,518	12,373,973
Operating expenses							
Salaries & Benefits	1,664,777	1,674,680	9,903	10,045,080	10,117,281	72,201	8,841,790
Professional fees	162,178	131,380	(30,798)	1,073,678	706,135	(367,543)	1,057,854
Supplies	148,262	181,550	33,288	1,019,768	966,530	(53,238)	931,574
Purchased services	134,058	142,282	8,224	1,099,559	864,201	(235,358)	1,029,496
Depreciation	167,303	169,874	2,571	1,003,816	1,019,244	15,428	999,311
Other Operating Expenses	<u>291,939</u>	<u>197,400</u>	<u>(94,539)</u>	<u>1,333,376</u>	<u>1,273,713</u>	<u>(59,663)</u>	<u>1,037,421</u>
Total operating expenses	2,568,517	2,497,166	(71,351)	15,575,277	14,947,104	(628,173)	13,897,446
Operating gain / (loss)	272,175	(29,436)	301,611	(245,590)	(967,936)	722,346	(1,523,473)
Nonoperating revenues (expenses)							
Tax Levies, restricted	112,641	112,641	-	675,846	675,846	-	649,764
Interest expense on bonds	(25,327)	(25,328)	1	(151,963)	(151,968)	5	(163,284)
Other Non-Operating rev (exp)	<u>(31)</u>	<u>(989)</u>	<u>959</u>	<u>(5,472)</u>	<u>(5,934)</u>	<u>462</u>	<u>(1,949)</u>
Total nonoperating rev (exp), net	87,283	86,324	959	518,412	517,944	468	484,531
Net Income	359,458	56,888	302,570	272,821	(449,992)	722,813	(1,038,942)

Cascade Medical Center
Statement of Revenues, Expenses and Net Income
For the Month Ending June 30, 2024

	----- Current Period -----			----- Year-to-Date -----			Prior YTD
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating revenues							
Gross Patient Revenue	3,781,529	3,377,847	403,682	19,977,018	18,127,470	1,849,548	16,420,947
less:							
Contractual Allowances	1,017,388	991,097	(26,291)	5,321,279	4,938,025	(383,254)	4,756,486
Reserve for Bad Debts	121,160	118,225	(2,935)	633,647	634,462	815	566,452
Reserve for Financial Assistance	49,119	47,290	(1,829)	256,884	253,785	(3,099)	229,673
Total Deductions from Revenue	1,187,667	1,156,612	(31,055)	6,211,809	5,826,272	(385,537)	5,552,610
Net Patient Revenue	2,593,861	2,221,235	372,626	13,765,208	12,301,198	1,464,010	10,868,337
Grants, Contributions	13,890	2,000	11,890	123,851	67,000	56,851	39,648
Other Operating Revenue	95,215	106,770	(11,555)	614,277	784,620	(170,343)	567,999
Tax Levies, unrestricted	137,725	137,725	-	826,350	826,350	-	897,990
Total Operating Revenue	2,840,692	2,467,730	372,962	15,329,686	13,979,168	1,350,518	12,373,973
Operating expenses							
Salaries and wages	1,439,066	1,366,230	(72,836)	8,306,852	8,255,772	(51,080)	7,192,001
Employee benefits	225,711	308,450	82,739	1,738,228	1,861,509	123,281	1,649,789
Professional fees	162,178	131,380	(30,798)	1,073,678	706,135	(367,543)	1,057,854
Supplies	148,262	181,550	33,288	1,019,768	966,530	(53,238)	931,574
Utilities	22,877	25,031	2,154	144,239	148,986	4,747	130,193
Repairs and maintenance	3,929	22,844	18,915	137,779	137,064	(715)	224,271
Purchased services	130,129	119,438	(10,691)	961,780	727,137	(234,643)	805,225
Continuing medical education	2,816	2,167	(649)	8,969	13,002	4,033	6,339
Other expenses	59,279	12,001	(47,278)	145,052	118,485	(26,567)	66,914
Dues and subscriptions	89,076	85,443	(3,633)	492,699	536,729	44,030	396,944
Travel / training / meetings	54,188	9,605	(44,583)	184,036	67,610	(116,426)	90,035
Leases and rentals	19,624	14,128	(5,496)	99,393	96,693	(2,700)	99,688
Depreciation	167,303	169,874	2,571	1,003,816	1,019,244	15,428	999,311
Licenses and taxes	21,060	25,503	4,443	141,077	152,418	11,342	119,735
Insurance	21,694	22,248	554	109,957	132,146	22,189	119,617
Interest	1,326	1,274	(52)	7,956	7,644	(312)	7,956
Total operating expenses	2,568,517	2,497,166	(71,351)	15,575,277	14,947,104	(628,173)	13,897,446
Operating gain / (loss)	272,175	(29,436)	301,611	(245,590)	(967,936)	722,346	(1,523,473)
Nonoperating revenues (expenses)							
Tax Levies, restricted	112,641	112,641	-	675,846	675,846	-	649,764
Interest expense on bond financing	(25,327)	(25,328)	1	(151,963)	(151,968)	5	(163,284)
Gain (loss) on disposal of equipment	-	-	-	-	-	-	4,000
Investment income	1,739	780	959	5,144	4,680	464	4,667
Net of bond premium/amortization	(1,769)	(1,769)	(0)	(10,616)	(10,614)	(2)	(10,616)
CARES Funds	-	-	-	-	-	-	-
PPP Loan Proceeds	-	-	-	-	-	-	-
Total nonoperating revenues (expenses), net	87,283	86,324	959	518,412	517,944	468	484,531
Net Income	359,458	56,888	302,570	272,821	(449,992)	722,813	(1,038,942)

