

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT #2  
Meeting of the Board of Commissioners  
**November 21, 2024**  
East Adams Rural Healthcare  
Conference Room  
Ritzville, WA

- I) Call to Order
- II) Additions or Corrections to the Agenda
- III) Public Comment
- IV) Approval of Minutes-Regular Board Meeting Minutes October 23, 2024  
Approval of Minutes-Special Board Meeting Minutes November 1, 2024
- V) Consent Agenda
  - i) Chief Nursing Officer Report
  - ii) HR Report
  - iii) Quality Report
- VI) Medical Staff Report
- VII) CEO Report
- VIII) Committee Reports
  - i) Finance Committee
    - (1) Financials – October
    - (2) Approval of Warrants and Vouchers
  - ii) Building Committee
  - iii) Compliance Committee
- IX) Old Business
  - i)
- X) New Business
  - i) 2025 Budget
  - ii) Board Bylaws
- XI) Public Comment
- XII) Executive Session
  - i) RCW 42.30.110 (g) Review the performance of a public employee.
  - ii) Medical Staff Credentialing
- XIII) Next Board Meeting December 19, 2024 at 5:30 p.m.
- XIII) Adjourn

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2  
East Adams Rural Hospital  
903 S. Adams  
Ritzville, WA 99169  
Meeting of the Board of Commissioners  
October 23, 2024

PRESENT:	John Kragt	Board Chairman
	Eric Walker	Vice-Chair
	Riley Hille	Commissioner/Secretary
	Matt Kubik	Commissioner
	Dan Duff via phone	Commissioner
	Corey Fedie	CEO
	Matt Gosman via phone	CFO
	Lexie Zuver	Chief of Staff
	Lurisa Sackman	CNO

GUESTS: None

There was one community member present.

Board Chair, John Kragt called the meeting to order at 5:30 p.m.

**INTRODUCTIONS**-None

**ADDITIONS AND CORRECTIONS**-None

**PUBLIC COMMENT**-None

**APPROVAL OF MINUTES**

The September 25 regular board meeting minutes were presented. Commissioner Eric Walker made a motion to approve the September 25 regular board meeting minutes as presented. Commissioner Matt Kubik seconded. The motion passed unanimously 4-0 with Hille not being present at time of motion.

**CONSENT AGENDA**

Board Chair, John Kragt, polled the Board if they would like anything off the consent agenda moved to the regular agenda. Nothing was requested.

**MEDICAL STAFF REPORT**

Dr. Zuver reported that Med Staff met last week. The new providers have completed onboarding and are now seeing patients. Med Staff was able to meet some of the new Samaritan providers to build their referral base. Board Chair John Kragt asked if Avel eCare had been implemented. Corey explained that it is a 3-4-month process. John shared his patient experience in the clinic. There was discussion regarding having a CNA staffed in the clinic. Commissioner Eric Walker asked if there was an option to offer an incentive of MA school or transition the CNA to the hospital side and hire another MA in the clinic. Dr. Zuver explained the clinic dynamics.

## **CEO REPORT- See attached**

Corey reported that we are still dealing with network issues. Matt is currently at cost report training. Commissioner Eric Walker asked about the status of external emails and the status of the I-pads. It was explained that there is still no access externally.

## **COMMITTEE REPORTS**

### **FINANCE COMMITTEE**

#### **CFO REPORT – See attached**

Matt reported that revenues fell 28% for September. The primary difficulty is systems were down so charges were not posted. Total revenue YTD is 25% over budget. We have struggled with expenses. There was some crossover with core staff and contract staff. That has dropped off by 60% and saved over \$300,000. There was a net income of \$59,483 due in part to grant funding for behavior health provider. There is a YTD loss of \$446,000. Board Chair John Kragt asked if the grant received was a lump sum. Matt explained that it was but, those funds are reserved for behavioral health services. AR decreased \$100,000 and AR days ticked up. The month of October is tight on cash even though we have high volumes. John asked how many billers we currently have. Matt said that we have 5 remote billers and Michael is on-site. There were some non-Medicare swing bed claims that were billed incorrectly and those have been corrected and resubmitted. We should receive an estimated \$100,000. Matt reported that the EMS run rates will double for ALS transfers. Commissioner Eric Walker asked if we were caught up on the billing from the previous issue. Matt said that we were caught up from that incident. Eric asked when we will get caught up from the most recent cyber incident. Matt expected that by end of year. Eric asked if we will be in the black by end of year. Matt said we likely would not be. There was a discussion regarding marketing strategies and the need for a marketing coordinator.

