



Public Hospital District No.1: Board of Commissioners Meeting Agenda
Wednesday September 24, 2025 | 5:00 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	5:00	Shari Campbell
II.	Pledge of Allegiance	5:00	Shari Campbell
	<ul style="list-style-type: none"> • Consent Agenda 5:00 Shari Campbell <p>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.</p> <ul style="list-style-type: none"> • Meeting Agenda • July 23, 2025 Board Meeting Minutes • MOTION: Approve Disclosure of Unanticipated Outcomes Policy • MOTION: Approve Risk Management Program Policy • MOTION: Approve Conflict of Interest Policy • MOTION: Approve Open Public Meetings Policy • MOTION: Approve Capital Spending Approval Matrix Policy • MOTION: Approve Non-Payroll Warrant EFT Release Policy • MOTION: Approve Financial Management Policy 		
	Previous Month's Warrants Issued:	10127206 – 10127574	07/15/2025 – 09/16/2025 \$ 1,680,164.63
	Accounts Payable EFT Transactions:	20250101 - 20250132	07/15/2025 – 09/16/2025 \$ 1,395,218.11
	Payroll EFT Transactions:	27378 – 28211	07/15/2025 – 09/16/2025 \$ 2,020,276.49
	<ul style="list-style-type: none"> • Bad Debt: July and August 2025 		
III.	Community Input	5:05	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.		
IV.	Foundation Report	5:10	Bob Jennings
V.	Financial Budget Education	5:15	Marianne Vincent
VI.	CM Values	5:45	Diane Blake
VII.	Committee Reports	5:50	
	a. Governance		Shari Campbell
	b. Med Staff (August)		Cary Ecker
	c. Quality Oversight Committee		Jessica Kendall
	d. Board Quality Rounding		Jesse Knight
VIII.	Discussions & Reports		
	a. First Reading of Draft 2026 Budget	6:10	Marianne Vincent
	<ul style="list-style-type: none"> • Are there any elements of the proposed budget which cause you concern or any for which you would like additional information? 		
	b. Prep for October Retreat		Diane and Shari
	<ul style="list-style-type: none"> • Based on the data you've received to date, what emerging themes do you see as essential to charting CM successfully into the future? 		
	c. Rural Advocacy Day Recap		Shari Campbell
IX.	Action Items	7:10	Commissioners
	a. MOTION: Approve Credentialing		
	b. MOTION: Appoint Community Member to COAC		
	c. MOTION: Resolution for Surplus Equipment		
	d. MOTION: Capital Approval Request Nutanix Switches		
X.	August Financial Report	7:30	Marianne Vincent
XI.	Administrator Report	7:35	Diane Blake
XII.	Board Follow Up Items	7:55	Commissioners
XIII.	Meeting Evaluation/Commissioner Comments	8:00	Commissioners
	Roundtable discussion to evaluate meeting topics and identify opportunities for improvement, including:		
XIV.	Executive Session: Performance of a Public Employee (RCW 42.30.110(1)(g))	8:00	Commissioners
XV.	Adjournment	8:30	Shari Campbell

BOARD CALENDAR REMINDERS

Date	Event	Commissioners (Max 2 for non-Open Public Meetings)	Location	Time
August 6, 2025	Medical Staff Meeting		ABC Room	7:00 AM
August 19, 2025	Q3 Open Forum		ABC Room	12:30 PM
August 19, 2025	Special Board Meeting		ABC Room	1:00 PM
August 20, 2025	Q3 Open Forum		ABC Room	11:30 AM
August 21, 2025	Q3 Open Forum		ABC Room	5:15 PM
August 22, 2025	Q3 Open Forum		ABC Room	12:00 PM
August 20, 2025	CMF Board Meeting		ABC Room	9:00 AM
August 21, 2025	Community Block Party		Osborn Playfield	4 PM – 7 PM
August 26, 2025	CMF Benevolent Day		Squirrel Tree Resort	All Day
Sept 15 – 17, 2025	Rural Advocacy Days	Shari Day-Campbell	Washington, DC	All Day
September 17, 2025	CMF Board Meeting		ABC Room	9:00 AM
September 20, 2025	Jive Time in the Cascades		Silvara Cellars	6:00 PM
September 24, 2025	Board Meeting		ABC Room	5:00 PM
October 1, 2025	Medical Staff Meeting	Jessie Knight	ABC Room	7:00 AM
October 1, 2025	CMF Benevolent Day		Bear Bear	8 AM – 3 PM
October 3, 2025	Board Retreat		Icicle Inn	8 AM – 5 PM
October 18, 2025	Part-Time Resident Advisory Council		ABC Room	9:30 AM – 12:30 PM
October 22, 2025	CMF Board Meeting		ABC Room	9:00 AM
October 22, 2025	Board Meeting		ABC Room	5:00 PM
November 11, 2025	Q4 Open Forum		ABC Room	12:30 PM
November 12, 2025	CMF Board Meeting		ABC Room	9:00 AM
November 12, 2025	Q4 Open Forum		ABC Room	11:30 AM
November 13, 2025	Q4 Open Forum		ABC Room	5:15 PM
November 14, 2025	Q4 Open Forum		ABC Room	12:00 PM
November 18, 2025	Community Engagement Night		Leavenworth Festhalle	4 PM – 7 PM
November 19, 2025	Board Meeting		ABC Room	5:00 PM
December 10, 2025	CMF Board Meeting		ABC Room	9:00 AM
December 17, 2025	Board Meeting		ABC Room	5:00 PM

Shared 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 September 24, 2025

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 items from the consent agenda at the meeting, should you wish to discuss.
- **Financial Budget Education** – Included in your packet are slides which will be presented to you as education during the meeting. This education is to help prepare and support Commissioners with the budget review and approval process, as well as help illustrate how the budget work connects with strategic planning. Strong financial performance is the bedrock upon which we build the care we provide to our community and team; the review, strategic input and, ultimately, approval of the budget and monitoring budget performance is an essential Board function, and we hope this education will be valuable for you.
- **Committee Reports**
 - Governance – Included in your packet is the agenda from the most recent Governance Committee meeting as well as the Board’s annual objectives, to inform Shari’s report.
 - Med Staff – No documents are included in your packet for this report; Cary will provide a verbal report out related to his attendance at the August Med Staff meeting.
 - Quality Oversight Committee – Included in your packet is the agenda from the most recent meeting to inform Jessica’s report.
 - Board Quality Rounding – No documents are included in the packet; Commissioners who rounded recently will provide a verbal report out.
- **Discussions & Reports**
 - First Reading of the Draft 2025 Budget – Included in your packet is the current draft version of the 2026 budget. Marianne will provide updates of our progress to date in budget planning for the coming year. Your questions and feedback at this September board meeting will help us continue to shape the 2026 budget as we work to refine it prior to seeking approval at the October board meeting. (Please also keep in mind the approval in October is needed to meet statutory timelines and if the finalization of the master facility plan drives budget changes, we can amend the budget in subsequent months if needed.)
 - Prep for October Retreat – No documents are included in your packet for this agenda item; we will utilize this time to have a discussion to help build readiness for the October retreat. Please come prepared to answer the question on the agenda and to let us know if you would find additional information helpful. The retreat agenda will be centered around the following topics:

- Master Facility Planning presentation and discussion
 - Together as a group we will review data/options and narrow the focus of the master facility plan to several options, which will subsequently undergo detailed financial analysis
 - Determine key themes for next three-year strategic plan for each pillar and, potentially, narrow CHNA focus areas
 - Participate in a visioning exercise for CM's future (in addition to be a helpful exercise, this will help inform Governance's work on mission and vision statements in 2026)
 - Rural Advocacy Days Recap – No documents are included in your packet for this topic. Shari will provide a verbal report related to recent participation in DC Rural Advocacy Days.
- **Action Items**
 - Credentialing – Included in your packet is a document with a list of providers for your consideration for credentialing approval.
 - Appoint Community Member to COAC – No documents are included in your packet for this agenda item. Per our structured process to appoint community members to Board committees, the Governance Committee has reviewed a candidate and recommends that person to the Board for appointment to the committee. Additional information will be shared at the meeting.
 - Resolution for Surplus Equipment — Included in your packet is resolution with a detailed list of equipment being proposed for surplus/disposal. As a reminder, as a public agency, we must receive board approval to surplus certain types of items prior to disposal or sale.
 - Capital Approval for Nutanix Switches - Included in your packet is an SBAR with details on a purchase management is asking the Board to consider for approval. This capital infrastructure item is a planned budgetary purchase but because the total exceeds \$25,000, our purchasing policy requires board approval.
- **August Financial Report** – Included in your packet is the financial report for August 2025, which reports financial performance through second quarter.
- **Executive Session** – No documents are included in your packet for this item. This agenda item allots time for the periodic check-in between the Board and CEO regarding the CEO's performance; these periodic check-ins have become standard practice for us over the years.

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.



Minutes of the Board of Commissioners Meeting

Chelan County Public Hospital District No. 1

Arleen Blackburn Conference Room & Video Conference Connection

July 23, 2025

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

Guests: Dr. Lauren Kendall, Clinic Medical Director

Zoom:

Topics	Actions/Discussions
Call to Order	President Shari Campbell called the meeting to order at 5:00 PM. Cary then led the Pledge of Allegiance.
Consent Agenda	Cary Ecker moved to approve the consent agenda, Jessica Kendall seconded. Motion unanimously approved.
Community Input	None.
CM Values	Diane Blake provided reflections on CM's culture of Shared Values by reading a note from a care team member which highlighted the above and beyond service provided to a patient by many members of our team after that patient sustained an injury in a climbing accident.
Committee Reports	<p>Community Outreach and Awareness Committee</p> <ul style="list-style-type: none"> • Shari delivered the report. • The committee is continuing work to ensure we are supplying the community with information that gets them through the door. • We are working on datapoints that will help us assess what is working for our community and what needs to be changed regarding communication and marketing. The goal for the next meeting is to use hard data to assist with decision-making. • The committee has recommended a community member to the Governance Committee for appointment on the committee. • We discussed reaching out to our 3 state legislators during the off season to continue to build relationships. <p>Finance Committee</p> <ul style="list-style-type: none"> • Tom delivered the report. • The committee is pleased with our financial positioning and continues to make strategic decisions. • Committee discussion prompted a deeper examination of our overdue account collections process which will be reviewed in a future meeting. • CM expects to be under budget on visits in the clinic for the remainder of the year but continues to see an increase in clinic volumes over prior year. • Big federal changes for Medicaid will not be enacted until 2027 and beyond which comes with hope for future amendments to help

	<p>preserve at least some access. The coming requirements for Medicaid enrollment could cause our charity care and bad debt to increase as patients lose access to coverage.</p> <ul style="list-style-type: none"> • The committee recommended for the board education in September to be focused on the budget process.
<p>Clinic Medical Director Report</p>	<ul style="list-style-type: none"> • Dr. Kendall delivered the report • The clinic staff are currently going through a few changes, the biggest being remodel work from August through October, and implementation of ambient listening AI to help with charting. • Dr. Kendall and the board made plans for board members to visit the clinic and encourage the staff to persevere during the remodel .
<p>Discussions and Reports</p>	<p>Listening Session Themes</p> <ul style="list-style-type: none"> • Diane delivered the report with a summary of what was most mentioned by employees and how the executive team has used their input to be strategic. • The most repeated highlight was how pleased employees are with the positive work culture at CM. <p>Quarter 2 Organization Dashboard Review</p> <ul style="list-style-type: none"> • Diane delivered the report, walking through which of the objectives that are behind or lagging are likely to be caught up / achieved by yearend. Commissioners engaged in a robust discussion centered around the prompts in the dashboard companion document, including providing input on which of the lagging initiatives are most essential to maintain focus and sharing insight around organizational opportunities. <p>Continued Conference Discussion/Education</p> <ul style="list-style-type: none"> • Members of the board shared what they thought was most valuable about the WSHA conference, including on the topics of outreach, legislative advocacy, cybersecurity, artificial intelligence and safety & quality.
<p>Action Items</p>	<p>Motion: Approve Credentialing. Jesse moved to approve the revised list of providers to credential, Jessica seconded. Motion unanimously approved the following appointments:</p> <p>Teleradiology Initial Privileges</p> <ul style="list-style-type: none"> • Trevor Lewis, MD <p>Teleradiology Active Privileges</p> <ul style="list-style-type: none"> • Jarrett Kuo, MD • Eugene Chung, MD • Timothy conner, MD <p>Locum Tenens Privileges</p> <ul style="list-style-type: none"> • Jonathan Maher, MD • Jonathan Lippman, PA • David Freidenberg, MD • Robin Nicholson, MD
<p>May 2025 Financials</p>	<p>Marianne Vincent provided the report.</p> <p>Quarterly Summary</p> <p>Our second quarter (Q2) net margin continued the first quarter positive trend with a net margin of \$690,000, which was greater than the budgeted margin of \$169,000 by \$521,000. Year-to-date through June we have a net margin of \$530,000 compared to a budgeted margin of (\$424,000), for a total variance of \$954,000. While gross revenues dipped below budgeted</p>

	<p>volumes by \$418,000 in Q2, net patient revenue is well ahead of budget. We were less successful in holding our operating expenses below budget in Q2 but remain slightly ahead of budget as the quarter ended. Cash collections and balances both trended positively in Q2.</p> <p>Revenue, Expense, and Volume Variances</p> <ul style="list-style-type: none"> Professional fees were over budget in Q2 as we continue our work with HealthNET. Supply expense continued to trend under budget in Q2. We know much of this is due to Lab and Pharmacy supply expenses. Continued efforts by Materials Management to improve Lab contracting prices has resulted in the lower Lab supply expense in 2025. The lower supply expense in Pharmacy is primarily due to our 340B program. We will continue to see the variance for depreciation grow through the end of the year as we recognized that we underbudgeted for 2025 in total. <p>Patient Statistics</p> <ul style="list-style-type: none"> Both Acute and Swing Bed inpatient volumes remained strong in Q2, while Lab, Ambulance, and Clinic volumes were up in Q2. CT and Rehab continued a negative trend in Q2. <p>Cash Receipts and Balances</p> <ul style="list-style-type: none"> Cash collection in Q2 exceeded budgeted cash collections by \$2,350,000 while cash balance at the end of Q2 are \$1,545,000 greater than budgeted balances. <p>Accounts Receivable</p> <ul style="list-style-type: none"> Work to clean up our Gross Accounts Receivable continued in Q2 as we saw Gross Accounts Receivable reduced by \$1,200,000 in Q2. State account write-offs were strong in Q2 with write-offs in Q2 slightly below Q1 write-offs. Charity Care application approval amounts in Q2 mirrored Q1 approval amounts. Additional Comments <p>Contractual Allowance</p> <ul style="list-style-type: none"> The contractual allowance is at 45.5%, allowing for a conservative estimate of our uncollectible accounts. <p>Overall, we had a strong quarter financially and hope to continue this trend in Q3. We welcomed Lisa Steen, our new Director of HIM and Revenue Integrity, to our team in mid-July. Lisa came to us from HealthNET and will continue to push forward with planned Revenue Cycle improvements, charge capture initiatives, as well as allowing our Business Services Director more time to focus on claims and collections. We began our 2026 Capital Budget work in June and will follow that up with 2026 Operating Budget planning in July. We will be providing data to our audit firm for the annual Ground Emergency Medical Transport (GEMT) Cost Report in July. The GEMT program allows us to be paid our cost for Ambulance Medicaid transports. We are looking for an outside consultant to do an external audit of our 340B program and will hope to begin that work soon.</p>
<p>Administrator Report</p>	<p>Diane Blake provided the report.</p> <p>Staffing</p> <ul style="list-style-type: none"> We are currently working with a recruiter to fill our clinic provider position and are looking for a locum to help provide care continuity in the clinic in the meantime. We have a new interim director in Rehab since Joe stepped back.

	<ul style="list-style-type: none"> • We have been utilizing ER locums to finish filling our Q3 schedule <p>WSHA Board Retreat</p> <ul style="list-style-type: none"> • WSHA board members had the privilege to meet our state’s new Secretary of Health, Dennis Worsham; he spoke of collaboration and partnerships across the state. WSHA board members also had the privilege to connect with Senator Ron Muzzall who provided helpful input on the legislative landscape. • WSHA is working on ensuring continued financial sustainability of the association. <p>Industry Updates</p> <ul style="list-style-type: none"> • Federal <ul style="list-style-type: none"> ○ Medicaid changes are likely going to cause difficulty for our patients which would cause our charity care to increase, and cause an increase in uninsured patients. ○ There is a lot of unknown with the \$50 Billion which is to be released over five years for the Rural Health Transformation Program, a part of HR.1. There is potential opportunity for rural hospitals and strategy that will need to be worked through to advocate for those dollars to be spent as close as possible to the site of care. ○ CMS lost the letter granting our rural designation in 2004 and summoned us to a meeting to discuss our Critical Access Hospital designation. We were able to provide a copy of the letter, which closed the matter. • Master Facility Plan Update <ul style="list-style-type: none"> ○ As part of our work on the MFP, a survey has been sent out to our leaders and providers to gather their input ○ We have walk throughs scheduled next week, and will be meeting with a team to go over all the information we have been gathering. ○ In the next stage of this project, we will begin to develop potential plans and recommendations for our future.
Board Action Items	<ul style="list-style-type: none"> • Determined attendees and date for board quality rounding: Cary and Jessica August 11th.
Meeting Evaluation/Commissioner Comments	<p>Meeting Evaluation/Commissioner Comments Commissioners expressed appreciation for a good meeting and did not have specific feedback on the questions provided on the agenda.</p>
Adjournment	<p>Shari moved to adjourn the meeting. Tom seconded, and motion was unanimously approved.</p>

Shari Campbell, President

Jessica Kendall, Secretary



Title:	Disclosure of Unanticipated Outcomes	Effective Date:	Not Set
Categories:	Administration	Approved Date:	09/27/2023
Prepared By:	Melissa Grimm (Chief Human Resources Officer)Melissa Grimm		
Reviewed By:	Melissa Grimm (Chief Human Resources Officer), Pat Songer (Chief Operations Officer), Tony Butruille (Physician)		
Approved By:	Diane Blake (Chief Executive Officer)		

PURPOSE:

- Unanticipated outcomes are undesirable events that can vary widely from an unusual temporary side effect to a treatment or medication, to a serious change in the patient's healthcare status that was not planned or anticipated during the course of care.
- This document provides guidance in the process for Cascade Medical (CM) leaders and providers to inform the patient/patient representative about the event and the impact this may or may not have on the patient's health and healthcare.

POLICY:

- In keeping with CM's values of partnering with patients and families in care and in the spirit of transparency, serious unanticipated outcomes in the course of clinical care shall be disclosed to the patient/patient representative by providers and/or leaders of CM.
- Disclosure is a dynamic process that may require multiple conversations as the patient's condition changes or more information becomes available.