Cascade Medical 2024 Cash Receipts



Cascade Medical
 Statistics Summary - 2024

	YTD 2023 avg/mo	feb 24	mar	apr	may	jun	2024 Act mo	2024 Bud mo	Act/Bud % var	2024 Act YTD Tot	2024 Act avg/mo	2024 Bud YTD Tot	2024 Bud avg/mo	Act/Bud % var
Acute Care	21	10	25	23	35	42	42	28	50.0%	169	28	139	23	21.6%
Swing Bed	68	38	74	95	75	29	29	79	-63.2%	381	64	525	87	-27.4%
Laboratory tests	2,735	2,847	3,114	3,377	3,389	3,519	3,519	3,087	14.0%	19,673	3,279	17,070	2,845	15.2%
Radiology exams	311	294	281	380	408	368	368	346	6.4%	2,043	341	1,918	320	6.5%
CT scans	109	131	129	138	173	177	177	128	38.3%	892	149	646	108	38.1%
ED visits	308	262	287	327	385	421	421	371	13.5%	2,007	335	1,795	299	11.8%
Ambulance runs	67	47	73	44	66	87	87	75	16.0%	381	64	403	67	-5.5%
Clinic visits	1,104	1,132	1,146	1,233	1,314	1,150	1,150	1,267	-9.2%	7,239	1,207	7,284	1,214	-0.6%
Rehab procedures	2,281	1,749	1,893	2,172	2,501	1,877	1,877	2,728	-31.2%	12,027	2,005	15,368	2,561	-21.7%

Patient Statistics

	2023		2024										2024	
	YTD Mo Avg	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD Mo Avg
Admits														
Acute Care	5.2	7	4	5	8	10	12							7.7
Short Stay	3.2	6	7	7	5	7	8							6.7
Swing Bed	4.8	4	1	6	6	2	3							3.7
Respite Care	1.0	2	1	-	-	-	-							0.6
Total Admits	14.2	19	13	18	19	19	23							18.5
Patient Days														
Acute Care	20.8	34	10	25	23	35	42							28.2
Short Stay	4.3	8.3	11.3	8.3	4.8	11.1	9.2							8.8
Swing Bed	68.0	70	38	74	95	75	29							63.5
Respite Care	10.3	7	6	-	-	-	-							2.2
Total Patient Days	103.5	119.3	65.3	107.3	122.8	121.1	80.2							102.6
Average Length of Stay	7.3	6.3	5.0	6.0	6.5	6.4	3.5							5.6
Average Patients per Day	3.4	3.8	2.3	3.5	4.1	3.9	2.7							3.4
Worked FTEs	-													#DIV/0!
FTEs (W/ Non-Working Pay*)	-													#DIV/0!
Laboratory (tests)	2,735	3,427	2,847	3,114	3,377	3,389	3,519							3,279
Radiology (tests)	258	263	246	233	334	352	344							295
Mammography (tests)	37	36	38	37	38	35	18							34
Cardiac Diagnostics	87	87	80	95	85	133	128							101
CT (Scans)	109	144	131	129	138	173	177							149
DXA (Scans)	16	13	10	11	8	21	6							12
PT (services billed)	1,761	1,463	1,441	1,507	1,862	1,978	1,691							1,657
ER (visits/procedures)	308	325	262	287	327	385	421							335
Ambulance (runs)	67	64	47	73	44	66	87							64
Clinic (visits)	1,105	1,264	1,132	1,146	1,233	1,314	1,150							1,207
Occupational Therapy	460	302	246	320	251	462	153							289
Speech Therapy	60	70	62	66	59	61	33							59
Cardiac Rehab	-	7	12	15	35	40	24							22
Endoscopy Procedures	17	26	22	17	22	21	26							22

REVENUE COMPARISON

	2023		2024										2024	
	YTD Mo Avg	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD Mo Avg
Acute Care	\$ 64,984	\$ 124,350	\$ 28,890	\$ 80,250	\$ 73,830	\$ 121,980	\$ 134,820							\$ 94,020
Short Stay	13,348	27,810	36,660	29,145	15,875	37,340	30,820							29,608
Respite Care	6,162	5,005	3,300	-	-	-	-							1,384
Swing Bed	155,768	190,780	98,230	217,140	263,670	193,875	74,965							173,110
Central Supply	20,301	46,843	20,703	20,645	37,524	42,262	38,128							34,351
Laboratory	325,072	448,711	343,301	383,678	399,112	391,498	409,357							395,943
Cardiac Diagnostics	28,731	22,436	24,588	29,132	27,721	40,176	40,238							30,715
CT	371,760	529,581	462,108	479,319	462,828	632,780	703,940							545,092
Radiology	133,614	140,411	131,027	132,687	178,723	210,109	189,286							163,707
Mammography	21,669	22,920	24,666	27,284	17,304	30,432	11,934							22,423
Pharmacy	135,316	164,563	105,684	129,592	156,409	200,553	150,876							151,279
Respiratory Therapy	-	90	-	269	-	-	-							60
Physical Therapy	187,268	162,891	164,573	167,178	143,098	297,086	210,615							190,907
Emergency Room	642,894	739,709	570,388	625,754	743,812	845,980	989,160							752,467
Ambulance	226,603	229,135	146,682	220,818	150,456	255,368	260,492							210,492
Clinic	273,525	400,468	367,968	319,558	328,510	408,211	393,139							369,642
Occupational Therapy	54,457	34,011	33,089	45,081	22,581	71,747	28,424							39,155
Outpatient Diagnostic Svcs	49,716	71,615	94,840	94,169	95,743	102,705	94,677							92,292
Speech/Contracted Svcs	20,214	24,359	21,522	23,619	15,337	30,539	13,827							21,534
Cardiac Rehab	-	1,575	2,475	3,600	7,875	9,000	5,400							4,988
Dietary/Contracted Svcs	5,421	6,856	5,265	8,729	7,212	8,513	1,434							6,335
Total Patient Revenue	\$ 2,736,824	\$ 3,394,117	\$ 2,685,959	\$ 3,037,644	\$ 3,147,618	\$ 3,930,151	\$ 3,781,529							\$ 3,329,503

Increase (Decrease) in Cash and Cash Equivalents
 Cascade Medical Center
 For the Month Ending June 30, 2024