### **WARRANTS & VOUCHERS**

Commissioner Riley Hille presented the following warrants for approval Accounts Payable Warrants #67799 to #67809 for \$168,938.24. Commissioner Eric Walker made a motion to approve, Commissioner Matt Kubik seconded. Motion passed unanimously.

### **BUILDING COMMITTEE-None**

### **COMPLIANCE COMMITTEE-None**

### **OLD BUSINESS-None**

### **NEW BUSINESS**

There was discussion regarding the November and December board meeting dates. Executive Assistant, Kylie Buell proposed Thursday, November 21 and Thursday, December 19. Commissioner Matt Kubik made a motion to approve the meeting date changes for November and December. Commissioner Eric Walker seconded. The motion passed unanimously.

Commissioner Riley Hille read aloud resolution 24-08 regarding the transfer of EMS funds to the general account to reimburse for EMS expenses. Commissioner Eric Walker made a motion to approve resolution 24-08, seconded by Commissioner Riley Hille. The motion passed.

**PUBLIC COMMENT-None**

The Board went into executive session at 6:23 p.m. to discuss RCW 42.30.110 (a) (ii) Network Infrastructure & Security. The estimated length of the executive session was 20 minutes. The Board came out of executive session at 6:43 p.m. to extend for an additional 60 minutes. The Board came back out at 7:43 p.m. for an additional extension of 20 minutes. The Board came out of executive session at 7:54 p.m.

Commissioner Eric Walker made a motion, seconded by Commissioner Matt Kubik to adjourn the meeting. Motion passed unanimously.

The meeting adjourned at 7:55 p.m.

Respectfully submitted,  
Kylie Buell, Executive Assistant

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2  
East Adams Rural Hospital  
903 S. Adams  
Ritzville, WA 99169  
Special Meeting of the Board of Commissioners  
November 1, 2024

Present:	John Kragt	Board Chair
	Eric Walker	Vice Chair
	Riley Hille	Commissioner
	Matt Kubik	Commissioner
	Dan Duff via phone	Commissioner
	Corey Fedie	CEO
	Matt Gosman	CFO

John Kragt, Board Chair called the meeting to order at 3:02 pm.

The Board was presented a financial proposal from MultiCare for an operating line of credit. There was discussion around an operating line of credit, which is part of most organizations normal business and the district has not had.

Commissioner Eric Walker made a motion, seconded by Commissioner Dan Duff for CEO Corey Fedie to execute the MultiCare agreement for \$2 million effective immediately. Motion passed unanimously.

There was no public in attendance.

Commissioner Eric Walker made a motion, seconded by Commissioner Matt Kubik to adjourn the meeting. The motion passed.

The meeting was adjourned at 3:55 p.m.

Respectfully Submitted,  
Kylie Buell  
Executive Administrative Assistant



East Adams Rural  
Healthcare

## CNO Board Report

November 21, 2024

1. We ended our last long term contract nurse in the hospital. All staff are now either our own hires or Passport international staff that we hope to hire when they are finished with their contracts. We have one more international contract starting in February, but all positions are filled. Our clinic staff is fully staffed also. We are working on scheduling to help cover sick days and FMLA to prevent the need for contract staff overall. We do not foresee the need to utilize any contract labor through the end of the year, as we have staff looking to pick up extra shifts as needed at this time.
2. We are focusing on referrals for pain clinic hoping to see an uptick in new patients in the next few months as we had a drop in this over the last couple months.
3. We are meeting with a Wound Care nurse as an option for specialty outpatient services and continuity of care for our patients.
4. We are meeting with different schools to start offering nursing clinicals for nearby nursing schools. We have two of our own staff registering for the nursing program at Big Bend and keeping clinicals in house.
5. We have had some great feedback from patients on our new providers. We are excited to see the growth in the clinic setting.

