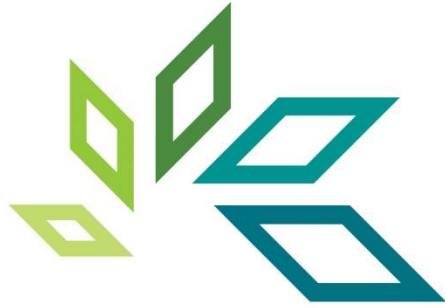




LAKE CHELAN HEALTH

BOARD PACKET

Chelan County Public Hospital District No. 2

10/27/2026

Regular Board Meeting

Mission: To provide the highest quality healthcare with compassion and respect to the community we serve.

Agenda

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

Time	Agenda Item	Facilitator	Topic/Action
1:30	Call to Order/ Changes to Agenda	L. Withrow	
1:31	Public Comment		
1:35	Chair Report	L. Withrow	
1:40	Consent Agenda	Commission	A. Regular Board Meeting Minutes 9/28/2026 (FM) B. Budget Workshop Minutes 10/16/2026 (FM) C. Bad Debt & Charity Care (FM) D. Warrants & Vouchers (FM) E. Governance Committee Minutes 10/13/2026 (FA) F. Finance Committee Minutes 10/22/2026 (FA) G. September Unaudited Finance Report (FA)
1:45	Quarterly Reports	A. Jones	A. Confluence Community Partnership (FI)
2:00	Executive Session		A. RCW 42.30.110(1)(g) to evaluate the performance of a public employee. B. RCW 42.30.110(1)(o) to consider information regarding staff privileges or quality improvement committees under RCW 70.41.205. C. RCW 42.30.110(1)(i) to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity.
3:00	Reports	J. Barich, S.Freed S. Ottley, J.Cussins A. Edwards Commissioners	A. Med Staff Report & Credentialing (FI) B. Financial a. September Financial Summary (FI) b. Revenue Cycle (FI) c. 2027 Budget (FM) d. Bank Accounts, Resolution 2026-16 (FR) C. CEO Report (FI) D. Community Connections (FD)
4:00	Old Business	Commissioners S. Ottley	A. Philanthropy (FI) B. Summit Training Center Grand Opening (FD)
4:15	New Business	Commissioners S. Ottley	A. Policy Review (FM) a. Board of Commissioners (BOC) Policy and Procedure for Ethical and Legal Matters b. BOC Conflict of Interest Policy c. Complaint & Grievance Resolution Policy and Procedure d. Lake Chelan Health Patient Rights and Responsibilities B. Resolutions (FM) a. 2026-24 Disposal Vacuum b. 2026-25 Disposal EKG

Chelan County Public Hospital District No. 2
Regular Meeting of the Board of Commissioners
October 27, 2026, at 1:30pm via Microsoft Teams



Mission: To provide the highest quality healthcare with compassion and respect to the community we serve.

			c. 2026-26 Disposal OB EKG
4:30	Public Comment		
4:35	Executive Session		A. RCW 42.30.110(1)(g) to evaluate the performance of a public employee. B. RCW 42.30.10(1)(b) to consider the selection of a site or the acquisition of real estate by lease or purchase.
4:55	New Business	S. Ottley, J.Cussins	A. Lease (FM)
5:00	Roundtable/Action Items	Commissioners	
5:10	Adjournment	L. Withrow	

Board Calendar Reminders:

October 2026			
Date	Meeting Title	Location	Time
10/8/2026	Medical Staff Meeting	Bragg Room/Teams	7:00am – 8:30 am
10/20/2026	Credentialing Committee	1212/Teams	10:00am – 11:00am
10/22/2026	Finance Committee	Bragg Room/Teams	10:00am – 12:00pm

November 2026			
Date	Meeting Title	Location	Time
11/17/2026	Credentialing Committee	Bragg Room/Teams	10:00am – 11:00am
11/18/2026	CPR Committee	1212/Teams	10:00am – 11:00am
11/19/2026	Finance Committee	Bragg Room/Teams	10:00am – 12:00pm
11/24/2026	Regular Board Meeting	Bragg Room/Teams	1:30pm – 5:00pm

December 2026			
Date	Meeting Title	Location	Time
12/10/2026	Quality Committee	Bragg Room/Teams	1:00pm – 2:30pm
12/15/2026	Credentialing Committee	Bragg Room/Teams	10:00am – 11:00am
12/17/2026	Finance Committee	Bragg Room/Teams	10:00am – 12:00pm
12/29/2026	Regular Board Meeting	Bragg Room/Teams	1:30pm – 5:00pm



**Chelan County Public Hospital District No. 2
Regular Meeting of the Board of Commissioners
Meeting Minutes September 29, 2026 at 1:30 PM**

Commission Attendance:

(☐ not present ☒ present)

☒ Jordana LaPorte	☒ Mary Murphy, Secretary	☒ Len England
☒ Lori Withrow, Chair	☒ Doug Gibson, Vice Chair	

Staff Participants: A. Edwards, J. Barich, M. Miller, R. Montgomery, L. Sahlinger, S. Ottley, T. Lautiki, W. Kenck, J. Phetteplace, Dr. S. Freed, J. Cussins, A. Benegas