	<u>Jun-24</u>	<u>2024 YTD</u>	<u>2023 YTD</u>
<i>Cash flows from operating activities</i>			
Receipts from and on behalf of patients	\$ 2,278,813	\$ 13,218,900	\$ 11,761,824
Other receipts	\$ 32,459	\$ 302,964	\$ 377,194
Payments to & on behalf of employees	\$ (1,341,871)	\$ (8,726,305)	\$ (7,571,060)
Payments to suppliers and contractors	\$ (818,226)	\$ (5,831,133)	\$ (5,264,179)
Net cash gained / (used) in operating activities	\$ 151,176	\$ (1,035,574)	\$ (696,221)
<i>Cash flows from noncapital financing activities</i>			
Taxation for maintenance and operations, EMS	\$ 11,977	\$ 1,352,362	\$ 1,385,632
Noncapital grants and contributions	\$ 13,890	\$ 69,834	\$ 39,647
Net cash provided by noncapital financing activities	\$ 25,867	\$ 1,422,196	\$ 1,425,279
<i>Cash flows from capital and related financing activities</i>			
Taxation for bond principal and interest	\$ 4,553	\$ 388,745	\$ 375,819
Purchase of capital assets	\$ (151,708)	\$ (956,780)	\$ (12,222)
Payments toward construction in progress	\$ -	\$ (292,710)	\$ (282,083)
Proceeds from disposal of capital assets	\$ -	\$ 30,000	\$ 4,000
Proceeds from long-term debt	\$ -	\$ -	\$ -
Principle & Interest paid on long-term debt	\$ (151,963)	\$ (151,963)	\$ (163,284)
Bond maintenance & issuance costs	\$ -	\$ -	\$ -
Capital grants and contributions	\$ -	\$ 54,016	\$ -
Net cash provided by capital and related financing activities	\$ (299,118)	\$ (928,691)	\$ (77,770)
<i>Cash flows from investing activities</i>			
Investment Income	\$ 54,038	\$ 327,024	\$ 275,421
Net increase (decrease) in cash and cash equivalents	\$ (68,037)	\$ (215,044)	\$ 926,709
Cash and Cash equivalents, beginning of period	\$ 14,091,137	\$ 14,238,144	\$ 12,919,205
Cash and cash equivalents, end of period	\$ 14,023,100	\$ 14,023,100	\$ 13,845,914

Forecasted Statement of Cash Flows
Cascade Medical Center
For the year ending December 31, 2024

	<u>Actual</u> <u>1st Qtr</u>	<u>Actual</u> <u>April</u>	<u>Actual</u> <u>May</u>	<u>Actual</u> <u>June</u>	<u>Actual</u> <u>2nd Qtr</u>	<u>Forecast</u> <u>3rd Qtr</u>	<u>Forecast</u> <u>4th Qtr</u>	<u>Actual/Forecast</u> <u>Year End 2024</u>	<u>Budget</u> <u>2024</u>
Cash balance, beginning of period	\$ 14,238,144	\$ 13,783,098	\$ 14,921,608	\$ 14,091,137	\$ 13,783,098	\$ 14,023,100	\$ 13,785,975	\$ 14,238,144	\$ 14,238,144
Cash available for operating needs	\$ 14,021,607	\$ 13,479,513	\$ 14,079,804	\$ 13,120,261	\$ 13,479,513	\$ 13,196,331	\$ 12,922,540	\$ 14,021,607	\$ 14,021,607
Cash restricted to debt service, other restricted funds	\$ 216,537	\$ 303,585	\$ 841,805	\$ 970,877	\$ 303,585	\$ 826,769	\$ 863,435	\$ 216,537	\$ 216,537
<i>Cash flows from operating activities</i>									
Receipts from and on behalf of patients	\$ 6,145,318	\$ 2,464,329	\$ 2,330,439	\$ 2,278,813	\$ 7,073,582	\$ 6,827,054	\$ 6,849,042	\$ 26,894,996	\$ 24,445,262
Grant receipts	\$ 74,176	\$ 35,784	\$ -	\$ 13,890	\$ 49,674	\$ 6,000	\$ 6,000	\$ 135,850	\$ 79,000
Other receipts	\$ 187,045	\$ 42,504	\$ 40,956	\$ 32,459	\$ 115,919	\$ 136,335	\$ 151,335	\$ 590,634	\$ 794,340
Payments to or on behalf of employees	\$ (3,932,884)	\$ (1,381,284)	\$ (2,070,266)	\$ (1,341,871)	\$ (4,793,421)	\$ (5,231,455)	\$ (4,447,500)	\$ (18,405,260)	\$ (19,537,764)
Payments to suppliers and contractors	\$ (2,699,435)	\$ (1,161,711)	\$ (1,151,761)	\$ (818,226)	\$ (3,131,698)	\$ (1,899,632)	\$ (1,841,062)	\$ (9,571,826)	\$ (7,610,953)
Net cash provided by operating activities	\$ (225,780)	\$ (379)	\$ (850,631)	\$ 165,066	\$ (685,944)	\$ (161,698)	\$ 717,815	\$ (355,606)	\$ (1,830,116)
<i>Cash flows from noncapital financing activities</i>									
Unencumbered M & O taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,769	\$ 271,769	\$ 271,769
Taxation for Emergency Medical Services	\$ 113,004	\$ 692,849	\$ 164,386	\$ 8,674	\$ 865,909	\$ 44,831	\$ 692,298	\$ 1,716,041	\$ 1,652,698
Investment Income	\$ 165,805	\$ 51,558	\$ 55,624	\$ 54,038	\$ 161,220	\$ 138,090	\$ 138,090	\$ 603,204	\$ 552,360
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ 90,000
Net cash provided by noncapital financing activities	\$ 278,809	\$ 744,407	\$ 220,009	\$ 62,712	\$ 1,027,128	\$ 182,921	\$ 1,192,157	\$ 2,681,015	\$ 2,566,827
Proceeds from Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Funds Expended for Capital Purchases	\$ (595,122)	\$ (143,738)	\$ (328,921)	\$ (151,708)	\$ (624,367)	\$ (295,014)	\$ (295,014)	\$ (1,809,517)	\$ (1,180,056)
Increase/(decrease) in cash available for operations	\$ (542,094)	\$ 600,290	\$ (959,543)	\$ 76,070	\$ (283,183)	\$ (273,791)	\$ 1,614,958	\$ 515,891	\$ (443,345)
Cash available for operating needs	\$ 13,479,513	\$ 14,079,804	\$ 13,120,261	\$ 13,196,331	\$ 13,196,331	\$ 12,922,540	\$ 14,537,498	\$ 14,537,498	\$ 13,578,262
Taxation for bond prin & int (incl encumbd M&O)	\$ 87,048	\$ 538,220	\$ 129,072	\$ 7,855	\$ 675,147	\$ 36,666	\$ 294,442	\$ 1,093,303	\$ 1,079,927
Principle & Interest paid on long-term debt	\$ -	\$ -	\$ -	\$ (151,963)	\$ (151,963)	\$ -	\$ (937,963)	\$ (1,089,926)	\$ (1,089,926)
Restricted grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(decrease) in restricted cash	\$ 87,048	\$ 538,220	\$ 129,072	\$ (144,108)	\$ 523,184	\$ 36,666	\$ (643,521)	\$ 3,377	\$ (9,999)
Cash restricted to debt service, other restricted funds	\$ 303,585	\$ 841,805	\$ 970,877	\$ 826,769	\$ 826,769	\$ 863,435	\$ 219,914	\$ 219,914	\$ 206,538
Cash balance, end of period	\$ 13,783,098	\$ 14,921,608	\$ 14,091,137	\$ 14,023,100	\$ 14,023,100	\$ 13,785,975	\$ 14,757,412	\$ 14,757,412	\$ 13,784,800

