

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:01 a.m. Tuesday, January 27, 2026. The meeting was held in the McKinley Building Conference Room at 507 Hospital Way, Brewster WA 98812 and virtually via the Microsoft Teams platform. The presiding officer was Mike Pruett, Board Chair.

A quorum was present, including:

Mike Pruett, Board Chair
Cherri Thomas, Vice-Chair
Leslie McNamara, Secretary
Tracy Shrable, Member
David Garcia, Member

Others present:

Onsite

J. Scott Graham, Chief Executive Officer
Jamie Boyer, Chief Operating Officer
Anita Fisk, Chief Human Resources Officer
Antone Eek, Interim Chief Financial Officer
Shauna Field, Administrative Assistant
Tina Smith, Chief Nursing Officer
Beronica Lopez, Clinic Manager
Mike Oberg, Informatics RN
Dan Webster, Foundation President
Kevin, Reporter from KHQ

Via Teams

German Meza, Quality Director
Brett Mallo, Chief Information Officer
Jeremy Vandelac, Ancillary Services Director
Karen Hurley, Assistant Chief Nursing Officer
Michele Graham, Quality Coordinator
Jennifer Bach, Accounting Controller
Rosie Poole, HIM and Coding Manager
Sandra Zamudio, Accounting Tech
Dr. Ty Witt, Chief Medical Officer
Daniel Dinjian, Environmental Services Manager
Veronica Orozco, HR Assistant
Jennifer Best, PR/Marketing
Rob Wylie, Facilities Manager
Michelle Welton, OR Manager
Isaura Ochoa, Patient Services Representative
Sergio Orozco, Bridgeport Mayor
Charli Cozza, DZA
Shar Sheaffer, DZA
Kathleen Lince, State Attorney's Office

Vision, Mission & Values

All took turns reading the vision, mission, and values statements.

Agenda

Time for questions regarding additional reports was added after agenda item L. A motion was made by C. Thomas to accept the amended agenda as official; seconded by D. Garcia. Motion carried.

Minutes from Previous Meeting

A motion was made by C. Thomas to approve the January 6, 2025 Regular Board Meeting Minutes; seconded by L. McNamara. Motion carried.

Public Comment

L. McNamara recognized Marie Richerson, Employee Health and Infectious Control RN, as the employee spotlight.

Consent Items

M. Pruettt noted the payroll and vouchers listed on the agenda. There were no medical staff applications. L. McNamara recused herself from the 12/31/25 vouchers due to a personal reimbursement and the 1/15/26 vouchers due to an invoice to Grover's. Bad debt and charity care reports were unavailable.

Payroll Total:	Gross: <u>\$ 729,188.82</u>	Net: <u>\$ 516,024.69</u>
<u>12/21/25 - 01/3/26</u>	Gross: <u>\$ 367,670.01</u>	Net: <u>\$ 257,490.77</u>
<u>01/4/26 - 01/17/26</u>	Gross: <u>\$ 361,518.81</u>	Net: <u>\$ 258,533.92</u>
Vouchers Total:		<u>\$ 1,769,754.94</u>
<u>12/31/2025*</u>	<u>105416-105461</u>	<u>\$ 369,031.52</u>
<u>1/8/2026</u>	<u>105462-105517</u>	<u>\$ 561,511.29</u>
<u>1/15/2026*</u>	<u>105518-105585</u>	<u>\$ 450,114.37</u>
<u>1/22/2026</u>	<u>105586-105638</u>	<u>\$ 389,097.76</u>

A motion was made by C. Thomas to accept the consent items as presented; seconded by D. Garcia. Motion carried.

DZA: 2024 Financial Audit Report

Charli Cozza and Shar Sheaffer presented our 2024 audited financial report. They issued an unmodified opinion which is the most positive result and indicates our financial statements are fairly stated in all material aspects. There was an increase in patients account receivable by about 1M since 2023 due to increases in gross revenue but also a decrease in collections. Days cash on hand went from 112 in 2023 to 94 in 2024. The goal is 90. The AR days increased from 82 in 2023 to 98 in 2024. The goal is 60 days or less. The net patient service revenue went up by 5%. We had an increase in Medicaid and Safety Net Assessment payments. There was a decrease in self-pay collections which impacted on our bad debt. The group discussed the legislative changes we will see take effect in the coming years and the impact of the Medicaid and SNAP cuts. Total operating revenue increased by 9%, with expenses increasing by 7%.