Sincerely,

Lurisa Sackman, RN, MSN, CRRN  
CNO

# Job Openings

Department	Job Opening	Date Open	Status	Notes
EMS	EMT/Paramedics	08/31/2022	Closed	7 full-time EMTs hired 8/11/24
Clinic/ER/Hospital	Nurse Practitioner/PA-C	07/24/2023	Open	1 NP starting 10/01/24
Administration	Accounting Clerk	09/28/2023	Open	Hired remote to help with entering invoices
Administration	Nurse Manager	03/28/2024	Closed	Scheduled to start 10/01/2024
Administration	Compliance/Risk/Survey Readiness Coordinator	02/27/2024	Open	
Clinic	Scheduling and Referral Specialist	06/17/2024	Closed	Position absorbed by Lead Registrar
Administration/Business Office	Accountant	05/30/2024	Open	
Laboratory	MT/MLT	06/30/2024	Open	
Plant	Housekeeper	08/05/2024	Closed	Hired internally 08/1/2024
Clinic	Licensed Independent Clinical Social Worker (Part-Time)	08/27/2024	Closed	Orientation on 9/26/24
Plant	PRN Housekeeper	10/01/2024	Closed	Orientation on 11/7/2024
Plant	Housekeeper	10/28/2024	Open	
Therapy	Speech Language Pathologist (Temp for 16 weeks)	11/18/2024	Open	

Topic	Report	Follow-Up	Responsibility
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**MINUTES**

East Adams Rural Healthcare

10/17/2024 at 9:00am | Meeting called to order by Lurisa Sackman

**Attendance**

Attended		Absent
<ul style="list-style-type: none"> <li>✓ Dr. Zuver</li> <li>✓ Teri Abney</li> <li>✓ Amelia Bernal</li> <li>✓ Dan Crisp</li> <li>✓ Tyler Dennis</li> <li>✓ Pam Gilmore</li> </ul>	<ul style="list-style-type: none"> <li>✓ Matthew Gossman</li> <li>✓ Jason McCoy</li> <li>✓ Todd Nida</li> <li>✓ Michael Navarro</li> <li>✓ Lurisa Sackman</li> <li>✓ Sheena Starkel</li> <li>✓ Carolyn St.Charles</li> <li>✓ Neil Verberne</li> <li>✓ Deborah</li> </ul>	<ul style="list-style-type: none"> <li>Commissioner Hille</li> <li>Navin Adhikary</li> <li>Corey Fedie</li> <li>Bruce Garner</li> <li>Vanessa Grimm</li> <li>Amanda Osborne</li> </ul>

**Approval of Minutes**

August minutes approved.  
No meeting in September

**Governing Board**

No report.

**Old Business**

<b>Quality Meeting Attendance</b>	Lurisa reported that after conversations with Corey all department managers were expected to attend the QAPI meeting in person unless a) they work remotely, or b) have permission from Corey.	None	
<b>ER visit count</b>	Jason reported that the system has been modified so that patients who stay over midnight are not counted as two visits.	None	



Topic	Report	Follow-Up	Responsibility
	Jason reported that he still double-checks to ensure the patient did not have two separate visits.		
<b>Event Reporting</b>	Lurisa reported that the adverse event reporting system is operational. Lurisa will receive all event reports and will forward them to the appropriate person for follow-up.  The QMMs will continue to be used and will be scanned into the program.  Lurisa reported that there will be house-wide training in January.	Review function of system and if it is being used correctly.  Education for staff.	Lurisa
<b>Policies</b>	Lurisa reported that P&Ps have not yet been divided up for review.	Develop a schedule for review.	Lurisa
<b>Blood Administration</b>	Deborah reported that blood administration documentation is still not consistently documenting if there was a blood reaction or not.	Review 100% of blood administration records.  Educate nursing staff.  Report at next meeting.	Deborah
<b>FIT Testing</b>	Jason reported that there is 97% compliance without EMS and % compliance with EMS.	Follow up with EMS Director.  Report at next meeting.	Jason
<b>Safe Patient Handling</b>	Education on safe patient handling has not been completed for all staff.	Schedule class.  Report at next meeting.	Todd

### New Business

<b>Medicare Promoting Interoperability</b>	Jason reported that it is difficult to find data for ECQMs. Jason and Navin will report at the next meeting.	Report in November	Jason Navin
<b>Environment of Care Rounds</b>	Environment of Care (EOC) rounds were completed in July. The need for splash guards on sinks in the medication room was identified.  The next EOC rounds will be in November.	Install splash guards	Jason Todd

Topic	Report	Follow-Up	Responsibility
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### Organizational Goals

