



# LAKE CHELAN HEALTH

## **BOARD PACKET**

Chelan County Public Hospital District No. 2

3/25/2025



Chelan County Public Hospital District No. 2  
 Regular Meeting of the Board of Commissioners  
 March 25, 2025, at 1:30 am via TEAMS  
 Meeting ID: 298 885 195 850 Passcode: Jm3G8g7G

## Agenda

*Mission-* “To provide the highest quality healthcare with compassion and respect to the community we serve.”

FI – For Information; FD – For Discussion; FM – For Motion; FA – For Acceptance; FR-For Resolution

<i>Time</i>	<i>Agenda Item</i>	<i>Facilitator</i>	<i>Topic/Action</i>
1:30	• Call to Order	J. LaPorte	
1:32	• Public Comment		
1:45	• Chair Report	J. LaPorte	
1:50	• Consent Agenda	Commission	A. Regular Board Meeting Minutes 2/25/2025 (FA) B. Warrants & Vouchers (FM) C. Bad Debt & Charity Care (FM) D. Finance Committee Minutes 3/19/2025 (FA)
1:55	• Executive Session		A. RCW 42.30.110(1)(o) to consider information regarding staff privileges or quality improvement committees under RCW 70.41.205
2:10	• Reports	Dr. Hillman/L. Sahlinger B. Truman A. Edwards Commission  M. Murphy S. Ottley M. Miller	A. Med Staff/Credentialing/Committee (FI/FM) B. Financial Committee Report (FA) C. CEO Report (FI) D. Community Connections (FD) i. Forum (FD) E. Board Education (FI) F. Strat Plan KPI's (FD) G. Clinic Update (FI)
3:15	• Old Business	Commission	A. Capital Project Update (FI) B. Strat Planning Retreat – July 14 <sup>th</sup> (FD)
3:35	• New Business	Commission  A. Edwards/Commission L. Sahlinger	A. Disposal Forms (FM) B. Charity Care Policy updated (FM) C. Residency (FD) D. Notice of Privacy Practices (FM)
4:00	• Public Comment		
4:10	• Executive Session		A. RCW 42.30.110(1)(g) to evaluate the performance of a public employee.
4:45	• Roundtable /Action Items	Commission	
5:00	• Adjourn	Commission	

## Board Calendar Reminders:

4/14/2025	TBA	Bragg Room/ TEAMS	9 am
4/15/2025	Med Staff	Bragg Room/ TEAMS	7:30-8:30am
4/10/2025	Quality Committee	Bragg Room/ TEAMS	1 – 3 pm
4/23/2025	Finance Committee	Bragg Room/ TEAMS	10 am
4/29/2025	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm

5/7/2025	Compliance, Privacy, & Risk Committee	1212 / TEAMS	10-11am
5/10/2025	TBA	Bragg Room/ TEAMS	9 am
5/13/2025	Med Staff	Bragg Room/ TEAMS	7-8:30
TBA	Quality Committee	TBA	TBA
5/19/2025	Finance Committee	Bragg Room/ TEAMS	10 am
5/25/2025	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm

6/9/2025	TBA	Bragg Room/ TEAMS	9 am
6/12/2025	Med Staff	Bragg Room/ TEAMS	7:30-8:30
6/12/2025	Quality Committee	Bragg Room/ TEAMS	1 – 3 pm
6/26/2025	Finance Committee	Bragg Room/ TEAMS	10 am
6/30/2025	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm



**Chelan County Public Hospital District No. 2  
Regular Meeting of the Board of Commissioners  
Meeting Minutes February 25, 2025 at 1:30 pm  
in person and via Microsoft TEAMS**

**Commission Attendance:**

(  not present  present )

Jordana LaPorte, Chair  
 Lori Withrow, Vice Chair

Mary Murphy, Secretary (virtual)  
 Doug Gibson

Len England

**Staff Participants:** A. Edwards, B. Truman, S. Ottley, R. Montgomery, L. Sahlinger, M. Miller, A. Benegas, J Phetteplace

**Guests:**

**Community Members:** Marianne Patton, Manual Navarro, Jerry Bragg, Sherry Bragg,

**Recorder:** Wendy Kenck

Agenda Item	Topic/Action
1. Call to Order	<ul style="list-style-type: none"> <li>• L. Withrow called the meeting to order at 1:30 pm and recited the mission statement.</li> </ul>
2. Public Comment	<ul style="list-style-type: none"> <li>• J. Bragg commented that multiple providers in the area have stated they no longer will have medical privileges at the hospital due to the hospitalist program and noted the providers concerns that the use of hospitalists could negatively impact community health by limiting patients' ability to be seen by their primary care providers while hospitalized. Additionally, he expressed a preference for having the option to see his primary care provider rather than a hospitalist while in-house.               <ul style="list-style-type: none"> <li>○ The Board and the Administration responded stating the hospitalist program was implemented to provide 24/7 inpatient care, ensuring continuous, specialized treatment. This approach keeps acuity levels in-house while allowing higher-acuity cases to be transferred when necessary.</li> <li>○ Local providers still retain OB, pediatric, and colonoscopy privileges at the hospital.</li> <li>○ Data showed that many patients were transferred due to a lack of available providers, leading to lost revenue for LCH.</li> <li>○ Prior to the hospitalist program, 4% of hospitalized patients were being seen by their family practice provider.</li> <li>○ Hospitalists, specializing in inpatient care, are always on-site and maintain continuous communication with local providers.</li> <li>○ Similar to cardiologists, hospitalists are specialists in inpatient care, and they receive ongoing education and training to enhance patient outcomes.</li> <li>○ February financial reports show a significant year-over-year increase.</li> <li>○ Having a provider on staff 24/7 has improved collaboration among nursing, imaging, and pharmacy teams, enhancing overall patient care.</li> <li>○ Patients have responded positively, appreciating the dedicated inpatient care and the presence of hospitalists has raised the overall quality of care.</li> <li>○ The decision and the implementation of hospitalists followed over a year of discussions and evaluations.</li> </ul> </li> <li>• Jerry and Sherry Bragg expressed concerns about the management of the Bragg trust, emphasizing that its original purpose was to ensure fund recipients return to the valley for at least two years. The Braggs have not received updates in the past 10 years and want to know</li> </ul>

	<p>who has benefited from the funds. Additionally, they noted that the foundation board operates separately from the LCH Board, which was not Edna (Bragg)'s original intent, as the hospital was initially meant to be directly involved in fund distribution.</p> <ul style="list-style-type: none"> <li>○ The Board and staff in attendance expressed a heartfelt thank you for the many opportunities that the trust has provided staff over the years and noted that the trust is currently managed by the Lake Chelan Health &amp; Wellness Foundation and would like to discuss the trust moving forward in more detail.</li> </ul>
3. Chair's Report	<ul style="list-style-type: none"> <li>● There is no Chair's report for the month of February.</li> </ul>
4. Consent Agenda	<ul style="list-style-type: none"> <li>● <i>L. Withrow motioned to approve the Consent Agenda, seconded, motion passed</i></li> </ul>
5. Executive Session	<ul style="list-style-type: none"> <li>● L. Withrow announced Executive Session at 2:10 pm for 15 minutes to consider information regarding staff privileges or quality improvement committees under RCW 70.41.205 and RCW 42.30.110(1)(o) <ul style="list-style-type: none"> <li>○ L. Withrow extended the Executive Session 10 minutes</li> <li>○ Executive session ended at 2:35 pm</li> </ul> </li> </ul>
6. Reports	<ul style="list-style-type: none"> <li>● <i>L. Withrow verified all credential files are complete for the proposed list of providers and motioned to approve the appointments and removals as presented, seconded, motion passed.</i> <ul style="list-style-type: none"> <li>○ The Credentialing Committee will reach out to the Medical Staff to review privileges and processes.</li> </ul> </li> <li>● Finance: <ul style="list-style-type: none"> <li>○ B. Truman reported that USDA applications for EMS/Admin project funding have been submitted and are awaiting approval. Private funding efforts are underway, with potential funds expected in approximately three months if approved.</li> <li>○ B. Truman presented the unaudited January 2025 finance report, <ul style="list-style-type: none"> <li>▪ <i>D. Gibson motioned to accept the unaudited January 2025 Finance Report, motion passed.</i></li> </ul> </li> <li>○ <i>L. England motioned to sell the 2004 Ford E-450 Bus (EMS vehicle), sell the 2012 Dodge Caravan (EMS Vehicle), and scrap the 2013 Dodge Ambulance (EMS Vehicle) seconded, motion approved.</i></li> <li>○ <i>L. Withrow motioned to approve Resolution 2025-1 Capital Expenditures, seconded, motion approved.</i></li> </ul> </li> <li>● A. Edwards shared the CEO Report with additional notes of interest:</li> <li>● WSHA Hospital Advocacy Day: Attended legislative meetings focused on preventing Medicaid funding cuts.</li> <li>● Medicaid Concerns: LCH receives \$1.3 million to offset Medicaid losses, but ongoing funding remains a concern.</li> <li>● Prior Authorization Issues: Current system lacks a direct way to appeal or discuss case denials with decision-makers.</li> <li>● Sub-PEBB Bill: Proposes capping charges and requiring acceptance of the offered plan.</li> <li>● Community Connection Opportunities: <ul style="list-style-type: none"> <li>○ City Town Hall: Many attended. <ul style="list-style-type: none"> <li>▪ Upcoming Events: Ruby U, Brad Hawkins: Meeting with the community at the Chelan Firehall on 3/5 (PM).</li> </ul> </li> </ul> </li> <li>● M. Murphy presented the "<b>Open Public Meeting Act- Executive Session</b>" from MRSC as a tool for board members</li> <li>● S. Ottley presented the Strat Plan Board Dashboard</li> <li>● <i>L. Withrow motioned to accept D. Gibson and L. England to represent the Board at the Compliance Privacy &amp; Risk committee for 2025. Motion passed.</i></li> </ul>