We did have an operating loss, and we are still relying heavily on non-operating revenue such as taxes and grants. There were no findings in 2024. The two findings in 2023 were resolved. The full impact of HR1 will not go into effect until 2027. Shar suggested we focus on the enrollment and 6-month re-enrollment processes and making sure staff is prepared to help patients with that. We have a heavy reliance on Medicaid, which is a concern. The cuts will be happening because people are being cut from the program, not that reimbursement rates will be cut. C. Thomas asked about the increases in charity care and bad debt due to an increase in people who cannot afford health insurance. There will be an increase in uninsured patients. Antone is working with WSHA on a new proposed charity care program. An advisory letter with recommendations for improvement included a note on making sure all manual journal entries include documentation regarding review and approval.

Foundation Report

Dan Webster presented the Foundation Report. Currently they are connecting with the high school counselors for this year's scholarships and working with us to on formal requests for capital purchases. They are hoping to consult with someone to help the Foundation improve PR and messaging during the next bond election. Suggest reaching out to Bob Hunt.

Physician's Report

Dr. Witt presented the Physician's Report. There are no staff or provider issues to report. Paula Silha with ERx is planning to retire and would like to do a site visit to introduce her successor. The group discussed the recent letter in the Methow Valley News regarding our bond efforts. Suggest reaching out to Dr Rapport, who is a strong advocate for rural medicine.

Administration Report

S. Graham presented the Administration Report. The Methow Health Care Planning group has reached out to him to schedule more meetings. He will follow up after the strategic planning meeting.

With the addition of a full-time OT and a new program director, we've seen a nice increase in our swing bed volumes. We currently have four and can take up to 5. We had 32 surgeries last month, but only 16 this month. We are not meeting our increased goals for 2026 so far in January.

We continue to meet with the other hospitals and the Thriving Together facilitator. There is a meeting with the commissioners scheduled for February 9. The hospitals have been talking about the potential of collaborating on service lines but there is no discussion on consolidation. The group will be looking into more information on the Rural Emergency Hospital model to better understand the pros and cons.

The WSHA Rural Hospital Committee has been discussing the Rural Transformation dollars from the HR1 bill. 181M has been granted to Washington state with 30-40 million set aside for rural and CAH hospitals. There was a meeting this morning regarding methodology and distribution. The funds will not be sufficient to make up for the federal and state Medicaid cuts, but our hospital could be allocated 600-700k. We will be applying and should see the funds later this year. The Olympia Advocacy Day conference is this week. L. McNamara will be doing an interview with KHQ today after the meeting regarding the ACA tax credits.

There have been some internal promotions and new hires as we continue our B2E work and quality improvement. L. McNamara asked about the Delta Collaborative, which is a quality improvement initiative through WSHA. They've had their first meeting and chosen their project. We have 7 first year nursing students here every Thursday. The group discussed IV infusions, the reimbursement rate, and

how to maximize the service. A retail pharmacy was also discussed but establishing that requires a pharmacist which can be hard to find.

Finance Report

A. Eek presented the Finance Report. Due to the holidays, volumes were low. Inpatient revenue was 150k unfavorable and below budget by 22%. Outpatient revenue was below budget. The clinic was exceeding for the month. Year to date for outpatient has been strong but below expected budget. Other revenue areas exceeded budget by 4k, primarily in cafeteria. Year to date in nonpatient revenue we were favorable by 111k. Total patient revenue was below budget in December and year to date by almost 6%. Contractual adjustments and deductions were 115k unfavorable. Bad debt and charity care are trending as budgeted. Total deductions are on budget.