<b>Organizational Scorecard</b>	The organizational scorecard will be finalized as soon as the action items for each goal are finalized. Navin will build a template so that each owner of a goal can input data.	Organizational scorecards will be sent out to all department leaders for final review.  The scorecard will be sent to Navin to develop a template for input.	Carolyn Navin
<b>Organization Goal 1: Continuous Survey Readiness</b>	There is a lack of clarity about the survey readiness to be completed by depts quarterly.	Carolyn will send out survey readiness templates.	Carolyn
<b>Organization Goal 2: Improvement and recognition of patients with Sepsis</b>	Audits show 87% compliance with screening in June. 7% of patients were not screened for sepsis.	Educate staff and providers.  Concurrent monitoring.	Debrah
	No new protocols have been developed.  No order set for providers to use has been developed.	Develop a timeline for protocols and order sets.  Report in November.	Lurisa Deborah
	Recommended removing the goal of having provider access to protocols on the phone.	Remove	Carolyn
<b>Organizational Goal 4: Develop at least five standing orders and protocols for the most frequent diagnosis.</b>	Order set for swing bed in process but not complete.	Complete order set for Swing Bed.  Report in November	Deborah
<b>Organizational Goal 4: Improve the quality of life for Swing Bed patients -</b>	Swing bed outcome measures are not being tracked other than readmissions.		
	Swing Bed activities assessment completed by Miranda. Activities are NOT consistently provided and documented. Meals in the lunch room are not occurring regularly.	Document activities for ALL Swing Bed patients. Meals in lunch room for ALL patients unless	Deborah

Topic	Report	Follow-Up	Responsibility
		unable to be out of bed or refuse.  Report November meeting.	
Organizational Goal 4: Improve the quality of life for Swing Bed patients – Non - Certified	Swing Bed outcome measures are not being tracked other than readmissions.  Organizational scorecard has specific metrics.	Carolyn will send out reminder for metrics.	Dept. Leaders per org. scorecard for each metric.
	Request to modify goal for DME review to admission and every 90 days.	Will modify.	Carolyn

### Department and Committee Reports

Reporting	Carolyn asked that department reports include: 1. Goal 2. Data related to goal 3. Assessment and corrective action plan	Please contact Carolyn if any questions.	Department leaders
Nursing	Deborah reported that she is working on protocols for chest pain, trauma, wound care, and transitions of care from the emergency department to the clinic.  Deborah would like dashboards built to track medication errors, falls, and other adverse events.		
EMS	No report	Report in November	J
Rehab	Neil presented the Rehab report.		



# East Adams Rural Healthcare

903 South Adams  
Ritzville, Washington 99169  
509-659-1200

## CEO Report to the Board

Board of Commissioners  
East Adams Rural Healthcare  
November 21<sup>st</sup>, 2024

As anticipated in last month's report improvements have occurred this past month with various systems affected by the network security event. The revenue cycle team is making progress with the business that was held up and we've been able to get many of our outstanding accounts paid. Work continues on the Office 365 implementation and full external internet access is forthcoming. We also had strong swing bed patient days as well as continued strong business in the rural health clinic. Although cash flows remain a concern, our current projections look positive.

We have also had some recent interaction with our new reporter for the Ritzville Journal. He is interested in running some educational and informational articles about us and rural healthcare. I was interviewed on November 14<sup>th</sup> and hope to have something positive regarding East Adams Rural Healthcare published at least quarterly going forward.

Lastly, a couple of events are coming up. We will have a celebration with meal for Thanksgiving on November 21<sup>st</sup>. Commissioners are welcome to come in and get a meal. Also, our annual holiday party will be held the evening of December 6<sup>th</sup> at the Legion Hall. An evening of food and fun for all employees as well as commissioners is planned. I will be providing gifts for the various games we will be having and we will also be announcing the Employee of the Year after dinner. Our staff have been through a lot this past year and have done an amazing job for us. Please join us in celebration.

As always, it is a privilege to serve the board and our community.

Respectfully,

Corey Fedie, CEO

FINANCE COMMITTEE AGENDA  
Adams County Public Hospital District #2  
November 19, 2024

- I. Call to Order
- II. Attendance
- III. Review/approve meeting minutes: Oct 22, 2024
- IV. Review of Warrants & Vouchers: October 2024
- V. Financial Statements: October 2024
- VI. Additional Information
- VII. Adjourn