Guests: Manuel Navarro, Cheryl Cooper, Dr. Tobe Harberd, Dr. Beck Regan

Community Members: No community members in attendance

Recorder: A. Thompson

Agenda Item	Topic/Action
Call to Order Chair Report	L. Withrow called the meeting to order at 1:30 PM and recited the Mission statement. Chair Report: L. Withrow welcomed Ashley Thompson as Executive Assistant, expressed her gratitude for everyone's expertise and hard work. She shared that the Board completed a Board Education session on managing complaints that might come to the Board and would like to incorporate this training on a yearly basis.
Public Comment	No Public Comment
Consent Agenda	Consent Agenda <i>M. Murphy motioned to approve the Consent Agenda with edits seconded, and motion approved.</i>
Quarterly Report	Manuel Navarro, CVCH CEO introduced Cheryl Cooper as the Vice President of the CVCH Board of Directors. Manuel Navarro presented the CVCH community partnership presentation including CVCH's stats, goals, etc. Dr. Harberd introduced Dr. Beck Regan who recently joined CVCH as a UW rural family medicine resident.
Executive Session	L. Withrow, Chair announced an Executive Session at 2:14 PM for 30 minutes, scheduled to end at 2:44 PM, citing RCW 70.44.062 and RCW 42.30.110(1)(o) to consider information regarding staff privileges and matters discussed by quality improvement committees. L. Withrow extended the Executive Session 16 minutes L. Withrow extended the Executive Session 5 minutes L. Withrow announced Executive Session ended at 3:05 pm. The Board returned to the open meeting. - Action Following Executive Session: <i>D. Gibson, after reviewing the medical recommendations from the Medical Executive Committee (MEC), motioned to approve the Initial appointment of Joshua Minyard, MD, Scott Caganap, MD, Briana</i>

	<i>Poynor, MD; increase in privileges of Jedediah Kaufman, MD; reappointment of Jennifer Snyder, MD, Craig Elsner, PA-C, Matthew Pappy, MD, Jason Shattuck, MD, Richard Garcia, DO, Scott Hippe, MD, Guadalupe Martinez-Vera, PA-C, Khasha Toulouei, DO, Mohammad Hajjiri, MD, Archit Bhatt, MD, Michael Chen, MD, Meghana Kinariwala, MD, Soo Young Kwon, MD, Sachar Pawani, MD, Nishath Naseem, MD, Mary Alfidi, MD, Deborah Conway, MD, Dennis DeJesus, MD, Megan Hellfield, MD, Cathleen Ivy, MD, Joshua Morais, MD, Arlene Sussman, MD, Cynthia Tortorelli, MD, William Whetsell, MD; seconded, motion approved.</i>
Reports	• Medical Staff Report: Dr. Freed informed the Board that the Medical Executive Committee had recommended the use of an independent external reviewer to evaluate a recently reported medical concern. • Finance: a. Finance Report: S. Ottley reviewed highlights from the August financial packet, he received positive feedback on the reporting changes, specifically around year over year details. b. Revenue Cycle: S. Ottley provided a review of August revenue cycle performance and key metrics. • CEO Report: A. Edwards noted additions to his report including successful conversations regarding Rural Health Transformation Program funding. • OB service line update: R. Montgomery reported collaboration with Mid-Valley Hospital Chief Nurse Officer to explore cooperative staffing options for OB services. Additionally, the team continues to engage with CVCH to address changes affecting our rural service area. • Community Connection Opportunities: The board members shared the following events to be aware of: a. Oct 5: Guild B luncheon b. Oct 31: EMS opening c. Nov 19: Ruby U on workforce trends in our area
Old Business	• Rural Health Transformation Program (RHTP): All applications have been submitted, with two approvals. ○ <i>M. Murphy motioned to approve the Chemistry Analyzer to be funded by the RHTP grant, seconded, motion approved.</i> • Philanthropy: ○ <i>L. Withrow to contact Guild B regarding philanthropic modelling questions. J. LaPorte motioned to approve L. Withrow to be the designated Board member to represent Lake Chelan Health with the Lake Chelan Health & Wellness Foundation, seconded, motion approved.</i> ○ L. Withrow shared that a donation has been received to the Lake Chelan Health Philanthropic account for EPIC fundraising. ○ <i>D. Gibson motioned to establish a philanthropic financial process committee, with J. LaPorte serving as a board committee member, to develop processes that would benefit philanthropy activities, and financial stewardship, seconded, motion approved.</i> • EMS Building Update: ○ S. Ottley provided an update that the EMS Building project is on schedule and on budget. The certificate of occupancy has been received. The Grand Opening

	and ribbon cutting ceremony will take place on October 31. ○ The name of the building has been confirmed: EMS Station 1 and The Summit Training Center. Digital signage will be available to share the history of community contributions and upcoming events. ○ The purpose of the building is focused on health education, health & wellness activities, and philanthropy. ● EPIC and ERP update: Lake Chelan Health will be working with a third-party contractor regarding the Epic and ERP implementation. ○ EPIC: The team received contract pricing of approximately \$2.7M which will include software, user licensing, interfaces, and third-party licensing. ○ ERP: The team is currently planning two hospital on-site visits to review their ERP systems. ● Governance: M. Murphy provided for review the Board of Commissioners Code of Conduct Policy and the Board of Commissioners Individual Self-Evaluation Form. ○ <i>J. LaPorte motioned to approve The Board of Commissioners Code of Conduct Policy with edits, seconded, motion approved.</i> ○ <i>J. LaPorte motioned to approve the Board Individual Self-Evaluation form as presented, seconded, and motion approved.</i>
New Business	● Board Education: L. Withrow and D. Gibson presented Board education regarding the Complaints and Grievances Policy including related processes and training. ● WSHA Public Policy Committee: A. Edwards updated the Board of Commissioners in regard to an invitation he received to join the WSHA Public Policy committee. This would allow A. Edwards to work on health care policies both at the state and federal levels. ● Resolutions: a. <i>J. LaPorte motioned to approve for disposal the Resolutions 2026-17, 2026-18, 2026-19, 2026-20, 2026-21, and 2026-22, seconded, motion approved.</i> b. <i>J. LaPorte motioned to approve Resolution 2026-23 Medical Assistant Apprenticeship Program with edits, seconded, motion approved.</i>
Public	● No Public Comment
Executive Session	● L. Withrow announced an Executive Session at 5:35 PM for 30 minutes to end at 6:05 PM citing RCW 42.30.110(1)(g) to evaluate the performance of a public employee. An Action could be anticipated. ○ L. Withrow extended the Executive Session 30 minutes ○ L. Withrow extended the Executive Session 15 minutes ○ L. Withrow extended the Executive Session 15 minutes ○ Executive Session ended at 7:05 PM and the Board resumed in open meeting.
Actions	● A. Edwards to connect with the City of Chelan transportation consultant (Transpo) regarding the Comprehensive Plan to advise the City how it will impact LCH and EMS. ● A. Edwards to confirm Philanthropic Financial Process Committee members. ● S. Ottley to research similar facilities to understand their policies around rental use, including serving alcohol. ● All Board members to submit the completed Board Self-Evaluation form to A. Thompson by October 15. ● L. Withrow and A. Edwards to align on Board of Commissioner business card details. ● Continue Board Education on managing complaints on an annual basis.