7. Old Business	<ul style="list-style-type: none"> <li>• Specialty Care Clinic: <ul style="list-style-type: none"> <li>○ Electrical, plumbing, and mechanical work is nearly complete, with minor adjustments needed for DOH compliance at a lower cost. Additionally, a room is being modified to include MOH’s lab, with a finalized plan and a change order expected soon.</li> </ul> </li> <li>• EMS/Admin Building project received positive support from the city, with permitting targeted for May and groundbreaking expected in June or July.</li> </ul>
8. New Business	<ul style="list-style-type: none"> <li>• No new business</li> </ul>
9. Roundtable/Action Items	<ul style="list-style-type: none"> <li>• The Credentialing Committee will contact MEC.</li> <li>• The Board was impressed with the Dermatology program and appreciated the support from all staff involved.</li> </ul>
10. Public Comment	<ul style="list-style-type: none"> <li>• No Public Comment</li> </ul>
11. Executive Session	<ul style="list-style-type: none"> <li>• J. LaPorte announced Executive Session at 4:15 pm for 30 minutes for <ul style="list-style-type: none"> <li>○ RCW 42.30.110(1)(o) to consider information regarding staff privileges or quality improvement committees under RCW 70.41.205</li> <li>○ RCW 42.30.110(1)(g) Evaluate the performance of a public employee. <ul style="list-style-type: none"> <li>▪ L. Withrow extended the Executive Session 15 minutes</li> <li>▪ L. Withrow extended the Executive Session 15 minutes</li> <li>▪ L. Withrow extended the Executive Session 10 minutes</li> <li>▪ Executive Session ended at 5:25 pm</li> </ul> </li> </ul> </li> </ul>
12. Adjournment	<ul style="list-style-type: none"> <li>• No action was taken as a result of the Executive Session</li> <li>• L. Withrow adjourned the meeting at 5:26 pm</li> </ul>

Attest:

\_\_\_\_\_  
M. Murphy, Secretary

\_\_\_\_\_  
Aaron Edwards, CEO

\_\_\_\_\_  
W. Kenck, Executive Assistant

WARRANT #'S A/P	AMOUNT	CAPITAL	BOARD MTG - MARCH 2025	WARRANT#'S PAYROLL	AMOUNT	pay period
238932-238988	\$ 428,912.94			Direct Deposit	\$ 546,724.85	2/8/2025
238989-239002	\$ 13,356.73			PAYROLL TAXES	\$ 208,007.64	2/8/2025
retirement	\$ 2,182.25			Child Support	\$ 320.37	2/8/2025
retirement	\$ 55,132.35			Direct Deposit	\$ 558,194.77	2/22/2025
239003-239074	\$ 466,273.33			PAYROLL TAXES	\$ 212,165.94	2/22/2025
AP DIRECT DEPOSIT	\$ 30,322.07			Child Support	\$ 320.37	2/22/2025
239075	\$ 2,339.00					
AP DIRECT DEPOSIT	\$ 61,380.50					
239076-239146	\$ 281,578.31	239098 voided				
IDAHO ST TAXES	\$ 1,118.00					
DOR	\$ 24,913.93					
AP DIRECT DEPOSIT	\$ 13,107.98					
retirement	\$ 55,385.25					
AP DIRECT DEPOSIT	\$ 12,113.39					
239147-239232	\$ 683,306.25					
239233-239288	\$ 402,323.29					
AP DIRECT DEPOSIT	\$ 63,102.39					
	<b>\$ 2,596,847.96</b>				<b>\$ 1,525,733.94</b>	

DATE February 2025

**TOTAL BAD DEBTS - HOSPITAL \$104,631.33**  
**TOTAL MEDICARE BAD DEBTS \$8,814.30**  
**TOTAL BANKRUPTCY \$0**  
**TOTAL CHARITY CARE – HOSPITAL \$86,324.63**  
**TOTAL MEDICARE CHARITY CARE - \$17,785.39**

**TOTAL ATTESTATION \$217,555.65**

I, The undersigned, do hereby certify that the accounts, as described on the attached “bad debt list”, have been duly examined and have been duly processed in accordance with the hospital credit/collection policies. It is hereby submitted and recommended to the Governing Board that the said accounts be turned over to outside professional collector (s) as indicated on the attached list.

BOARD DESIGNATED AUDITOR \_\_\_\_\_ DATE: \_\_\_\_\_

BOARD APPROVAL

DATE: \_\_\_\_\_

CHAIR \_\_\_\_\_

VICE CHAIR \_\_\_\_\_

SECRETARY \_\_\_\_\_

MEMBER \_\_\_\_\_

MEMBER \_\_\_\_\_

ATTEST. ADMINISTRATOR \_\_\_\_\_



**MINUTES**

<b>Group:</b> Finance Committee 3/19/25, 10AM in person and via Teams		
<b>Facilitator:</b> Jordana Laporte		<b>Recorder:</b> W. Kenck
<b>Member Attendance:</b>		
<input checked="" type="checkbox"/> Jordana Laporte, BOC	<input type="checkbox"/> Shawn Ottley, COO	<input checked="" type="checkbox"/> Aaron Edwards, CEO
<input checked="" type="checkbox"/> Lori Withrow, BOC	<input checked="" type="checkbox"/> Brant Truman, CFO	
<b>Participants:</b> V. Bodle, R. Montgomery,		

FI – For Information; FD – For Discussion; FR – For Recommendation

<i>Agenda Item</i>	<i>Topic/Action</i>
<ul style="list-style-type: none"> <li>• Call to Order</li> </ul>	<ul style="list-style-type: none"> <li>• J. Laporte called meeting to order at 10:08 am</li> </ul>
<ul style="list-style-type: none"> <li>• Goals</li> </ul>	<ul style="list-style-type: none"> <li>• The Committee has set an ambitious target of achieving a net income of \$2M.</li> <li>• Develop a 5-year Capital Budget.</li> </ul>
<ul style="list-style-type: none"> <li>• New Business</li> </ul>	<ul style="list-style-type: none"> <li>• B. Truman reviewed the Project Sources and Uses of Funds</li> <li>• B. Truman reviewed DOH letter received regarding the Charity Care policy adjustments, which will be presented to the Board for final approval at the March Board meeting.</li> <li>• B. Truman reviewed a proposal using a 3<sup>rd</sup> party vendor for 340B funding</li> <li>• B. Truman reviewed the hospital's debt limit capacity.</li> </ul>
<ul style="list-style-type: none"> <li>• <i>Old Business</i></li> </ul>	<ul style="list-style-type: none"> <li>• Project Financing Update: New Hospital 2022               <ul style="list-style-type: none"> <li>○ All project funds and financing are finalized, and the project is closed.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Reports</li> </ul>	<ul style="list-style-type: none"> <li>• V. Bodle presented the unaudited February 2025 Financial Statement</li> </ul>
<ul style="list-style-type: none"> <li>• Adjournment</li> </ul>	<ul style="list-style-type: none"> <li>• J. LaPorte adjourned the meeting at 11:59 am</li> </ul>



# LAKE CHELAN HEALTH

**Unaudited Financial Statements**

**for**

**For the month ended February 28, 2025**

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**Balance Sheet**  
**Lake Chelan Health**