**CASCADE MEDICAL CENTER
EMERGENCY MEDICAL SERVICES - JUNE, 2024**

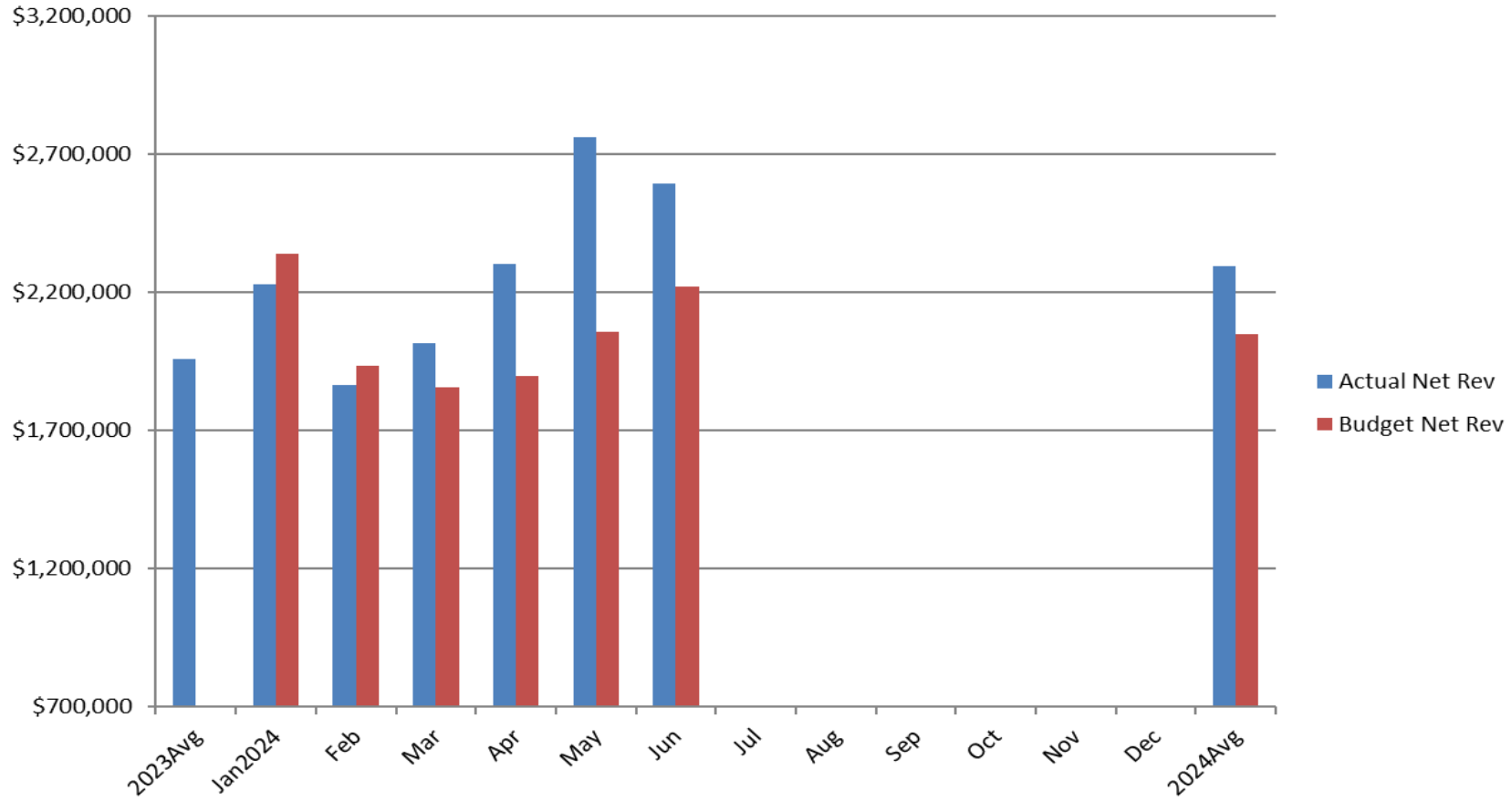
REVENUE	EMERGENCY ROOM		AMBULANCE		COMBINED EMERGENCY MEDICAL SERVICES		
	6/30/24	6/30/24 YTD	6/30/24	6/30/24 YTD	6/30/24	6/30/24 YTD	6/30/2023 YTD
PATIENT REVENUE	989,160	4,514,801	260,492	1,262,950	\$1,249,651	\$5,777,751	\$5,216,990
DEDUCTIONS FROM REVENUE CONTRACTUAL ALLOWANCE, BAD DEBT & CHARITY CARE	\$575,493	\$2,626,711	\$139,545	\$676,562	\$715,038	\$3,303,274	\$3,135,313
NET PATIENT REVENUE	\$413,667	\$1,888,090	\$120,946	\$586,388	\$534,613	\$2,474,479	\$2,081,677
OTHER OPERATING REVENUE	\$0	\$0	-	43,198	\$0	\$43,198	\$0
TOTAL OPERATING REVENUE	\$413,667	\$1,888,090	\$120,946	\$629,586	\$534,613	\$2,517,677	\$2,081,677
OPERATING EXPENSES							
SALARIES AND WAGES	196,926	1,180,963	186,518	776,381	\$383,444	\$1,957,345	\$1,693,405
EMPLOYEE BENEFITS	22,562	176,378	29,337	175,046	\$51,899	\$351,424	\$312,592
PROFESSIONAL FEES	3,960	54,751	-	3,750	\$3,960	\$58,501	\$109,668
SUPPLIES	5,631	37,053	6,908	48,474	\$12,539	\$85,526	\$85,471
FUEL	-	-	1,533	9,328	\$1,533	\$9,328	\$11,908
REPAIRS AND MAINT.	-	150	103	16,794	\$103	\$16,944	\$17,405
PURCHASED SERVICES	2,791	20,921	17,113	93,980	\$19,904	\$114,901	\$115,566
CONTINUING MEDICAL EDUCATION	1,464	3,467	-	1,197	\$1,464	\$4,665	\$9,379
DUES	2,554	3,193	1,536	13,933	\$4,090	\$17,126	\$18,993
OTHER EXPENSES	210	1,471	2,925	44,756	\$3,135	\$46,228	\$8,482
LEASES / RENTALS	213	1,312	2,220	17,852	\$2,432	\$19,164	\$17,258
DEPRECIATION	4,522	27,131	17,597	105,579	\$22,118	\$132,710	\$134,652
TAXES AND LICENSES	-	3,146	-	163	\$0	\$3,309	\$1,338
INSURANCE	1,079	6,471	4,455	26,731	\$5,534	\$33,202	\$32,110
OVERHEAD COSTS	180,757	1,108,936	82,470	505,948	\$263,226	\$1,614,884	\$1,724,900
TOTAL OPERATING EXPENSES	\$422,668	\$2,625,343	\$352,714	\$1,839,913	\$775,381	\$4,465,255	\$4,293,126
MARGIN ON OPERATIONS	(\$9,001)	(\$737,254)	(\$231,768)	(\$1,210,327)	(\$240,769)	(\$1,947,578)	(\$2,211,448)
TAX REVENUE					\$137,725	\$826,350	\$897,990
NET MARGIN WITH TAX REVENUE					(\$103,044)	(\$1,121,228)	(\$1,313,458)
STATISTICS (ER - visits/procedures, AMB - billed runs) - 2024	421	2,007	87	381			
Total Ambulance Runs (includes unbillable runs)			120	548			
STATISTICS (ER - visits/procedures, AMB - billed runs) - 2023	375	1,850	75	404			
Total Ambulance Runs (includes unbillable runs)			103	584			