PROCEDURE:

- When staff become aware of an unanticipated outcome through assessment and observation or discussions with patients and/or family, the responsible provider shall be immediately notified.
- The responsible provider shall determine:
 - If this outcome is, in fact, a known potential side effect or related to the medical care provided.
 - If this is serious to the patient's current condition and/or ongoing care.
- If it is a known or suspected serious unanticipated outcome which may lead to additional monitoring or treatment, temporary or permanent change in patient's condition, then the Medical Director and Risk Management shall be notified.
- Generally, the patient is the recipient of the disclosure except in circumstances of surrogate decision-making.
- Guidelines for the content of the disclosure discussion shall include:
 - Who will be involved in the discussion (patient/patient representative and the patient's express wishes)
 - Except in unusual circumstances, it shall be the responsible provider who leads the disclosure discussion. It is common for one or two members of the



Title:	Disclosure of Unanticipated Outcomes	Effective Date:	Not Set
Categories:	Administration	Approved Date:	09/27/2023
Prepared By:	Melissa Grimm (Chief Human Resources Officer)Melissa Grimm		
Reviewed By:	Melissa Grimm (Chief Human Resources Officer), Pat Songer (Chief Operations Officer), Tony Butruille (Physician)		
Approved By:	Diane Blake (Chief Executive Officer)		

healthcare team to be present to ensure smooth coordination of care and answer other related questions the patient or family may have.

- What will be discussed:
 - Focus on current circumstances and known facts in the initial discussion.
 - Further information may become known about the sequence of events leading to a change in condition or other relevant factors.
 - Empathetic support for patients and families and a clear description of current condition, care and expected care or monitoring are commonly addressed in the initial discussion.
- Documentation in the patient record shall include:
 - Time
 - Date
 - Place of Discussion
 - Who was present
 - Nature of the discussion, including offers of assistance
 - Questions asked and answered during the discussion
- If the unanticipated outcome is not known at the time of care or during the same episode of care, the process of disclosure may vary; however, the intent of keeping the patient informed of serious information about his/her care and condition is still a guiding principle in decisions to disclose.

REFERENCES:

- American Society for Healthcare Risk Management (2001), *Perspective on Disclosure of Unanticipated Outcome Information*, Chicago: American Hospital Association



Title:	Risk Management Program	Effective Date:	04/01/2006
Categories:	Quality <u>Assurance</u>	Approved Date:	
Prepared By:	Rachel Avery, Director of Continuous Quality		
Reviewed By:	Pat Songer, Chief Operational Officer, <u>Melissa Grimm, Chief Human Resources Officer</u>		
Approved By:	Diane Blake, Chief Executive Officer		

POLICY:

In accordance with the continuing efforts to provide quality patient care, minimize losses, and provide a safe environment for patients, visitors and staff, CM endorses establishment of a comprehensive Risk Management Program. This program shall include participation of the Board, administration, medical staff, and all other CM staff.

PROCEDURE:

1. It shall be the object of the Board, Administration, and Medical Staff to establish a Risk Management Program that:
 - a. Through risk identification, evaluation, and control, helps to reduce the frequency and severity of adverse events and thus contributes to quality and safe patient care while minimizing loss across the organization.
 - b. Encourages effective patient/family communications on patient care and safety problems. Enhances facility relations, community image, and consumer confidence.
 - c. Continually improves the ongoing delivery of healthcare services and strengthens the entire organization.

2. The authority and responsibility for the establishment, maintenance, support, and evaluation of the Risk Management program is vested in the Board of Commissioners. The Board delegates the responsibility for the implementation of risk management functions to the Chief Executive Officer. The coordination of all risk management activities is assigned to the Risk Manager.

3. Risk Management Program Components
 - a. Communication/coordination with quality improvement program. The quality improvement component is a primary mechanism for improving quality and safety. QI program activities that contribute to the risk management process include:
 - i. "How Are We Doing? cards"



Title:	Risk Management Program	Effective Date:	04/01/2006
Categories:	Quality <u>Assurance</u>	Approved Date:	
Prepared By:	Rachel Avery, Director of Continuous Quality		
Reviewed By:	Pat Songer, Chief Operational Officer, <u>Melissa Grimm, Chief Human Resources Officer</u>		
Approved By:	Diane Blake, Chief Executive Officer		

- ii. Credentialing and Reappraisal activities – activities designed to ensure that the facility is staffed by qualified individuals who perform at an appropriate level. This applies to both physicians and non-physicians and includes appointment and reappointment for medical staff members, delineation of clinical privileges, credential and reference checks for medical staff and facility staff.
 - iii. Continuous monitoring activities such as mortality review, drug utilization, patient surveys, and utilization review.
- b. **Safety/Security Program.** The safety program endeavors to create and maintain a safe environment for patients, visitors, and staff. Safety activities that contribute to the Risk Management Program include:
- i. Electrical safety
 - ii. Fire protection and safety
 - iii. Patient safety measures including a functioning nurse call system, appropriate floor covering, appropriate policies and procedures for patient risk identification
 - iv. Disaster preparedness activities – planning for internal and external disasters and conducting periodic disaster drills
 - v. Preventative maintenance activities
- c. **Loss Control Program** includes:
- i. Incident reporting system – the Risk Manager receives all incident reports, patient complaints, and verbal reports of adverse effects of medical management. This information shall be utilized for the following purposes:
 - 1. To take immediate action to develop all facts relating to a particular incident and enable determination of the degree of liability for the injury or for the likelihood that a claim will be presented.
 - 2. To formulate actions to avoid recurrence of incidents of similar nature by analyzing the causes and recommending measures to prevent repetition.



Title:	Risk Management Program	Effective Date:	04/01/2006
Categories:	Quality <u>Assurance</u>	Approved Date:	
Prepared By:	Rachel Avery, Director of Continuous Quality		
Reviewed By:	Pat Songer, Chief Operational Officer, <u>Melissa Grimm, Chief Human Resources Officer</u>		
Approved By:	Diane Blake, Chief Executive Officer		

3. The Risk Manager will determine which incidents will be reported to Cascade Medical's insurance carrier.
 - ii. Claims Investigation – The Risk Manager or designee shall investigate serious complaints, incidents, and reports of alleged or possible medical mismanagement and report the results of these investigations to the appropriate individuals, working with liability carrier and legal counsel in claims resolution, claims investigation, and maintaining files of claims-related correspondence.
 - iii. Risk Reduction - Risk Manager or designee shall assist medical providers and all other staff in investigations, recommendations, and follow-up in areas identified as having potential risk.
- d. Patient Complaint and Grievance Process includes:
 - i. Identification of patient concerns through administration of a patient satisfaction survey, developing and implementing a facility-wide system for handling patient complaints and education of staff regarding identification and response to patient concerns.
 - ii. Evaluation – discussion of a complaint or problem with the patient and family by a designated CM representative and analysis of patient satisfaction surveys.
 - iii. Intervention –will be performed as deemed appropriate by the Risk Manager.
 - iv. Cascade Medical shall provide a system whereby patients and/or their significant others or representatives, can voice a grievance/complaint about the quality of care and/or services received at Cascade Medical.
 - v. Cascade Medical shall respond to such concerns in a timely, reasonable, and consistent manner. Concerns regarding care received include, but are not limited to, concerns over perceptions or consequences related to premature discharge.
 - vi. Cascade Medical shall not subject patients who voice complaints and recommend changes to coercion, discrimination, reprisal or unreasonable interruption of care, treatment and services.
 - vii. Detailed information regarding the Patient Complaint process can be referenced in the Patient Concern policy.



Title:	Risk Management Program	Effective Date:	04/01/2006
Categories:	Quality <u>Assurance</u>	Approved Date:	
Prepared By:	Rachel Avery, Director of Continuous Quality		
Reviewed By:	Pat Songer, Chief Operational Officer, <u>Melissa Grimm, Chief Human Resources Officer</u>		
Approved By:	Diane Blake, Chief Executive Officer		

4. Risk Management Program will be coordinated by the Risk Manager or designee. These individuals shall be responsible for the following activities:
 - a. Collection and aggregation of incident report and patient complaint data.
 - b. Submission of aggregate reports of incidents, patient complaints, and adverse outcome reports to administration for review.
 - c. Conducting, with the assistance of liability carrier and legal counsel, investigations of potentially compensable events in preparation for possible litigation.
 - d. Maintaining all Risk Management files and statistics in accordance with applicable regulations.
 - e. Ensuring maximum confidentiality and limited access to Risk Management data.
 - f. Conducting periodic risk management education programs for medical staff and employees.

5. All data and information collected and maintained by the Risk Management Program or office shall be considered part of the facility-wide Quality Improvement Program. The confidential nature of Quality Improvement records will be respected. The identity of providers, hospital employees, and patients will remain confidential and will be revealed only to appropriate medical staff committees and facility committees, as defined by Medical Staff Bylaws and the Board of Commissioners. The identity of non-physician personnel will be revealed only to the administrator or appropriate department director.

6. The confidentiality of Quality Improvement data is protected from subpoena or discovery by RCWs 70.41.200, 43.70.510 and 4.24.250. This law provides that the proceedings, reports, and written records of a regularly constituted review committee whose duty it is to review and evaluate the quality of patient care shall not be subject to subpoena or out of the recommendation of committees involving restriction or revocation of clinical privileges.



Title:	Risk Management Program	Effective Date:	04/01/2006
Categories:	Quality <u>Assurance</u>	Approved Date:	
Prepared By:	Rachel Avery, Director of Continuous Quality		
Reviewed By:	Pat Songer, Chief Operational Officer, <u>Melissa Grimm, Chief Human Resources Officer</u>		
Approved By:	Diane Blake, Chief Executive Officer		

7. The Board QI Oversight Committee shall evaluate the Risk Management Plan and Process at least annually. The evaluation will be based on attainment of the established program objectives, scope, organization, and effectiveness and revisions will be made as necessary.

8. ~~The Risk Manager is the Chief Human Resources Officer.~~

REFERENCE: 42 CFR 482.13



Title:	Conflict of Interest	Effective Date:	02/01/2015
Categories:	Board of Commissioners	Approved Date:	10/27/2023
Prepared By:	Diane Blake (Chief Executive Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Governance Committee		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

POLICY:

Board members and officers of the District shall conform, in the conduct of their office, to the provisions of RCW 42.20 and RCW 42.23 so that no conflict of interest concerns arise concerning any particular issue of business transacted by the Board of Commissioners as a whole, or in part. The Board commits itself and its members to ethical, professional, and lawful conduct to include proper use of authority and appropriate decorum when acting as Board Commissioners.

PROCEDURE:

In the event any Commissioner or officer has a real or potential conflict of interest on a matter coming before the Board, that person shall disclose such real or potential conflict prior to any participation in discussion or voting on the issue. The individual shall also state their intent to participate in discussion or voting or excuse themselves from the meeting; best practice typically indicates the most conservative route, meaning the individual should leave the room and not participate in discussion or the vote. Should any other Commissioner disagree with the individual’s stated intent, the issue of participation in discussion and/or voting shall be decided by a majority vote of the remaining Commissioners. The Board of Commissioners may by motion require that affected Commissioner leave the room during both the discussion and vote on the matter at issue; provided, that the Commissioner who is alleged to have a conflict of interest with regard to the matter may not vote on the motion to exclude that Commissioner from the discussion and vote on the matter. If the Commissioner excluded is the President of the Board, then in their absence the Vice President will preside, and in the absence of the Vice President, the Secretary will preside. If the matter for which a Commissioner has a conflict of interest is the only item of business for which a special meeting of the Board of Commissioners was called, the affected Commissioner, or Commissioners will not be counted to establish a quorum, nor will he or she or they participate in the deliberations or vote on it.

Commissioners must represent unconflicted loyalty to the interests of the District. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership to other Boards or staffs, and the personal interests of any Commissioner acting as a consumer of Cascade Medical services. Each Commissioner shall annually sign a statement (the Disclosure Concerning Financial or Other Interests that Create a Potential or Actual Conflict of Interest Statement) disclosing any potential or actual conflicts of interest and affirming that the Commissioner:

1. Has received a copy of this Conflict of Interest Policy;
2. Has read and understands this policy;
3. Has read and understands the obligations of RCW 42.20 and RCW 42.23;
4. Has agreed to comply with this policy and statutes.

Board members should avoid any conflicts including, but not limited to the following conflicts:

1. With respect to their fiduciary responsibility. This means, specifically, that there must be no self-dealing or any conduct of private business or personal services between any Board member and Cascade Medical except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
2. Direct or indirect solicitation or acceptance of personal fees or commissions in connection with Cascade Medical business.



Title:	Conflict of Interest	Effective Date:	02/01/2015
Categories:	Board of Commissioners	Approved Date:	10/27/2023
Prepared By:	Diane Blake (Chief Executive Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Governance Committee		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

3. Use of their position to secure special privileges or exemptions for themselves, spouse, child, parents, or other related persons from vendors, contractors, physicians, patients, the medical center, or its staff.
4. Use of their position to obtain employment at Cascade Medical for themselves, family members, or close associates. Should a member desire employment, he or she must first resign from the Board and follow the provisions of the RCW with respect to this subject.
5. Solicitation of gifts or gratuities for personal use for themselves or related parties from Cascade Medical's customers, suppliers, consultants or anyone else doing business with the District. Unsolicited non-cash gifts of nominal value such as flowers, meals, plaques, cups, pens, or calendars may be accepted.
6. Acceptance of a paid trip from a vendor to visit an installation or attend a seminar if the dominant theme is entertainment. Such trips may be acceptable for educational purposes, or an installation visit that is the result of a decision to purchase a specific vendor's product and is directly related to the installation of the product.
7. Placing themselves in a position that may create or lead to a conflict of interest, or the appearance of one, such as engaging in any outside business activity, financial relationship or investment that conflicts with the District, competes with the District, or may interfere with Board members' responsibilities to the District. Board members are also prohibited from having any personal interest, directly or indirectly, in any transaction with Cascade Medical unless disclosed in writing in advance to the medical center's administrator. A decision can then be made as to whether a conflict of interest exists.
8. Engaging in outside business, other activities, or private employment that would result in the inducement to divulge confidential information about the District, other employees or patients.
9. Disclosure of confidential information about the District or use of such information for personal gain or benefit. It is a primary responsibility of all Board members to protect the confidentiality of District information. The breaking of confidentiality is the repeating of any information, written or spoken, when unauthorized or indiscrete disclosure could be harmful or injurious to the interests of a patient, employee, or the District in general.
10. Attempts to exercise individual authority over Cascade Medical except as explicitly set forth in Board policies. Members' interactions with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized.

Violations of this policy may be reported to the State Auditor and/or District's attorney for investigation.



Title:	Open Public Meetings	Effective Date:	04/01/2005
Categories:	Board of Commissioners	Approved Date:	09/19/2017
Prepared By:	Diane Blake (Chief Executive Officer)		
Reviewed By:	Board Governance Committee; Diane Blake (Chief Executive Officer)		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

POLICY:

Cascade Medical (CM) Board of Commissioners (BOC, governing body) and staff will follow and uphold requirements of the Open Public Meetings Act (OPMA), per chapter 42.30 of the Revised Code of Washington.

PROCEDURE:

1. Generally, a meeting occurs when a quorum (majority) of the governing body is in attendance and action is taken, which includes discussion or deliberation as well as voting. These meetings shall be open and public, except for certain exceptions expressly outlined in the OPMA. Because electronic communications (email, text messaging, instant messaging) can implicate the OPMA, the following practice tips should be followed by BOC and staff, to ensure electronic communications do not violate the OPMA:
 - a. Passive receipt of information via email is permissible, but discussion of issues via email by the governing body can constitute a meeting and should be avoided.
 - b. An email message to a majority or more of your colleagues on the governing body is allowable when the message is to provide only documents or factual information, such as emailing a document to all members for their review prior to the next meeting.
 - i. If you want to provide information or documents via email to other members of the governing body, especially regarding a matter that may come before the body for a vote, have the first line of the email clearly state: “For informational purposes only. Do not reply.”
 - c. Unless for informational purposes only, don’t send an email to all or a majority of the governing body, and don’t use “reply all” when the recipients are all or a majority of the members of the governing body.
 - d. Alternatively, rather than emailing materials to your colleagues on the governing body in preparation for a meeting, have a designated staff member email the documents or provide hard copies to each member. It’s permissible, for example, for a staff member to communicate via email with members of the governing body in preparation for a meeting, but the staff member needs to take care not to share any email replies with the other members of the governing body as part of that email exchange.
2. Phone calls and voice messages can also constitute a meeting, if a majority of the members of the governing body takes “action” on behalf of CM through phone calls or voice mail exchange. Taking “action” under the OPMA can occur through mere discussion of CM business, and the participants don’t have to be participating in that exchange at the same time, as a serial or rolling meeting can occur in violation of the OPMA.
3. BOC may confer a Special Meeting, under RCW 42.30.080. It is permissible for a majority of members of the governing body to confer outside of a public meeting for the sole purpose of discussion of whether to call a special meeting; this includes conferring for that purpose via electronic communications.
4. BOC may conduct Executive Sessions per the guidelines of RCW 42.30.110 and RCW 70.44.062.
5. It shall not be a violation of the OPMA for a majority of the members of a governing body to travel together or gather for purposes other than a regular meeting or a special meeting, provided no action is taken. (RCW 42.30.070)
6. Within 90 days of taking office, per the Open Government Trainings Act (ESB 5964), new Commissioners will complete the Open Public Meeting Act training (RCWs 42.56.150, 42.30.205). Education on open public meeting requirements will be conducted on an as-needed, periodic basis (but no less than every four years) for the full Commission.



Title:	Capital Spending Approval Matrix	Effective Date:	11/01/2007
Categories:	Board of Commissioners	Approved Date:	Not Approved Yet
Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Not Assigned; Board Finance Committee		
Approved By:	Board of Commissioners; No Users		

POLICY: The Board of Commissioners delegate authority for approving major and minor capital spending according to the guidelines set forth below. These guidelines shall also be used to set approval limits for purchased services and agreements. With the exception of Purchase Orders, all other contracts and agreements entered into by Cascade Medical must be signed by the CEO and/or the Board of Commissioners.

PROCEDURE:

Approving Authority Matrix

	Dept. Head	Assistant Administrators	CEO	Board of Commissioners
Capital Equipment - Budgeted				
New (\$5,000 - \$25,000)	R	R	A	Inform
New (Over \$25,000)	R	R	R	A
Replacement (\$5,000 - \$25,000)	R	R	A	Inform
Replacement (Over \$25,000)	R	R	R	A
Urgent/Emergent	R	R	A	Inform
Capital Equipment - Non Budgeted				
New (up to \$20,000)	R	R	A	Inform
New (Over \$20,000)	R	R	R	A
Minor Equipment	\$500 A	\$501 - \$2,500 A	\$2,501 - \$4,999 A	N/A N/A
Urgent/Emergent	R	R	A	Inform

R=Recommend
A=Approve



CASCADE MEDICAL

PARTNERS IN YOUR HEALTH

Title:	Non-Payroll Warrant / EFT Release	Effective Date:	07/01/2004
Categories:	Board of Commissioners	Approved Date:	Not Approved Yet
Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer)		
Approved By:	Board of Commissioners; No Users		

POLICY: It is the policy of CM to release approved non-payroll warrants and electronic fund transfers EFT's only after being authorized by the Chief Executive Officer, Chief Financial Officer, or the Chief Operating Officer.

PROCEDURE: Accounts payable warrants will be run every week. Warrants will go through the normal administrative review and approval process, including signature authorization. This process includes a review by the Director of Accounting, the Chief Financial Officer and either the Chief Executive Officer or the Chief Operating Officer. The Accounting Team may use the signature stamp for the AP warrants, with the permission of the Chief Executive Officer or Chief Financial Officer. At this point the signed warrants are released.