Adjournment	• Roundtable discussion • L. Withrow adjourned the meeting at 7:11 PM
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Attest:

Mary Murphy, Secretary

Aaron Edwards, CEO

Ashley Thompson, Executive Assistant



Chelan County Public Hospital District No. 2
Special Meeting of the Board of Commissioners
Budget Workshop Minutes
October 16, 2026 at 9:00am via in person and Teams

Commission Attendance:

(☐ not present ☒ present)

☒ Lori Withrow, Chair
☒ Doug Gibson, Vice Chair

☒ Mary Murphy, Secretary
☒ Jordana LaPorte

☒ Len England

Staff Participants: S. Ottley, J. Cussins, R. Montgomery, M. Miller, L. Sahlinger, H. Vogel, T. Lautiki, W. Kenck

Community Members: No community members

Recorder: A. Thompson

Agenda Item	Topic/Action
Call to Order	• L. Withrow called the meeting to order at 9:00 am and reminded meeting attendees that Lake Chelan Health's mission is to provide the highest quality healthcare to the community we serve. • L. Withrow requested two edits to the agenda: move public comment to before Executive Session and strike Executive Session.
New Business	• S. Ottley reviewed the 2026-2028 Finance Strategic Plan. ○ The key metrics will remain the same. The metrics are standard for most hospitals and are not considered unique to Lake Chelan Health. • J. Cussins reviewed the assumptions to reflect Lake Chelan Health's financial health. ○ The data reflects actuals for 2024 and 2025. For 2026, it reflects actuals through June, it does not include July, August or September. ○ Another metric J. Cussins will present in the future is bed occupancy rates which will help determine future growth potential. ○ Medicare and Medicaid funding will shift as we get closer to 2028/2029. As changes occur, we will need to identify the best strategy to support the community. • M. Miller shared 2026 clinic visit projections and year-over-year growth, explained variance to forecast, and 2027 projections. ○ Numbers reflect the Specialty Clinic and Downtown Clinic; PT and OT are not included. ○ The Specialty Clinic could see 100 patients per day, the Downtown Clinic could see about 120 patients per day. ○ Vast majority of patients are local between Chelan and Douglas Counties. The patients using Specialists coming from further areas are for dermatology and cardiology. • J. Cussins reviewed the revenue statement with operating revenue growth. ○ Risks previously discussed could impact projected operating revenue growth. ○ EPIC is not included in any of the numbers, won't get impact on operating expenses until after implementation. • J. Cussins confirmed they were currently working on the FTE report to accurately reflect Lake Chelan Health employees. • J. Cussins shared an update on professional fees and purchased services. ○ Virtual radiology has been one of the most expensive vendors, switching as of December 31 to a new provider, which will improve overall patient experience.
Break	• Break started at 11:15, meeting resumed at 11:22 am

New Business, cont.	• S. Ottley reviewed the Capital budget requests, confirming Hospital Campus construction is not included. ○ S. Ottley confirmed the Capital priorities are: ▪ EPIC including the hardware/workstations ▪ Downtown Clinic remodel
Public Comment	• No Public Comment
Roundtable/Action items	• A. Thompson to share the Finance Strategic Framework with the Board. • J. Cussins to make edits to the assumptions for Finance Committee meeting on October 22.
Adjournment	• L. Withrow adjourned the meeting at 11:58 am

Attest:

Mary Murphy, Secretary

Aaron Edwards, CEO

Ashley Thompson, Executive Assistant

DATE September 2026

TOTAL BAD DEBTS - HOSPITAL \$128,101
TOTAL MEDICARE BAD DEBTS \$806
TOTAL BANKRUPTCY \$0
TOTAL CHARITY CARE – HOSPITAL \$172,884
TOTAL MEDICARE CHARITY CARE – (\$1,322)

TOTAL ATTESTATION \$300,468

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 _____

WARRANT #S A/P	AMOUNT	CAPITAL	BOARD MTG - OCTOBER 2026	WARRANT#S PAYROLL	AMOUNT	pay period
244771-244808 (REFUNDS)	\$ 10,948.01			DIRECT DEPOSIT	\$ 753,856.78	9/5/2026
244809-244861	\$ 186,751.19			PAYROLL TAXES	\$ 296,971.62	9/5/2026
ACH	\$ 297,915.27			PAID FAMILY LEAVE & LTC	\$ 15,067.40	9/5/2026
244862-244877(REFUNDS)	\$ 4,103.89			CHILD SUPPORT	\$ 760.61	9/5/2026
244878-244950	\$ 218,721.76			PAYROLL TAXES - IDAHO & MONTANA	\$ 402.00	9/5/2026
ACH	\$ 800,081.08			DIRECT DEPOSIT	\$ 786,324.18	9/19/2026
244951-245039	\$ 835,491.99			PAYROLL TAXES	\$ 307,529.83	9/19/2026
ACH	\$ 785,043.84			PAID FAMILY LEAVE & LTC	\$ 15,608.16	9/19/2026
ACH	\$ 32,885.63			CHILD SUPPORT	\$ 760.61	9/19/2026
245040-245086	\$ 444,078.83			PAYROLL TAXES - IDAHO & MONTANA	\$ 357.00	9/19/2026
ACH	\$ 314,030.13					
	\$ 3,930,051.62				\$ 2,177,638.19	