	<b>Current Month</b> <b>2/28/2025</b> <b>unaudited</b>	<b>Prior Year</b> <b>12/31/2024</b> <b>AUDITED</b>	<b>Prior Year</b> <b>2/29/2024</b> <b>Unaudited</b>
<b>ASSETS:</b>			
CASH	134,688	\$ 658,937	\$ 771,293
PATIENT RECEIVABLES	12,954,319	12,753,621	\$ 10,370,397
LESS: RESERVES FOR ALLOWANCES	<u>(6,869,629)</u>	<u>(6,866,738)</u>	<u>\$ (5,569,639)</u>
NET PATIENT ACCOUNTS RECEIVABLES	6,084,691	5,886,883	4,800,758
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	227,722	(100,278)	23,012
OTHER RECEIVABLES	1,013,008	390,232	742,212
INVENTORIES	337,112	335,411	332,935
PREPAID EXPENSES	<u>380,607</u>	<u>321,417</u>	<u>338,456</u>
TOTAL CURRENT ASSETS	<u>\$ 8,177,828</u>	<u>\$ 7,492,603</u>	<u>\$ 7,008,667</u>
GENERAL RESERVES	\$ 797,153	1,341,519	\$ 1,435,744
Unrestricted Reserves	\$ 6,469,568	6,405,615	\$ 3,461,949
Internally Restricted Reserves	\$ 4,139,524	4,139,524	\$ 4,139,524
2018 BONDS	0	0	\$ -
USDA 2023	410,400	410,400	\$ 273,600
Coastal Bank	<u>50,004</u>	<u>50,000</u>	<u>\$ -</u>
TOTAL LIMITED USE ASSETS	<u>\$ 11,866,648</u>	<u>\$ 12,347,058</u>	<u>\$ 9,310,817</u>
LAND	\$ 4,133,845	4,133,845	\$ 4,787,901
LAND IMPROVEMENTS	0	0	\$ 4,359,652
BUILDINGS & IMPROVEMENTS	10,390	10,390	\$ 996,641
EQUIPMENT	10,190,139	10,471,292	\$ 10,557,166
SOFTWARE	2,182,181	2,166,371	\$ 2,158,462
NEW HOSPITAL	44,757,019	44,763,709	\$ 44,718,237
LOCUM HOUSING	635,382	635,484	\$ -
GASB 87 BUILDINGS AND EQUIPMENT	1,742,567	1,742,567	1,265,419
CONSTRUCTION-IN-PROGRESS - PROJECTS	1,572,850	926,355	\$ 120,925
CONSTRUCTION-IN-PROGRESS - HOSPITAL	<u>101,254</u>	<u>9,290</u>	<u>\$ 19,022</u>
GROSS PROPERTY, PLANT, & EQUIPMENT	65,325,626	64,859,304	68,983,425
LESS: ACCUMULATED DEPRECIATION	<u>(14,961,039)</u>	<u>(14,753,073)</u>	<u>\$ (18,433,871)</u>
GASB 87 AMORTIZATION	<u>(551,612)</u>	<u>(543,279)</u>	<u>(489,897)</u>
NET PROPERTY, PLANT, & EQUIPMENT	<u>\$ 49,812,975</u>	<u>\$ 49,562,952</u>	<u>\$ 50,059,658</u>
DEFERRED ITEMS	\$ 1,532,521	1,535,731	\$ 2,477,587
<b>TOTAL ASSETS</b>	<u><b>\$ 71,389,972</b></u>	<u><b>\$ 70,938,345</b></u>	<u><b>\$ 68,856,728</b></u>
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ 923,223	1,201,176	391,831
ACCRUED PAYROLL	287,443	861,750	911,444
ACCRUED VACATION/HOLIDAY/SICK PAY	1,164,801	1,005,811	869,287
PAYROLL TAXES PAYABLE	25,616	(44,816)	(34,213)
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	0	0	0
OTHER CURRENT LIABILITIES	1,444,600	734,009	1,139,923
INTEREST PAYABLE	270,244	91,605	276,547
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	1,101,831	1,046,831	1,046,831
LINE OF CREDIT	0	0	0
TOTAL CURRENT LIABILITIES	<u>\$ 5,217,759</u>	<u>\$ 4,896,368</u>	<u>\$ 4,601,649</u>
CAPITALIZED LEASES	\$ -	\$ -	\$ -
2018 BONDS	\$ 16,355,900	18,368,093	18,715,720
2013 BONDS	4,284,295	4,283,436	4,659,140
USDA LOANS	18,487,510	17,710,433	18,069,013
LEASES	1,694,346	2,114,879	1,524,999
PAID LEAVE - LT PORTION	<u>82,334</u>	<u>200,959</u>	<u>200,959</u>
TOTAL LONG TERM LIABILITIES	<u>\$ 42,904,385</u>	<u>\$ 42,677,800</u>	<u>\$ 43,169,831</u>
DEFERRED ITEMS	\$ 4,148,403	4,212,308	3,922,975
<b>TOTAL LIABILITIES</b>	<u><b>\$ 52,270,547</b></u>	<u><b>\$ 51,786,475</b></u>	<u><b>\$ 51,694,455</b></u>
<b>FUND BALANCE:</b>			
UNRESTRICTED FUND BALANCE	\$ 19,047,661	17,126,756	17,270,338
TEMPORARY RESTRICTED FUND BALANCE	\$ -	0	0
YTD Net Revenue/(Expenses)	<u>71,764</u>	<u>2,025,114</u>	<u>(108,065)</u>
<b>TOTAL NET ASSETS</b>	<u><b>\$ 19,119,425</b></u>	<u><b>\$ 19,151,870</b></u>	<u><b>\$ 17,162,273</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 71,389,972</b></u>	<u><b>\$ 70,938,345</b></u>	<u><b>\$ 68,856,728</b></u>

property taxes are accrued over 12 months

# Statement of Revenue and Expense

## Lake Chelan Health

For the month ended February 28, 2025

	CURRENT MONTH				Prior Year 02/29/24
	Actual 02/28/25	Budget 02/28/25	Positive (Negative) Variance		
<b>GROSS PATIENT SERVICE REVENUES</b>					
INPATIENT	\$ 644,422	\$ 610,165	34,257	6%	\$ 512,843
OUTPATIENT	4,891,820	4,781,701	110,119	2%	4,153,291
<b>TOTAL PATIENT SERVICE REVENUES</b>	<b>5,536,243</b>	<b>5,391,867</b>	<b>144,376</b>	<b>3%</b>	<b>4,666,134</b>
<b>DEDUCTIONS FROM REVENUE</b>					
CONTRACTUAL ALLOWANCES	(2,139,317)	(2,230,226)	90,909	-4%	(1,729,300)
BAD DEBT	(113,446)	0	(113,446)	0.00%	(97,350)
CHARITY	(104,110)	0	(104,110)	0.00%	(162,299)
<b>TOTAL DEDUCTIONS FROM REVENUES</b>	<b>(2,356,872)</b> 42.6%	<b>(2,230,226)</b> 41.4%	<b>(126,646)</b>	<b>-6%</b>	<b>(1,988,949)</b> 42.6%
<b>NET PATIENT SERVICE REVENUES</b>	<b>3,179,371</b>	<b>3,161,641</b>	<b>17,730</b>	<b>1%</b>	<b>2,677,185</b>
<b>OTHER OPERATING REVENUES</b>	<b>28,017</b>	<b>22,417</b>	<b>5,600</b>	<b>25%</b>	<b>24,049</b>
<b>TOTAL OPERATING REVENUES</b>	<b>3,207,388</b>	<b>3,184,057</b>	<b>23,330</b>		<b>2,701,234</b>
<b>OPERATING EXPENSES</b>					
SALARIES/WAGES	1,620,566	1,736,194	115,628	7%	1,508,970
EMPLOYEE BENEFITS	374,286	376,160	1,874	0%	322,470
PROFESSIONAL SERVICES	273,391	261,209	(12,182)	-5%	81,556
FOOD SUPPLIES	18,033	19,329	1,296	7%	14,026
MINOR EQUIPMENT	3,249	31,093	27,844	90%	12,567
SUPPLIES	162,863	203,107	40,244	20%	162,945
PLANT UTILITIES	30,685	30,254	(431)	-1%	39,479
PURCHASED SERVICES	408,182	327,951	(80,231)	-24%	273,330
REPAIR/MAINTENANCE	85,580	100,412	14,832	15%	91,427
PUBLIC RELATIONS/RECRUITM	23,493	13,009	(10,484)	-81%	7,575
RENT/LEASES	75,745	61,633	(14,112)	-23%	48,795
INSURANCE	45,297	45,774	477	1%	22,493
LICENSES/TAXES	28,019	31,325	3,306	11%	17,549
DUES/SUBSCRIPTIONS/OTHER	45,789	67,200	21,411	32%	38,402
TRAVEL/TRAINING	5,827	14,736	8,909	60%	8,144
DEPRECIATION	288,301	362,973	74,671	21%	313,949
AMORTIZATION	15,475				
<b>TOTAL OPERATING EXPENSES</b>	<b>3,504,783</b>	<b>3,682,360</b>	<b>193,052</b>	<b>5.2%</b>	<b>2,963,676</b>
<b>NET OPERATING SURPLUS (LOSS)</b>	<b>(297,396)</b>	<b>(498,302)</b>	<b>200,907</b>		<b>(262,442)</b>
<b>NON-OPERATING REVENUES</b>	<b>268,887</b>	<b>256,233</b>	<b>12,654</b>		<b>207,055</b>
TAXES					
INTEREST					
GIFTS & GRANTS	155,047		155,047		
OTHER	0	0	0		0
<b>NET INCOME</b>	<b>126,538</b>	<b>(242,070)</b>	<b>368,608</b>		<b>(55,387)</b>
margin	3.9%	-7.6%			-2.1%
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$ 126,538</b>	<b>\$ (242,070)</b>	<b>368,608</b>		<b>\$ (55,387)</b>