Electronic fund transfers may be established for selected vendors and employee benefit administrators with prior approval by the CFO or CEO and appropriate staff with the County Treasurer. EFT transactions will be approved by the CFO or CEO before being sent to the County Treasurer for processing.

Prior to each Board of Commissioners monthly board meeting, the Voucher Register with an explanation for each purchase is provided to the Board of Commissions via email. and a Vouchers Summary is provided in the Board packet. The Board of Commissioners may approve the Vouchers Summary through consent agenda, having the option to pull and review any items prior to approval. Once the Vouchers Summary is approved by the Board of Commissioners, the warrants and EFTs are filed in the accounting department.



Title:	Financial Management Policy	Effective Date:	08/19/2017
Categories:	Board of Commissioners	Approved Date:	11/07/2024
Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Finance Committee		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

Purpose

The health care services provided by Chelan County Public Hospital District No. 1 are a valuable resource to the residents of Leavenworth and western Chelan County and to the visitors who come to enjoy the Upper Valley’s scenic and cultural attractions. The set of policies outlined below are designed to keep these resources available and to anticipate health care needs of residents and visitors well into the future.

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the municipality, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the foundation and framework for many of the issues and decisions facing the District. They will promote sound financial management and assist the District’s stability, efficiency, and effectiveness.

Overall Financial Policy

- Ensure the ongoing financial integrity of the District.
- Safeguard the financial assets of the District and preserve the taxpayer’s investments.
- Ensure adequate funds are available to support on-going health care services and to meet the future health care needs of the community.
- Provide accurate financial information to District Commissioners, staff and the public in a timely manner.
- Maintain a spirit of openness and transparency while being fully accountable to the public for the District’s fiscal activities.

Sections

- I. General Policies
- II. Accounting policies
- III. Cash Management policies and maintenance of cash reserves
- IV. Debt policies
- V. Revenue Cycle Management policies
- VI. Expenditure policies
- VII. Financial Reporting policies
- VIII. Budgeting policies
- IX. Management of capital and other assets
- X. Communication policies



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Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Finance Committee		
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I. General Policies

1. The District may adopt resolutions to set financial policies to assure the financial strength and accountability of the District.
2. The Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) will develop administrative directives and general procedures for implementing financial policies approved by the Board of Commissioners.
3. All Departments will share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and programs will be developed to reflect current policy directives, projected resources, and future service requirements.
4. To attract and retain employees necessary for providing high quality services, the District will establish and maintain a competitive compensation and benefit package with the public and private sectors.
5. Efforts will be coordinated with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at the state and federal level.
6. The District will initiate, encourage, and participate in economic development efforts to create job opportunities and strengthen the local economy.
7. The District will strive to maintain fair and equitable relationships with its contractors and suppliers.

II. Accounting Policies - *Comply with prevailing federal, state, and local statutes and regulations. Conform to a comprehensive basis of accounting in compliance with Washington State statutes and with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) where applicable.*

1. Accounting principles. The District will account for assets, liabilities, revenues and expenses in conformity with accounting principles generally accepted in the United States of America and the state of Washington as applicable to public hospital districts, and in accordance with standards established by the Governmental Accounting Standards Board. The District will use enterprise fund accounting and revenues and expenses will be recognized on an accrual basis using the economic resources measurement focus. The District will utilize a fiscal period ending on December 31st of each year.
2. Departmental Accounting. Gross revenues and operating expenses for individual service areas within the District’s hospital and clinic will be segregated through the use of departmental accounting, in a manner consistent with State Auditor’s Office and Medicare Cost Reporting requirements.
3. Restricted funds. The District will account for expenditures from funds that are restricted as to use by donors, restricted to specific purposes by the Board of Commissioners, restricted by financing covenants or otherwise restricted by law. Funds received that are not under such restrictions will be part of the general fund and not earmarked for specific purposes or activities.

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4. Capital items. Building and equipment purchases costing in excess of \$5,000 per item and having useful lives of one year or more will be recorded as capital assets on the District’s balance sheet and depreciated on a straight line basis. Leased items meeting the definition of capital leases will be amortized over the lesser of the useful life or lease term.
5. Inventory. Inventories of medical, pharmaceutical and other supplies will be valued on a first in, first out basis. Inventory values will be verified at least annually by departmental and accounting staff.
6. Prepaid expense. Non-capital expenses costing \$5,000 or more that will be of value to or benefit future periods will be treated as prepaid expenses and amortized over the expected benefit period.
7. Tax revenue. Tax revenues that are expected to be received over the course of a fiscal year will be recognized as a level amount in each monthly accounting period.
8. Time off accrual. The value of any accrued compensated absence time, such as Paid Time Off, that may be paid to employees of the District upon termination of employment will be shown as a liability on the District’s Balance Sheet.
9. Record retention. Accounting records will be retained in conformity with the state of Washington’s record retention guidelines for Public Hospital Districts, or a longer period if required by state or federal regulatory authority.

III. Cash management and maintenance of cash reserves - *Manage and invest the District's operating cash to ensure its legality, safety, provide for necessary liquidity, avoid imprudent risk, and optimize yield.*

1. Deposits. All cash receipts will be deposited or transferred to the CM accounts held by the Chelan County Treasurer, who serves as the treasurer for the District. District funds will be invested by the County Treasurer’s office in the Washington State Local Government Investment Pool or other investments as permitted by RCW chapter 39.
2. Cash Accounts. The District will establish cash accounts with the County Treasurer’s office for various purposes, including debt service, capital asset purchases, cost report settlement reserves and others. Funds will be deposited into and transferred between these accounts in accordance with the District’s established Cash Management policy.
3. Reconciliations. Cash balances held with the County Treasurer will be reconciled on a monthly basis to the District’s accounting records by District Accounting staff, under the supervision of the District’s CFO.
4. Cash Balancing. The District’s daily cash and check receipts will be listed, balanced and, except for an authorized change fund amount, deposited to the Depository Account. Deposits to the depository will be made each day the total cash deposit reaches \$200 and/or when there are checks to deposit. When receiving payment in person from a patient or other individual, the District will provide a numerically sequential receipt. Any out-of-balance conditions (cash over/short) will be immediately reported to the CEO or CFO, reviewed, and posted. Cash over/short conditions of more than \$100 shall be reported to the CEO immediately. The Board of Commissioners will be notified no later than the next regular Board meeting.



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5. Internal Control policies. The District will maintain written policies on cash handling, accounting, segregation of duties, and other internal control components. These policies will be reviewed and updated on at least an annual basis.
6. Reserves. Cash reserves, excluding those restricted to debt service or donations restricted to a specific use by donors, will be maintained at a level equivalent to 60 days of operating expenses or higher.

IV. Debt policy – *Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.*

1. Overall Debt Policy. The Debt Policy for the District is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the District. Adherence to the policy is essential to ensure that the District maintains a sound debt position and protects the credit quality of its obligations.
2. Legal Governing Principles. In the issuance and management of debt, the District shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.
 - a. State Statutes – The District may contract indebtedness as provided for by State law, subject to the statutory and constitutional limitations on indebtedness.
 - b. Federal Rules and Regulations – The District shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
 - c. Local Rules and Regulations – The District shall issue and manage debt in accordance with the limitations and constraints imposed by local rules, policies, and regulations.
3. Debt purposes. The District may issue bonds or enter into other types of indebtedness to support major building additions or improvements, major capital equipment purchases, major purchases of software licenses or the acquisition of property. The term of any debt entered into will not exceed the useful life of the project or purchase and in no instance will exceed 40 years.
4. Deficit financing. Long term debt will not be used to support current operating requirements. Further, the District will not use deficit financing or short-term borrowing in the case of projected long-term (greater than one year) revenue shortfalls.
5. New debt. Any new debt, capital lease obligations or refinancing of current debt will be approved by the District’s Board of Commissioners. The bond underwriter and bond counsel will also be approved by the Board, as will the term, rates and other significant financing components. Sufficient funding to allow the repayment of debt obligations will be provided for in budgets approved by the Board.
6. Types of debt. The District may utilize the following types of debt, subject to Board approval:



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Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

- a. Unlimited Tax General Obligation bonds, to be used for capital projects only, which will require the approval of the voters within the District.
 - b. Limited Tax General Obligation bonds, which do not require voter approval and are payable from funds collected through an existing tax levy, providing the District determines it can afford the payments and UTGO or other funding is not readily available.
 - c. Short-term commercial borrowing, lines of credit and capital lease financing, as permitted by law, for the purpose of financing major equipment purchases, Information Technology investments or meeting short-term liquidity needs during anticipated temporary interruptions in cash receipts from operations.
 - d. Revenue bonds, to be used for financing building construction or improvements.
 - e. Refunding bonds, to be used in debt refinance to achieve true savings as market opportunities arise. Refunding debt will not be used for the purpose of avoiding debt service obligations. A target 5% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated unless otherwise justified.
7. Arbitrage earnings. The use of interest earnings on bond proceeds will be limited to funding the improvements specified in the authorizing bond ordinance or payment of debt service on the bonds. Proceeds from debt will be used in accordance with the purpose of the debt issue.
 8. Bond compliance. To maintain the District’s credit worthiness, the CEO, CFO and staff will maintain active relationships with ratings agencies and outside parties involved in debt funding and will act in accordance with the District’s established Bond Compliance Policy. The District will maintain its bond rating at the highest level fiscally prudent.

V. Revenue Cycle Management policy – *Design, maintain and administer a revenue cycle to ensure a reliable, equitable, diversified and sufficient revenue stream to support desired services.*

1. Billing and Collections. To support the ongoing provision of health care services to the residents of the District and to those in need of care while visiting, the District will establish and maintain systems to collect appropriate amounts from patients and their government-sponsored or commercial health insurance plans for the care received. District staff will utilize an Electronic Health Record and Patient Accounting system to document the care received, create charges for the individual services provided and bill and collect payments from patients and their health plans.
2. Charges for services. In accordance with Medicare program requirements and contracts with individual health plans, all patients will be charged the same amounts for individual service or supply items through the use of a standardized Charge Master. Maintenance of the Charge Master will be overseen by the District’s CFO. The District will periodically evaluate pricing levels against industry standards, Medicare fee schedules and other available references.
3. Compliance. District staff will make appropriate efforts to ensure compliance with Medicare and Medicaid billing requirements, the provisions of contracts with individual commercial health plans and the compliance policies established by the District.



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4. Cash receipt controls. The District’s Business Services Director and CFO will enforce proper segregation of duties to ensure that staff opening mail and preparing daily cash and check deposits are different from those staff updating payments and adjustments to individual patient accounts.
5. Payment reconciliation. The Business Services Director, Accounting Director and CFO will ensure that patient and health plan payments are reconciled on a monthly basis with bank and County Treasurer records.
6. Delinquent accounts. The District will make professional and timely efforts to collect balances due on patient accounts. The District may utilize one or more collection agencies, which may in turn utilize legal actions, liens and other methods of collection as allowed by law. The District may also establish installment payment plans with patients needing additional time to pay their accounts.
7. Financial Assistance. In accordance with the District’s established Financial Assistance policy, District staff will identify and assist patients who are unable to make full payment on their accounts and meet the income and other criteria established in the policy.
8. Overpayments. When overpayments have occurred on patient accounts, the Business Office staff will initiate refunds to patients or either refunds or payment adjustments with health plans, as appropriate, on a timely basis.
9. Reporting. Accounts Receivable balances, collection trends and other revenue cycle management information will be reported by the CFO to the CEO and Board of Commissioners on a monthly basis.
10. Cost Reports. With the assistance of the District’s audit firm, financial staff will file a cost report with the Medicare program each year within the regulatory deadline. Information in the report will be evaluated to ensure optimal reimbursement from the Medicare program.
11. Insurance contracts. The CFO will endeavor to establish contractual relationships with health care plans providing coverage to residents of the District, wherever possible at terms favorable to the District.

VI. Expenditure policies – *establish appropriate service levels and administer the expenditures of available resources to ensure fiscal stability and the effective and efficient delivery of services*

1. Means of payments. Any payments made by the District will be done using either warrants drawn on CM accounts held by the Chelan County Treasurer, electronic fund transfers, or payroll direct deposits initiated from those accounts to individual employee bank accounts. In accordance with the established Warrant/EFT Release policy, these payments will be approved by the Board of Commissioners at a public meeting.
2. Authorizations. Payments will be authorized by one of the following means prior to release:
 - a. Purchase orders that are completed in accordance with the established General Fund Distribution policy.
 - b. Payments made for goods or services as part of a vendor contract signed by the District’s CEO. These will be authorized by the applicable Department Director or Senior Leader.



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Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

- c. Check requests signed by a Department Director or Senior Leader and in accordance with the Spending Approval Matrix policy.
 - d. Reimbursements made to employees for travel expenses or personal expenditures made on behalf of the District, which will be done using established forms and subject to inclusion of supporting documentation and approval by the employee’s supervisor in accordance with the Expense and Travel Reimbursement policy.
 - e. Electronic fund transfers authorized by the CFO or CEO.
 - f. Payroll expenditures authorized by the employee’s supervisor using the District’s payroll/time & attendance system and subject to existing payroll policies and union contracts where applicable.
3. Recording payments. All expenditures will be recorded in the District’s accounting system and will be assigned to an account number in accordance with the type of expenditure and the benefitting service.
 4. Petty cash. The CFO may authorize one or more petty cash or change funds for minor cash expenditures or making change for cash payments. Payments made from petty cash will be recorded individually in the District’s accounting system in accordance with the established Petty Cash policy. In no event will the value of a petty cash fund exceed \$250.

VII. Financial Reporting policies – to provide complete and accurate reporting of the District’s financial position to Commissioners, District staff and interested members of the public.

1. Financial statements. District financial staff will prepare financial statements on a monthly basis for review by the Board of Commissioners, District staff and interested members of the public. Statements will be prepared on an accrual basis with revenues and expenses shown in the period in which services occurred or benefits were provided. Monthly financial statements will include, at a minimum, Balance Sheet, Revenue and Expense and Cash Flow statements.
2. Statement presentation. Financial statements will be presented to the Board of Commissioners by the District’s CFO, who will also provide comparisons with budgeted and prior year financial results, patient volume statistics and other analytical reports as requested by the Board. Financial statements for the most recent month will normally be provided at the Commissioners’ next public meeting. The Board will also be provided, for approval, a vouchers summary of the previous month’s warrants issued, and electronic fund transfers made, along with the balances of patient accounts sent to collection agencies and discounts provided under the Financial Assistance (Charity) policy. The Board will receive an emailed Voucher Register prior to each Board meeting with a detailed listing of the previous month’s warrants issued, and electronic fund transfer made.
3. Finance Committee. District financial staff and the CFO will provide additional, in-depth financial reporting and a discussion of District financial issues to the Board of Commissioner’s Finance Committee, in accordance with the Committee’s charter and annual work plan. Any changes to the financial information package presented to the full Board will be reviewed and approved by the Finance Committee.



Title:	Financial Management Policy	Effective Date:	08/19/2017
Categories:	Board of Commissioners	Approved Date:	11/07/2024
Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Finance Committee		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

4. Annual audit. On an annual basis, the Board of Commissioners will approve the engagement of an independent Certified Public Accounting firm, which will review and audit the District’s financial records, prepare financial statements in conformance with the Accounting Policies shown in Section I and review and report upon the adequacy of the District’s financial controls. The CPA firm will report directly to the Board and will receive the full cooperation and support of the District’s financial and management staff during the course of their audit.
5. Reporting. The District’s CPA firm will provide their report, including audited financial statements, to the Board of Commissioners no later than June 30 of each year. The CPA firm will also provide the audited financial statements, copies of their workpapers and any additional requested reports to the Washington State Auditor’s office in accordance with the SAO’s established timelines. District financial staff will cooperate fully with any requests for additional information made by the State Auditor’s Office staff.
6. Other services. At the discretion of District Management, the CPA firm engaged to perform the District’s annual audit may also assist in the preparation of the District’s annual Medicare Cost Report, along with responses to external audits that may be performed by the Medicare program, its administrative contractors, the Washington State Health Care Authority and Medicaid Managed Care Organizations. The CPA firm may also assist in the preparation of reports required by the Washington State Department of Health.

VIII. Budgeting policies – to establish a planning and control process for future periods

1. Budgeting purpose. The Board of Commissioners and management of the District will prepare budgets for the purpose of establishing a financial plan for future periods, guiding decision-making in those periods and serving as a control and comparison during those periods.
2. Annual Budgets. On an annual basis, the Board of Commissioners will adopt a Revenues and Expenses (Operating) Budget, a Cash Flow Budget and a Capital Budget.
3. Approval. Budgets will be prepared by the District’s management staff and presented to the Board in draft form at a public meeting in September of each year. After initial review, budgets will be presented to the Board for final approval at a public budget hearing in October. Public notice of the budget hearing will be made in advance in accordance with statutory requirements of the State of Washington. Budget approval will consist of Resolutions adopting the final budgets and authorizing tax levy amounts.
4. Management responsibilities. Operating and Capital Budgets will be prepared by Department Directors and will project patient volumes, line item revenues and expenses and capital equipment needs for their departments. Operating Budgets will be prepared for the upcoming fiscal year while Capital Budgets will show projected capital needs for at least three years into the future. Department Directors will strive to ensure budgets are consistent with the District’s Strategic Objectives and are prepared in a complete, accurate and realistic manner. District Senior Leadership will review submitted budgets, provide preliminary approval, deferral or disapproval, and consolidate budgets for Board review.



Title:	Financial Management Policy	Effective Date:	08/19/2017
Categories:	Board of Commissioners	Approved Date:	11/07/2024
Prepared By:	Marianne Vincent (Chief Financial Officer)		
Reviewed By:	Diane Blake (Chief Executive Officer); Board Finance Committee		
Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

5. Budget guidelines. It will be the goal of the District to create Operating and Cash Flow budgets in which operating revenues plus tax receipts meet or exceed necessary expenditures. Budget volumes and revenue estimates will be made conservatively using information from reliable economic forecasts and state or other governmental agencies. Revenues from expected donations, grants or sources of limited duration will be fully disclosed during budget review and approval and will not be utilized to support on-going operations.

In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of cash reserves to balance the budget is permitted. If a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases.

Provisions within the budgets will be made to ensure adequate funds for the following:

- a. Debt service.
 - b. Proper maintenance and timely replacement of the District’s capital assets.
 - c. Staffing levels sufficient to provide health care services and support for District operations.
6. Budgeting new programs and services. Planned new programs, expansions in service or increases in staffing levels will wherever possible be evaluated as part of the annual Operating Budget prior to approval. New programs and services will be expected to generate sufficient revenues to offset capital and operating expense increases. In evaluating staffing increases, attempts to expand individual and work group productivity rather than adding to the work force will be made, including investment in technology and other efficiency tools to maximize productivity. The District will hire additional staff only after the need for such positions has been demonstrated and documented and no productivity improvements are feasible.
 7. Use of Budgets. Once adopted, the budgets will be used as a financial plan for the District’s operations, and during the fiscal year will be used as a comparison and control tool for evaluation of current operations. Financial management staff will include comparisons of actual financial results to budgeted amounts in monthly reporting to the Board and District management staff.