MEETING AGENDA

Name of Group: Governance Committee	Date of Meeting: 10/13/26	Time of Meeting: 9:00 am
Facilitator: Mary Murphy		Location: Teams
Recorder: Mary Murphy		
Members present:		
X BOC Representative (Mary Murphy)		X BOC Representative (Len England)
Other: {other attendees or guests}		
Meeting Objectives(s)/Purpose: Review Governing Board Policies		

FI – For Information; FD – For Discussion; FM – For Motion

Time	Agenda Item	Topic/Action
9:00 am	1. Call to Order	
9:00 am	2. Reviewed 2 Board policies: a) BOC Policy and Procedure regarding Ethical and Legal Matters (revised) b) Conflict of Interest Policy and Disclosure Form (no changes)	2. Recommend to the Board the reviewed (no revisions) "Conflict of Interest Policy" and "Conflict of Interest Disclosure Form" and revised "BOC Policy and Procedure regarding Ethical and Legal Matters".
10:00 am	5. Adjourn	
Next meeting: TBD		



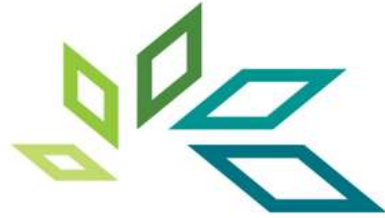
Finance Committee Meeting Minutes

Group: Finance Committee October 22, 2026		
Facilitator: Jordana LaPorte		Recorder: Ashley Thompson
Member Attendance:		
☒ Jordana LaPorte, BOC ☒ Doug Gibson, BOC	☒ Shawn Ottley, COO/CFO ☒ Jim Cussins, Interim CFO (<i>virtual</i>)	☒ Aaron Edwards, CEO ☐
Participants: - In room: Vickie Bodle, Rhianna Montgomery, Marcus Miller, Ashley Thompson - Virtual: Dusty Williams		
Guests: No guests		

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

Agenda Item	Topic/Action
Call to Order	J. LaPorte called the meeting to order at 10:00 am
Goals	- Beat 2024 Net Income of \$2 million 5-year capital budget - AR Days to 55
New Business	A. Revenue Cycle (FI) - Working with current coding company on a 3-day SLA, moving to new company on November 9 - Expect aging to decrease with new billers, will be up to four total in November - Working on process improvements for better claims rates - Cash forecasting is \$4.2M for next month B. Budget 2027 (FR) - Committee recommends acceptance by the Board - The Capital budget prioritizes the EPIC implementation and downtown Clinic remodel. C. Disposals (FR) - Committee recommends motion for disposal by the Board 2026-24 Disposal Vacuum 2026-25 Disposal EKG 2026-26 Disposal OB EKG

Old Business	A. Bonus Review (FD) - Committee recommends acceptance by the Board - Discussed the bonus structure and required finance goals to achieve B. Lease (FR) - Committee recommends acceptance by the Board - Full-service lease for 5,000 square feet, three-year agreement
Reports	A. Sept 2026 Financial Statement (unaudited) (FR) - Committee recommends acceptance by the Board B. Bad debt and Charity write-offs (FR) - Committee recommends motion by the Board
Action Items	
Adjournment	Meeting adjourned at 12:17 pm



LAKE CHELAN HEALTH

Unaudited Financial Statements

for

For the Month ended September 2026

Year -To-Date

Year -To-Date

	Actual	Budget	Var	Actual	Budget	Var	Prior Year
Insurance and Professional Liability	\$ 91,034	\$ 45,329	\$ (45,706)	\$ 490,434	\$ 407,958	\$ (82,476)	\$ 371,619
License/Taxes	\$ 28,802	\$ 36,461	\$ 7,659	\$ 230,381	\$ 328,199	\$ 97,818	\$ 232,887
Dues/Subscriptions/other	\$ 73,130	\$ 72,659	\$ (471)	\$ 621,573	\$ 653,931	\$ 32,359	\$ 527,055
Travel/Training	\$ 26,124	\$ 15,491	\$ (10,633)	\$ 139,150	\$ 139,415	\$ 264	\$ 89,872
Total Operating Expenses	\$ 4,559,211	\$ 4,205,840	\$ (353,371)	\$ 39,223,560	\$ 38,069,540	\$ (1,154,020)	\$ 32,082,015
EBIDTA	\$ (60,510)	\$ 325,031	\$ (385,541)	\$ 745,398	\$ 2,166,505	\$ (1,421,107)	\$ (286,369)
Depreciation	\$ 328,098	\$ 365,828	\$ 37,730	\$ 2,940,176	\$ 3,292,450	\$ 352,274	\$ 2,649,611
Amortization	\$ 45,890	\$ 64,583	\$ 18,693	\$ 535,677	\$ 581,250	\$ 45,573	\$ 571,090
Operating Income	\$ (434,498)	\$ (105,380)	\$ (329,118)	\$ (2,730,455)	\$ (1,707,195)	\$ (1,023,260)	\$ (3,507,071)
Tax Revenue	\$ 362,046	\$ 204,874	\$ 157,172	\$ 3,237,818	\$ 1,955,989	\$ 1,281,830	\$ 3,066,489
Other non operating Revenue	\$ 138,721	\$ -	\$ 138,721	\$ 1,005,467	\$ -	\$ 1,005,467	\$ 1,856,877
Other non operating Expense	\$ (811)	\$ -	\$ (811)	\$ (9,424)	\$ -	\$ (9,424)	\$ (6,216)
Interest expense	\$ (147,022)	\$ -	\$ (147,022)	\$ (1,386,971)	\$ -	\$ (1,386,971)	\$ (1,390,991)
Interest Income	\$ 12,021	\$ -	\$ 12,021	\$ 128,491	\$ -	\$ 128,491	\$ 288,306
Total Non operating	\$ 364,955	\$ 204,874	\$ 160,082	\$ 2,975,381	\$ 1,955,989	\$ 1,019,392	\$ 3,814,465
Net Margin	\$ (69,543)	\$ 99,494	\$ (169,036)	\$ 244,926	\$ 248,794	\$ (3,868)	\$ 307,394