**Statement of Revenue and Expense**  
**Lake Chelan Health**

For the month ended February 28, 2025

	YEAR-TO-DATE				Prior Year 02/29/24
	Actual 02/28/25	Budget 02/28/25	Positive (Negative) Variance		
GROSS PATIENT SERVICE REVENUES					
INPATIENT	\$ 1,617,395	\$ 1,309,065	308,330	24%	\$ 1,287,796
OUTPATIENT	9,454,640	10,258,775	(804,135)	-8%	8,723,040
TOTAL PATIENT SERVICE REVENUES	11,072,035	11,567,840	(495,805)	-4%	10,010,836
DEDUCTIONS FROM REVENUE					
TOTAL DEDUCTIONS FROM REVENUES	(4,159,651)	(4,784,780)	625,129	-13%	(3,799,956)
BAD DEBT	(297,520)	0	(297,520)	0.00%	(200,809)
CHARITY	(135,815)	0	(135,815)	0.00%	(207,975)
TOTAL DEDUCTIONS FROM REVENUES	(4,592,966)	(4,784,780)	191,794	4%	(4,208,739)
	41.5%	41.4%			42.0%
NET PATIENT SERVICE REVENUES	6,479,049	6,783,060	(304,011)	-4%	5,802,097
OTHER OPERATING REVENUES	62,676	44,833	17,843	40%	60,952
TOTAL OPERATING REVENUES	6,541,725	6,827,893	(286,168)	-4%	5,863,048
OPERATING EXPENSES					
SALARIES/WAGES	3,328,182	3,658,409	330,227	9%	3,169,758
EMPLOYEE BENEFITS	729,775	792,624	62,849	8%	648,604
PROFESSIONAL SERVICES	547,824	522,418	(25,406)	-5%	188,212
FOOD SUPPLIES	38,995	38,658	(336)	-1%	30,455
MINOR EQUIPMENT	37,685	62,187	24,502	39%	207,902
SUPPLIES	331,321	435,750	104,429	24%	394,837
PLANT UTILITIES	63,618	60,508	(3,110)	-5%	79,212
PURCHASED SERVICES	860,221	655,901	(204,320)	-31%	520,533
REPAIR/MAINTENANCE	176,483	200,824	24,342	12%	181,959
PUBLIC RELATIONS/RECRUITMENT	29,783	26,018	(3,766)	-14%	13,690
RENT/LEASES	156,197	123,266	(32,931)	-27%	123,978
INSURANCE	88,244	91,549	3,304	4%	63,274
LICENSES/TAXES	62,930	62,651	(279)	0%	34,341
DUES/SUBSCRIPTIONS/OTHER	112,969	134,399	21,430	16%	95,903
TRAVEL/TRAINING	9,934	29,472	19,538	66%	18,504
DEPRECIATION	622,347	725,946	103,599	14%	630,646
AMORTIZATION		0	0		
TOTAL OPERATING EXPENSES	7,196,508	7,620,580	424,071	5.6%	6,401,804
<b>NET OPERATING SURPLUS (LOSS)</b>	<b>(654,783)</b>	<b>(792,687)</b>	<b>137,903</b>		<b>(538,756)</b>
NON-OPERATING REVENUES		512,466			
PROPERTY TAXES FOR OPERATIONS	466,026				453,743
GRANTS/CONTRIBUTIONS	185,647				412
INVESTMENT EARNINGS	64,445				67,926
OTHER EXPENSE		0	0		
TAXES FOR DEBT SVC PMTS	216,777				212,581
INTEREST EXPENSE	(286,493)				(304,472)
GAIN / (LOSS) ON ASSET DISPOSAL	90,144				500
NET INCOME	71,763	(280,221)	351,984		(108,066)
margin	1.1%	-4.1%			-1.8%
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$ 71,763</b>	<b>\$ (280,221)</b>	<b>\$ 351,984</b>		<b>\$ (108,066)</b>

unaudited

## Patient Statistics Lake Chelan Health

For the month ended February 28, 2025



Current Month			Last Year Month			
Actual vs Budget	02/28/25	BUDGET	STATISTICS	Actual vs Budget	02/29/24	BUDGET
<span style="color: green;">■</span>	118	120	Total Days Cash on Hand	<span style="color: yellow;">■</span>	105	120
<span style="color: green;">■</span>	56	40	Net AR Days	<span style="color: green;">■</span>	42	40
<span style="color: green;">■</span>	1.59	1.25	Debt Coverage Ratio	<span style="color: green;">■</span>	1.23	1.25
<span style="color: green;">■</span>	216	175	Payroll FTEs	<span style="color: green;">■</span>	189	175

Current Month				Year-To-Date				
Actual vs Budget	Actual 02/28/25	Prior Year 02/29/24	BUDGET	STATISTICS	Actual vs Budget	Actual 02/28/25	Prior Year 02/29/24	BUDGET
<b>Admissions</b>								
NA	18	17	NA	medical	NA	42	37	NA
NA	0	0	NA	surgical	NA	0	0	NA
NA	5	3	NA	OB	NA	14	14	NA
NA	23	20	NA	Acute	NA	56	61	NA
NA	7	7	NA	Swing Bed	NA	11	12	NA
NA	4	2	NA	Total Deliveries	NA	13	13	NA

<b>Patient Days</b>								
<span style="color: yellow;">■</span>	50	52	62	medical	<span style="color: yellow;">■</span>	113	126	133
NA	0	0	NA	surgical	NA	0	0	NA
<span style="color: green;">■</span>	12	4	13	OB	<span style="color: green;">■</span>	33	27	28
<span style="color: yellow;">■</span>	62	56	75	Acute	<span style="color: green;">■</span>	146	153	161
<span style="color: green;">■</span>	72	74	56	Swing Bed	<span style="color: green;">■</span>	145	123	121
<span style="color: red;">■</span>	6	2	9	Total Newborn Days	<span style="color: green;">■</span>	22	19	20
<span style="color: green;">■</span>	140	132	141	TOTAL PATIENT DAYS	<span style="color: green;">■</span>	313	295	302

<b>Average Length of Stay</b>								
<span style="color: green;">■</span>	2.7	2.8		Total Inpatient	<span style="color: green;">■</span>	2.6	3.0	
<span style="color: green;">■</span>	10.3	10.6		Swing Bed	<span style="color: green;">■</span>	12.9	10.3	

<b>Avg Daily Census - Hospital</b>								
	2.1	1.9		Total Inpatient		2.4	2.6	
	2.5	2.6		Swing Bed		2.4	2.1	
	4.6	4.5		Total		4.9	4.6	

<span style="color: green;">■</span>	487	503	507	ED Visits	<span style="color: yellow;">■</span>	932	969	1088
<span style="color: red;">■</span>	51	69	74	Surgeries	<span style="color: red;">■</span>	104	147	160
<span style="color: green;">■</span>	1136	1113	1167	Imaging Procedures	<span style="color: green;">■</span>	2287	2385	2504
<span style="color: green;">■</span>	3659	2872	2830	Lab Tests	<span style="color: green;">■</span>	7182	5816	6071
<span style="color: green;">■</span>	617	682	669	Rehab Visits	<span style="color: green;">■</span>	1312	1394	1436
<span style="color: green;">■</span>	115	105	117	EMS Runs	<span style="color: yellow;">■</span>	224	198	262
<span style="color: yellow;">■</span>	913	798	1144	Total Clinic Visits	<span style="color: red;">■</span>	1770	1677	13043
<span style="color: green;">■</span>	101	90	93	Specialty	<span style="color: red;">■</span>	209	192	952
	143	109		Primary care		313	280	0
<span style="color: red;">■</span>	669	573	1051	Express Care (budget shows primary and express)	<span style="color: red;">■</span>	1248	1105	12091
	21	21		working days		44	43	

**Note #1 Contractuals**

Contractuals do not include reimbursement that will happen when the cost report is filed.  
AR increased \$286k from January to February  
Charity care was \$104,110 for February. Bad Debt was \$113,446.  
Charity and Bad Debt are 3.9% of gross charges ytd compared to 4.18% this same time last year and 4.28% in December 2024.

**Note #2 PROFESSIONAL SERVICES**

ED Pro Fees over budget \$10,060

**Note #3 PURCHASED SERVICES**

Med Surg is over budget \$96,382 due to increase use in travelers  
Surgery is over budget by \$41,322. Whitman Partners was not budgeted. Will look at amending.  
Lab is over budget by \$20,429. Budget appears too low based on history. Will look at amending.  
Business Office is over budget by \$14,658. Will review budget.

**Note #4 RENTS/LEASES**

Radiology is over budget by \$27,783 due to MRI lease. All expenses were spread over 12 and this is expected to end in May.