IX. Management of capital and other assets - review and monitor the state of the District’s capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

1. Capital equipment. Items costing over \$5,000 per item will be authorized prior to purchase in accordance with the established Capital Requisition policy and the Spending Approval Matrix policy.
2. Asset tagging. Capital equipment items, along with minor equipment items costing over \$500, must be authorized for ordering by completion of the Capital Request Form by a Department Director or Senior Leader. When received, these items will be tagged prior to being placed into service using asset tags applied by the Materials Management department staff. Where applicable,



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Approved By:	Board of Commissioners; Diane Blake (Chief Executive Officer)		

equipment used in patient care areas will also be inspected by the District’s Biomedical Engineering consultant.

3. Surplus. Any previously purchased capital or minor equipment item with an asset tag that has exceeded its useful life and is meant to be traded-in, sold or discarded, must be declared as surplus by the Board of Commissioners.
4. Capital Facilities Plan (CFP). In addition to the three-year Capital Budget, the District may create and maintain a Capital Facilities Plan which will encompass a longer-term planning period, as follows:
 - a. The CFP will include all projects to maintain public capital facilities required to maintain service levels at standards established by the Board of Commissioners. It may also include for consideration such other projects as requested by the CEO or Board of Commissioners.
 - b. The CFP will provide details on each capital project plan including estimated costs, sources of financing and a full description of the project.
 - c. The District will finance only those capital improvements that are consistent with the adopted CFP and District priorities. All capital improvement operating and maintenance costs will be included in operating budget forecasts.
 - d. A status review of the CFP will be conducted periodically, and a report will be presented by the CEO or his/her designee, to the Board of Commissioners.
5. Insurance. The District will purchase and maintain liability, property and other insurance policies that fully protect the District from all reasonably-anticipated losses. These policies will include:
 - a. Professional and general liability, including medical malpractice liability and non-medical tort claims.
 - b. Directors and Officers liability, including employment practices liability.
 - c. Property, covering buildings, equipment and vehicles.
 - d. Employee dishonesty and other crime-related risks.
 - e. Cybercrime.

X. Communications policy – maintain transparency and comply with public information laws

1. It is the policy of the District to remain as transparent as possible, follow public meetings laws and respond promptly to public information requests.
2. The District shall manage relationships with the rating analysts assigned to the District’s credit, using both informal and formal methods to disseminate information.
3. The District’s Basic Financial Statements and Notes shall be a vehicle for compliance with continuing disclosure requirements. The Notes to the Financial Statements may be supplemented with additional documentation as required. Each year included in the Notes to the Financial Statements, the District will report its compliance with debt targets and the goals of the Debt Policies.
4. The District shall seek to maintain and improve its current bond rating.

FINANCIAL ACCOUNTING
WARRANTS / EFTS ISSUED

Commissioner Meeting: September 24, 2025

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

Accounts Payable Warrant Numbers	10127206 – 10127574	\$1,680,164.63	07/15/2025 – 09/16/2025
Accounts Payable EFT Transactions	20250101 – 20250132	\$1,395,218.11	07/15/2025 – 09/16/2025
Accounts Payable ACH Transactions	EP12381 – EP12385 EP12473 – EP12480 EP12541 – EP12555 EP12602 – EP12628 EP12675 – EP12688 EP12690 – EP12701 EP12760 EP12762 – EP12789 EP12827 – EP12853 EP12878 – EP12910 EP12955 – EP12981 EP12983 – EP12995	\$890,954.60	07/15/2025 – 09/16/2025
Payroll EFT Transactions	27378 – 28211	\$2,020,276.49	07/15/2025 – 09/16/2025
Grand Total		\$5,986,613.83	

Note: The ACH transaction numbers are not reported sequentially; there is a gap between batch runs.

Prepared by:

Kathy Jo Evans
Director of Accounting

Cascade Medical
 Bad Debt Write Offs
 Financial Assistance Program Discounts

Month July, 2025

Net Bad Debt Write-Offs for Board Approval	\$	299,834.20
CFSP/Financial Assistance Program Discounts for Board Approval	\$	44,735.68

Bad Debt/ Financial Assistance Supplemental Information		
Bad Debt Write-Offs	Sent to Collection Agency	341,239.45
	less: pullback from Agency due to receipt of payments	(41,405.25)
	Net Bad Debt Write-Offs	299,834.20
CFSP/Financial Assistance Applications - Discounts Approved	\$	44,735.68
Total		344,569.88

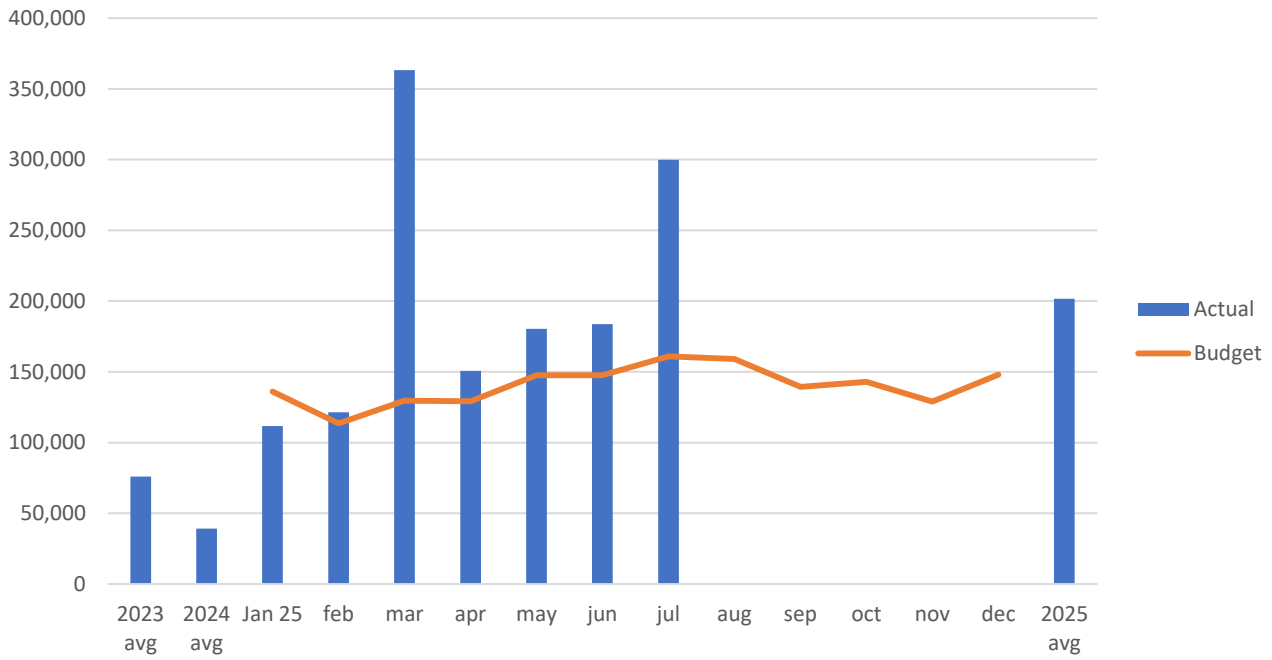
Cascade Medical
Bad Debt Write Offs
Financial Assistance Program Discounts

Month August, 2025

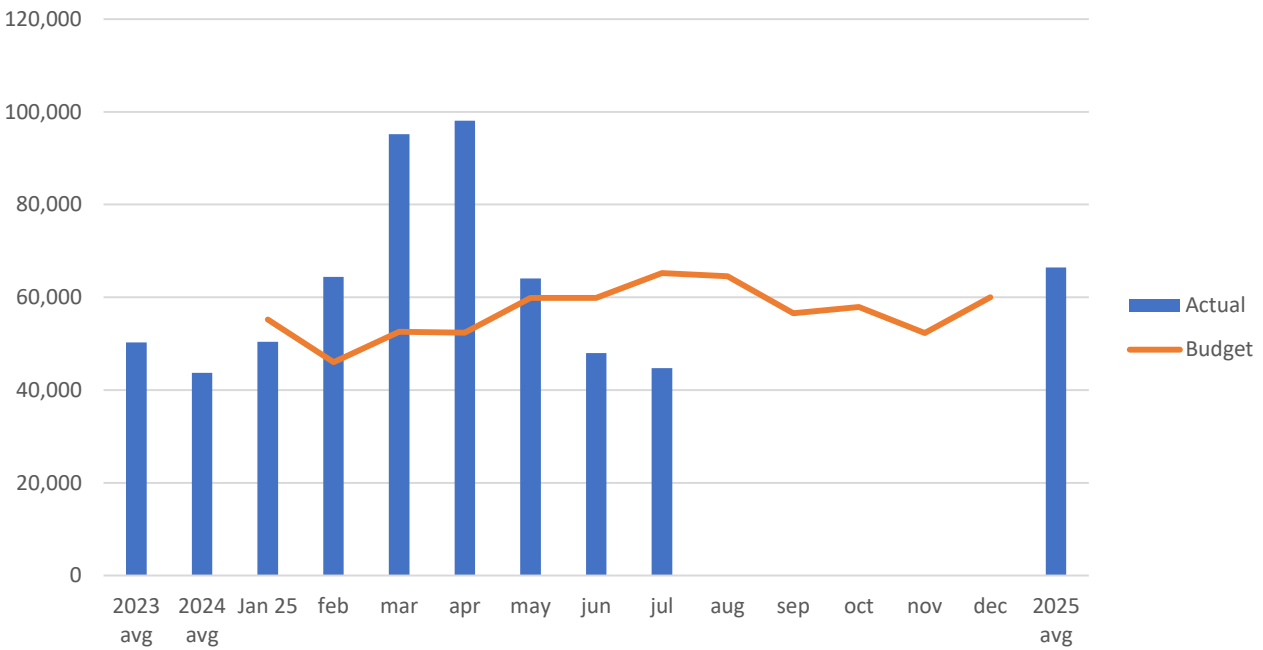
Net Bad Debt Write-Offs for Board Approval	\$	95,533.71
CFSP/Financial Assistance Program Discounts for Board Approval	\$	25,263.75

Bad Debt/ Financial Assistance Supplemental Information		
Bad Debt Write-Offs	Sent to Collection Agency	137,701.05
	less: pullback from Agency due to receipt of payments	(42,167.34)
	Net Bad Debt Write-Offs	95,533.71
CFSP/Financial Assistance Applications - Discounts Approved	\$	25,263.75
Total		120,797.46

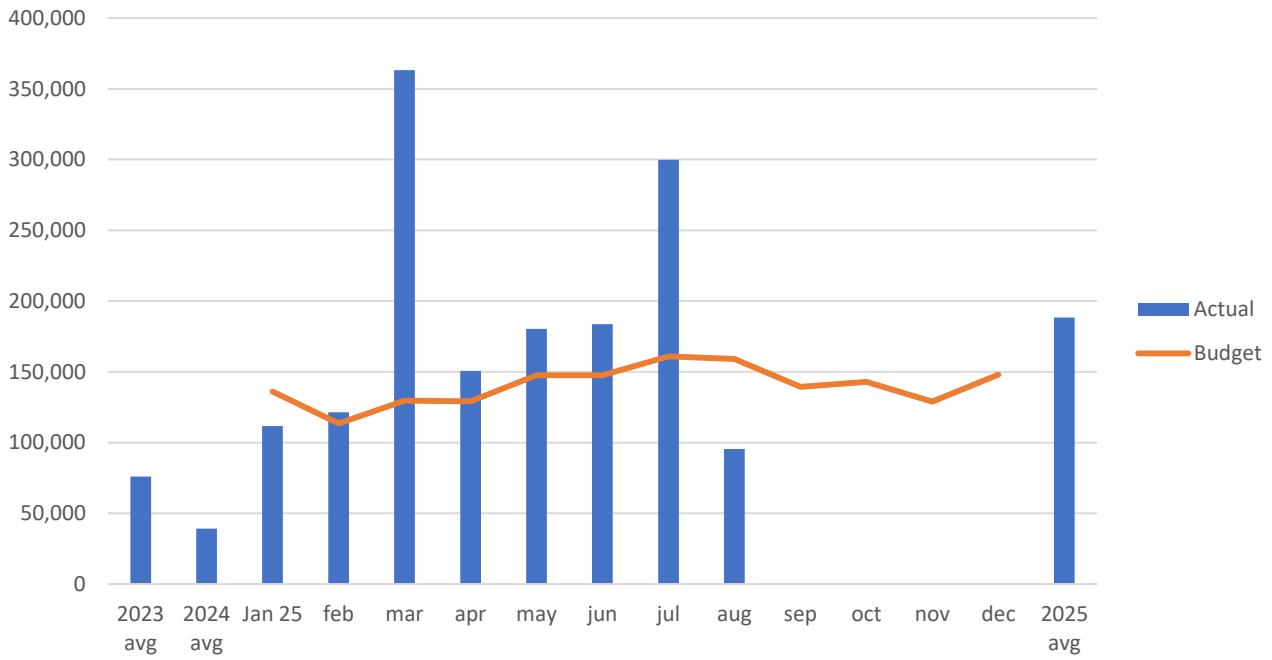
Net Account Balances Sent to Collections



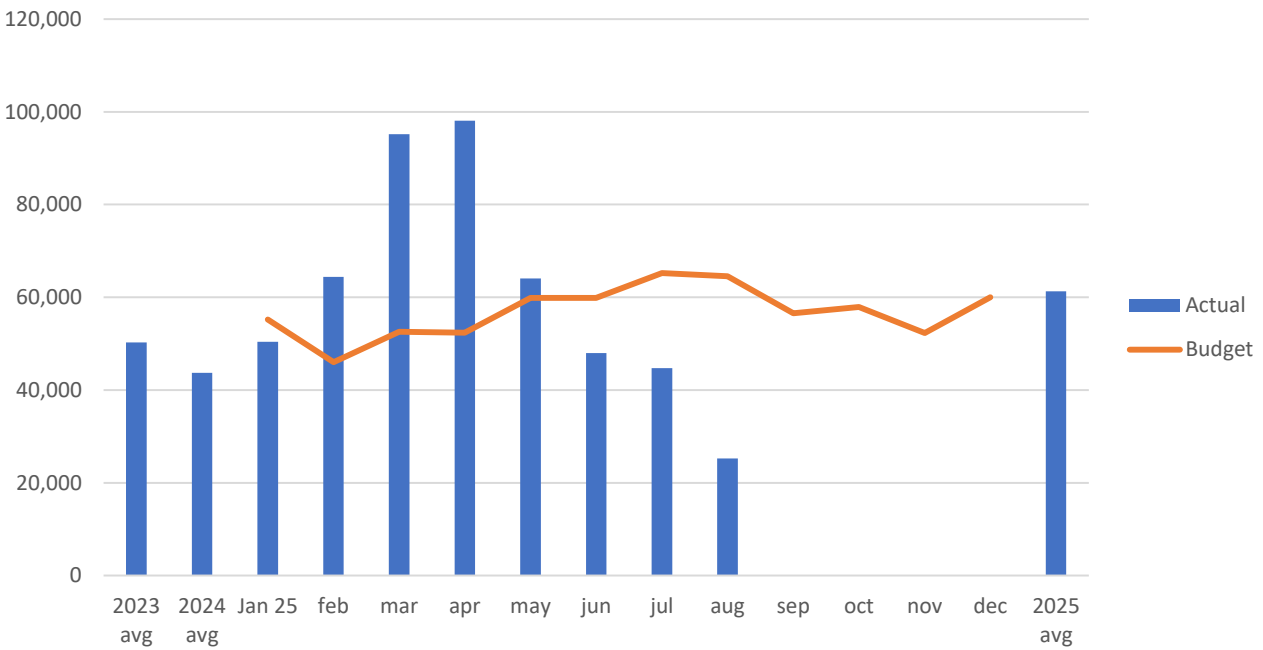
CFSP/Financial Assistance Discounts



Net Account Balances Sent to Collections



CFSP/Financial Assistance Discounts



BUDGET DEVELOPMENT



INTRODUCTION



Organizational sustainability & growth



Realistic, yet conservative, projections



High quality care delivery



Wage growth & market demands

BUDGET CALENDAR



REVERSE SCHEDULING



EXECUTIVE, LEADERSHIP
REVIEW



BOARD –SEPTEMBER DRAFT
REVIEW, OCTOBER FINAL
REVIEW AND APPROVAL

RISK ASSESSMENT

Risk Matrix-Likelihood,
Impact, & Velocity

Executive team and
Leadership team

Clinic Medical Director and
Providers

Board of Commissioners

STRATEGIC PLAN



**COMPLETED IN CONCERT WITH
BUDGET CYCLE**



**STRATEGIC PLAN DRIVES REVENUE
& EXPENSE PROJECTIONS**



**BUDGET CAN BE AMENDED, AS
NEEDED, IF STRATEGIC PLAN
COMPLETION IS SUBSEQUENT TO
BUDGET APPROVAL**

CAPITAL BUDGET

Evaluate current equipment for obsolescence and serviceability

Risk assessment for areas of need

Service line expansion/contraction

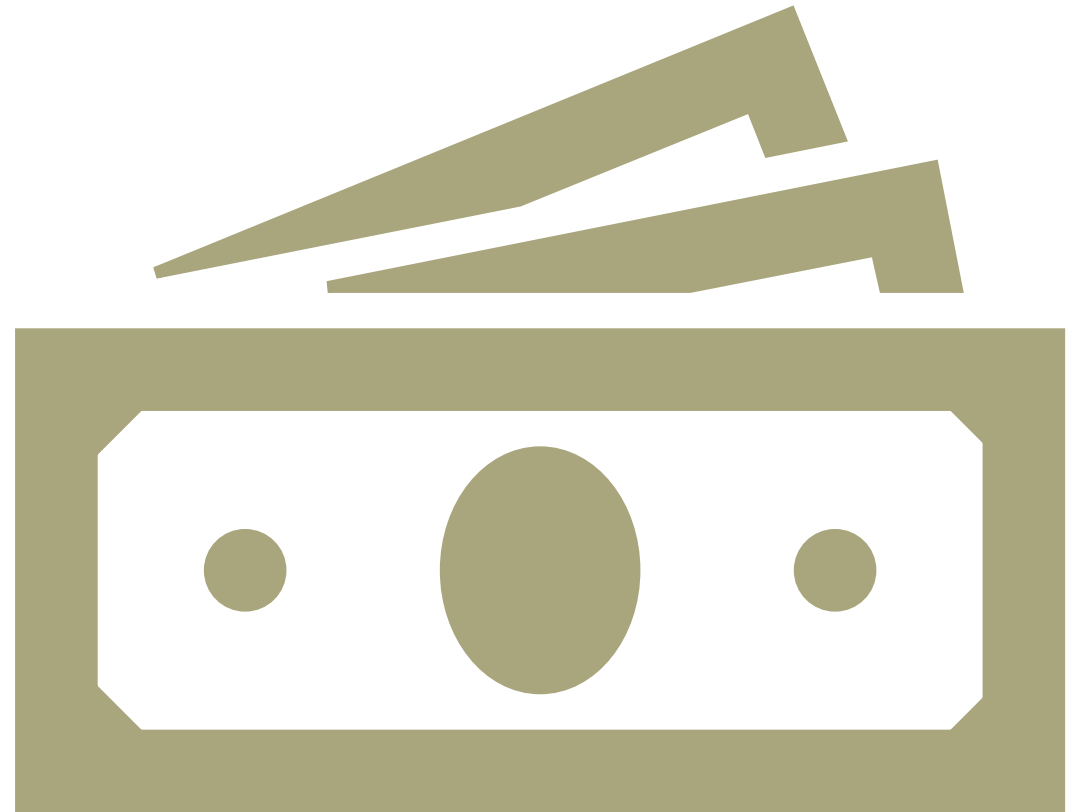
Capital threshold is policy driven: \$5,000

Executive oversight

Quotes

5-year planning cycle

OPERATING BUDGET



MARKET WAGE ANALYSIS



**ANNUALLY FOR HOURLY
STAFF**



**BI-ANNUAL ASSESSMENT FOR
EXECUTIVE TEAM, LEADERSHIP,
AND MANAGERS**



**PROVIDER COMPENSATION
MARKET/PHILOSOPHY DESIGN
IS UNDERWAY IN 2025**

FTE (FULL-TIME EQUIVALENTS)

New or existing service line
expansion

Regulatory requirements

Operational changes

Executive team reviews for
alignment to strategic plan

BUDGET ASSUMPTIONS

EXECUTIVE AND LEADERSHIP
INVOLVEMENT

VOLUMES

SUPPLY COST INCREASES

CHARGEMASTER INCREASE

BUDGET PACKET/DATA



Organizational and industry assumptions provided to directors



Volume data for Inpatient, Swing Bed, Clinic, and ED



Utilize data from most recent 12 months for operating budget



Department directors have access to monthly expense/variance reports and detailed expense reports



Wages projected with step increase only

ANNUALIZED EXPENSES

Review current year annualized expenses and consider non-monthly expenses



CONTRACTUAL ALLOWANCE

Use current rates available



NON- DEPARTMENTAL EXPENSES

Levy information

Depreciation

Insurance

340B Program revenue

Federally directed payments for Medicaid

Miscellaneous revenue and expenses

CASHFLOW FORECAST



BOARD
APPROVED
INCREASE

Management review of
wage information

Finance committee review
and recommendation to
board during final budget
review

1ST DRAFT & FINAL DRAFT REVIEW

- Utilize new financial and volume data as we move through drafts to fine tune
- Finals draft includes:
 - Income Comparison Summary for multiple years and budget year
 - Monthly budget summary
 - Schedule of changes from draft budget to final proposed budget
 - Margin with annual wage increase options
 - Projected cash flows
 - Volume data
 - Contractual allowance worksheet
 - FTE budget
 - Capital Requests 5-year planning

FINAL DRAFT APPROVAL

Submission to county
treasurer

Submission of levy
certifications

Posting of final
budget to Municipal
Securities
Rulemaking board
for bond compliance

QUESTIONS?