Statement of Revenue and Expense
Lake Chelan Health
For the Month ended September 2026

Current Month	Year -To-Date
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	Actual	Budget	Var	Actual	Budget	Var	Prior Year
Key Indicators							
Deduction %	48.7%	44.5%	-4.2%	46.1%	44.5%	-1.6%	44.6%
Net Reimbursement %	51.3%	55.5%	-4.2%	53.9%	55.5%	-1.6%	55.4%
Charity %	2.0%	0.0%	-2.0%	1.9%	0.0%	-1.9%	1.3%
Bad Debt %	4.5%	0.0%	-4.5%	2.3%	0.0%	-2.3%	4.0%
SWB % of NPR	63.2%	56.7%	-6.5%	61.4%	58.1%	-3.3%	63.6%
Benefits as a % of Wages	21.0%	21.3%	0.3%	21.7%	21.3%	-0.3%	21.1%
Supplies % of NPR	9.4%	8.6%	-0.8%	9.0%	8.6%	-0.4%	7.5%
EBIDTA Margin	-1.3%	7.2%	-8.5%	1.9%	5.4%	-3.5%	-0.9%
Operating Margin	-9.7%	-2.3%	-7.3%	-6.8%	-4.2%	-2.6%	-11.0%
Net Margin	-1.5%	2.2%	-3.7%	0.6%	0.6%	0.0%	1.0%
Other Key Indicators	Actual	Target	Prior Month	Prior Year End			
Days Cash on Hand	98.2	120	51.5	71			
Net AR days	64.0	50	64.3	72			
Debt Service Coverage Ratio	2.23	1.25	2.28	1.50			
Ave age of plant	5.08	8-12 years	4.77	4.65			
FTE's	284		271	234			

Cash flow
Lake Chelan Health
For the Month ended September 2026

	Month	Year to date
Cash at beginning of Period	\$ 7,347,264	\$ 8,581,753
Cash Disbursements	\$ (2,535,384)	\$ (28,211,416)
Cash Receipts	\$ 6,553,987	\$ 49,401,265
Journal Entries	\$ 3,789,873	\$ (3,687,961)
Payroll	\$ (1,050,081)	\$ (11,977,981)
Change in cash	\$ 6,758,395	\$ 5,523,906
Cash at end of Period	\$ 14,105,659	\$ 14,105,659

Balance Sheet

Lake Chelan Health

Assets		Current Month	Look up field	Prior Month	Liabilities	Current Month	Prior Month
Current assets		9/30/2026			9/30/2026		
CASH		\$ 3,345,755	28 Accounts payable	\$ 646,689	ACCOUNTS PAYABLE	\$ 1,206,667	\$ 1,686,564
PATIENT RECEIVABLES	\$ 20,752,559		29 Accrued Payroll	\$ 21,008,664	ACCRUED PAYROLL	\$ 617,756	\$ 485,885
LESS: RESERVES FOR ALLOWANCES	\$ (10,407,944)		30 Accrued Vacation/	\$ (10,503,337)	ACCRUED VACATION/HOLIDAY/SICK PAY	\$ 1,820,645	\$ 1,861,519
Net Patient Account Receivables		\$ 10,344,614		\$ 10,505,327			
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS		\$ (99,376)	31 Accrued Payroll t	\$ 993,905	ACCRUED PAYROLL TAXES	\$ 358,173	\$ 314,019
OTHER RECEIVABLES		\$ 1,045,268	33 Other current liab	\$ 690,471	OTHER CURRENT LIABILITIES	\$ 1,041,797	\$ 733,948
INVENTORIES		\$ 415,198	34 Interest payable	\$ 429,108	INTEREST PAYABLE	\$ 351,438	\$ 262,718
PREPAID EXPENSES		\$ 472,099	35 Current portion o	\$ 504,182	CURRENT PORTION OF LTD	\$ 1,201,603	\$ 1,201,603
TOTAL CURRENT ASSETS		\$ 15,523,557		\$ 13,769,682	TOTAL CURRENT LIABILITIES	\$ 6,598,080	\$ 6,546,256
			36 2018 Bonds	\$ -	2018 Bonds	\$ 17,947,924	\$ 17,949,133
			37 2013 Bonds	\$ -	2013 Bonds	\$ 3,897,460	\$ 3,897,030
General Reserves	\$ 1,166,537		38 USDA Loan	\$ 1,138,938	USDA Loan	\$ 17,773,861	\$ 17,808,633
2018 Bond	\$ 821,461		39 Leases/PUD payab	\$ 801,733	Leases/PUD payable	\$ 2,245,970	\$ 2,246,120
USDA Restricted	\$ 547,200		40 Paid Leave	\$ 547,200	Paid Leave	\$ 138,000	\$ 138,000
Costal	\$ 50,019		41 2025 Bonds	\$ 50,017	2025 Bonds	\$ 6,600,000	\$ 1,392,555
Internally Designated reserves	\$ 8,174,688		41.1 2026 Bonds	\$ 4,162,688	2026 Bonds	\$ 2,600,000	\$ 2,600,000
TOTAL LIMITED USE ASSETS		\$ 10,759,904		\$ 6,700,575.43	TOTAL LONG TERM LIABILITIES	\$ 51,203,214	\$ 46,031,471
LAND	\$ 4,133,845			\$ 4,133,845			
Clinics	\$ 5,570,274			\$ 5,570,274			
EQUIPMENT	\$ 10,206,978			\$ 10,146,939			
SOFTWARE	\$ 2,263,022			\$ 2,263,022			
NEW HOSPITAL	\$ 44,757,019			\$ 44,757,019			
LOCUM HOUSING	\$ 691,665			\$ 691,665			
GASB 87 BUILDINGS AND EQUIPMENT	\$ 3,652,761			\$ 3,652,761			
CONSTRUCTION-IN-PROGRESS - PROJECTS	\$ 11,412,769			\$ 11,100,489			
CONSTRUCTION-IN-PROGRESS - HOSPITAL	\$ 165,668			\$ 160,123			
LESS: ACCUMULATED DEPRECIATION	\$ (19,928,803)			\$ (19,600,705)			
LESS: GASB 87 AMORTIZATION	\$ (1,522,076)			\$ (1,476,186)			
NET PROPERTY, PLANT, & EQUIPMENT	\$ 61,403,122			\$ 61,399,247.43			
DEFERRED ITEMS	\$ 2,444,013		42 Deffered Items	\$ 2,445,618	DEFERRED ITEMS	\$ 14,664,776	\$ 14,003,341
			43 Equity		UNRESTRICTED FUND BALANCE	\$ 17,419,600	\$ 17,419,585
					YTD Net Revenue/(Expenses)	\$ 244,926	\$ 314,469
TOTAL ASSETS		\$ 90,130,597		\$ 84,315,123	TOTAL LIABILITIES AND NET ASSETS	\$ 90,130,597	\$ 84,315,123