Expenses show that we are managing costs based on performance. Wages were favorable. Year to date we are favorable by 900k. There is some offset due to contracted employees. Professional fees were over budget by 76k. There were costs associated with locums, state audits, and ERx costs were higher. Supplies were over budget as we received several invoices from MiMedix for close to 100k. Purchase services were 52k over budget due to IT invoices and investments. Year to date it is over budget by 270k. Other expenses were generally favorable and on budget. Year to date expenses are 244k favorable.

There was a net operating loss for December of 556k due to revenue underperformance. Non-operating income exceeded budget by 89k. Year to date was 457k favorable. The net loss was 191k. Year to date loss is 900k unfavorable. We need to drive more volume to the hospital and clinic. The group discussed Dr. Ellingson's leaving; we are working on recruitment. The group discussed the charge capture and claim processing issues identified in revenue cycle; Antone will be working with payers to recover what we can for unrecoverable claims, and he is working with the staff on training, workflows, and process improvement. He has brought on a vendor to help work on the aged AR. C. Thomas asked when we can expect to see a favorable drop in the AR; due to the unfavorable write offs that will need to occur it will happen soon. We will see progression as they clean up the old issues and transition to the new practices.

A motion was made by C. Thomas to accept the Finance report as presented; seconded by T. Shrable. Motion carried.

Break

A break was held between 1:15 p.m. – 1:35 p.m.

Quality Report

G. Meza presented the Quality Report. The next Quality Council meeting is scheduled for February 17. The metrics for December and 2025 year to date will be reviewed and Maintenance will be presenting their Bridge to Excellence project. ER staff are also participating in WSHA's Delta quality improvement workshop which is a 6-month PDSA project. Their project will focus on improving ER documentation, but they hope to expand it to other departments.

In December there were no falls with injury, no medication events, and a 94% medication scan rate. There were 5 stroke cases, and we met all state thresholds. There were 2 trauma cases with a 79% documentation completion rate. There were 11 chest pain cases which all received an EKG. There were 4 surgical transfers from the ER. An area for improvement of documentation is receiving the EMS run

sheets in a timely manner. Dr. Corsa is working to improve the chart review process. There will be new metrics for trauma charts this year.

Patient Satisfaction

December

ER – 92% with 6 returned surveys

Inpatient – 100% with 1 survey

Clinic – 96% with 10 surveys

Q4

ER – 95% with 36 surveys

Inpatient – 96% with 2 surveys

Clinic – 96% with 31 surveys

Quality is helping the clinic prepare for their survey next month. He is drafting the 2025 annual review to present at the next Quality Council meeting. L. McNamara asked if the year-to-date patient satisfaction was available; yes. M. Pruett asked how the surveys are delivered; the first wave is via mail, and the second wave is email or SMS. The technical issue preventing surveys for Mandi has been resolved. They are working with registration to focus on accuracy of patient contact information to ensure surveys are being received.

2025 YTD

ER – 92% with 179 surveys

Inpatient – 91% with 14 surveys

Clinic – 95% with 157 surveys

A motion was made by L. McNamara to accept the Quality Report; seconded by C. Thomas. Motion carried.

Miscellaneous Report Updates

C. Thomas asked about the status of the server upgrade; the storage is here and the contracts have been finalized. Installation is planned for March.

Old Business

Capital Improvements Update – Current projects include the server upgrade and a medical gas inspection. Garland was onsite and they are a company who is interested in helping us find grants and funding for the roof.

New Business

None.

Strategic Plans and Discussion

The group discussed topics for the strategic planning meeting—renovation, marketing, service lines, collaboration with other facilities, a new EMR, satellite and mobile clinics, leadership transition plans, finances, way to expand our clinical services, staffing, and how to drive volume and gather more feedback.

Upcoming Meetings & Events

M. Pruett noted the upcoming schedule of meetings and events.

Adjournment

A motion was made by C. Thomas to adjourn the meeting at 2:13 p.m.; seconded by L. McNamara.
Motion carried.

Mike Pruett, Board Chair

Cherri Thomas, Board Vice Chair

Leslie McNamara, Board Secretary

Tracy Shrable, Board Member

David Garcia, Board Member