Thank you!



AGENDA

Board Governance Committee
August 20, 2025
2:00 PM-4:00 PM
Administration Conference Room

Agenda Item		Time
1.	Call to Order	2:00 PM
2.	Consent Agenda Approval <ul style="list-style-type: none">• August 20, 2025 Agenda• June 17, 2025 Minutes	2:00 PM
Committee Work		
1.	Review policies: <ul style="list-style-type: none">• Conflict of Interest Policy• Open Public Meetings Policy	2:00 PM
2.	Finalize Retreat Topics/Plan <ul style="list-style-type: none">• Strategic Thinking Icebreaker• Narrow Master Facility Plan Direction• Develop Draft Strategic Plan Priorities, including for the CHNA• Close with Mission / Visioning Exercise	2:10 PM
3.	Review and update board education plan	2:40 PM
4.	Review YTD approved Commissioner outreach events	2:50 PM
5.	Discuss proposed community member appointment for Community Outreach & Awareness Committee	2:55 PM
6.	Finalize Committee self-evaluation survey	3:10 PM
7.	Check progress of Board's 2025 objectives work	3:25 PM
8.	Suggest topics for Part Time Resident Advisory Council meeting	3:35 PM
9.	Discuss ways to continue to grow the Board's approach to thinking strategically	3:45 PM
10.	Set next meeting date	3:55 PM
Adjournment		
1.	Adjournment	4:00 PM

Materials provided in advance of meeting along with agenda:

- Minutes from June 17, 2025, Meeting
- Conflict of Interest Policy
- Open Public Meetings Policy
- 2025 Board Education Plan
- List of approved Commissioner outreach
- Procedure for Appointing Community Members to Board Committees
- 2024 Committee Self-evaluation, with responses
- 2025 Board Objectives

2025 Board Annual Objectives

2025 Proposed Board Objectives:

1. Maintain commitment to board development by ensuring education occurs once per quarter in connection with board meetings and each commissioner additionally participates in at least one external education offering annually.
2. Maximize Board's ongoing connection to and communication with the community.
3. Develop, execute and maintain a process for regularly identifying community members who have the potential to serve on the CM Foundation, the CM Part Time Resident Advisory Council and/or CM board committees.

2024 Board Objectives:

4. 100% of Board members achieve and / or maintain WSHA Health Care Governance Certification, with quarterly reporting on achievement percentage.
5. Assess and refine Board's ongoing connection to and communication with the community.
6. Refine board succession and new commissioner orientation / onboarding plans.

2023 Board Objectives:

7. 100% of Board members achieve and / or maintain WSHA Health Care Governance Certification, with quarterly reporting on achievement percentage
8. Assess and refine Board's ongoing connection to and communication with the community.
9. Fully integrate new commissioners to the board through continued mentorship, regular check-ins and by continuing to adapt processes to support needs while optimizing board work.



A G E N D A
Board Quality Oversight Committee
August 27, 2025
10:00 AM – 12:00 PM
Arleen Blackburn Conference Room

The documents contained in this file are part of the performance/quality improvement and peer review programs to review the services rendered in the hospital/clinic areas, both retrospectively and prospectively, in order to improve the quality of medical care of patients and to prevent medical malpractice (RCW 70.41.200 (1) (a)).

Therefore, **all** information following the agenda is confidential and protected under: [RCW 4.24.250](#); [RCW 70.41.200](#); and [Senate Bill 5666](#)

Agenda Item		Time
1.	Call to Order	10:00 AM
2.	Consent Agenda Approval <ul style="list-style-type: none"> • August 27, 2025, Agenda • May 6, 2025, Minutes 	10:00 AM
Committee Work		
1.	Review Action Items	10:00 AM
2.	Patient Story	10:05 AM
3.	Board Quality Rounding Review	10:20 AM
4.	Quality Data and Dashboard Updates	10:35 AM
5.	Q2 Quality Committee Reports	11:05 AM
6.	Policy Review <ul style="list-style-type: none"> • Disclosure of Unanticipated Outcomes • Risk Management Program 	11:15 AM
7.	External Initiative Updates	11:25 AM
8.	Plan for Annual Committee Self-Assessment Survey	11:35 AM
9.	Schedule Q4 2025 Meeting Date	11:45 AM
10.	Provider Credentialing	11:55 AM
Adjournment		
1.	Adjournment	12:00 PM

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.*

Materials provided in advance of meeting along with agenda:

1. May 6, 2025, Minutes
2. Board Quality Rounding Forms and Data
 - a. Operational Safety
 - b. Lab
3. Quality Data
 - a. Dashboard
 - b. MIH Data
4. Committee Reports
 - a. Antibiotic Stewardship Committee
 - b. Emergency Care Committee
 - c. Infection Control Committee
 - d. Patient and Family Advisory Council
 - e. Safety Committee
 - f. Swing Bed Committee
 - g. Utilization Management Committee
5. Policy Review

- a. Disclosure of Unanticipated Outcomes
 - b. Risk Management Program
- 6. External Initiative Updates
- 7. Annual Committee Self-Assessment Questions

Cascade Medical
Operating and Capital Budgets

Fiscal Year Ending 12/31/2026

First draft – presented September 24, 2025

Cascade Medical Budget Calendar – 2026

Cascade Medical				
Operating and Capital Budget Calendar - Fiscal Year 2026				
Operating Budget			Capital Budget	
Date	Item		Date	Item
July 8, 2025	Training for Operating Budget at Leadership meeting		June 13, 2025	Capital budget form, 2026 budget calendar, Long Term Cap Bud emailed to Directors
July 8	Sr. Leaders prepare preliminary volume projections for 2026.		Jul 11	Department Directors turn in Capital Budget forms to Marianne Vincent and their respective Sr. Leaders
July 18	Operating budget packages sent to Department Directors.		Aug 12	Preliminary Capital Budget presented to Leadership team
July 18 - Aug 5	Department Directors complete financial packages, meet with their Sr. Leaders to refine. Turn in to Finance by August 5			
July 22	Strategic Plan discussion, preliminary Goal setting at Leadership meeting			
Aug 28	First draft of Operating Budget complete for review at full day Sr. Leadership meeting.			
Sept 9	2nd review of draft Operating Budget at Monday pm Sr. Leadership meeting			
Sept 24	Draft 2026 Operating, Capital Budgets presented to Board of Commissioners.			
Oct 8	First public notice of Budget Hearing			
Oct 15	Second public notice of Budget Hearing			
Oct 20	Final Budget review, Finance Committee			
Oct 22	Budget hearing, Board of Commissioners			
Nov 11	Final budget presentation at Leadership meeting			

Cascade Medical
Operating and Capital Budgets, FY 2026
Budget process summary and assumptions

The schedules shown below represent our first draft of our Operating and Capital budgets for FY 2026. As shown on our calendar above, we started our budget process in June. Department Directors have provided their projected capital budget needs and, for their Operating Budgets, have projected patient volumes, staffing needs, and operational expense requirements for their departments.

Our Long-Term Capital Budget listing has our preliminary recommendation for projects to approve for 2026, based on recommendations from Department Directors and a review by the Executive Team, along with as complete a listing of projects for 2027 - 2030 as we can make so far in our planning cycle. Currently, our Capital Budget for 2026 totals \$1,656,000.

Patient volume forecast

Patient volumes by department have been forecasted using historical trends, our knowledge of current factors and estimates of volumes from new programs and services. Based on our best knowledge, our preliminary volume forecast for 2026 is as follows:

- | | |
|--------------|-------------|
| a. Acute IP | 2.9% growth |
| b. Swing Bed | 3.0% growth |
| c. Emergency | 2.0% growth |
| d. Clinic | 6.1% growth |

Prior to budget completion in the next four weeks, we will factor in September volumes, check our growth rates, and fine-tune volume projections as needed.

Budget Assumptions

We used the following assumptions in making our Operating Budget projections:

- a. Patient charge increases – we used a base charge increase of 5% over current charge levels with revenue added in for any new services.
- b. Salary increases – we have included step increases of 1.5% for non-union, non-management staff, as well as contracted adjustments for members of the collective bargaining units. No additional amounts are included for exempt or contracted staff.

- c. Supplies and other expenses – we used a base inflation factor of 3% for supplies with different increase percentages for individual line items where we have knowledge of different amounts.
- d. In miscellaneous revenues, we have included an estimated \$90,000 in Foundation donations.
- e. Tax revenues have been estimated with a net 1% increase for the M&O levy and increase to the new \$.50 rate for the EMS levy and an amount for the Construction Bond levy that will meet our debt service requirements.

Notes on budget schedules

Income Comparison Summaries

These two worksheets show the annual and monthly roll-up of individual department projections and compares our latest 2026 projections to prior and current years. The model currently shows a net margin of \$1,630,157, or 4.2% of revenue, with no salary increases included other than the 1.5% step increase and the increases required by our collective bargaining agreements. This margin could change due to volume forecast fine-tuning and the results of our interim Medicare cost report.

Contractual Allowances

Contractual Allowances are based on our current payer mix, meaning the proportions of Medicare, Medicaid and other payers would stay the same as our current year. Medicare and Medicaid allowances were calculated using our latest interim rates and will be adjusted once DZA has completed our interim report.

FTEs

We project to add 5.3 FTE for 2026.

Capital Equipment Matrix

Capital Equipment and Building Items requested by Department Directors for 2026 through 2030 are shown, with a projected total for 2025 of \$1,656,000.

**Cascade Medical
Income Comparison Summary
Budget Year 2026**

	<u>Actual</u> <u>12/31/2024</u>	<u>Budget</u> <u>12/31/2025</u>	<u>Actual</u> <u>08/31/2025</u>	<u>Annualized</u> <u>12/31/2025</u>	<u>Budget</u> <u>12/31/2026</u>	<u>Budget To Budget</u> <u>Change</u>	<u>Bud To Bud</u> <u>% change</u>	<u>Bud to Annualzld</u> <u>% change</u>
Patient Revenue	\$ 42,745,355	\$ 45,490,811	\$ 30,219,248	\$ 45,328,448	\$ 49,812,317	\$ 4,321,506	9.5%	9.9%
Less: Contractual Adjust	(13,856,958)	(15,954,482)	(8,219,582)	(16,318,241)	(16,832,161)	(877,679)	5.5%	3.1%
Net Patient Revenue	\$ 28,888,397	\$ 29,536,329	\$ 21,999,666	\$ 29,010,207	\$ 32,980,157	\$ 3,443,828	11.7%	13.7%
Other Operating Revenue	\$ 5,734,478	\$ 5,044,460	\$ 3,174,198	\$ 5,268,171	\$ 5,838,142	\$ 793,682	15.7%	10.8%
Total Revenue	\$ 34,622,875	\$ 34,580,789	\$ 25,173,864	\$ 34,278,378	\$ 38,818,299	\$ 4,237,510	12.3%	13.2%
Expenses:								
Salaries	\$ 16,870,753	\$ 18,447,813	\$ 12,244,868	\$ 18,367,298	\$ 19,801,300	\$ 1,353,487	7.3%	7.8%
Benefits	3,520,134	3,898,033	2,728,225	4,092,338	4,612,312	\$ 714,279	18.3%	12.7%
Legal Fees	93,475	69,200	74,384	111,576	142,500	\$ 73,300	105.9%	27.7%
Audit and Accounting Fees	98,264	80,000	63,659	80,000	95,000	\$ 15,000	18.8%	18.8%
Professional Fees	1,971,553	1,765,175	1,804,926	2,695,754	2,318,678	\$ 553,503	31.4%	-14.0%
Supplies	1,782,132	2,179,614	1,227,949	1,835,780	2,027,407	\$ (152,207)	-7.0%	10.4%
Utilities	291,448	313,263	202,213	302,876	323,632	\$ 10,369	3.3%	6.9%
Repairs and Maintenance	348,883	332,145	174,085	271,128	235,724	\$ (96,421)	-29.0%	-13.1%
Purchased Services	1,893,915	2,062,874	1,289,486	1,945,760	2,173,047	\$ 110,173	5.3%	11.7%
Continuing Medical Education	20,653	39,856	12,017	8,196	34,500	\$ (5,356)	-13.4%	320.9%
Dues and Subscriptions	1,016,279	1,047,876	799,607	1,199,080	1,279,089	\$ 231,213	22.1%	6.7%
Other Expenses	359,371	179,957	242,965	30,154	171,179	\$ (8,778)	-4.9%	467.7%
Travel/Training/Meetings	357,559	280,926	175,620	271,958	264,703	\$ (16,223)	-5.8%	-2.7%
Leases and Rentals	258,169	204,791	206,156	309,234	337,285	\$ 132,494	64.7%	9.1%
Depreciation	2,093,895	2,007,840	1,499,375	2,293,850	2,275,380	\$ 267,540	13.3%	-0.8%
Taxes and Licenses	304,082	723,778	187,115	82,766	517,938	\$ (205,840)	-28.4%	525.8%
Insurance	244,583	275,398	169,416	306,480	309,552	\$ 34,154	12.4%	1.0%
Interest	373,361	294,516	197,201	268,917	268,917	\$ (25,599)	-8.7%	0.0%
Total Department Expenses	\$ 31,898,509	\$ 34,203,055	\$ 23,299,267	\$ 34,473,145	\$ 37,188,142	\$ 2,985,087	8.7%	7.9%
Income	\$ 2,724,366	\$ 377,734	\$ 1,874,597	\$ (194,767)	\$ 1,630,157	\$ 1,252,423	331.6%	-937.0%
	7.9%	1.1%	7.4%	-0.6%	4.3%			

**CASCADE MEDICAL
MONTHLY SUMMARY**

	aug2025ytd	Avg/mo	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026
Patient Revenue	\$ 30,219,248	\$ 3,777,406	\$ 3,995,377	\$ 3,744,853	\$ 3,869,664	\$ 3,946,670	\$ 4,067,142	\$ 4,307,989	\$ 4,726,645
Contr Adjusts #	\$ (8,219,582)	\$ (1,027,448)	\$ (1,350,084)	\$ (1,265,429)	\$ (1,307,604)	\$ (1,333,626)	\$ (1,374,335)	\$ (1,455,720)	\$ (1,597,188)
Net Patient Revenue	\$ 21,999,666	\$ 2,749,958	\$ 2,645,293	\$ 2,479,423	\$ 2,562,060	\$ 2,613,045	\$ 2,692,808	\$ 2,852,269	\$ 3,129,456
Other Operating Rev	\$ 3,174,198	\$ 396,775	\$ 567,345	\$ 425,345	\$ 458,345	\$ 567,345	\$ 445,345	\$ 438,345	\$ 567,345
	\$ 25,173,864	\$ 3,146,733	\$ 3,212,638	\$ 2,904,769	\$ 3,020,405	\$ 3,180,390	\$ 3,138,153	\$ 3,290,615	\$ 3,696,802
Expenses:									
Salaries	\$ 12,244,868	\$ 1,530,609	\$ 1,674,931	\$ 1,522,875	\$ 1,675,002	\$ 1,624,205	\$ 1,682,380	\$ 1,631,195	\$ 1,681,277
Benefits	\$ 2,728,225	\$ 341,028	\$ 393,355	\$ 381,496	\$ 392,618	\$ 388,941	\$ 393,239	\$ 388,147	\$ 389,630
Legal Fees	\$ 74,384	\$ 9,298	\$ 12,500	\$ -	\$ 7,500	\$ 12,500	\$ 7,500	\$ 17,500	\$ 22,500
Audit/ Accounting Fees	\$ 63,659	\$ 7,957	\$ 13,000	\$ 5,000	\$ 16,000	\$ 18,000	\$ 20,000	\$ 4,000	\$ 5,000
Professional Fees	\$ 1,804,926	\$ 225,616	\$ 254,972	\$ 200,889	\$ 229,192	\$ 198,035	\$ 184,749	\$ 181,795	\$ 188,888
Supplies	\$ 1,227,949	\$ 153,494	\$ 175,818	\$ 164,694	\$ 179,065	\$ 162,628	\$ 176,204	\$ 161,847	\$ 159,797
Utilities	\$ 202,213	\$ 25,277	\$ 27,113	\$ 26,578	\$ 26,248	\$ 27,270	\$ 26,703	\$ 27,610	\$ 27,206
Repairs and Maint	\$ 174,085	\$ 21,761	\$ 19,419	\$ 19,419	\$ 19,419	\$ 19,419	\$ 19,889	\$ 19,419	\$ 19,419
Purchased Services	\$ 1,289,486	\$ 161,186	\$ 170,512	\$ 171,642	\$ 198,512	\$ 168,992	\$ 170,312	\$ 197,192	\$ 170,312
Continuing Medical Educ	\$ 12,017	\$ 1,502	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875
Dues and Subscriptions	\$ 799,607	\$ 99,951	\$ 116,520	\$ 112,255	\$ 116,055	\$ 107,305	\$ 102,255	\$ 107,090	\$ 103,430
Other Expenses	\$ 242,965	\$ 30,371	\$ 14,160	\$ 15,300	\$ 14,190	\$ 14,160	\$ 14,160	\$ 14,190	\$ 14,160
Travel/Training/Meetings	\$ 175,620	\$ 21,953	\$ 21,575	\$ 16,575	\$ 29,625	\$ 27,075	\$ 24,775	\$ 24,975	\$ 18,175
Leases and Rentals	\$ 206,156	\$ 25,770	\$ 28,120	\$ 28,101	\$ 28,101	\$ 28,120	\$ 28,101	\$ 28,101	\$ 28,120
Depreciation	\$ 1,499,375	\$ 187,422	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615
Taxes and Licenses	\$ 187,115	\$ 23,389	\$ 42,072	\$ 42,942	\$ 42,072	\$ 42,942	\$ 42,072	\$ 42,072	\$ 42,072
Insurance	\$ 169,416	\$ 21,177	\$ 25,626	\$ 25,626	\$ 25,626	\$ 25,626	\$ 26,226	\$ 25,626	\$ 25,626
Interest	\$ 197,201	\$ 24,650	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410
Total Expenses	\$ 23,299,267	\$ 2,912,408	\$ 3,204,593	\$ 2,948,293	\$ 3,214,125	\$ 3,080,118	\$ 3,133,465	\$ 3,085,660	\$ 3,110,512
Gross Margin	\$ 1,874,597	\$ 234,325	\$ 8,045	\$ (43,524)	\$ (193,720)	\$ 100,272	\$ 4,688	\$ 204,955	\$ 586,290