Patient Statistics

Lake Chelan Health

For the Month ended September 2026

Current Month									
Actual	Budget	Variance	Prior Year	Variance		Actual	Budget	Variance	Prior Year
Admissions									
26	30	(14%)	23	13%	Medical	227	219	3%	183
0			0		Surgical	1	0		0
2	8	(74%)	7	(71%)	OB	51	61		67
28	38	(26%)	30	(7%)	Acute	279	281	(1%)	250
8	9	(14%)	2	300%	Swing Bed	34	65	(48%)	43
2	5	(63%)	6	(67%)	Total Deliveries	52	43	22%	65
Patient Days									
74	85	(13%)	49	51%	Medical	757	668	13%	530
0	0		0		Surgical	2	0		0
5	16	(68%)	14	(64%)	OB	90	122	(26%)	124
79	101	(22%)	63	25%	Acute	849	790	7%	654
61	71	(14%)	42	45%	Swing Bed	291	557	(48%)	424
3	11	(72%)	7	(57%)	Total Newborn Days	72	85	(16%)	88
143	183	(22%)	112	28%	TOTAL PATIENT DAYS	1212	1432	(15%)	1166
Average Length of Stay									
2.8	2.7	6%	2.1		Total Inpatient	3.0	2.8	(1223%)	2.6
7.6	7.6	0%	21.0		Swing Bed	8.6	8.6	100%	9.8
Avg Daily Census - Hospital									
2.5	3.3	(22%)	2.0	25%	Total Inpatient	4.0	3.7	7%	3.1
2.0	2.3	(14%)	1.4	45%	Swing Bed	1.4	2.6	(48%)	2.0
4.5	5.6	(19%)	3.4	33%	Total	5.4	6.4	(15%)	3.9
527	618	(15%)	513	3%	ED Visits	4808	4,836	(1%)	4,880
90	143	(37%)	51	76%	Surgeries	654	1,121	(42%)	477
1528	1,478	3%	1297	18%	Imaging Procedures	13124	11,569	13%	11,541
5147	4,629	11%	4193	23%	Lab Tests	44949	36,234	24%	36,656
844	860	(2%)	772	9%	Rehab Visits	7202	6,734	7%	6,907
102	152	(33%)	131	(22%)	EMS Runs	965	1,191	(19%)	1,225
1,415	1,732	(18%)	1005	41%	Total Clinic Visits	11,774	13,554	(13%)	7,540
669	744	(10%)	239	180%	SPECIALTY	4,865	5,825	(16%)	812
85	41	109%	36	136%	General Surgery	579	319	81%	230
163	228	(28%)	92	77%	Orthopedics	1,296	1,781	(27%)	321
102	97	5%	6	1600%	ENT	627	757	(17%)	6
143	199	(28%)	105	36%	Dermatology	1,527	1,558	(2%)	726
21	114	(82%)	0	#DIV/0!	Urology	60	891	(93%)	-
50	-		0	#DIV/0!	Endocrinology	142	-		-
105	66	58%	0	#DIV/0!	Cardiology	634	519	22%	-
746	987	(24%)	766	(3%)	RHC	6,909	7,729	(11%)	6,728
237	-		169	40%	Primary care	1,730			1,369
-	140		19	(100%)	Pediatrics	325	1,092		19
14	-		0	#DIV/0!	Audiology	97			-
495	848		578	(14%)	Express Care	4,757	6,637		5,340

CMO report to LCH Board,

LCH continues to grow in both scope and volumes. Our surgical teams are offering more surgical services, creating both opportunity and challenge, as our operating room schedules are becoming consistently busier. One of our key initiatives is to guarantee that all patients undergoing procedures at LCH undergo a highly reliable pre-operative assessment. Dr. Kalliath has taken on this project and has delivered a very reliable, effective process that we will be rolling out system wide.

MSU has been much busier this Fall as well. The increase in demand has also prompted a need to extend our services in the MSU to include more advanced infusion therapies. As we can for more complex patients, we need to offer pressor support for patients with sepsis and other severe illness and anti-arrhythmia therapies for patients with underlying heart disease. We are moving forward with a plan to safely offer infusion services both to inpatients and outpatients by first quarter of 2027. This will include staff education and appropriate Pharmacy support.

Infusion services, GI Consultation and Cardiology Consultations are also becoming more difficult to acquire in our region, as Confluence Health has further limited their access to these services.

While this creates immediate challenges for our patients, this situation is also an opportunity to expand services at LCH to fill the void that now exists here in NCW.

I remain very impressed with the staff and Physicians here at LCH. There is a willingness to meet new challenges and grow as professionals. These changes and the challenges that come with them will test our teams but in the long run will make LCH a stronger, more sustainable organization. These changes will test us as a leadership team, to effectively lead change and maintain a positive, productive work environment for our staff, our most precious asset. As we do this, we will become the preferred Hospital system to both receive care and to deliver care within our region.