Cascade Medical Center
Balance Sheet
As of June 30, 2024 and December 31, 2023

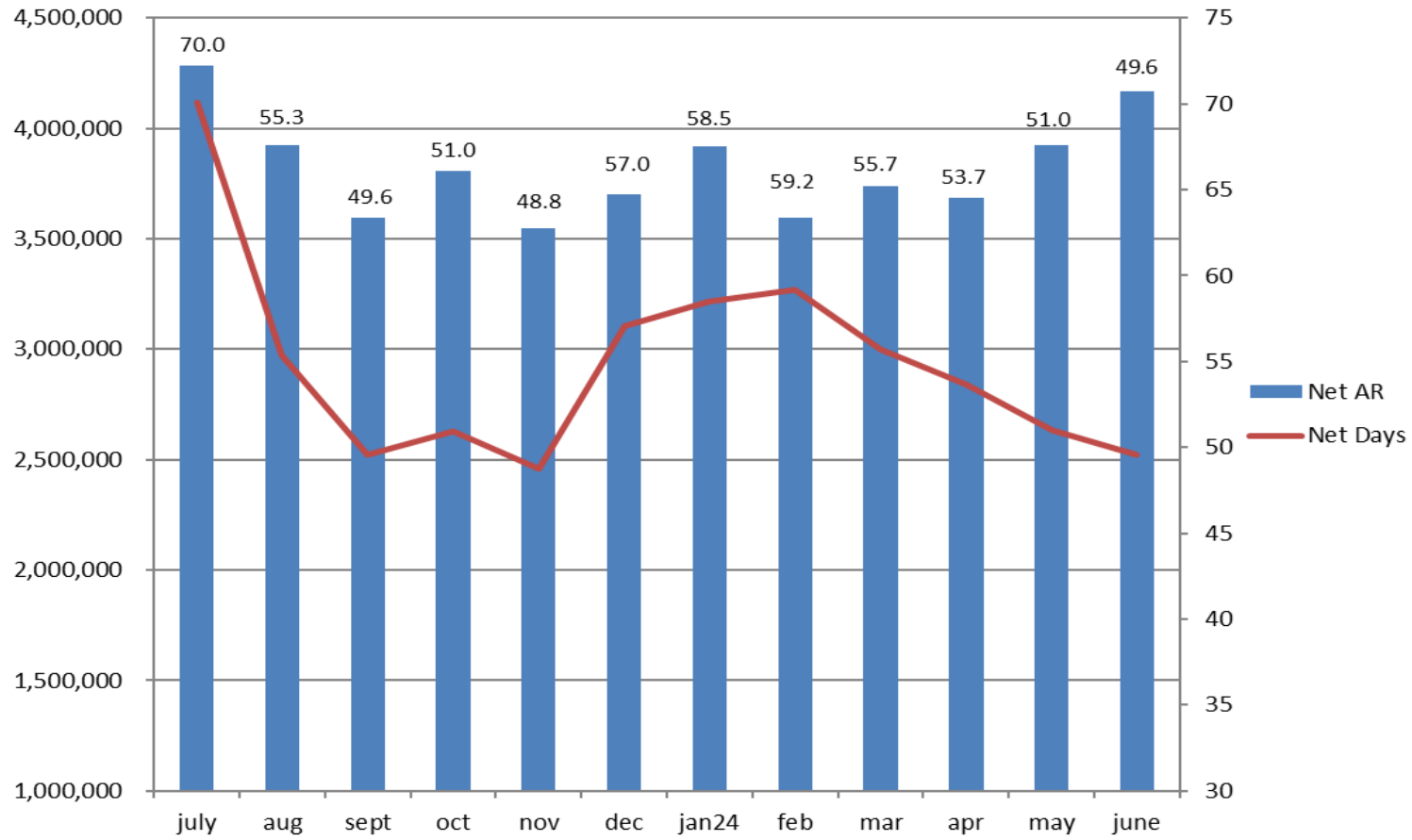
	Jun 2024	Dec 2023		Jun 2024	Dec 2023
ASSETS			LIABILITIES & FUND BALANCE		
Current Assets			Current Liabilities		
Cash and Cash Equivalents	911,091	925,852	Accounts Payable	360,974	636,707
Savings Account	11,530,455	11,886,669	Accrued Payroll	530,434	457,506
Patient Account Receivable	7,313,880	6,490,775	Refunds Payable	(177)	1,285
less: Reserves for Contractual Allowances	(3,144,969)	(2,859,845)	Accrued PTO	1,023,024	854,110
Inventories and Prepaid Expenses	269,496	270,696	Payroll Taxes & Benefits Payable	72,527	83,616
Taxes Receivable - M&O Levy	(28,270)	11,199	Accrued Interest Payable	25,327	25,327
- EMS Levy	(118,839)	31,211	Current Long Term Debt	789,835	794,004
Other Assets	1,188,534	404,970	Current OPEB Liability	969,278	996,196
Total Current Assets	17,921,378	17,161,526	Short Term Lease	36,493	33,406
Assets Limited as to Use			ST Subscriptions	46,906	-
Cash and Cash Equivalents			Settlement Payable	737,742	744,258
Funded Depreciation	664,240	964,217	Total Current Liabilities	4,592,363	4,626,414
CVB Memorial Fund	1,274	1,274	Long Term Liabilities		
UTGO Bond Payable Fund	396,837	75,373	Notes Payable	199,824	199,490
LTGO Bond Payable Fund	7,323	2,004	Covid SHIP Funding	-	-
Investment Memorial Fund	134,575	131,019	PPP Note Payable	-	-
Settlement Account	176,253	171,595	CARES Act Funds Reserve	-	-
Paycheck Protection Loan Proceeds	-	-	UTGO Bond Payable	4,460,000	4,460,000
Cash - EMS	261,060	82,148	LTGO Bond Payable	4,215,000	4,215,000
	1,641,563	1,427,630	Deferred Revenue/Bond Premium	80,687	83,493
Taxes Receivable - Construction Bond Levy	(28,994)	11,246	Long Term OPEB/Pension Liability	2,651,452	2,969,594
Total Assets Limited as to Use	1,612,569	1,438,875	Long Term ROU Leases	5,359	41,852
Property, Plant and Equipment			Long Term Subscriptions	13,039	-
Land	522,015	522,015	Total Long Term Liabilities	11,625,359	11,969,427
Land Improvements	1,420,326	1,420,326	Total Liabilities	16,217,722	16,595,841
Buildings & Improvements	10,709,788	10,502,549	Fund Balance - Prior Years	13,979,478	13,078,706
Fixed Equip - Hospital	9,180,441	8,946,455	Fund Balance - Current Year	272,821	-
Major Movable Equipment Hospital	8,585,426	7,975,703	Total Fund Balance	14,252,299	13,078,706
Construction in Progress	639,360	760,146			
Total Property, Plant and Equipment	31,057,355	30,127,194			
Less: Accumulated Depreciation	(22,027,684)	(21,023,868)			
	9,029,671	9,103,326			
ROU Leases					
ROU Leases	243,095	106,054			
Less Accumulated Amortization	(120,495)	(30,796)			
	122,600	75,258			
Other Assets					
Long Term Pension Assets	591,878	730,164			
Deferred OPEB/Pension Costs	901,308	864,166			
Deferred Bond Costs	290,617	301,233			
TOTAL ASSETS	30,470,021	29,674,548	TOTAL LIABILITIES & FUND BALANCE	30,470,021	29,674,548