**CASCADE MEDICAL
MONTHLY SUMMARY**

	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Total 2026	Avg/mo	2025 Annualized	% Chg
Patient Revenue	\$ 4,726,875	\$ 4,079,094	\$ 4,176,501	\$ 3,764,314	\$ 4,407,193	\$ 49,812,317	\$ 4,151,026	\$ 45,328,448	9.9%
Contr Adjusts	\$ (1,597,266)	\$ (1,378,373)	\$ (1,411,288)	\$ (1,272,005)	\$ (1,489,242)	\$ (16,832,161)	\$ (1,402,680)	\$ (16,318,241)	
Net Patient Revenue	\$ 3,129,609	\$ 2,700,721	\$ 2,765,213	\$ 2,492,308	\$ 2,917,951	\$ 32,980,157	\$ 2,748,346	\$ 29,010,207	13.7%
Other Operating Rev	\$ 425,345	\$ 425,345	\$ 657,345	\$ 425,345	\$ 435,345	\$ 5,838,142	\$ 486,512	\$ 5,268,171	10.8%
	\$ 3,554,954	\$ 3,126,066	\$ 3,422,558	\$ 2,917,654	\$ 3,353,297	\$ 38,818,299	\$ 3,234,858	\$ 34,278,378	13.2%
Expenses:									
Salaries	\$ 1,682,262	\$ 1,631,288	\$ 1,682,388	\$ 1,631,225	\$ 1,682,271	\$ 19,801,300	\$ 1,650,108	\$ 18,367,298	7.8%
Benefits	\$ 383,493	\$ 376,497	\$ 376,071	\$ 372,854	\$ 375,971	\$ 4,612,312	\$ 384,359	\$ 4,092,338	12.7%
Legal Fees	\$ 17,500	\$ 17,500	\$ 12,500	\$ 7,500	\$ 7,500	\$ 142,500	\$ 11,875	\$ 111,576	27.7%
Audit/ Accounting Fees	\$ 2,000	\$ 8,000	\$ -	\$ 2,000	\$ 2,000	\$ 95,000	\$ 7,917	\$ 80,000	18.8%
Professional Fees	\$ 174,928	\$ 186,034	\$ 175,478	\$ 172,594	\$ 171,126	\$ 2,318,678	\$ 193,223	\$ 2,695,754	-14.0%
Supplies	\$ 158,914	\$ 191,436	\$ 179,650	\$ 158,641	\$ 158,713	\$ 2,027,407	\$ 168,951	\$ 1,835,780	10.4%
Utilities	\$ 27,812	\$ 27,012	\$ 26,842	\$ 26,741	\$ 26,496	\$ 323,632	\$ 26,969	\$ 302,876	6.9%
Repairs and Maint	\$ 20,839	\$ 19,419	\$ 20,224	\$ 19,419	\$ 19,419	\$ 235,724	\$ 19,644	\$ 271,128	-13.1%
Purchased Services	\$ 170,792	\$ 203,352	\$ 178,922	\$ 175,312	\$ 197,192	\$ 2,173,047	\$ 181,087	\$ 1,945,760	11.7%
Continuing Medical Educ	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 34,500	\$ 2,875	\$ 8,196	320.9%
Dues and Subscriptions	\$ 102,255	\$ 104,755	\$ 102,255	\$ 102,455	\$ 102,455	\$ 1,279,089	\$ 106,591	\$ 1,199,080	6.7%
Other Expenses	\$ 14,160	\$ 14,190	\$ 14,160	\$ 14,160	\$ 14,190	\$ 171,179	\$ 14,265	\$ 30,154	467.7%
Travel/Training/Meetings	\$ 18,175	\$ 29,575	\$ 19,425	\$ 18,175	\$ 16,575	\$ 264,703	\$ 22,059	\$ 271,958	-2.7%
Leases and Rentals	\$ 28,101	\$ 28,101	\$ 28,120	\$ 28,101	\$ 28,101	\$ 337,285	\$ 28,107	\$ 309,234	9.1%
Depreciation	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615	\$ 189,615	\$ 2,275,380	\$ 189,615	\$ 2,293,850	-0.8%
Taxes and Licenses	\$ 42,072	\$ 48,859	\$ 42,072	\$ 46,622	\$ 42,072	\$ 517,938	\$ 43,161	\$ 82,766	525.8%
Insurance	\$ 25,914	\$ 25,914	\$ 25,914	\$ 25,914	\$ 25,914	\$ 309,552	\$ 25,796	\$ 306,480	1.0%
Interest	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410	\$ 22,410	\$ 268,917	\$ 22,410	\$ 268,917	0.0%
Total Expenses	\$ 3,084,116	\$ 3,126,833	\$ 3,098,921	\$ 3,016,613	\$ 3,084,894	\$ 37,188,142	\$ 3,099,012	\$ 34,473,145	7.876%
Gross Margin	\$ 470,838	\$ (767)	\$ 323,637	\$ (98,960)	\$ 268,402	\$ 1,630,157	\$ 135,846	\$ (194,767)	-937%

Cascade Medical

Volume Forecast - Budget Year 2026

Acute Patient Days		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Actual	2021	23	29	12	11	21	18	7	26	14	11	8	15	195
Actual	2022	8	1	13	16	1	29	21	15	3	11	19	73	210
Actual	2023	30	4	15	29	25	26	18	17	36	17	16	26	259
Actual	2024	34	9	25	23	38	42	45	39	20	43	43	47	408
Actual/Projected	2025	16	32	41	65	37	42	31	10	26	40	28	43	411
Forecast	2026	17	31	39	61	35	41	44	38	22	34	24	37	423
<i>increase/decrease over 2025</i>														2.9%

Swing Bed Patient Days		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Actual	2021	155	74	51	87	66	49	138	160	74	150	67	43	1,114
Actual	2022	131	116	74	46	52	90	69	114	46	133	43	63	977
Actual	2023	75	98	49	61	59	66	61	102	67	61	57	69	825
Actual	2024	70	38	84	102	75	29	49	41	88	45	69	39	729
Actual/Projected	2025	76	115	101	79	62	108	101	166	89	122	91	102	1,212
Forecast	2026	94	138	122	97	79	74	90	138	89	129	92	106	1,248
<i>increase/decrease over 2025</i>														3.0%

Emergency Visits		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Actual	2021	294	240	235	263	346	387	477	428	327	286	229	364	3,876
Actual	2022	293	213	252	267	323	381	452	424	354	374	330	390	4,053
Actual	2023	324	253	244	283	371	375	467	416	346	342	280	385	4,086
Actual	2024	325	262	287	327	385	421	490	468	337	358	285	437	4,382
Actual/Projected	2025	384	297	309	289	357	368	447	462	367	361	308	422	4,370
Forecast	2026	388	303	313	294	360	432	502	481	348	342	292	403	4,458
<i>increase/decrease over 2025</i>														2.0%

Clinic visits		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Actual	2021	1,016	1,050	1,317	1,006	962	1,080	1,190	1,213	1,070	1,005	998	980	12,887
Actual	2022	908	750	1,097	971	987	1,122	892	1,103	991	930	1,069	925	11,745
Actual	2023	1,051	976	1,197	1,091	1,167	1,148	1,098	1,333	1,178	1,224	1,177	1,135	13,775
Actual	2024	1,264	1,132	1,146	1,233	1,314	1,150	1,243	1,216	1,234	1,264	1,063	1,237	14,496
Actual/Projected	2025	1,244	1,125	1,231	1,347	1,337	1,076	1,296	1,151	1,228	1,266	1,228	1,181	14,710
Forecast	2026	1,318	1,172	1,311	1,183	1,273	1,318	1,363	1,450	1,305	1,341	1,305	1,260	15,600
<i>increase/decrease over 2025</i>														6.1%

**Cascade Medical Center
Contractual Allowance Worksheet
Budget 2026**

	<u>Mcare</u>	<u>Mcaid</u>	<u>Other</u>	<u>Total</u>
\$	2,087,125	\$ 85,456	\$ 207,808	\$ 2,380,389
	370	15	37	423
\$	<u>7,186</u>	<u>6,978</u>	<u>72.6%</u>	<u>6,907.83</u>
\$	<u>2,662,188</u>	<u>105,848</u>	<u>150,849</u>	<u>2,918,885</u>
\$	(575,063)	\$ (20,392)	\$ 56,959	\$ (538,496)

-74.28% -23.86% 27.41%

	<u>Clinic</u>	<u>Mcare</u>	<u>Mcaid</u>	<u>Other</u>	<u>Total</u>
Revenue \$	2,421,439	\$ 635,822	\$ 1,957,108	\$ 5,014,369	
Visits	7,533	1,978			
Reimb Ra \$	<u>432.76</u>	<u>500.00</u>	<u>42.2%</u>	<u>101%</u>	
Total Pa \$	<u>3,260,085</u>	<u>989,040</u>	<u>825,527</u>	<u>5,074,652</u>	
-23% Cont Alloc \$	(838,646)	\$ (353,218)	\$ 1,131,581	\$ (60,283)	
	-34.63%	-55.55%			

-1%

	<u>Ambulanc</u>	<u>Mcare</u>	<u>Mcaid</u>	<u>Other</u>	<u>Total</u>
Revenue \$	1,766,768	\$ 435,868	\$ 1,173,569	\$ 3,376,204	
Reimb Ra	<u>42.0%</u>	<u>63.0%</u>	<u>57.0%</u>	<u>50%</u>	
Total Pa \$	<u>742,042</u>	<u>274,597</u>	<u>668,934</u>	<u>1,685,573</u>	
Contr All \$	1,024,725	\$ 161,271	\$ 504,634	\$ 1,690,631	

50%

\$	4,368,253	\$ -	\$ 48,585	\$ 4,416,838
	1,234	-	14	1,248
\$	<u>6,958</u>	<u>6,850</u>	<u>72.6%</u>	<u>6,910</u>
\$	<u>8,588,042</u>	<u>-</u>	<u>35,268</u>	<u>8,623,310</u>
\$	(4,219,789)	\$ -	\$ 13,317	\$ (4,206,472)

-95%

\$	15,567,183	\$ 4,895,907	\$ 14,161,427	\$ 34,624,517
	<u>54.1%</u>	<u>38.8%</u>	<u>49.0%</u>	<u>50%</u>
\$	<u>8,421,123</u>	<u>1,901,011</u>	<u>6,945,843</u>	<u>17,267,977</u>
\$	7,146,060	\$ 2,994,896	\$ 7,215,584	\$ 17,356,540

50%

\$	26,210,767	\$ 6,053,053	\$ 17,548,497	\$ 49,812,317
\$	2,537,287	2,782,557	8,922,076	14,241,920

	<u>Bad Debt</u>	<u>C.S.P</u>
Total Revenue		
Rate	<u>3.7%</u>	<u>1.5%</u>
29% Reserve	1,843,056	747,185

\$ 16,832,161	33.8%
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Cascade Medical
 FTE Budget, Staffing Additions
 FY 2026

Dept Number	Department	Authorized FTEs 2025	Requested Change in FTEs	Budgeted FTEs FY 2026	Notes
60000	Acute IP	16.80		16.80	
60100	Swing Bed	0.34		0.34	
80400	Central Supply	1.00		1.00	
60700	Laboratory	8.60		8.60	Added 1.0 Swing shift in 2025, has not been filled. V
60800	Cardiac Diagnostic	0.27		0.27	
60900	CT	0.48		0.48	Reallocation of Rad/CT/MRI time
61000	Radiology	5.73		5.73	Reallocation of Rad/CT/MRI time
61050	MRI	-		-	Reallocation of Rad/CT/MRI time
61100	Pharmacy	-		-	
61500	Physical Therapy	7.05	1.00	8.05	Wages not in budget
60500	Emergency Department	6.60		6.60	
60550	ED Providers	4.21		4.21	
60400	Ambulance	23.40	2.00	25.40	Wages not in budget
60600	Endoscopy	0.90		0.90	
60200	Clinic	17.80		17.80	1.0 Patient Experience vacant. Wages included in budget
60250	Clinic Providers	11.18		11.18	Operating at 10.38, do we need to change this?
61600	Occupational Therapy	1.60		1.60	
61700	Speech Therapy	0.60	0.20	0.80	Wages not in budget
61800	Cardiac Rehab	0.25	0.61	0.86	Wages not in budget
80800	Food/Nutrition Svcs	6.00		6.00	
81300	Laundry	1.00	1.00	2.00	Offsite locations requiring more time
81400	Materials Management	0.80		0.80	
81600	Plant Operations	3.00		3.00	
80600	Environmental Services	5.00		5.00	
81100	Information Technology	-		-	
80700	Fiscal Services	3.00		3.00	
80300	Business Office	8.00		8.00	
80100	Admitting	10.75		10.75	
80000	Administration	5.00		5.00	
81700	Public Relations	1.00		1.00	
81000	Human Resources	2.50		2.50	
83000	Foundation	0.75		0.75	
80900	Health Information Mgt	4.50	0.50	5.00	.5 to make 1.0 Outpatient Coder/Scanner
81900	Utilization Review	5.50		5.50	
81500	Nursing Admin	3.10	1.00	4.10	Add 1.0 Case Mgr-RN.
82000	Informatics	3.00	(1.00)	2.00	1.0 was vacant, role to be filled through ScaledHealth

Credentialing Approvals

Teleradiology Initial Privileges (1-year)

- Rachel Nelson, MD

Teleradiology Active Privileges: (2-years)

- Jason Grennen, MD

Locum Tenens Privileges: (90 Days)

- Theodore Weatherwax, MD
 - Theodore was emergently credentialed via the process for that due to the timing of coverage needs in the Emergency Department

RESOLUTION NO. 2025-05

**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 attached descriptions.

WHEREAS, the members of the commission approved a motion for the surplus of equipment at a regular meeting of the board on September 24, 2025.

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 dispose of the equipment in the attached description.

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 removed via disposal. 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 September 2025, the following commissioners being present and voting in favor of this resolution.

President and Commissioner

Secretary and Commissioner

Commissioner

Commissioner

Description	Serial No.	Model Number	CM Asset Tag No.	Market Value	Recommendation
High Low Desk			03044	\$0.00	Disposal
Hem. Analyzer Pentra 60 Cplus			2891	\$0.00	Disposal
Exam Table			02535	\$0.00	Disposal
Exam Table			00427	\$0.00	Disposal

SBAR: Final Step to Transition from Scale Compute Cluster to Nutanix

Situation

Cascade Medical is transitioning away from its existing Scale Compute cluster infrastructure and moving to a Nutanix-based solution. This change is driven by the need for improved performance, simplified management, and better scalability to support future growth and operational efficiency.

Background

The current Scaled Compute cluster has served its purpose but has begun to show limitations in terms of:

- Limited scalability and flexibility
- Increasing support and operational costs
- Challenges with integrating newer technologies and workloads

As Cascade Medical's technology demands evolve and expand, the existing infrastructure is no longer aligned with their strategic goals for modernization and scalability.

Assessment

After evaluating several options, Nutanix emerged as the preferred solution due to its:

- Hyperconverged infrastructure that simplifies operations by combining compute, storage, and virtualization
- Scalability to grow with the organization's needs without major overhauls
- Resilience and performance improvements over traditional clustered environments
- Ease of management through a unified interface and automation capabilities
- Cost-effectiveness in the long term through reduced overhead and support requirements

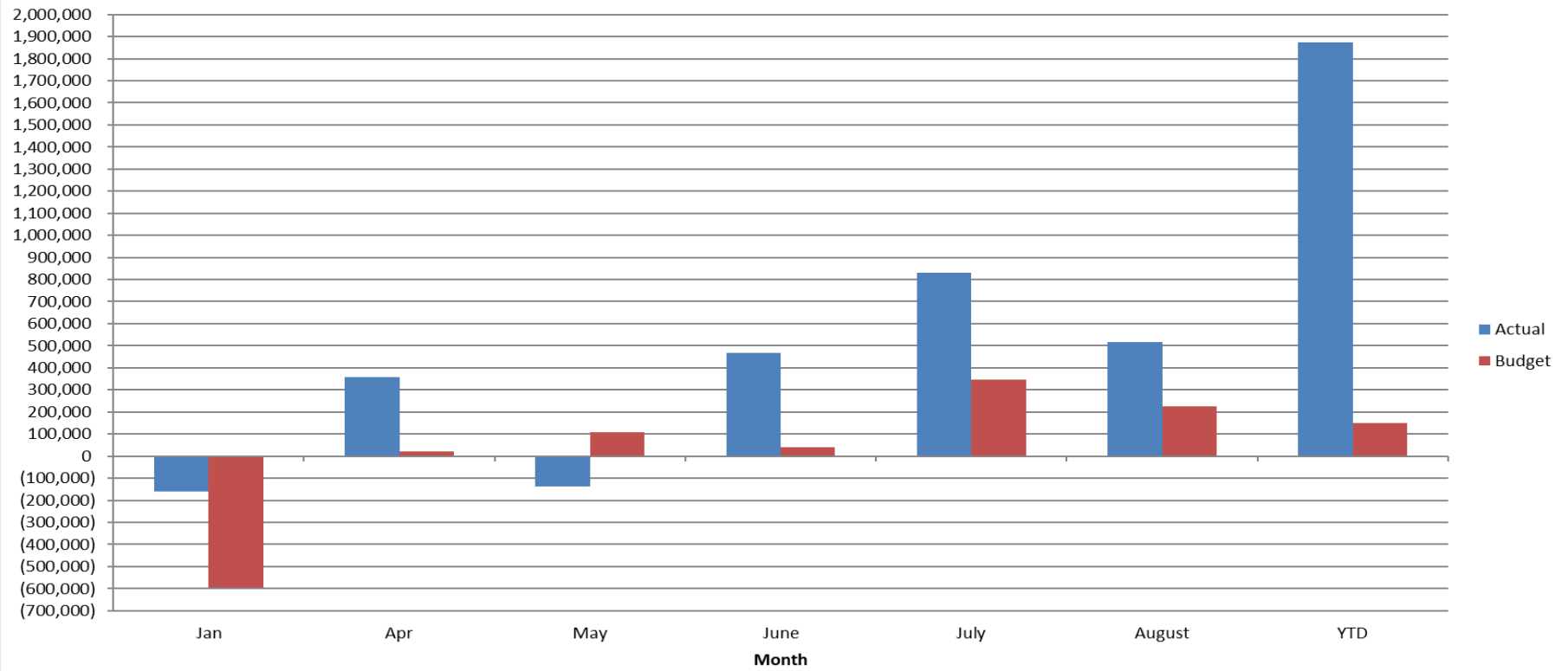
This transition aligns with Cascade Medical's IT modernization strategy by reducing technical debt and positions us for future cloud integration and digital transformation initiatives.

