

**REGULAR
MEETING BOARD OF
COMMISSIONERS**

**Public Hospital District No. 1-A of Whitman County,
Washington d/b/a Pullman Regional Hospital**

Wednesday, May 7, 2025 at 6:00 PM In-Person or Virtually by Zoom

Board of Commissioners

P-Tricia Grantham, President
P-PJ Sanchez, Vice President
P-Cheryl Oliver, Secretary
P-Joe Pitzer, Commissioner
E-Anna Nofsinger, Commissioner
P-Michael Cady, Commissioner
P-Shane McFarland, Commissioner

Hospital Personnel

P-Matt Forge, CEO
P-Save Febus, CFO
P-Tammy Needham, CNO
P-Bernadette Berney, CHRO
P-Carrie Coen, CRO
P-Rob Rembert, Legal Counsel
P-Nancy Panko, M.D., Medical Staff President
P-Karly Port, CPSO
P-Peter Mikkelsen, M.D., CMO
P-Erin Sedam, Executive Assistant
E-Linda Infranco, Executive Director
P-Alison Weigley, External Relations Director

Guests:

Lennis Boyer
Wayne Druffel
Katie Can Wyngarden
Derek Sedam

I. CALL TO ORDER

President Grantham called the meeting to order at 6:00p. Roll call was taken with the following Commissioners answering present: Grantham, Sanchez, Oliver, Pitzer, Cady, and McFarland. Commissioner Nofsinger was excused.

II. APPROVAL OF MINUTES

- A. Commissioner Sanchez moved to approve the minutes for the regular meeting of April 2, 2025. Commissioner Pitzer seconded the motion, and the motion passed unanimously.

III. MODIFICATION TO AGENDA

President Grantham added Item C, Under Finance Committee Report for a "Quarterly Foundation Update"

IV. CONSENT AGENDA

Commissioner Sanchez moved to approve the consent agenda. Commissioner Oliver seconded the motion. The following committee reports were approved unanimously.

- Medical Executive Committee
- Finance Committee
- Quality Management System
- Governance Committee
- Strategic Planning Committee
- Foundation Board of Directors
- Approval of Warrants

V. PUBLIC COMMENT

President Grantham opened the floor for public comment. No comments were made by the public in attendance. President Grantham closed the floor for comments.

VI. ACTION/DISCUSSION ITEMS

- A. Governance Committee Report:

Vice President Sanchez provided a summary of the Governance Committee meeting. He reported that the committee conducted a thorough review of the board bylaws and identified three specific areas requiring further evaluation by the Finance Committee.

- a. Structural Changes: Roles of Committees

Matt Forge provided an overview of the new board meeting structure. He explained that the purpose of this alignment is threefold: (1) to support leadership development, (2) to promote organizational alignment, and (3) to ensure effective execution of organizational projects. Mr. Forge also reviewed the operational teams that report to the board committees, which in turn report to the Board of Commissioners. He noted that while some operational teams will be ongoing as part of the organizational structure, others will be temporary and focused on the completion of specific projects.

b. Retreat Dates

Matt Forge presented options for the upcoming retreat dates. As the originally proposed dates were not suitable for all participants, he recommended that the board consider rescheduling the retreat for the fall. The board agreed on the importance of having all commissioners present and discussed potential dates in September. Erin Sedam offered to follow up with Anna Nofsinger, who was not present at the meeting, to confirm a final date that works for everyone.

c. ENT Privilege Form

Dr. Nancy Panko presented a privileged form related to Ear, Nose, and Throat (ENT) privileges. The proposed update addresses treatment for sleep apnea by allowing ENT specialists to perform hypoglossal nerve stimulator procedures. It also outlines the required training and certification needed to perform these procedures in the operating room. Specifically, the requirements include completion of three proctored procedures with a training representative and formal certification of completed training. Commissioner Oliver moved to approve the ENT Privilege Form. Commissioner Sanchez seconded the motion. The form was approved unanimously.

B. Finance Committee Report

Secretary Oliver provided an overview of the Finance Committee's recent meeting. She reported that the district remains in a strong financial position. The committee also met with the DZA auditor, who indicated that the recent audit resulted in a clean report. The final audited report is expected to be released within the month. Secretary Oliver noted that the committee reviewed recent GASB changes, including updates related to sick leave and the accounting of sick time liabilities. She also shared that the DZA auditor was complimentary of the board's engagement and oversight of the district's finances. Steve Febus contributed additional information regarding both FASB and GASB regulations.

a. 1st Quarter Financial Update

Steve Febus provided a financial update on the performance for the first quarter of 2025. He noted that the audited financial statements will be presented to the Board of Commissioners next month for formal receipt and acknowledgment. Mr. Febus highlighted the following key takeaways from the income statement:

- Overall revenue is up 19% over 2024 YTD. Including, inpatient revenue up 13% because of higher patient days, primarily in Medical Surgical Unit (MSU). This is a result of our length of stays climbing from 2.77 to 2.80. Outpatient revenue is up 20% over the prior year.
- Net Patient Revenue climbed at a lesser pace due to cost reporting implications and payer utilization. Currently contractual adjustments are running at 55.3% of gross charges while in the prior year this was running at 53.8%. This had an overall impact of \$1.1 million to our bottom line.
- SWB due to increased FTEs, annual/market wage adjustments, and as of recent the onboarding of Palouse Medical staff.
- Professional fees increased with the professional services agreement with the Orthopaedic group. Currently we have phase out Xtend and are bringing everything back in-house.
- Supplies are higher due to the volume increase across the organization

Additionally, Mr. Febus provided an overview of the Employee Retention Credit (ERC) program for the commissioners. He also updated the board on the recruitment process for the Patient Financial Services Director, noting that interviews are underway and progress is positive.

Legislative Impacts – Steve Febus reviewed the legislative impact analysis for 2025 through 2027, highlighting the estimated statewide hospital impacts as well as anticipated effects on the district.

The analysis covered several key items, including increased Medicaid professional fees, PEBB/SEBB payment reductions, sales tax on services, B&O tax surcharges, ancillary payments for administrative day stays, low labor and delivery funding, payroll taxes, Medicaid lab rate cuts, and federal Medicaid cuts.

The anticipated financial impact for Pullman Regional Hospital is estimated at \$1,585,100.

Financial Effectiveness - Steve Febus reviewed the charter for the Financial Effectiveness Operational Group, along with a summary of projects aimed at improving financial performance. The ten projects listed have a potential combined impact of \$8 million.

b. Commissioning Expansion Budget

Steve Febus presented a proposal to engage a company to perform a commissioning review of the hospital's expansion project. He outlined several challenges but emphasized that, given the critical nature of the hospital's infrastructure, commissioning is a prudent investment to ensure the protection of patient care and operational continuity. An RFP was issued, and three companies submitted bids. The request is for approval to authorize Matt Forge to negotiate and execute a contract with The TestComm Company, which submitted the lowest bid. Commissioner Pitzer moved to approve Matt Forge to negotiate and sign with Testcomm to Commissioning Expansion Budget. Commissioner Sanchez seconded the motion. The form was approved unanimously.

c. Foundation Update

Derek Sedam provided the Board of Commissioners with a quarterly update on the Foundation. He highlighted key events from the first quarter, including the successful gala, which raised over \$208,000. Mr. Sedam also noted the Foundation's significant impact during the quarter, with total philanthropy received reaching \$314,973. He concluded by previewing upcoming activities, including the 20th Annual Golf Classic Tournament and the Fifth Quarter Rally.

C. Strategic Planning Committee Report

Matt Forge provided an overview of the Strategic Planning Committee and reviewed the strategic dashboard, highlighting key data and metrics aligned with the organization's strategic focus areas

a. Quality Update

Tammy Needham presented the Quality Management Systems (QMS) Committee Charter, outlining its reporting structure, purpose and scope, and foundational framework. Ms. Needham also reviewed the committee's primary objectives, which include aligning quality initiatives with the organization's mission, vision, and values, empowering staff to engage in continuous quality improvement, creating efficiencies and driving improvement in care and outcomes, enhancing organizational competency, supporting and managing the creation, transfer, retention, and application of organizational knowledge. Lastly, Ms. Needham provided an overview of the current QMS project list.

b. Expansion Update

Matt Forge turned the floor over to Carrie Coen to provide an update on the expansion project. Ms. Coen informed the board that the project remains on track for timely submission of the construction plans to the Department of Health (DOH). She also outlined some of the preliminary work involved in developing plans that meet DOH's requirements.

VII. ANNOUNCEMENTS

- A. PRH Employee Appreciation Week, May 12-16, Pullman Regional Hospital
- B. 2025 AWPED & WSHA Rural Hospital Leadership Conference, June 22-25, Chelan, WA
- C. PRH Employee and Family Summer Fun Event, July 26, 12-4pm, Reaney Park, Pullman, WA

VIII. EXECUTIVE SESSION

At 7:30p President Grantham announced that the meeting would go into Executive Session for 15 minutes to discuss the granting, denial, revocation, restrictions, or other considerations of the status of the clinical or staff privileges of a physician or other healthcare provider, consider personnel issues, and consult with legal counsel. At 7:45p, President Grantham extended executive session for 10 more minutes. At 7:55p, President Grantham extended executive session for 5 more minutes.

IX. OPEN SESSION

The meeting resumed in Open Session at 8:00p.

A. Credentials Report

Commissioner Oliver moved to approve the credentials report. Vice President Sanchez seconded the motion, and the motion passed unanimously.

X. ADJOURNMENT

The meeting adjourned at 8:01p.

Respectfully submitted by:


Erin Sedam

Executive Assistant


Cheryl Oliver, Secretary

Board of Commissioners
*(Minutes are not officially approved
until the next Board Meeting.)*