The reclass to GASB 87 has not been done in 2025. The budget reflects the reclass.  
This is why depreciation and amortization are under budget

**Note #5 NON OPERATING REVENUE**

The sale of the old hospital resulted in a net gain of \$996,288

There were assets that had not been fully depreciated  
Current gain recognized is \$223,185 for 2024 and \$90,144 for 2025

**Grants/Contributions -**

WA ST Ecology 151,277  
Foundation 3,775  
CWH Grant 11,722  
Community Choice 16,878 - CARES

For the month ended February 28, 2025

1/31/2025	GL ACCOUNT #	ACCT DESCRIPTION	2/28/2025	EXPLANATION	
\$123,089	10002000	General Fund Cash In Bank (Wheatland)	\$113,454	<b>(\$9,636)</b> \$3,339,550 deposits \$0 enhancement pmt medical cost report <b>(\$12,729)</b> tsys/payplus fees <b>(\$3,333)</b> fees mckesson/cardinal <b>(\$35)</b> fees and interest rebales \$3,912 café sales <b>(\$3,337,000)</b> transfer to county	
\$639,019	10004000	General Fund Cash w/ Treasurer	\$628,301	<b>(\$10,718)</b> <b>(\$2,262,573)</b> AP <b>(\$15,517)</b> Voids \$2,278,090 warrants issued <b>(\$1,841,226)</b> warrants redeemed \$3,337,000 Bank Transfers from 10002000 \$425,568 Bank Transfer to/from 10106000 <b>(\$88,992)</b> Bank Transfer for USDA pmt \$0 Bank Transfer to USDA reserve <b>(\$1,819,578)</b> Payroll/Benefits <b>(\$24,914)</b> B&O taxes \$805 Property Taxes \$619 Leasehold Taxes & Misc Taxes USDA final loan close out	
<b>(\$20,216)</b>	10009000	cash clearing	\$21,234	<b>\$41,451</b> pmts posted as remits received	
<b>(\$206,954)</b>	20070000	warrants outstanding	<b>(\$628,301)</b>	<b>(\$421,347)</b> <b>(\$1,104,920)</b> remits (payroll/benefits/b&O) \$1,841,226 warrants redeemed <b>(\$2,278,090)</b> warrants issued ap \$1,104,920 remits redeemed \$15,517 voids	
\$879,948	10106000	AMB RESERVE	\$457,003	<b>(\$422,946)</b> (transfer to reserves <b>(\$425,568)</b> transfer from reserves (bond pmt & ops) \$1,490 property taxes \$1,125 leasehold taxes \$7 interest	
\$339,059	10910000	2018 GO BOND	\$340,150	<b>\$1,092</b> \$1,092 property taxes \$0 bond pmt	<b>Days of Cash on Hand</b> Cash: current assets 134,688 unrestricted reserves 797,153 unrestricted reserves 6,469,568 7,401,409
\$0	10911000	2018 CASH BOND	\$0	\$0 interest	reclassified to general fund
\$320,400	10916000		\$320,400	\$0 funded year 3 per LOC	USDA reserve 460,404
\$90,000	10917000		\$90,000	\$0 funded year 3 per LOC	restricted reserves - pending covid ca 4,139,524 4,599,928
\$410,400			\$410,400	\$0	
\$0	10915000	CASH/TREAS LTGO BOND	\$0	\$0 paid bond interest	Expenses: total YTD -551,612 less deprecation -522,347 -1,173,959
\$10,578,775	10760000	RESERVES	\$10,609,092	<b>\$30,317</b> \$30,317 interest	number of days YTD 71,763
\$50,002	10764000	COASTAL BANK	\$50,004	<b>\$2</b> interest	
\$12,793,121			\$12,001,337	<b>(\$791,786)</b>	<b>6</b> <b>Days of Cash on Hand</b> 67.5
					<b>Restricted Days Cash on Hand</b> 42.0
					<b>Total Days Cash on Hand</b> 109.5



## CEO Board Report (as of 3/20/25)

### People:

- For the first time in years we will have a fully staffed OB nursing department!
- We have a new ED Director starting with us soon and have a couple of great candidates for our open Director of Surgical Services.
- Working on scheduling an internal town hall/Q&A with staff which will be recorded and done at multiple times.
- Dr. Goeser and PA Guadalupe Martinez-Vera are accepting new patients down at the clinic and often have same day access to appointments!
- Continue to work on filling open positions at MA, CNA, OT, MRI and Lab Tech, Orthopedic APP, PT aid, paramedic as well as many other opportunities. Go to [www.lakechelanhealth.org/careers/](http://www.lakechelanhealth.org/careers/) to see what is available and apply and see which positions have additional incentives!

### Community:

- Spoke at Chelan Indivisible at the Ruby on 3/15 about concerns that the feds and state may cut various healthcare programs and what that impact might be on our hospital district. The meeting was well attended (roughly 100) and I felt the group was very supportive of the hospital.
- Met with the UW and CVCH leadership on funding for the residency. Currently the hospital pays the UW roughly \$21K per month to sustain the residency (much of that is recouped a year+ down the road through our cost report). The UW is confident they will not be able to get additional funding to offset those costs (Chelan, the eyes of CMS, is a “micro-metropolitan area” and therefore doesn’t qualify for federal funding of the residency. With potential cuts in other areas coming from the state and feds this is very concerning. We are due to sign or reject a new contract with the UW (and CVCH) here shortly.

### Quality:

- The recent Net Promotor Score (patient satisfaction) is trending near 85. 50 or higher in the healthcare industry is considered excellent!

### Financial:

- Overall gain of \$126K this past month with gross revenue '24 by roughly \$900K. Year to date we have a small margin of \$71K vs a loss in '24 of \$108K.
- Hospital inpatient days are ahead of budget even with a decrease in newborn days (inpatient revenue up 24% year over year), lab tests are up substantially compared to budget, EMS runs are up, ED volume was a little below budget, surgeries are well below budget, and clinic visits are up year over year.

### Building for the Future:

- Our express care team is leading substantial growth and great patient satisfaction scores.
- Continue to look for more services to add to the coming specialty clinic. The specialty clinic is on time and will be open late spring early summer. Close to going out to bid for the EMS building.

Room (2)

Capital / Grant Request Packet

Equipment Trade / Sale / Disposal Form

**Equipment Information:** Stryker bed

Caregiver Name	
Department	MSU
Equipment Description	
Year Purchased	
Grant Funded / Year	
Serial Number	21000282 NO. 94166-blue tag
Hospital ID Number	
Model Number	
Manufacturer Name	
Disposal Method	<input checked="" type="checkbox"/> Trade-In <input type="checkbox"/> Sell <input type="checkbox"/> Donate <input checked="" type="checkbox"/> Scrap
Reason for Disposal	OUT OF DATE
Service Removal Date	
Sale Value	
Trade Value	
Release of Liability	<input type="checkbox"/> Form complete and attached <input checked="" type="checkbox"/> Form is not applicable - SCRAP

**Service Removal Signatures:**

- PHI Removed
- Decontaminated, no possible exposure
- Removed from inventory
- Asset removed from books

- S. Bobadilla

Information Technology	N/A
Environmental Services	N/A
Materials Management	<u>Joe Thompson</u> <small>Joe Thompson (Feb 25, 2025 15:40 PST)</small>
Finance Department	<u>Vickie Bodle</u> <small>Vickie Bodle (Feb 25, 2025 15:37 PST)</small>
Plant Operations	<u>Kenneth Peters</u> <small>Kenneth Peters (Feb 26, 2025 08:21 PST)</small>

**Approval Signature:**

- If this form and all applicable documentation is incomplete, it will be denied.
- Send signed original to the Executive Assistant to archive in Policy Tech.

Approval to dispose by Board: \_\_\_\_\_



LAKE CHELAN HEALTH

Room 9

Capital / Grant Request Packet

Equipment Trade / Sale / Disposal Form

Equipment Information: Stryker Bed.