Cascade Medical

2024 Net Patient Revenue, Actual vs. Budget



Days in Net Accounts Receivable

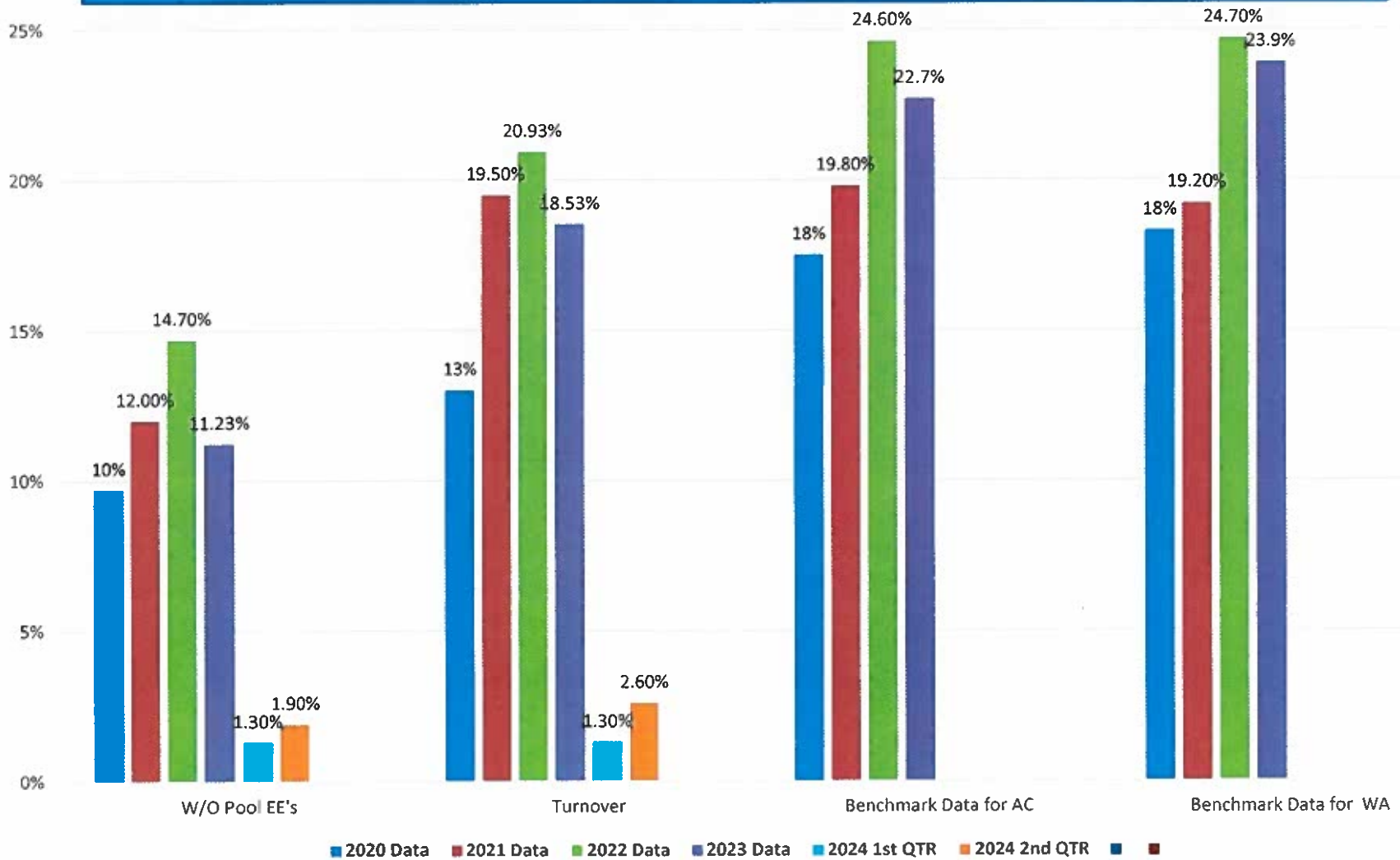


Cascade Medical
 Accounts Receivable Trending Report - 2024

Total Facility	Dec 2021	Dec 2022	Dec 2023	Jan24	Feb	Mar	Apr	May	Jun
0 - 30 days	2,437,008	2,660,733	2,851,120						
31-60 days	863,160	545,432	839,394						
61-90 days	332,252	349,290	451,019						
91-180 days	991,256	1,129,065	1,005,422						
over 180 days	1,016,613	1,360,992	1,343,819						
Total Balance	5,640,289	6,045,511	6,490,775	6,869,008	6,427,845	6,560,012	6,468,797	6,885,869	7,313,880
Credit bals as % of AR	2.5%	6.8%							
% >90 w/o installs	33.6%	41.2%							