Thanks again for the opportunity to work with you and this team,

Stu Freed MD, CMO

Finance Board Executive Summary

September 2026 Unaudited Results

Board takeaway

September closed with a **\$69.5K net loss**, compared with a **\$99.5K budgeted surplus**. Year-to-date net margin remains essentially on budget at **\$244.9K**, only **\$3.9K below budget**.

Financial performance

Measure	September actual	Budget	Variance
Net patient revenue	\$4.461M	\$4.460M	\$1.5K favorable
Total operating revenue	\$4.499M	\$4.531M	\$32.2K unfavorable
Total operating expenses	\$4.559M	\$4.206M	\$353.4K unfavorable
EBITDA	(\$60.5K)	\$325.0K	\$385.5K unfavorable
Operating income	(\$434.5K)	(\$105.4K)	\$329.1K unfavorable
Net margin	(\$69.5K)	\$99.5K	\$169.0K unfavorable

Primary drivers

- Labor costs were above plan: salaries and wages were **\$234.1K** over budget and benefits were **\$42.2K** over budget.
- Other material expense pressures included purchased services (**\$50.3K**), insurance and professional liability (**\$45.7K**), supplies (**\$49.1K**), repairs and maintenance (**\$31.5K**), and lease/rental (**\$29.5K**) above budget.
- Patient revenue was on plan, but the revenue mix was pressured by a **48.7% deduction rate**, versus **44.5% budget**, including charity care and bad debt not budgeted for the month.
- Tax revenue was **\$157.2K** above budget and other non-operating revenue was **\$138.7K**, which partially offset the operating shortfall.

Liquidity and balance sheet

- ☐ Days cash on hand improved to **98.2 days** from **51.5 days** in the prior month, but remains below the **120-day target**.
- ☐ Net accounts-receivable days were **64.0**, above the **50-day target**.
- ☐ Debt service coverage was **2.23**, above the **1.25 target**.
- ☐ September cash flow increased cash by **\$6.76M** to **\$14.11M** at month-end.

Volume and operating indicators

- ☐ Total patient days were **1,212**, **15% below budget**; swing-bed patient days were **48% below budget**.
- ☐ ED visits were **480**, **1% below budget**; surgeries were **90**, **37% below budget**.
- ☐ Imaging procedures and lab tests exceeded budget by **13%** and **24%**, respectively.
- ☐ Total clinic visits were **1,415**, **18% below budget**; specialty visits were **16% below budget** and RHC visits were **24% below budget**.

Board discussion focus

1. Labor and purchased-service cost controls needed to close the monthly expense gap.
2. Revenue-cycle actions to reduce deductions, charity care, bad debt, and AR days.
3. Volume recovery plans for swing beds, surgery, clinics, and RHC services while sustaining imaging and lab activity.

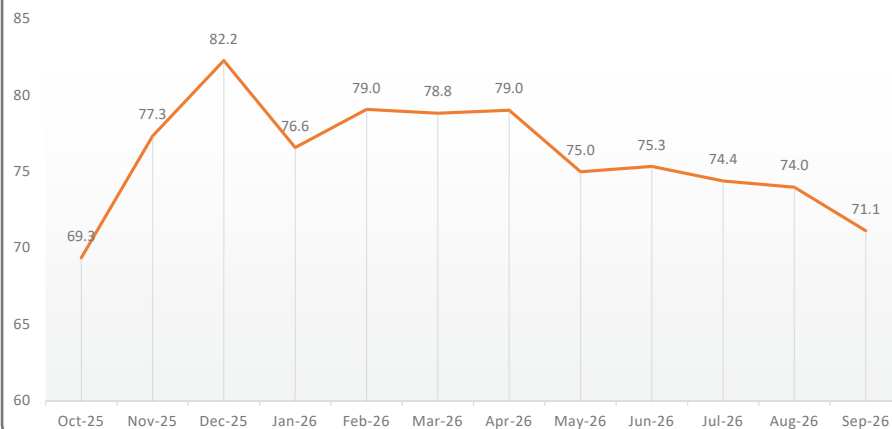
Source: Lake Chelan Health unaudited financial statements for the month ended September 2026.