Caregiver Name	
Department	MSU
Equipment Description	
Year Purchased	
Grant Funded / Year	
Serial Number	21000017 NO.
Hospital ID Number	
Model Number	
Manufacturer Name	
Disposal Method	<input checked="" type="checkbox"/> Trade-In <input type="checkbox"/> Sell <input type="checkbox"/> Donate <input checked="" type="checkbox"/> Scrap
Reason for Disposal	OUT OF DATE
Service Removal Date	
Sale Value	
Trade Value	
Release of Liability	<input type="checkbox"/> Form complete and attached <input checked="" type="checkbox"/> Form is not applicable - SCRAP

Service Removal Signatures:

- PHI Removed
- Decontaminated, no possible exposure
- Removed from inventory
- Asset removed from books

- S. Bobadilla

Information Technology	N/A
Environmental Services	N/A
Materials Management	<u>Joe Thompson</u> <small>Joe Thompson (Feb 25, 2025 15:40 PST)</small>
Finance Department	<u>Vickie Bodle</u> <small>Vickie Bodle (Feb 25, 2025 15:37 PST)</small>
Plant Operations	<u>Kenneth Peters</u> <small>Kenneth Peters (Feb 26, 2025 08:21 PST)</small>

Approval Signature:

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Approval to dispose by Board: \_\_\_\_\_



LAKE CHELAN HEALTH

Room 129

Capital / Grant Request Packet

Equipment Trade / Sale / Disposal Form

Equipment Information: "Zoom"

Caregiver Name	
Department	MSU
Equipment Description	Zoom Drive bed
Year Purchased	
Grant Funded / Year	
Serial Number	NO. 8193 Blue tag.
Hospital ID Number	
Model Number	
Manufacturer Name	
Disposal Method	<input checked="" type="checkbox"/> Trade-In <input type="checkbox"/> Sell <input type="checkbox"/> Donate <input checked="" type="checkbox"/> Scrap
Reason for Disposal	OUT OF DATE
Service Removal Date	
Sale Value	
Trade Value	
Release of Liability	<input type="checkbox"/> Form complete and attached <input checked="" type="checkbox"/> Form is not applicable - SCRAP

Service Removal Signatures:

S. Bobadilla

- PHI Removed
- Decontaminated, no possible exposure
- Removed from inventory
- Asset removed from books

Information Technology	N/A
Environmental Services	N/A
Materials Management	<u>Joe Thompson</u> <small>Joe Thompson (Feb 25, 2025 15:40 PST)</small>
Finance Department	<u>Vickie Bodle</u> <small>Vickie Bodle (Feb 25, 2025 15:37 PST)</small>
Plant Operations	<u>Kenneth Peters</u> <small>Kenneth Peters (Feb 26, 2025 08:21 PST)</small>

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Approval to dispose by Board: \_\_\_\_\_



Origination 2/4/2025  
Last Approved N/A  
Effective Upon Approval  
Last Revised 3/10/2025  
Next Review 2 years after approval

Owner Patti Peters:  
Business Office/  
Patient Access/  
HIMS Manager  
Area Patient Financial Services

## Charity Care Policy

### I. PURPOSE

This Financial Assistance Policy is intended to ensure that patients who are at or near the federal poverty level receive Appropriate Hospital-Based Medical Services and Appropriate Non-Hospital-Based Medical Services at a cost that is based on their ability to pay for services up to and including care without charge. Financial Assistance will be granted to all eligible persons regardless of age, race, color, religion, sex, sexual orientation, or national origin in accordance with WAC Chapter 246-453 and RCW 70.170.

The written policy includes:

- (1) eligibility criteria for Financial Assistance,
- (2) describes the basis for calculating amounts charged to patients eligible for Financial Assistance,
- (3) describes the method by which patients may apply for Financial Assistance and
- (4) describe how the District will publicize the policy with the community services by the District.

### II. POLICY STATEMENT

Financial Assistance may cover all appropriate hospital-based medical services, received in the inpatient or outpatient/clinic setting. Services not qualifying under financial assistance may include elective or experimental procedures or separately billable professional services provided by the hospital's medical staff. Non-residents of Washington State are eligible for Financial Assistance consistent with Washington Administrative Code 246-453, which includes coverage for all medically necessary health care. Financial Assistance will not be denied based on immigration status.

### III. SCOPE

Lake Chelan Health is required to provide notice of its Financial Assistance program and will make a good-faith effort to provide every patient with information regarding its availability. Lake Chelan Health (inpatient and hospital-based outpatient clinics/facilities) will post signs in Patient Access, Business Office/Financial Counseling, Emergency Department, and Outpatient Registration that will notify the public of the Financial Assistance Policy. Eligibility for Financial Assistance requires that patients must fulfill all requirements and expectations as outlined in the Financial Assistance Policy. This Financial Assistance Policy and applications for Financial Assistance are available in any language spoken by more than five percent of the population or 1,000 individuals in the applicable hospital's service area. Additionally, interpreter services will be made available for other non-English speaking or limited-English speaking or other patients who cannot read or understand the written application materials

### IV. ROLES & RESPONSIBILITIES

All LCH staff can provide a charity care application for LCH patients. The financial counselor will receive the charity care application and supporting documentation to support the determination of a discounted rate based on the FPL LCH accounting department and will review and validate the charity care application. Upon approval, the accounting department will provide the requested adjustment to the business office manager for the appropriate discount

### V. DEFINITIONS

#### Scope of Services:

Financial Assistance will not be denied based on resident or immigration status. Patients seeking Medically necessary health care qualify when Third-Party Coverage, if any, has been exhausted, to the extent that the persons cannot pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy. Persons who have exhausted any third-party coverage, including Medicare and Medicaid, and whose income is above 200% of the federal poverty standards, adjusted for family size, or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer, may be eligible for Financial Assistance under this policy.

#### Appropriate Hospital-Based Medical Services:

Those Lake Chelan Health hospital services that are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective, more conservative or substantially less costly course of treatment where appropriate, no treatment at all.

#### Appropriate Non-Hospital Based Medical Services:

Those services are rendered at the clinic offices by LCH Members. which are reasonably calculated to

diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. A course of treatment may include mere observation or, where appropriate, no treatment at all. For purposes of this Financial Assistance Policy, preventive care services may be considered "Appropriate Non-Hospital-Based Medical Services". LCH Members: For purposes of this policy, a physician or other qualified healthcare professional who has executed a practice agreement with LCH, or has otherwise reassigned their services to LCH under a contractual arrangement, and provides services at approved LCH sites of practice.

## **APPLICATION**

When a patient wishes to apply for Financial Assistance, the patient shall complete a Confidential Financial Information (CFI) Form (Attachment B) and provide necessary and reasonable supplementary financial documentation to support the entries on the CFI. Lake Chelan Health will make an initial determination of a patient's Financial Assistance status at the time of admission or as soon as possible following the initiation of services to the patient. Financial Assistance application procedures shall not place an unreasonable burden upon the patient, taking into account any barriers that may hinder the patient's capability of complying with the application procedures. Screening for eligibility for Medicaid or other relevant public assistance benefits will be coordinated through the Patient Access Department, Discharge Planning/Outcome Management (if not nursing home placement), or through Patient Financial Services. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of Financial Assistance eligibility:

1. "W-2" withholding statement.
2. Current pay stubs (3 months);
3. Bank statements (3 months);
4. Last year's income tax return, including schedules, if applicable;
5. Written, signed statements from employers or others (letter of support) stating your current financial situation and circumstances if you have no proof of income;
6. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
7. Forms approving or denying unemployment compensation; or written statements from employers or welfare agencies.

In addition, in the event the patient is not able to provide any of the documents described above, Lake Chelan Health shall rely upon written and signed statements from either the responsible party or another party describing the applicant's income. If none of the above is available, Lake Chelan Health may decide based on knowledge of a prior grant of financial assistance or based on verbal representation.

Income shall be annualized from the date of application based on documentation and verbal information provided by the patient. The information will be processed by the financial counselor using the Hospital's Charity Care calculator. Seasonal and/or temporary employment, as well as fluctuation in income, will be

considered when processing the application.

Lake Chelan Health may waive income requirements, documentation, and verification if Financial Assistance eligibility is obvious. Lake Chelan Health staff discretion will be exercised in situations where factors such as from the responsible party for making a final determination of eligibility.

Lake Chelan Health shall make a final determination within 14 days of receipt of financial assistance applications and supporting documentation. Supporting documentation includes items listed on the Confidential Financial Information Form Instructions.

## **VI. PROCEDURE**

### **1. Initial Determination**

For the purpose of reaching an initial determination of eligibility, the District shall rely upon information provided orally or in written form for Financial Assistance as outlined in the Financial Assistance Application Form Instructions. The district may require the responsible party to sign a statement attesting to the accuracy of the information provided to the District for purposes of the initial determination of eligibility. Patients will be screened for other forms of coverage such as Medicaid and Health Benefits Exchange eligibility. This application, along with full disclosure of their financial status with supporting documentation, will be considered in the final determination of eligibility. Patients who do not have applicable Third-Party Coverage may be eligible for Medicaid and/or health care coverage through Washington's Health Benefit Exchange (RCW 43.71). Staff will provide assistance with Medicaid and Qualified Health Plan applications and including but not limited to providing the patient/family with information about the application process, assisting patients through the application process, providing necessary forms that must be completed, and/or connecting the patient/family with other agencies or resources who can assist the patient/family in completing such applications. Lake Chelan Health will not initiate collection efforts until an initial determination of Financial Assistance eligibility status is made. Where Lake Chelan Health initially determines that a patient may be eligible for Financial Assistance, any and all extraordinary collection actions (including civil actions, garnishments, and reports to collections or credit agencies) shall cease pending a final determination of Financial Assistance eligibility. However, as set forth in WAC 246-453-020 the failure of a patient or responsible party to reasonably complete Financial Assistance application procedures under this policy shall be sufficient grounds for Lake Chelan Health to initiate collection efforts directed at the patient. Accordingly, for purposes of this policy, a patient or responsible party has failed to reasonably complete financial assistance application procedures when the patient or responsible party does not submit application materials within 15 business days of the patient's or responsible party's receipt of the materials. Any collection efforts will be halted if the patient or responsible party reengages in the application process. Lake Chelan Health excludes assets in the calculation of determining eligibility for financial assistance.