Check Date	Vendor Name	Check Number	Check Amount	Purpose
10/1/2024	V00768--Bound Tree Medical, LLC	67810	1,562.41	Employee Benefit Expense
10/1/2024	V00750--Patient	67811	1,600.00	Patient Refund Expense
10/1/2024	V00966--Corwin Ford Spokane	67812	7,001.58	Maintenance Expense
10/1/2024	V00158--Credit Service of Central WA	67813	723.11	Garnishments
10/1/2024	V00935--Cruz, Patricia	67814	1,218.72	Recruiting Expense
10/1/2024	V00167--DAVEY, TRUDY L	67815	207.85	Employee Reimbursement Expense
10/1/2024	V00194--EAP Consulting L.L.C.	67816	4,550.00	IT Management Expense
10/1/2024	V00223--FREDERICK, KARI	67817	120.60	Employee Reimbursement Expense
10/1/2024	V00869--Greg Galbreath	67818	1,500.00	Rent
10/1/2024	V00961--Hatz, Elizabeth	67819	4,530.70	Employee Reimbursement Expense
10/1/2024	V00965--Horak, Abby	67820	138.00	Employee Reimbursement Expense
10/1/2024	V00633--Hunt, Dorcey	67821	75.98	Employee Reimbursement Expense
10/1/2024	V00964--Kayli Maier Photography	67822	1,468.80	Marketing Expense
10/1/2024	V00597--Kevin Osborne	67823	81.74	Employee Reimbursement Expense
10/1/2024	V00927--KISSLER, JEFFREY	67824	353.10	Tuition Assistance
10/1/2024	V00905--McCoy, Jason	67825	224.74	Employee Reimbursement Expense
10/1/2024	V00887--Sackman, Lurisa	67826	1,834.59	Employee Reimbursement Expense
10/1/2024	V00742--SaltBridge Medical Laboratory	67827	1,044.46	Laboratory Expense
10/1/2024	V00940--Shields, Michael	67828	24.02	Employee Reimbursement Expense
10/2/2024	V00747--Healthcare Consulting Services	67829	1,300.00	Contract Expense
10/2/2024	V00439--RITZVILLE HARDWARE	67830	2,184.52	Plant Operations Expense
10/16/2024	V00973--Adams County Public Hospital #2	67831	70,000.00	Payroll
10/16/2024	V00728--AMPED Solutions, LLC	67832	13,747.59	Information Technology Expense
10/16/2024	V00242--HEALTH FACILITIES PLANNING	67833	10,625.00	Contract Services
10/16/2024	V00602--HealthTech	67834	2,955.47	Contract Nursing
10/16/2024	V00345--Heritage Imaging	67835	16,459.31	Imaging Expense

10/16/2024	V00968--Intrinium/TorchLight	67836	7,020.00	IT Server Maintenance
10/16/2024	V00375--OMNI STAFFING SERVICES, INC.	67837	12,209.42	Contracting Staffing Expense
10/24/2024	V00973--Adams County Public Hospital #2	67838	177,065.00	Payroll
10/31/2024	V00615--Akins	67839	305.47	Dietary Expense
10/31/2024	V00077--AVISTA UTILITIES	67840	8,437.49	Utilities Expense
10/31/2024	V00131--CENTURYLINK	67841	237.00	Telecommunications Expense
10/31/2024	V00778--Circe Solutions	67842	2,015.00	Contract Services
10/31/2024	V00139--COBRA Management Services, LLC	67843	888.00	Employee Benefit Expense
10/31/2024	V00149--Connell Oil	67844	4,257.72	Plant Operations Expense
10/31/2024	V00178--DEPARTMENT OF TREASURY	67845	273.70	Transfer To Treasurer Account
10/31/2024	V00203--EMPLOYEE FUND	67846	159.00	Employee Benefit Expense
10/31/2024	V00212--Family Support Registry	67847	185.52	Garnishment Expense
10/31/2024	V00848--Free Press Publishing, Inc	67848	7,769.50	Advertising Expense
10/31/2024	V00648--G&M Love & Care Staffing LLC	67849	6,759.59	Contracting Staffing Expense
10/31/2024	V00955--Grainger, Greg	67850	60.84	Employee Reimbursement Expense
10/31/2024	V00595--Health Carousel	67851	27,811.65	Contracting Staff Expenses
10/31/2024	V00242--HEALTH FACILITIES PLANNING	67852	2,980.00	Contract Services
10/31/2024	V00924--Henry Schein	67853	1,004.53	Medical Supplies Expense
10/31/2024	V00251--Holistic Pain Management of Colorado LLC	67854	31,745.00	Pain Management Services Expense
10/31/2024	V00679--Idaho State Tax Commission	67855	2,394.24	Payroll Tax Expense
10/31/2024	V00277--Johnson Law Group	67856	5,000.00	Legal Expense
10/31/2024	V00750--Patient	67857	354.36	Patient Refund Expense
10/31/2024	V00381--OWENS & MINOR	67858	19,895.05	Medical Supplies Expense
10/31/2024	V00621--Pacific Office Automation	67859	2,293.46	Information Technology Expense
10/31/2024	V00619--Pacific Office Automation	67860	71.35	Information Technology Expense
10/31/2024	V00383--Pacific Office Automation INC	67861	1,032.58	Information Technology Expense
10/31/2024	V00400--PETTY CASH - C	67862	78.31	Administration Expense