Recommendation

Cascade Medical began the multi-year investment in this replacement effort in late 2024/early 2025 by installing 3 new Nutanix nodes into the network, understanding 1 additional node would need to be procured and installed to fully decommission the existing Scaled Compute Cluster. The cost of this additional node, with installation, is \$42,875.85; this amount is included in our 2025 capital budget, so this purchase is planned.

The recommendation is to proceed with the final node procurement to round out the migration to Nutanix.

Cascade Medical Net Surplus/(Deficit) - 2025



**Cascade Medical Center
Financial Performance Summary
Year-to-Date - August, 2025**

000's omitted

YTD August

Net Margin

Actual	1,875
Budget	149
Better (Worse) than Budget	1,725

Variance Analysis - favorable vs (unfavorable)

Gross Revenue - Endo \$357; SBed \$356; Acute \$235; ED (\$199); Clinic (\$221); Pharmacy (\$242); CT (\$511)	(155)
Contractual Allowances	2,520
Net Patient Revenue	2,365
Other Operating Revenue - Safety Net (\$236); 340B (\$130)	(195)
Total Operating Revenue	2,170

Expenses

Salaries & Benefits	(41)
Prof. Fees - Informatics (\$334); ED Providers (\$108); HR (\$81); Admin (\$81)	(630)
Supplies - Pharmacy - \$104; Lab \$94	201
Purchased Services/Repairs - Info Tech \$72; Bus Off \$44; Plant \$39; Rad \$35; Amb (\$43)	116
Other Operating Expenses	(91)
Total Operating Expenses	(444)

Non-Operating Revenues & Expenses	(1)
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Actuals Better/(worse) than Budget	1,725
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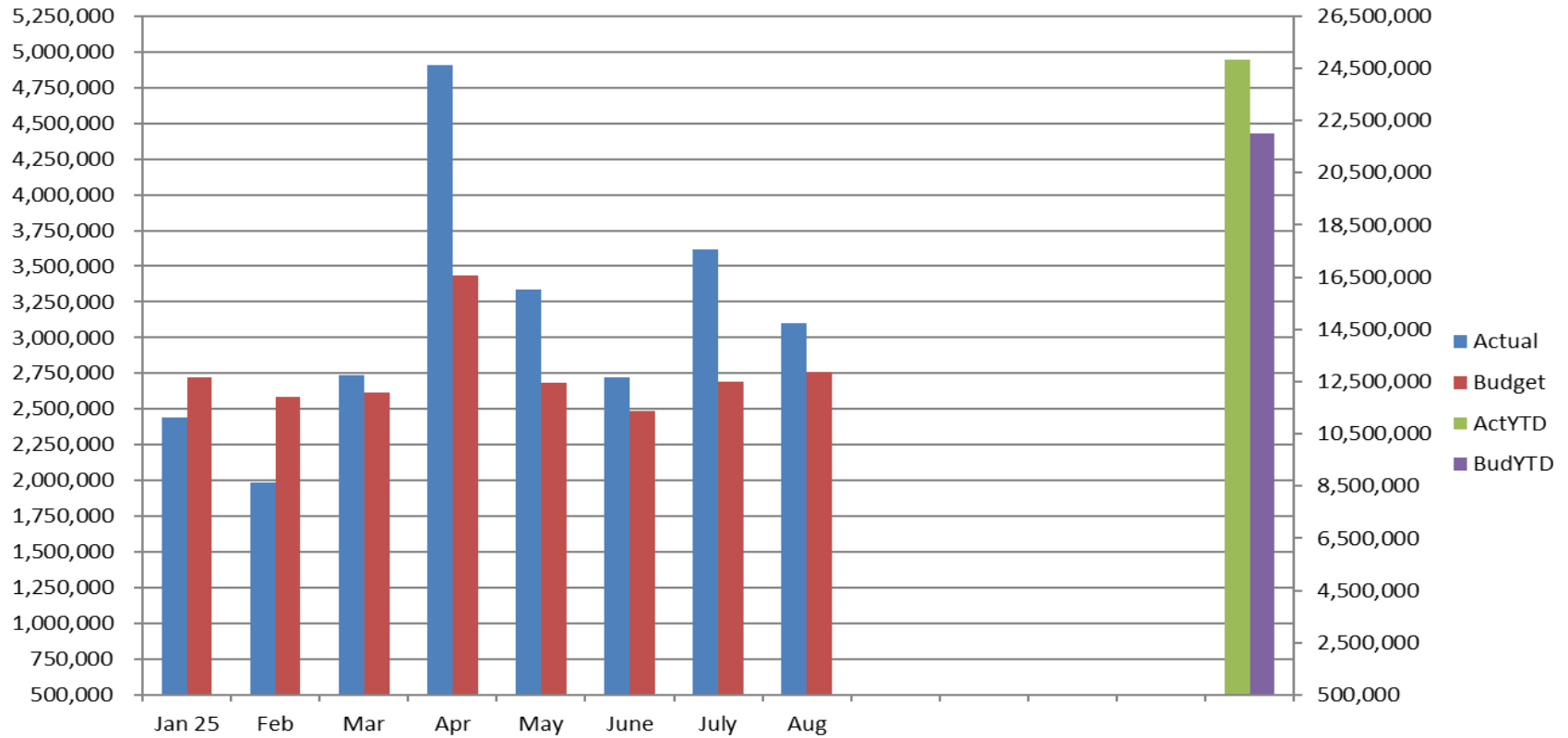
Cascade Medical Center
Statement of Revenues, Expenses and Net Income
For the Month Ending August 31, 2025

	----- Current Period -----			----- Year-to-Date -----			Prior YTD
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating revenues							
Net Patient Revenue	3,105,383	2,676,359	429,024	21,999,665	19,635,215	2,364,450	19,372,269
Grants, Contribs, Other Op Revenue	260,532	101,695	158,837	1,081,242	1,276,560	(195,318)	1,224,319
Tax Levies, unrestricted	<u>146,762</u>	<u>146,762</u>	<u>-</u>	<u>1,174,096</u>	<u>1,174,096</u>	<u>-</u>	<u>1,161,800</u>
Total Operating Revenue	3,512,677	2,924,816	587,861	24,255,003	22,085,871	2,169,132	21,758,388
Operating expenses							
Salaries & Benefits	1,912,450	1,888,180	(24,270)	14,973,091	14,932,246	(40,845)	13,424,983
Professional fees	290,410	141,043	(149,367)	1,942,969	1,313,057	(629,912)	1,444,151
Supplies	194,414	158,245	(36,169)	1,227,949	1,428,582	200,633	1,338,860
Purchased services	202,654	188,023	(14,631)	1,463,571	1,579,504	115,933	1,432,918
Depreciation	189,227	167,320	(21,907)	1,499,375	1,338,560	(160,815)	1,342,122
Other Operating Expenses	<u>298,977</u>	<u>244,579</u>	<u>(54,398)</u>	<u>1,991,563</u>	<u>2,061,896</u>	<u>70,333</u>	<u>1,801,965</u>
Total operating expenses	3,088,131	2,787,390	(300,741)	23,098,518	22,653,845	(444,673)	20,784,998
Operating gain / (loss)	424,546	137,426	287,120	1,156,485	(567,974)	1,724,459	973,391
Nonoperating revenues (expenses)							
Tax Levies, restricted	113,918	113,918	-	911,344	911,344	-	901,128
Interest expense on bonds	(23,324)	(23,324)	(0)	(186,594)	(186,592)	(2)	(202,617)
Other Non-Operating rev (exp)	<u>(188)</u>	<u>(939)</u>	<u>751</u>	<u>(6,638)</u>	<u>(7,512)</u>	<u>874</u>	<u>(5,364)</u>
Total nonoperating rev (exp), net	90,406	89,655	750	718,112	717,240	872	693,147
Net Income	514,952	227,081	287,871	1,874,597	149,266	1,725,331	1,666,538

Cascade Medical Center
Statement of Revenues, Expenses and Net Income
For the Month Ending August 31, 2025

	----- Current Period -----			----- Year-to-Date -----			Prior YTD
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating revenues							
Gross Patient Revenue	4,226,497	4,302,136	(75,639)	30,219,248	30,374,369	(155,122)	28,056,210
less:							
Contractual Allowances	958,545	1,402,066	443,521	7,026,977	9,159,686	2,132,709	7,389,354
Reserve for Bad Debts	129,096	159,179	30,083	969,488	1,123,852	154,364	921,148
Reserve for Financial Assistance	33,473	64,532	31,059	223,118	455,616	232,498	373,438
Total Deductions from Revenue	1,121,114	1,625,777	504,663	8,219,582	10,739,154	2,519,572	8,683,941
Net Patient Revenue	3,105,383	2,676,359	429,024	21,999,665	19,635,215	2,364,450	19,372,269
Grants, Contributions	-	2,000	(2,000)	58,760	71,000	(12,240)	173,350
Other Operating Revenue	260,532	99,695	160,837	1,022,482	1,205,560	(183,078)	1,050,970
Tax Levies, unrestricted	146,762	146,762	-	1,174,096	1,174,096	-	1,161,800
Total Operating Revenue	3,512,677	2,924,816	587,861	24,255,003	22,085,871	2,169,132	21,758,388
Operating expenses							
Salaries and wages	1,557,510	1,564,679	7,169	12,244,866	12,296,295	51,429	11,073,982
Employee benefits	354,939	323,501	(31,438)	2,728,225	2,635,951	(92,274)	2,351,001
Professional fees	290,410	141,043	(149,367)	1,942,969	1,313,057	(629,912)	1,444,151
Supplies	194,414	158,245	(36,169)	1,227,949	1,428,582	200,633	1,338,860
Utilities	27,960	26,893	(1,067)	202,213	209,032	6,819	185,474
Repairs and maintenance	32,878	25,640	(7,238)	174,085	217,775	43,690	193,179
Purchased services	169,776	162,383	(7,393)	1,289,486	1,361,729	72,243	1,239,739
Continuing medical education	4,534	2,488	(2,046)	12,017	25,904	13,887	11,065
Other expenses	59,246	25,146	(34,100)	228,811	253,897	25,086	210,308
Dues and subscriptions	101,105	83,056	(18,049)	799,607	710,372	(89,235)	670,298
Travel / training / meetings	25,640	22,971	(2,669)	175,620	196,948	21,328	214,356
Leases and rentals	28,004	17,040	(10,964)	206,156	136,325	(69,831)	140,388
Depreciation	189,227	167,320	(21,907)	1,499,375	1,338,560	(160,815)	1,342,122
Licenses and taxes	29,502	42,743	13,241	187,115	336,358	149,243	204,771
Insurance	21,661	23,023	1,362	169,416	183,308	13,892	154,697
Interest	1,326	1,219	(107)	10,607	9,752	(855)	10,607
Total operating expenses	3,088,131	2,787,390	(300,741)	23,098,518	22,653,845	(444,673)	20,784,998
Operating gain / (loss)	424,546	137,426	287,120	1,156,485	(567,974)	1,724,459	973,391
Nonoperating revenues (expenses)							
Tax Levies, restricted	113,918	113,918	-	911,344	911,344	-	901,128
Interest expense on bond financing	(23,324)	(23,324)	(0)	(186,594)	(186,592)	(2)	(202,617)
Gain (loss) on disposal of equipment	-	-	-	-	-	-	-
Investment income	1,581	830	751	7,516	6,640	876	8,791
Net of bond premium/amortization	(1,769)	(1,769)	(0)	(14,154)	(14,152)	(2)	(14,154)
CARES Funds	-	-	-	-	-	-	-
PPP Loan Proceeds	-	-	-	-	-	-	-
Total nonoperating revenues (expenses), net	90,406	89,655	750	718,112	717,240	872	693,147
Net Income	514,952	227,081	287,871	1,874,597	149,266	1,725,331	1,666,538

Cascade Medical 2025 Cash Receipts



Cascade Medical
 Statistics Summary - 2025

	YTD 2024 avg/mo	apr25	may	jun	jul	aug	2025 Act mo	2025 Bud mo	Act/Bud % var	2025 Act YTD Tot	2025 Act avg/mo	2025 Bud YTD Tot	2025 Bud avg/mo	Act/Bud % var
Acute Care	32	65	37	42	31	10	10	40	-75.3%	274	34	267	33	2.7%
Swing Bed	61	79	62	108	101	166	166	43	286.0%	809	101	501	63	61.5%
Laboratory tests	3,312	3,372	3,831	3,298	3,620	3,410	3,410	3,672	-7.1%	26,995	3,374	27,093	3,387	-0.4%
Radiology exams	363	346	387	364	382	385	385	443	-13.1%	2,926	366	3,036	380	-3.6%
CT scans	156	147	130	130	166	177	177	163	8.6%	1,127	141	1,248	156	-9.7%
ED visits	371	289	357	368	447	462	462	477	-3.1%	2,913	364	3,024	378	-3.7%
Ambulance runs	70	68	79	73	110	98	98	92	6.5%	616	77	568	71	8.5%
Clinic visits	1,212	1,347	1,337	1,076	1,296	1,151	1,151	1,517	-24.1%	9,807	1,226	10,869	1,359	-9.8%
Rehab procedures	2,123	2,267	2,291	2,225	2,397	1,835	1,835	2,591	-29.2%	18,014	2,252	19,978	2,497	-9.8%

Patient Statistics

	2024		2 0 2 5										2025	
	YTD Mo Avg	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD Mo Avg
Admits														
Acute Care	8.5	4	7	6	6	9	7	7	1					5.9
Short Stay	7.0	2	5	4	4	6	10	5	11					5.9
Swing Bed	3.8	8	6	4	6	6	8	5	11					6.8
Respite Care	0.6	-	1	1	1	-	-	-	-					0.4
Total Admits	19.9	14	19	15	17	21	25	17	23					18.9
Patient Days														
Acute Care	4.9	16	32	41	65	37	42	31	10					34.3
Short Stay	1.3	3.4	8.1	5.8	4.3	9.0	14.4	5.4	9.4					7.5
Swing Bed	5.1	76	115	101	79	62	108	101	166					101.0
Respite Care	-	-	9	27	33	4	-	-	-					9.1
Total Patient Days	11.3	95.4	164.1	174.8	181.3	112.0	164.4	137.4	185.4					151.9
Average Length of Stay	0.6	6.8	8.6	11.7	10.7	5.3	6.6	8.1	8.1					8.2
Average Patients per Day	0.4	3.1	5.9	5.6	6.0	3.6	5.5	4.4	6.0					5.0
Worked FTEs	-													#DIV/0!
FTEs (W/ Non-Working Pay*)	-													#DIV/0!
Laboratory (tests)	3,312	3,192	2,871	3,401	3,372	3,831	3,298	3,620	3,410					3,374
Radiology (tests)	315	333	322	269	261	317	321	334	317					309
Mammography (tests)	35	37	28	37	58	55	25	28	45					39
MRI	-	-	-	-	-	-	-	-	2					0
Cardiac Diagnostics	108	117	99	103	88	109	121	125	143					113
CT (Scans)	156	128	124	125	147	130	130	166	177					141
DXA (Scans)	14	9	11	16	27	15	18	20	21					17
PT (services billed)	1,735	1,948	1,753	1,951	1,856	1,854	1,780	1,951	1,380					1,809
ER (visits/procedures)	371	384	297	309	289	357	368	447	462					364
Ambulance (runs)	70	72	61	55	68	79	73	110	98					77
Clinic (visits)	1,212	1,244	1,125	1,231	1,347	1,337	1,076	1,296	1,151					1,226
Occupational Therapy	312	382	428	378	333	358	361	372	345					370
Speech Therapy	58	8	20	31	46	33	34	25	47					31
Cardiac Rehab	19	27	25	48	32	46	50	49	63					43
Endoscopy Procedures	22	36	28	27	21	24	22	18	23					23
REVENUE COMPARISON														
	2024		2 0 2 5										2025	
	YTD Mo Avg	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD Mo Avg
Acute Care	\$ 104,220	\$ 57,307	\$ 104,501	\$ 144,631	\$ 222,325	\$ 124,727	\$ 141,582	\$ 104,501	\$ 33,710					\$ 116,661
Short Stay	30,311	11,780	28,086	20,565	15,046	31,956	49,935	19,688	34,813					26,484
Respite Care	1,657	-	4,950	13,200	18,150	2,200	-	-	-					4,813
Swing Bed	158,914	203,625	314,940	274,215	211,770	168,330	293,220	274,215	450,690					273,876
Central Supply	35,917	27,807	27,752	31,866	30,874	30,616	48,832	40,249	51,746					36,218
Laboratory	396,828	405,807	390,208	452,804	420,591	476,783	421,429	446,219	428,503					430,293
Cardiac Diagnostics	32,013	34,552	26,497	36,202	31,014	33,449	37,729	38,572	41,459					34,934
CT	567,920	493,508	471,563	515,803	518,809	536,612	475,305	670,371	694,128					547,012
Radiology	179,984	212,018	202,732	177,207	197,311	208,655	217,729	224,833	201,922					205,301
Mammography	22,549	24,274	20,556	26,208	43,380	40,645	17,562	20,692	33,514					28,354
MRI	-	-	-	-	-	-	-	-	6,637					830
Pharmacy	148,136	86,312	132,280	97,946	102,823	99,578	107,285	212,940	133,036					121,525
Respiratory Therapy	112	188	-	-	-	-	-	94	-					47
Physical Therapy	199,415	228,695	215,046	231,617	229,908	213,404	212,847	228,594	162,242					215,294
Emergency Room	852,224	786,626	797,025	765,715	737,733	882,666	832,543	1,223,849	1,101,369					890,941
Ambulance	245,569	217,830	232,208	240,049	218,017	259,457	275,290	434,339	299,411					272,075
Clinic	372,018	242,943	347,436	416,090	512,242	299,056	454,005	358,993	365,530					374,537
Occupational Therapy	41,343	51,750	59,487	51,402	46,202	51,842	50,756	53,918	54,150					52,438
Outpatient Diagnostic Svcs	87,748	55,584	132,454	217,126	8,197	91,597	170,967	77,274	69,396					102,824
Speech/Contracted Svcs	21,159	3,410	8,443	12,281	17,830	12,022	13,036	9,448	15,675					11,518
Cardiac Rehab	4,303	6,399	5,925	10,902	7,821	9,480	9,954	11,613	14,931					9,628
Wound Care	-	-	-	16,277	7,602	33,635	3,528	40,775	28,266					16,260
Dietary/Contracted Svcs	-	4,892	4,208	6,540	6,635	5,923	4,432	6,448	5,370					5,556
Total Patient Revenue	\$ 3,502,340	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	\$ 3,777,406