### **2. Third-Party Coverage**

Financial Assistance is generally secondary to all other third-party coverage resources available to the patient.

This includes:

1. Group or individual medical plans.
2. Workers' compensation programs.
3. Medicare, Medicaid or other medical assistance programs.
4. Other state, federal or military programs.
5. Third-party liability situations. (e.g.: auto accidents or personal injuries).
6. Tribal health benefits.
7. Health care sharing ministry as defined in 26 U.S.C. Sec. 5000A.
8. Other situations in which another person or entity may have a legal responsibility to pay for the costs of medical services.

The medically indigent patient will be granted Financial Assistance regardless of race, color, sex, religion, age, national origin, or immigration status. In the event that the responsible party's identification as an indigent person is obvious to District personnel, the District is not obligated to establish the exact income level or request the documentation specified in the financial assistance application. Such individuals are determined to have presumptive eligibility (e.g., have qualified under the state Medicaid or Apple Health program).

In those situations where appropriate primary payment sources are not available, patients shall be considered for Financial Assistance under this District policy based on the following criteria consistent with requirements of WAC 246-453-040.

### **3. Income**

By policy, persons whose income is equal to or below 300% of the federal poverty standard may be eligible to receive Financial Assistance. Lake Chelan Health will consider all sources of income in establishing income eligibility for Financial Assistance. Income includes total cash receipts before taxes derived from wages and salaries; welfare payments; Social Security payments; strike benefits; unemployment or disability benefits; child support; alimony; and net earnings from business and investment activities paid to the individual patient/guarantor. If gross family income is at or below 200% of the current federal poverty guidelines (consistent with WAC code 246-453-050, these patients shall receive a 100% adjustment on their patient balance.

A sliding fee scale shall be used to determine the amount that shall be discounted for patients with incomes greater than 200% and less than or equal to 300% of the current federal poverty level. All resources of the family as defined by WAC 246-453-050 are considered in determining the applicability of the sliding fee scale in Attachment A.

The sliding fee scale shall take into account the potential necessity for allowing the responsible party to satisfy the maximum amount of charges for which the responsible party will be expected to provide payment over a reasonable period, without interest or late fees. In determining the maximum amount of charges, the District calculates this by using the Amounts Generally Billed (AGB) look-back methodology. For the current year, the District's AGB percentage is listed in Attachment A (enclosed). No individual

qualifying under the Financial Assistance Policy shall be charged more than the AGB for emergency care or other medically necessary services. See 26 USC §501(r)(5)(A)

## **4. Catastrophic Financial Assistance**

The District may offer Financial Assistance for patients with family income above 300% of the federal poverty level or at a higher percentage for those above 100% of the federal poverty guidelines when circumstances indicate severe financial hardship or personal loss. This will be done only upon recommendation by the business office manager with adequate justification and only upon approval by the Chief Financial Officer. These adjustments shall be included in the Chief Financial Officer's regular financial assistance report to the Board of Commissioners

## **5. Notifications**

Lake Chelan Health shall notify persons applying for Financial Assistance of its determination of eligibility for Financial Assistance within 14 days of a receiving person's completed application for Financial Assistance and supporting documentation. Approvals, Requests for More Information or Denials for Financial Assistance applications shall be in writing and shall include instructions for appeal or reconsideration. In the event that Lake Chelan Health denies Financial Assistance, Lake Chelan Health shall notify the person applying for Financial Assistance of the basis for the denial. If denied the patient/guarantor may provide additional documentation to Lake Chelan Health or request review by the Chief Financial Officer or their designee within 30 days of receipt of the notification of denial. If this review affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

## **6. Documentation of Records**

All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the financial assistance application form and retained for seven years.

## **VII. REFERENCES**

1. Washington Administrative Code, Chapter 246-453, "Hospital Financial Assistance" with specific reference to the following:
2. WAC 246-453-020 Uniform procedures for the identification of indigent persons
3. WAC 246-453-030 Data requirements for the identification of indigent persons
4. WAC 246-453-040 Uniform criteria for the identification of indigent persons
5. RCW 70.170.060 Financial Assistance – Prohibited and required hospital practices and policies
6. 26 USC §501(r)(5)(A) and (B)
7. Lake Chelan Health Billing & Collection Policy
8. Lake Chelan Health (Policy Stat ID 8989696 – "Duty to Provide Appropriate Medical Screen Examination

9. Policy (CAH) - Emergency Medical Treatment and Active Labor Act (EMTALA)"

## VIII. ATTACHMENTS

1. Attachment A: Federal Poverty Guidelines/Sliding Fee Scale
2. Attachment B: Financial Assistance Application / Confidential Financial Information (CFI) Form

*\*This policy may be revised at any time without prior notice. All revisions supersede prior policy and are effective immediately upon approval.*

*\*Any printed policy is not valid past the print date and should not be relied on for official purposes. Current versions of all policies can be found in PolicyStat.*

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### Attachments

[2025 Sliding Scale - Charity Care Eligibility \(4\).xlsx](#)

[CHARITY CARE APPLICATION.pdf](#)

### Approval Signatures

Step Description	Approver	Date
Executive Approval	Ronald Truman: CFO	Pending
Executive Admin	Wendy Kenck: Executive Assistant	3/20/2025
Policy Management Committee	Committee Policy Management: Policy Management Committee	3/19/2025
	Patti Peters: Business Office/ Patient Access/HIMS Manager	3/19/2025



# LAKE CHELAN HEALTH

## Notice of Privacy Practices

Effective April 2016

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

### WHO MUST FOLLOW THIS NOTICE?

We (the facility) provide you (the patient) with health care by working with doctors and many other health care providers. The following people or groups will follow this notice; any health care provider who comes to our locations to care for you. These professionals include doctors, nurses, technicians, and others. All departments and units of our organization, including skilled nursing, clinics, outpatient services, mobile units, telemedicine and emergency department; also, including our employees, students and volunteers. Our third party business partners working on our behalf to help provide you with technology tools and assist us with healthcare operations.

### OUR PLEDGE TO YOU REGARDING YOUR HEALTH INFORMATION

We understand that medical information about you and your health is personal and sensitive. We are committed to protecting your health information. This notice applies to the records of your care at the facility, whether created by hospital staff or your doctor. A record of the care and service you receive is needed to provide you with quality care and to comply with legal requirements. The law requires us to:

- Make sure that health information that identifies you is kept private.
- Give you this notice of our legal duties and privacy practices with respect to health information about you.
- Notify you as outlined in state and federal law if a breach of unsecured medical information about you has occurred.
- Follow the terms of this Notice that are currently in effect.

### HOW WE MAY USE AND SHARE YOUR MEDICAL INFORMATION

This section of our notice tells how we may use medical information about you. In all cases not covered by this Notice, we will get a separate written permission from you before we use or share your medical information. You can later cancel your permission by notifying us in writing.

We will protect medical information as much as we can under the law. Sometimes state law gives more protection to medical information than federal law. Sometimes federal law gives more protection than state law. In each case, we will apply the laws that protect medical information the most. We may use or share medical information about you (in electronic or paper form) with hospital personnel, including doctors, for treatment, payment and health care operations.

Except as described in this Notice of Privacy Practices, this facility will, consistent with its legal obligations, not use or disclose health information which identifies you without your written authorization. If you do authorize this facility to use or disclose your health information for another purpose, you may revoke your authorization in writing at any time. Please contact the facility Privacy Officer (at the address on the bottom of the Notice) for any concerns regarding this Notice.

### **EXAMPLES:**

We will use and share medical information about you for purposes of treatment. An example is sending medical information about you to your doctor or to a specialist as part of a referral.

**Treatment:** We will use health information about you to provide you with medical treatment or services. We will disclose medical information about you to doctors, residents, nurses, technicians, students in health care training programs, volunteers or other personnel who are involved in taking care of you. We may provide health information to people outside our Facility who may be involved in your medical care after you leave our Facility, such as family members, clergy or others that provide services as part of your care, and to other health care organizations that are involved in your care via our telemedicine network.

**Payment:** We will use and share medical information about you so we can be paid for treating you. An example is giving information about you to your health plan or to Medicare.

**Health care operations:** We will use and share medical information about you for our health care operations. Examples are using information about you to improve the quality of care we give you, for disease management

programs, patient satisfaction surveys, compiling medical information, de-identifying medical information and benchmarking.

**Appointment reminders:** We may call you by name in the waiting room when we are ready to see you. We may contact you to remind you about appointments and give you information about treatment alternatives or other health-related benefits and services.

**Family Members, Personal Representatives and Others Involved in Your Care:** Unless you tell us otherwise, we may share medical information about you with friends, family members, or others you have named who help with your care or who can make decisions on your behalf about your healthcare.

**Internet Based Products and Services:** Working with a third party, we may offer you internet based products or services allowing you to schedule appointments, help you find a physician or offer you access to your medical information.

**Treatment options and health-related benefits and services:** We may contact you about possible treatment options, health-related benefits or services that you might want.