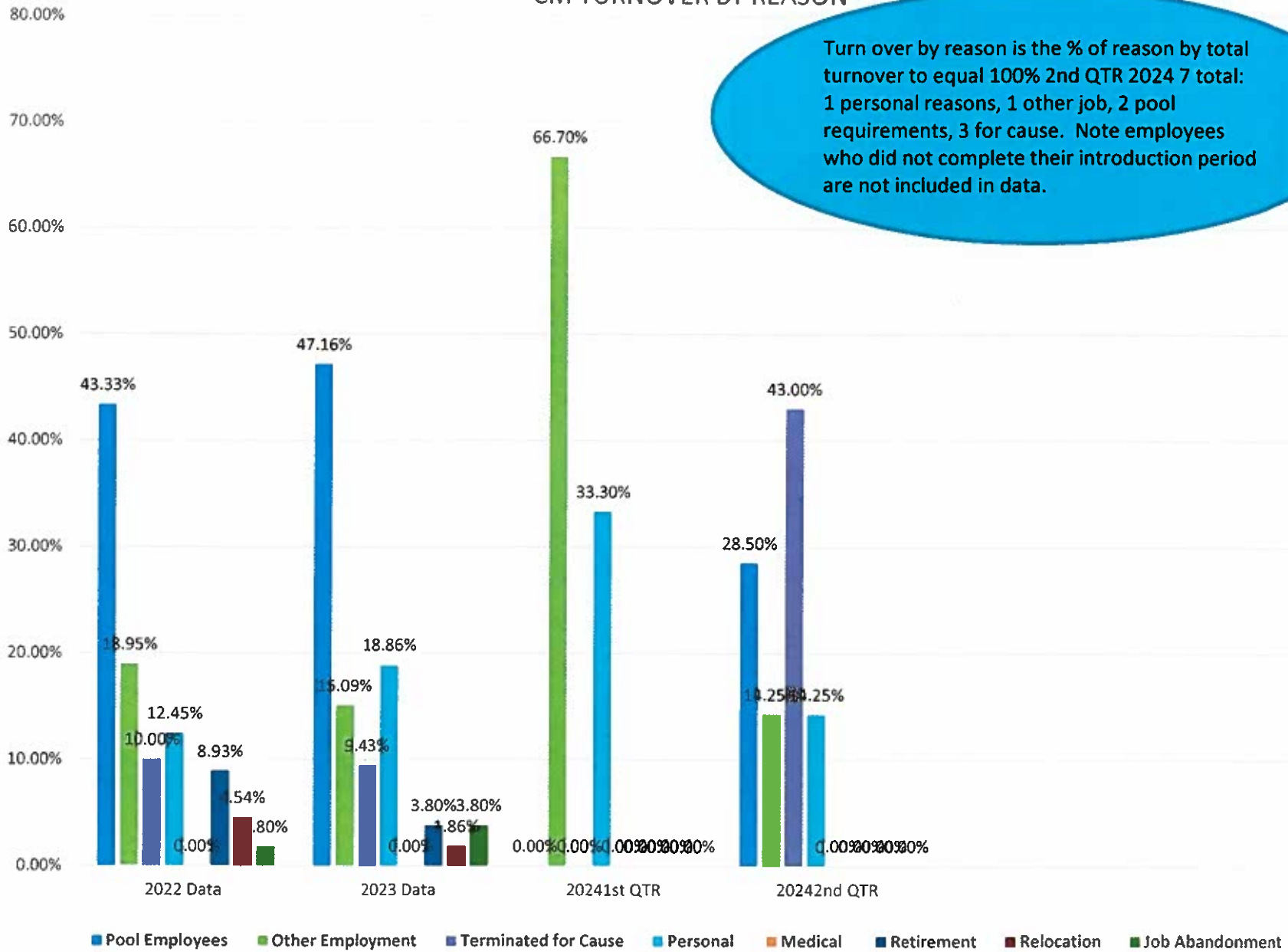
CM TURNOVER

CM uses the W/O Pool data as that which is most reflective of our turnover. CM turnover reflects our most vulnerable number, because it includes the somewhat routine changes related to pool/per diem employees. Most employers do not include this category in a turnover calculation and we are not able to validate if the benchmark data is with or without pool employees.

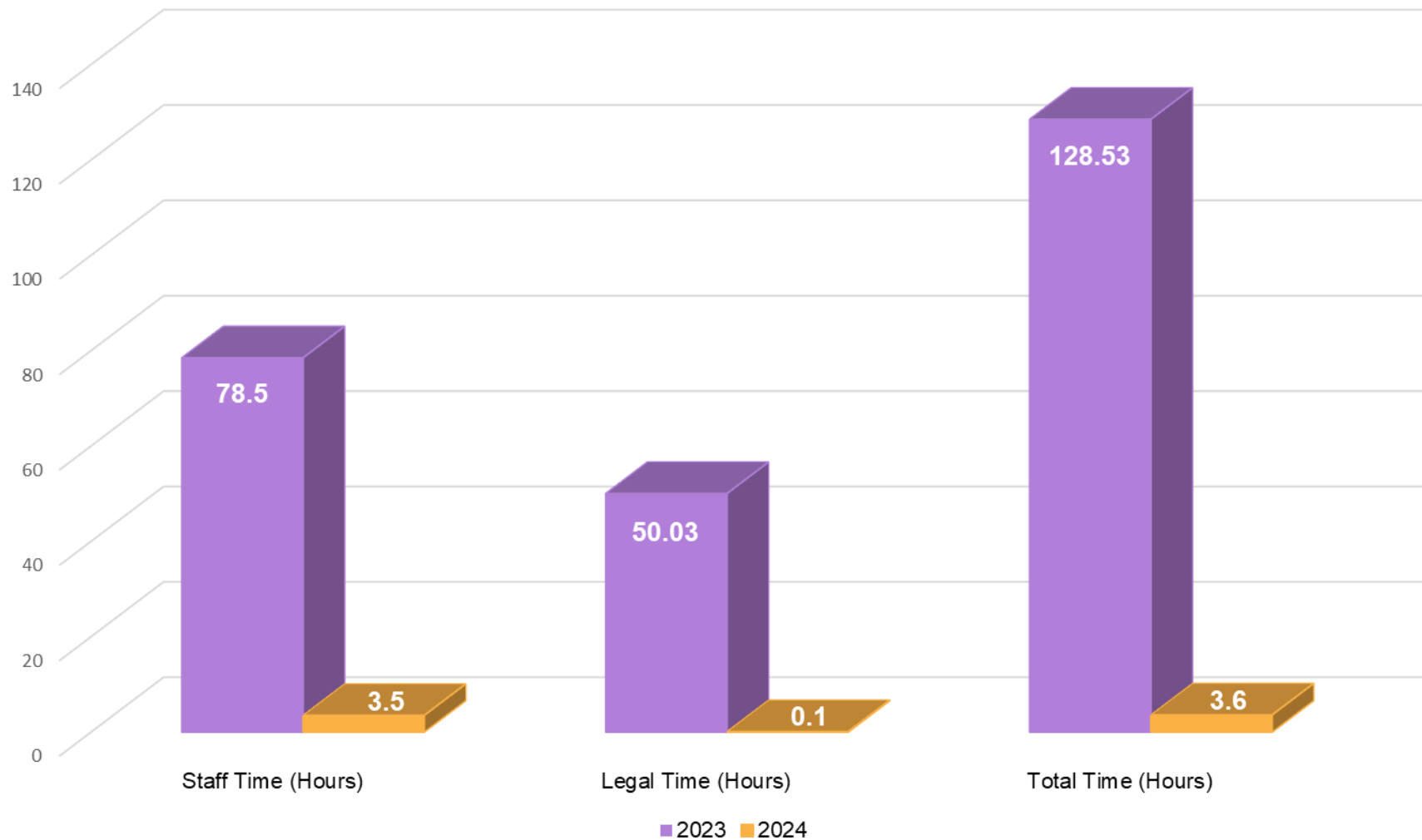


CM TURNOVER BY REASON

Turn over by reason is the % of reason by total turnover to equal 100% 2nd QTR 2024 7 total: 1 personal reasons, 1 other job, 2 pool requirements, 3 for cause. Note employees who did not complete their introduction period are not included in data.



Requests for Public Records 2023 & 2024*



2023
• 29 total requests

2024*
• 2 total requests

*This data includes January 2024-June 2024.

Requests for Public Records 2023 & 2024*



*This data includes January 2024-June 2024.