10/31/2024	V00403--PHYSICIAN INSURANCE	67863	24,243.72	Insurance Expense
10/31/2024	V00599--Ricoh	67864	5.00	Copier/Fax Expense
10/31/2024	V00430--RICOH USA INC	67865	32.40	Copier/Fax Expense
10/31/2024	V00443--RITZVILLE PARTS HOUSE INC	67866	670.44	Maintenance Expense
10/31/2024	V00446--RITZVILLE, CITY OF	67867	8,092.94	Utilities Expense
10/31/2024	V00954--Schaefer, Karin	67868	12.07	Employee Reimbursement Expense
10/31/2024	V00626--US Bank Equipment Finance	67869	14.29	Leasing Expense
10/31/2024	V00976--Washington State Support Registry	67870	750.00	Garnishments
10/31/2024	V00957--Wendel	67871	16,067.47	Strategic Planning
			517,724.40	



# **Finance Committee**

## **Meeting Minutes**

October 22, 2024

### **I. Call to order**

Corey Fedie called the meeting of the Finance Committee for Adams County Public Hospital District #2 to order at 12:38 PM.

### **II. In Attendance**

Dan Duff, Board Member; Matt Gosman, CFO; Corey Fedie, CEO; Matt Kubik, Board Member

### **III. Review/Approve Meeting Minutes:** Matt Kubik made a motion to approve the September 24th finance meeting minutes. Dan Duff seconded the motion, motion passed

### **IV. Review Warrants and Vouchers: August 2024**

- a) Dan D moves to approve, Matt K seconds the motion, motion passes.

### **V. Financial Statements:**

- a) Matt G reports that the organization faced significant financial challenges in September and October due to a network outage that prevented them from billing for services. This disrupted cash flow.
- b) Matt G reported positive developments on the revenue cycle side:
  - i. The Medicaid clinic rate increased significantly, from \$215 to \$430, which will bring in an additional \$130,000-\$150,000 in the short term and \$100,000 per quarter going forward.
  - ii. The organization was able to rebill for ALS services going back to February, which will result in increased payments for those services and higher rates going forward.
- c) The organization is still facing challenges with the revenue cycle, including staff illnesses impacting billing.
- d) The network security breach has further strained the organization's finances, requiring additional expenses for security measures and data analysis.
- e) Credentialing issues with LNI and Medicaid enrollment are also causing delays and affecting patient care.
- f) Overall, the organization is in a very tight financial situation and is exploring options like seeking additional funding, potentially from the county, to manage the cash flow challenges. Transparent communication with stakeholders is a priority.

### **VI. Additional Information- None**

Dan Duff moved to adjourn, Matt Kubik seconded. The meeting adjourned at 1:16 PM.

Respectfully Submitted by Kylie Buell



# East Adams Rural Healthcare

903 S Adams Ave.  
Ritzville, Washington 99169  
509-659-1200

CFO Report to the Board  
Board of Commissioners  
East Adams Rural Healthcare  
November 11, 2024

October had strong revenues and an important decrease in operating expense that, if continued, would allow for improvements in the EARH cash position. These improvements were overshadowed by a network outage in September which disabled our billing team's access to our systems for most of the month. The delay in billing, and the associated delay in payments severely impacted cash in October and November.

## September Financial Status

### **Operating Revenue:**

In October, we experienced a significant increase in charges, with a 59% rise compared to September and a 21% increase over August. Year-over-year comparisons show robust growth across several service lines:

- EMS charges have increased by 93%.
- Family Medicine charges rose by 7%.
- Hospital Swing-Inpatient charges increased by 27%.
- Lab volumes grew by 20%.
- Emergency department charges were up by 24%.