**Fundraising:** We may use certain information (name, address, telephone number or e-mail information, age, date of birth, gender, health insurance status, dates of service, department of service information) to contact you for the purpose of raising money for Lake Chelan Health and you will have the right to opt out of receiving such communications with each solicitation. For the same purpose, we may provide your name to our institutionally related foundation. The money raised will be used to expand and improve the services and programs we provide the community. You are free to opt out of fundraising solicitation, and your decision will have no impact on your treatment or payment for services at Lake Chelan Health. You must notify the Privacy Officer, listed on this Notice, and we will stop any further fundraising communications. Similarly, you should notify the Privacy Officer if you decide you want to start receiving these solicitations again.

**Research:** We may share medical information about you for research projects, such as studying the effectiveness of a treatment you received. We will usually get your written permission to use or share medical information for research. Under certain circumstances we may share medical information about you without your written permission. These research projects, however, must go through a special process that protects the confidentiality of your medical information.

**Hospital Directory:** The Facility may list certain information about you, such as your name, your location in the hospital and your religious affiliation, in a hospital

directory. The Facility can disclose this information, except your religious affiliation, to people who ask for you by name. Your religious affiliation may be given to members of the clergy even if they do not ask for you by name. You may request to be excluded from the Directory or Clergy List upon registration or admission.

**Public Health:** We may disclose your health information as required or permitted by law to public health authorities or government agencies whose official activities include preventing or controlling disease, injury, or disability. For example, we must report certain information about births, deaths, and various diseases to government agencies. We may use your health information in order to report to monitoring agencies any reactions to medications or problems with medical devices. We may also disclose, when requested, information about you to public health agencies that track outbreaks of contagious diseases or that are involved with preventing epidemics.

**Required by Law:** We are required by law to report certain information, for example we must report assault, abuse, or neglect. We also must give information to your employer about work-related illness, injury or workplace-related medical surveillance. Another example is that we will share information about tumors with state tumor registries.

**Public Safety:** We may, and sometimes have to share medical information about you in order to prevent or lessen a serious threat to the health or safety of a particular person or the general public.

**Health Oversight Activities:** We may share medical information about you for health oversight activities where allowed by law. For example, oversight activities include audits, investigations or inspections. The activities are necessary for government review of health care systems and government programs.

**Coroners, Medical Examiners and Funeral Directors:** We may share medical information about deceased patients with coroners, medical examiners and funeral directors to identify a deceased person, determine the cause of death, or other duties as permitted.

**Organ and Tissue Donation:** We may share medical information with organizations that handle organ, eye or tissue donation or transplantation.

**Military, Veterans, National Security and Other Government Agencies:** We may use or share medical information about you for national security purposes, intelligence activities or for protective services of the president or certain other person as allowed by law. We may share medical information about you with the military for military command purposes when you are a member of the armed forces. We may share medical information with the Secretary of the Department of

Health and Human Services for investigating or determining our compliance with HIPAA.

**Judicial Proceedings:** We may use or share medical information about you in response to court orders or subpoenas only when we have followed procedures required by law.

**Law Enforcement:** We may, and are sometimes required by law, to disclose your health information to a law enforcement official for purposes such as identifying or locating a suspect, fugitive, material witness or missing person, complying with a court order, warrant, grand jury subpoena and other law enforcement purposes.

**Disaster Relief Purposes:** We may use or share medical information about you with public or private disaster organizations so that your family can be notified of your location and condition in case of disaster or other emergency. We may also use it to help in coordination of disaster relief efforts.

**Electronic Sharing and Pooling Your Information:** We may take part in or make possible the electronic sharing or pooling of healthcare information. This helps doctors, the hospital and other healthcare providers within a geographic area or community provide quality care to you. If you travel and need medical treatment, it allows other doctors or hospitals to electronically contact us about you. All of this helps us manage your care when more than one doctor is involved. It also helps us to keep your health bills lower (avoiding repeating lab tests). And finally it helps us to improve the overall quality of care provided to you and others. We are involved in the Affordable Care Act and may use and share information as permitted to achieve national goals related to meaningful use of electronic health systems.

**Business Associates:** We may disclose medical information to our business associates that perform functions on our behalf or provide us with services if the information is necessary for such functions or services. For example, we may use another company to perform billing services on our behalf. All of our business associates are obligated to protect the privacy of your information and not allowed to use or disclose any information other than as specified in our contract.

**Psychotherapy Notes:** We will not use or disclose your psychotherapy notes without your prior written authorization except for the following: 1) Use by the originator of the notes for your treatment, 2) for training our staff, students and other trainees, 3) to defend ourselves if you bring some legal proceedings, 4) if the law requires us to disclose the information to you or the Secretary of HHS or for some other reason, 5) in response to health oversight activities concerning your psychotherapist, 6) to avert a serious and imminent threat to health or safety, or 7) to the coroner or medical examiner after you expire. To the extent you revoke an

authorization to use or disclose your psychotherapy notes, we will stop using or disclosing these notes.

**Marketing purposes:** We may provide you with general marketing information about our services or give you small promotional gifts when we see you in person without your written authorization. For example, we may send you a newsletter or a list of our health classes or we may give you a pen with our organization's name on it. We must obtain your written authorization before we can send you marketing information about specific products or services that we provide.

**Additional Restrictions on Use and Disclosure:** Certain federal and state laws may require special privacy protections that restrict the use and disclosure of certain health information, including highly confidential information about you. "Highly confidential information" may include confidential information under Federal laws governing alcohol and drug abuse information and genetic information as well as state laws that often protect the following types of information: 1) HIV/AIDS; 2) Mental health; 3) Genetic tests; 4) Alcohol and drug abuse; 5) Sexually transmitted diseases and reproductive health information; and 6) Child or adult abuse or neglect, including sexual assault.

## **YOUR RIGHTS REGARDING MEDICAL INFORMATION**

**Requesting Information about You:** In most cases, when you ask in writing, you can look at or get a copy of medical information about you in paper or electronic format. You may also request that we send electronic copies directly to a person or entity chosen by you. We will give you a form to fill out to make the request. You can look at medical information about you for free. If you request paper or electronic copies of the information we may charge a reasonable fee. If we say no to your request to look at the information or get a copy of it, you may ask us in writing for a review of that decision.

**Correcting Information About You:** If you believe that information about you is incorrect or missing, you can ask us in writing to correct the records. We will give you a form to fill out to make the request. We may say no to your request to correct a record if the information was not created or kept by us or if we believe the record is complete and correct. If we say no to your request, you can ask us in writing to review that denial.

**Obtaining a List of Certain Disclosures of Information:** You can ask to receive a list of the disclosures we have made of your medical information for the last six years. Your request must be in writing and state the time period for the listing. The first request in a 12-month period is free. We will charge you for any additional requests for our cost of producing the list. We will give you an estimate of the cost when you request the additional list.

**Restricting how we use or Share Information about You:**

You can ask that medical information be given to you in a confidential manner. You must tell us in writing of the exact way or place for us to communicate with you.

**Right to Request Special Privacy Protections:** You also can ask in writing that we limit our use or sharing of medical information about you. For example, you can ask that we use or share medical information about you only with persons involved in your care. Any time you make a written request, we will consider the request and tell you in writing of our decision to accept or deny your request. We are legally required to agree to only one type of restriction request: if you have paid us in full for a health procedure or item for which we would normally bill your health plan, we must agree to your request not to share information about that procedure or item with your health plan.

**Right to be notified following a breach of unsecured Protected Health Information:** You have the right to receive a written notification of the breach, a description of the types of information that was released, steps that you should take to protect yourself and a brief summary of the investigative and mitigating activities that Lake Chelan Health is undertaking to prevent future breaches.

**Office of Civil Rights**

U.S. Department of Health and  
Human Services  
2201 Sixth Ave.—Mail Stop RX-11  
Seattle, WA 98121-1831  
1-206-615-2290  
1-800-362-1710

**Lake Chelan Health**

Privacy Officer  
110 South Apple Blossom Drive  
Chelan, WA 98816  
509-726-6010  
509-682-3300

**Lake Chelan Health**

Executive Director of Quality, Safety and Risk  
Compliance Officer  
110 South Apple Blossom Drive  
Chelan, WA 98816  
509-682-3300 Ext.7814

All written requests or requests for review of denials should be given to our Facility Privacy Officer listed on this Notice.

**CHANGES TO THIS NOTICE**

We may change our privacy practices from time to time. Changes will apply to current medical information, as well as, new information after the change occurs. If we make an important change, we will change our notice. We will also post the new notice in our facility and on our Web site at: [www.lakechelanhealth.org](http://www.lakechelanhealth.org)

**DO YOU HAVE CONCERNS OR COMPLAINTS?**

If you think your privacy rights may have been violated, you may contact our facility Privacy Officer. You may also contact our **Director of Quality and Patient Safety at 509-682-3300 ext. 7814** or call the **Compliance Hotline at 888-866-6321**. Finally, you may send a written complaint to the U.S. Department of Health and Human Services for Civil Rights. We will not take any action against you for filing a complaint.