Increase (Decrease) in Cash and Cash Equivalents
 Cascade Medical Center
 For the Month Ending August 31, 2025

	<u>Aug-25</u>	<u>2025 YTD</u>	<u>2024 YTD</u>
<i>Cash flows from operating activities</i>			
Receipts from and on behalf of patients	\$ 2,830,953	\$ 21,847,278	\$ 19,609,723
Other receipts	\$ 189,641	\$ 736,775	\$ 616,019
Payments to & on behalf of employees	\$ (1,587,622)	\$ (12,915,890)	\$ (11,602,060)
Payments to suppliers and contractors	<u>\$ (1,291,208)</u>	<u>\$ (8,752,912)</u>	<u>\$ (7,874,824)</u>
Net cash gained / (used) in operating activities	\$ 141,763	\$ 915,251	\$ 748,858
<i>Cash flows from noncapital financing activities</i>			
Taxation for maintenance and operations, EMS	\$ 13,243	\$ 1,391,831	\$ 1,376,359
Noncapital grants and contributions	<u>\$ -</u>	<u>\$ 23,555</u>	<u>\$ 74,835</u>
Net cash provided by noncapital financing activities	\$ 13,243	\$ 1,415,386	\$ 1,451,194
<i>Cash flows from capital and related financing activities</i>			
Taxation for bond principal and interest	\$ 5,199	\$ 415,535	\$ 398,799
Purchase of capital assets	\$ (10,794)	\$ (440,842)	\$ (1,075,544)
Payments toward construction in progress		\$ (57,243)	\$ (293,925)
Proceeds from disposal of capital assets		\$ -	\$ 30,000
Proceeds from long-term debt		\$ -	\$ -
Principle & Interest paid on long-term debt		\$ -	\$ (151,963)
Bond maintenance & issuance costs	\$ (550)	\$ (140,495)	\$ (550)
Capital grants and contributions		\$ 1,578	\$ 98,515
Net cash provided by capital and related financing activities	<u>\$ (6,145)</u>	<u>\$ (221,467)</u>	<u>\$ (994,667)</u>
<i>Cash flows from investing activities</i>			
Investment Income	<u>\$ 58,996</u>	<u>\$ 433,733</u>	<u>\$ 439,251</u>
Net increase (decrease) in cash and cash equivalents	\$ 207,857	\$ 2,542,903	\$ 1,644,636
Cash and Cash equivalents, beginning of period	<u>\$ 18,579,767</u>	<u>\$ 16,244,722</u>	<u>\$ 14,238,144</u>
Cash and cash equivalents, end of period	<u><u>\$ 18,787,625</u></u>	<u><u>\$ 18,787,625</u></u>	<u><u>\$ 15,882,780</u></u>

Forecasted Statement of Cash Flows
Cascade Medical Center
For the year ending December 31, 2025

	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Actual/Forecast	Budget
	1st Qtr	2nd Qtr	July	August	September	3rd Qtr	4th Qtr	Year End 2025	2025
Cash balance, beginning of period	\$ 16,244,722	\$ 15,804,610	\$ 17,924,086	\$ 18,579,768	\$ 18,787,625	\$ 17,924,086	\$ 19,069,969	\$ 16,244,722	\$ 16,377,421
Cash available for operating needs	\$ 16,030,043	\$ 15,490,527	\$ 17,063,651	\$ 17,713,816	\$ 17,913,369	\$ 17,063,651	\$ 18,174,827	\$ 16,030,043	\$ 16,149,621
Cash restricted to debt service, other restricted funds	\$ 214,679	\$ 314,084	\$ 860,435	\$ 865,952	\$ 874,257	\$ 860,435	\$ 895,142	\$ 214,679	\$ 227,800
<i>Cash flows from operating activities</i>									
Receipts from and on behalf of patients	\$ 6,650,312	\$ 9,102,107	\$ 3,263,907	\$ 2,830,953	\$ 2,707,129	\$ 8,801,988	\$ 7,594,992	\$ 32,149,399	\$ 29,250,631
Grant receipts	\$ 5,882	\$ 1,000	\$ 18,251	\$ -	\$ 2,000	\$ 20,251	\$ 6,000	\$ 33,133	\$ 79,000
Other receipts	\$ 128,869	\$ 150,750	\$ 267,515	\$ 189,641	\$ 49,460	\$ 506,616	\$ 281,380	\$ 1,067,615	\$ 1,134,520
Payments to or on behalf of employees	\$ (4,509,223)	\$ (5,387,447)	\$ (1,431,599)	\$ (1,587,622)	\$ (1,669,089)	\$ (4,688,310)	\$ (4,958,632)	\$ (19,543,612)	\$ (21,688,558)
Payments to suppliers and contractors	\$ (2,920,241)	\$ (3,258,175)	\$ (1,283,287)	\$ (1,291,208)	\$ (815,200)	\$ (3,389,696)	\$ (2,325,213)	\$ (11,893,325)	\$ (9,574,652)
Net cash provided by operating activities	\$ (644,401)	\$ 608,235	\$ 834,787	\$ 141,763	\$ 274,299	\$ 1,250,850	\$ 598,527	\$ 1,813,210	\$ (799,059)
<i>Cash flows from noncapital financing activities</i>									
Unencumbered M & O taxation	\$ -	\$ -	\$ -	\$ -	\$ 436	\$ 436	\$ 281,706	\$ 282,142	\$ 282,142
Taxation for Emergency Medical Services	\$ 126,094	\$ 866,356	\$ 5,255	\$ 9,588	\$ 27,469	\$ 42,312	\$ 737,725	\$ 1,772,487	\$ 1,761,145
Investment Income	\$ 155,144	\$ 159,822	\$ 59,772	\$ 58,996	\$ 49,990	\$ 168,758	\$ 149,970	\$ 633,694	\$ 599,880
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ 90,000
Net cash provided by noncapital financing activities	\$ 281,238	\$ 1,026,178	\$ 65,027	\$ 68,584	\$ 77,895	\$ 211,506	\$ 1,259,401	\$ 2,778,322	\$ 2,733,167
Proceeds from Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Funds Expended for Capital Purchases	\$ (176,354)	\$ (61,288)	\$ (249,649)	\$ (10,794)	\$ (90,736)	\$ (351,179)	\$ (272,205)	\$ (861,026)	\$ (1,088,829)
Increase/(decrease) in cash available for operations	\$ (539,517)	\$ 1,573,124	\$ 650,165	\$ 199,553	\$ 261,458	\$ 1,111,176	\$ 1,585,723	\$ 3,730,507	\$ 845,279
Cash available for operating needs	\$ 15,490,527	\$ 17,063,651	\$ 17,713,816	\$ 17,913,369	\$ 18,174,827	\$ 18,174,827	\$ 19,760,550	\$ 19,760,550	\$ 16,994,900
Taxation for bond prin & int (incl encumbd M&O)	\$ 99,405	\$ 686,297	\$ 5,517	\$ 8,855	\$ 20,885	\$ 35,256	\$ 290,923	\$ 1,111,881	\$ 1,084,874
Principle & Interest paid on long-term debt	\$ -	\$ (139,945)	\$ -	\$ (550)	\$ -	\$ (550)	\$ (981,945)	\$ (1,122,440)	\$ (1,121,890)
Restricted grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(decrease) in restricted cash	\$ 99,405	\$ 546,352	\$ 5,517	\$ 8,305	\$ 20,885	\$ 34,706	\$ (691,022)	\$ (10,559)	\$ (37,016)
Cash restricted to debt service, other restricted funds	\$ 314,084	\$ 860,435	\$ 865,952	\$ 874,257	\$ 895,142	\$ 895,142	\$ 204,120	\$ 204,120	\$ 190,784
Cash balance, end of period	\$ 15,804,610	\$ 17,924,086	\$ 18,579,768	\$ 18,787,625	\$ 19,069,969	\$ 19,069,969	\$ 19,964,670	\$ 19,964,670	\$ 17,185,684

**CASCADE MEDICAL CENTER
EMERGENCY MEDICAL SERVICES - AUGUST, 2025**

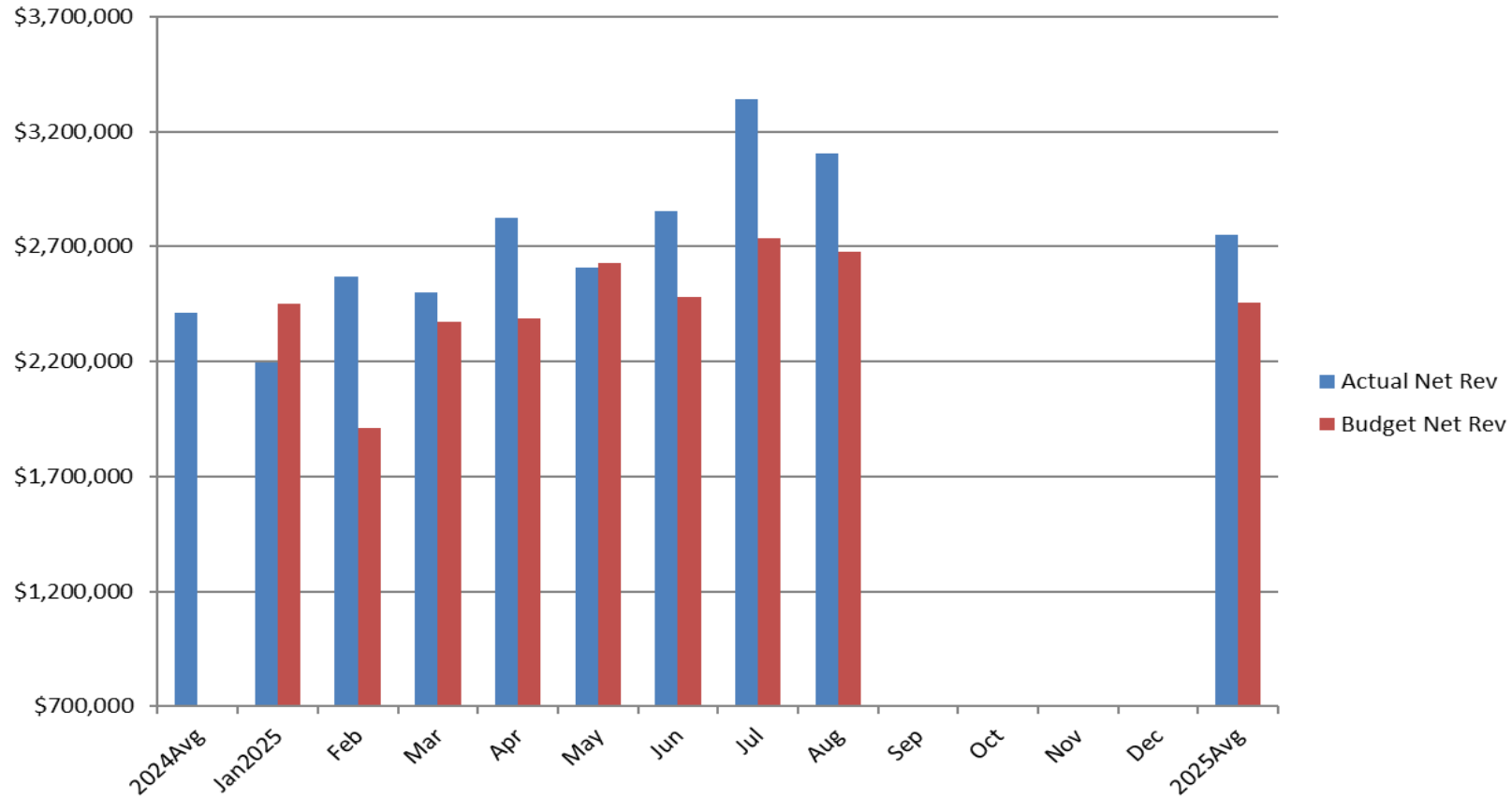
REVENUE	EMERGENCY ROOM		AMBULANCE		COMBINED EMERGENCY MEDICAL SERVICES		
	8/31/2025	8/31/2025 YTD	8/31/2025	8/31/2025 YTD	8/31/2025	8/31/2025 YTD	8/31/2024 YTD
PATIENT REVENUE	1,101,369	7,127,524	299,411	2,176,601	\$1,400,780	\$9,304,125	\$8,782,344
DEDUCTIONS FROM REVENUE CONTRACTUAL ALLOWANCE, BAD DEBT & CHARITY CARE	\$640,776	\$4,146,794	\$160,394	\$1,166,005	\$801,171	\$5,312,799	\$5,019,002
NET PATIENT REVENUE	\$460,592	\$2,980,731	\$139,017	\$1,010,596	\$599,609	\$3,991,327	\$3,763,342
OTHER OPERATING REVENUE	\$0	\$0	-	-	\$0	\$0	\$43,198
TOTAL OPERATING REVENUE	\$460,592	\$2,980,731	\$139,017	\$1,010,596	\$599,609	\$3,991,327	\$3,806,540
OPERATING EXPENSES							
SALARIES AND WAGES	237,410	1,671,916	158,455	1,253,276	\$395,865	\$2,925,192	\$2,649,812
EMPLOYEE BENEFITS	28,712	247,222	40,730	304,979	\$69,441	\$552,202	\$477,391
PROFESSIONAL FEES	28,312	154,022	-	900	\$28,312	\$154,922	\$99,673
SUPPLIES	6,109	49,771	8,035	68,726	\$14,144	\$118,496	\$118,355
FUEL	-	-	3,618	19,046	\$3,618	\$19,046	\$14,430
REPAIRS AND MAINT.	3,413	3,413	10,177	54,095	\$13,590	\$57,508	\$35,026
PURCHASED SERVICES	2,892	28,596	15,614	132,745	\$18,506	\$161,341	\$156,234
CONTINUING MEDICAL EDUCATION	2,384	7,152	1,014	8,552	\$3,398	\$15,704	\$15,296
DUES	1,930	10,234	657	17,079	\$2,586	\$27,312	\$25,428
OTHER EXPENSES	280	2,267	577	6,906	\$857	\$9,173	\$48,750
LEASES / RENTALS	-	1,039	5,239	40,986	\$5,239	\$42,025	\$28,227
DEPRECIATION	4,570	36,562	23,841	190,726	\$28,411	\$227,288	\$176,947
TAXES AND LICENSES	-	25	667	844	\$667	\$869	\$3,901
INSURANCE	837	6,699	3,359	26,870	\$4,196	\$33,569	\$44,269
OVERHEAD COSTS	193,085	1,447,010	111,806	837,891	\$304,891	\$2,284,901	\$2,139,947
TOTAL OPERATING EXPENSES	\$509,933	\$3,665,928	\$383,787	\$2,963,620	\$893,720	\$6,629,548	\$6,033,685
MARGIN ON OPERATIONS	(\$49,341)	(\$685,199)	(\$244,770)	(\$1,953,025)	(\$294,111)	(\$2,638,220)	(\$2,227,145)
TAX REVENUE					\$146,762	\$1,174,096	\$1,161,800
NET MARGIN WITH TAX REVENUE					(\$147,349)	(\$1,464,124)	(\$1,065,345)
STATISTICS (ER - visits/procedures, AMB - billed runs) - 2025	462	2,913	98	616			
Total Ambulance Runs (includes unbillable runs)			130	877			
STATISTICS (ER - visits/procedures, AMB - billed runs) - 2024	468	2,965	92	562			
Total Ambulance Runs (includes unbillable runs)			133	821			

Cascade Medical Center
Balance Sheet
As of August 31, 2025 and December 31, 2024

	Aug 2025	Dec 2024		Aug 2025	Dec 2024
ASSETS			LIABILITIES & FUND BALANCE		
Current Assets			Current Liabilities		
Cash and Cash Equivalents	1,225,479	961,831	Accounts Payable	480,741	367,456
Savings Account	16,048,502	14,144,282	Accrued Payroll	976,888	665,443
Patient Account Receivable	7,350,656	8,085,162	Refunds Payable	-	-
less: Reserves for Contractual Allowances	(3,332,036)	(4,278,265)	Accrued PTO	983,385	984,137
Inventories and Prepaid Expenses	326,776	319,451	Payroll Taxes & Benefits Payable	(127,880)	82,610
Taxes Receivable - M&O Levy	76,986	11,990	Accrued Interest Payable	69,973	23,324
- EMS Levy	201,879	31,939	Current Long Term Debt	845,284	850,397
Other Assets	663,559	622,759	Current OPEB Liability	910,361	942,361
Total Current Assets	<u>22,561,801</u>	<u>19,899,150</u>	Short Term Lease	36,493	36,493
			ST Subscriptions	13,039	13,039
Assets Limited as to Use			Settlement Payable	(33,625)	(33,625)
Cash and Cash Equivalents			Total Current Liabilities	<u>4,154,658</u>	<u>3,931,636</u>
Funded Depreciation	701,365	681,259	Long Term Liabilities		
CVB Memorial Fund	1,275	1,275	Notes Payable	191,323	191,323
UTGO Bond Payable Fund	431,697	76,126	Covid SHIP Funding	-	-
LTGO Bond Payable Fund	16,761	47,292	PPP Note Payable	-	-
Investment Memorial Fund	142,097	138,023	CARES Act Funds Reserve	-	-
Settlement Account	186,104	180,769	UTGO Bond Payable	3,848,000	3,848,000
Paycheck Protection Loan Proceeds	-	-	LTGO Bond Payable	3,985,000	3,985,000
Cash - EMS	116,087	68,794	Deferred Revenue/Bond Premium	74,138	77,880
	<u>1,595,385</u>	<u>1,193,538</u>	Long Term OPEB/Pension Liability	2,616,403	2,616,404
Taxes Receivable - Construction Bond Levy	67,822	12,315	Long Term ROU Leases	5,359	5,359
Total Assets Limited as to Use	<u>1,663,207</u>	<u>1,205,853</u>	Long Term Subscriptions	-	-
			Total Long Term Liabilities	<u>10,720,224</u>	<u>10,723,966</u>
Property, Plant and Equipment			Total Liabilities	<u>14,874,881</u>	<u>14,655,601</u>
Land	522,015	522,015	Fund Balance - Prior Years	16,703,846	16,703,846
Land Improvements	1,420,326	1,420,326	Fund Balance - Current Year	1,874,597	-
Buildings & Improvements	10,709,788	10,709,788	Total Fund Balance	<u>18,578,443</u>	<u>16,703,846</u>
Fixed Equip - Hospital	9,698,477	9,676,405			
Major Movable Equipment Hospital	9,228,692	8,820,605			
Construction in Progress	75,689	18,446			
Total Property, Plant and Equipment	<u>31,654,987</u>	<u>31,167,585</u>			
Less: Accumulated Depreciation	(24,332,855)	(22,833,480)			
	<u>7,322,132</u>	<u>8,334,105</u>			
ROU Leases					
ROU Leases	214,816	214,816			
Less Accumulated Amortization	(144,523)	(144,523)			
	<u>70,293</u>	<u>70,293</u>			
Other Assets					
Long Term Pension Assets	472,138	472,138			
Deferred OPEB/Pension Costs	1,097,906	1,097,906			
Deferred Bond Costs	265,847	280,002			
TOTAL ASSETS	<u>33,453,324</u>	<u>31,359,447</u>	TOTAL LIABILITIES & FUND BALANCE	<u>33,453,324</u>	<u>31,359,447</u>

Cascade Medical

2025 Net Patient Revenue, Actual vs. Budget



Days in Net Accounts Receivable