However, we did see declines in specific areas: Pain management charges fell by 33%, and imaging charges decreased by 8%.

### **Operating Expenses:**

We have made notable progress in reducing our contract staffing costs, which have decreased from approximately \$300,000 per month to \$150,000 per month. We anticipate an additional reduction of \$40,000 in November. Other uncommon expenses in October included a \$40,000 annual renewal for finance software and \$30,000 allocated for ambulance repairs.

### **Operating Income (Loss):**

EARH incurred a net loss of \$12,393 for the month, bringing YTD net income to a loss of \$471,262.

### **Balance Sheet:**

As of October, our total accounts receivable (AR) increased to \$4.9 million, a \$500k increase from the previous month. This figure has decreased to \$4.4 million as of November 19th. The AR Days jumped to 140.8 due to the disruption in billing caused by a recent network outage, though it currently stands at 125.9.

Collections in October were particularly low at \$597,994, impacted by the billing disruption. Consequently, our operating cash balance has dropped to \$452,263 as AR increased.

Revenue Collections

As of October, our total accounts receivable (AR) increased to \$4.9 million, but this figure has decreased to \$4.4 million as of November 19th. The AR Days jumped to 140.8 due to the disruption in billing caused by a recent network outage, though it currently stands at 125.9. Collections in October were particularly low at \$597,994, impacted by the billing disruption. Consequently, our operating cash balance dropped to \$452,263 as AR increased.

Days cash on hand on October, 2024, was 11.3.

Respectfully submitted,  
Matthew Gosman, CFO



**East Adams Rural Healthcare**  
**Adams County Public Hospital District No. 2 Balance Sheet**  
**As of October 31, 2024**

Reporting Book: ACCRUAL  
As of Date: 10/31/2024

	Month To Date 08/31/2024 Actual	Month To Date 09/30/2024 Actual	Month To Date 10/31/2024 Actual
<b>Current Assets</b>			
Operating Cash	1,131,384	1,362,725	452,263
Patient Accounts Receivable	4,537,137	4,406,135	4,903,301
Allowance for Doubtful Accounts	1,126,612	1,126,612	996,147
Third Party Receivables	29,924	43,065	98,123
Taxes Receivable	(214)	(26,384)	(186,733)
Inventory	834,673	850,568	824,725
Reserve for Operations	29,052	29,175	29,296
Reserve for Funded Depreciation	2,322	2,331	2,340
Prepaid Expenses	225,565	49,336	54,096
<b>Total Current Assets</b>	<b>7,916,455</b>	<b>7,843,563</b>	<b>7,173,558</b>
<b>Other Assets</b>			
Property, Buildings, & Equipment	17,710,444	17,728,226	17,728,226
Accumulated Depreciation	(9,951,480)	(10,016,203)	(10,080,926)
Construction in Process	974,350	974,350	974,350
<b>Other Assets</b>	<b>8,733,314</b>	<b>8,686,373</b>	<b>8,621,650</b>
<b>Total Assets</b>	<b>\$ 16,649,769</b>	<b>\$ 16,529,936</b>	<b>\$ 15,795,208</b>
<b>Current Liabilities</b>			
Accounts Payable	1,965,402	2,073,532	2,528,072
Payroll & Related Liabilities	797,475	200,597	343,889
Third Party Cost Report Settlements	0	0	0
Current Portion of Long Term Debt	260,000	260,000	260,000
Other Accrued Expenses	909,584	931,914	940,018
<b>Total Current Liabilities</b>	<b>(3,932,461)</b>	<b>(3,466,043)</b>	<b>(4,071,979)</b>
<b>Long Term Debt</b>	<b>(7,173,755)</b>	<b>(7,202,599)</b>	<b>(7,231,442)</b>
<b>Equity from Operations</b>	<b>(5,543,553)</b>	<b>(5,861,294)</b>	<b>(4,491,787)</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ (16,649,769)</b>	<b>\$ (16,529,936)</b>	<b>\$ (15,795,208)</b>

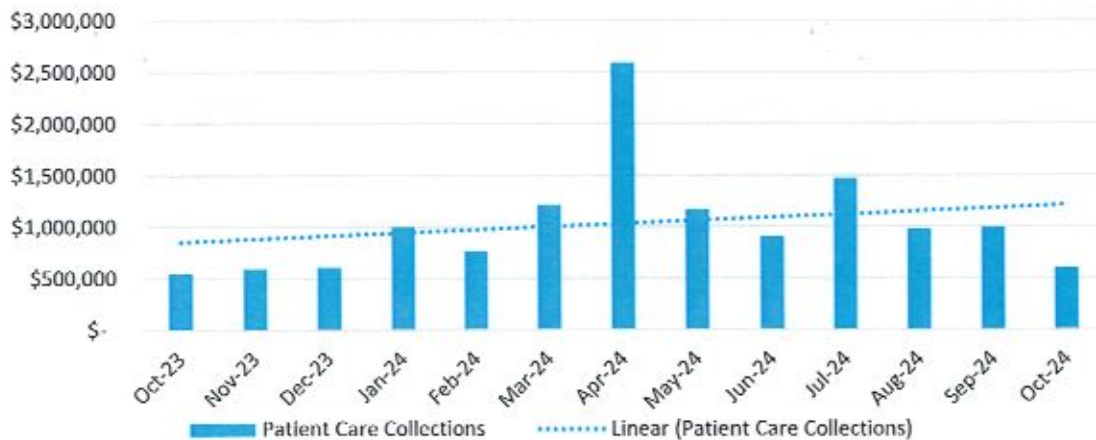
### AR Days



### EARRH Revenue Collections 12 Month Trend

Month/Year	Total Deposits	Grants/Other	Patient Care Collections
Jan-23	\$ 1,327,628	\$ 497,528	\$ 830,099
Feb-23	\$ 782,307	\$ 292,140	\$ 490,167
Mar-23	\$ 717,481	\$ 165,557	\$ 551,924
Apr-23	\$ 1,016,318	\$ 50,294	\$ 966,024
May-23	\$ 984,995	\$ -	\$ 984,995
Jun-23	\$ 252,104	\$ -	\$ 252,104
Jul-23	\$ 477,568	\$ -	\$ 477,568
Aug-23	\$ 1,727,860	\$ 341,979	\$ 1,385,881
Sep-23	\$ 1,097,674	\$ -	\$ 1,097,674
Oct-23	\$ 551,327	\$ -	\$ 551,327
Nov-23	\$ 621,355	\$ 27,886	\$ 593,469
Dec-23	\$ 610,607	\$ -	\$ 610,607
Jan-24	\$ 1,052,833	\$ 51,775	\$ 1,001,058
Feb-24	\$ 763,077	\$ -	\$ 763,077
Mar-24	\$ 1,216,896	\$ -	\$ 1,216,896
Apr-24	\$ 2,592,152	\$ 766	\$ 2,591,386
May-24	\$ 1,915,179	\$ 747,541	\$ 1,167,638
Jun-24	\$ 908,466	\$ -	\$ 908,466
Jul-24	\$ 1,518,793	\$ 41,985	\$ 1,476,808
Aug-24	\$ 1,040,229	\$ 61,313	\$ 978,916
Sep-24	\$ 1,154,336	\$ 160,917	\$ 993,419
Oct-24	\$ 734,834	\$ 136,840	\$ 597,994

### EARRH Patient Care Revenue Collected





# East Adams Rural Healthcare

## VOUCHER CERTIFICATION AND APPROVAL

I, THE UNDERSIGNED AUDITING OFFICER, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED AND THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIMS ARE JUST AND PAID OBLIGATIONS BY ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS.

\_\_\_\_\_  
COREY FEDIE, SUPERINTENDENT

WARRANTS AUDITED AND CERTIFIED BY THE AUDITING OFFICER HAVE BEEN RECORDED ON THE ATTACHED LISTING.

WE, THE UNDERSIGNED BOARD OF DIRECTORS OF ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, ADAMS COUNTY, WASHINGTON, DO APPROVE THOSE WARRANTS INCLUDED IN THE ATTACHED LIST AND FURTHER DESCRIBED AS ACCOUNTS PAYABLE WARRANTS #67810 THROUGH #67871 IN THE AMOUNT OF \$517,724.70

SIGNED THIS 21<sup>ST</sup> DAY OF NOVEMBER 2024.

\_\_\_\_\_  
JOHN KRAGT, CHAIRMAN

\_\_\_\_\_  
ERIC WALKER, VICE-CHAIRMAN

\_\_\_\_\_  
RILEY HILLE, SECRETARY/COMMISSIONER

\_\_\_\_\_  
MATT KUBIK, COMMISSIONER

\_\_\_\_\_  
DAN DUFF, COMMISSIONER