Lake Chelan Health

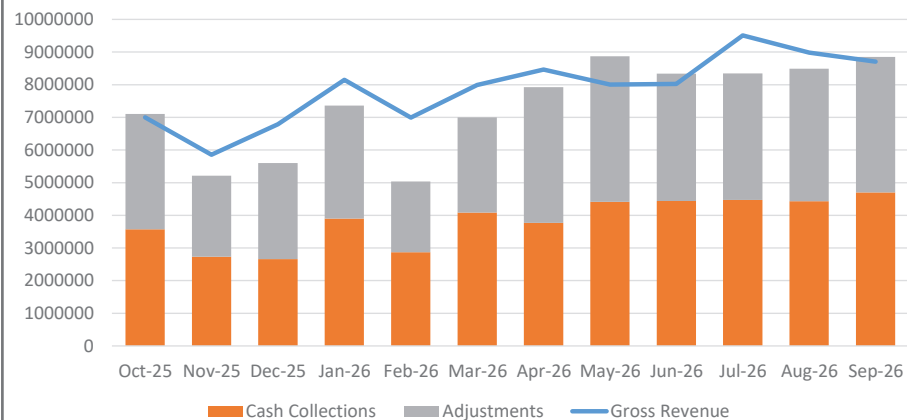
Executive Dashboard

	TARGET	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Third Party Days in AR	42.7	51.5	58.6	66.5	59.4	62.9	62.1	63.2	59.5	58.9	60.2	59.7	58.1
Self Pay Days in AR	17.0	17.8	18.7	15.7	17.2	16.2	16.7	15.8	15.5	16.5	14.2	14.3	13.0
Days in AR	59.7	69.3	77.3	82.2	76.6	79.0	78.8	79.0	75.0	75.3	74.4	74.0	71.1
Gross AR		15,594,306	16,373,651	17,566,004	17,306,428	19,263,193	20,253,051	20,811,127	19,934,490	20,274,468	20,642,626	21,314,958	21,020,299
Gross Revenue		7,002,744	5,855,937	6,791,366	8,151,435	6,990,259	7,989,884	8,467,006	8,005,028	8,024,380	9,509,620	8,981,186	8,705,252
Cash Collections		3,571,069	2,733,092	2,656,667	3,903,207	2,869,651	4,083,794	3,766,701	4,410,290	4,441,690	4,473,081	4,429,578	4,699,071
Adjustments		3,534,304	2,481,350	2,946,605	3,455,627	2,164,301	2,918,743	4,160,145	4,460,492	3,898,704	3,871,816	4,058,902	4,152,758
Collection %		50.3%	52.4%	47.4%	53.0%	57.0%	58.3%	47.5%	49.7%	53.3%	53.6%	52.2%	53.1%
Bad Debt	3%	1.3%	6.2%	6.9%	1.3%	-0.6%	1.1%	3.0%	3.1%	3.4%	2.8%	1.3%	1.5%
Charity Care	3%	1.8%	3.1%	3.3%	1.4%	1.7%	0.0%	2.1%	3.4%	2.0%	2.7%	1.6%	2.0%
Third Party Aged over 90	20%	30.6%	28.6%	25.9%	35.5%	34.6%	33.3%	32.0%	33.1%	37.1%	37.4%	37.1%	40.1%
Self Pay Aged 120	25%	36.6%	42.8%	38.9%	42.3%	44.0%	48.1%	44.1%	42.2%	43.3%	40.9%	40.7%	44.5%

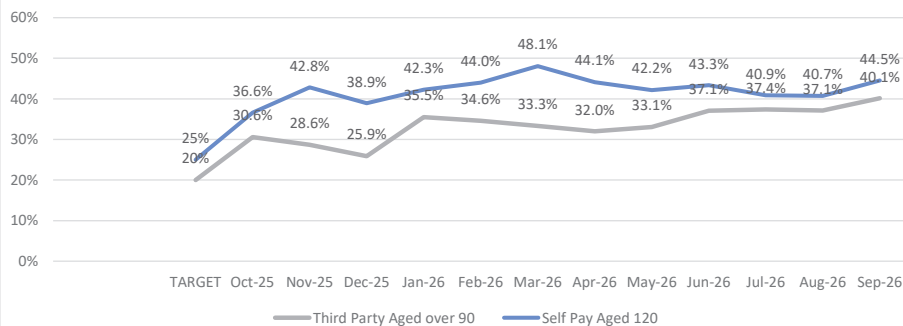
Days in AR



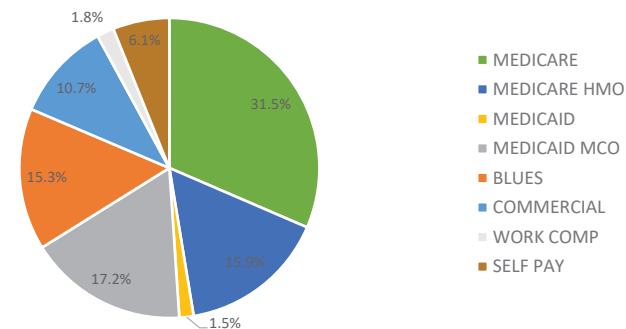
Cash & Adjustments vs Gross Revenue



Third Party & Self Pay Aging



13 Month Average Payer Mix



Lake Chelan Health Budget Assumptions

	Actuals	Projected			
	2024	2025	2026	2027	2028
Admissions					
Acute		3.2%	14.1%	3.0%	3.0%
Swing Bed		-21.7%	-22.2%	3.0%	3.0%
Total Deliveries		-13.0%	-2.5%	0.0%	0.0%
Patient Days					
Acute		5.8%	30.3%	3.0%	3.0%
Swing Bed		-22.4%	-36.9%	3.0%	3.0%
Total Newborn Days		-8.1%	-14.0%	0.0%	0.0%
TOTAL PATIENT DAYS		-6.8%	4.0%		
ED Visits		-9.4%	-1.4%	1.5%	1.5%
Surgeries		-16.2%	23.1%	3.0%	3.0%
Outpatient Registrations (base assumption)		0.9%	22.8%	2.0%	3.0%
Total Clinic Visits (base assumption)		10.4%	49.4%	3.0%	3.0%
FTE's	209	234	258	291	300
AR days			65	55	55

Lake Chelan Health Budget Assumptions

	Actuals		Projected		
	2024	2025	2026	2027	2028
Inflation				3%	3%
Charge increase				8%	5%
Charity %	1.5%	1.7%	1.8%	2.5%	3.0%
Bad Debt %	3.8%	5.3%	3.0%	3.5%	3.5%
Payer Mix					
Commercial	27%	25%	24%	24%	24%
Medicare	42%	49%	47%	46%	46%
Medicaid	22%	21%	18%	16%	16%
self pay	4%	2%	6%	10%	10%
Other govt	4%	4%	5%	4%	4%
	100%	100%	100%	100%	100%
Price increase realization				\$ 1,458,169	\$ 1,140,312
Contractual on Price increase				\$ 6,306,311	\$ 4,931,638
Other Revenue	See worksheet				

Lake Chelan Health Budget Assumptions

	Actuals		Projected			
	2024	2025	2026	2027	2028	
Salary Per FTE	\$ 96,020	\$ 99,644	\$ 115,030	\$ 118,481	\$ 122,036	
Merit and Market			3%	3%	3%	
FTE's per AOB	5.8	6.0	5.5	5.4	5.4	

A practical framework is:

[<3.0 FTE/AOB: Exceptional productivity, but ensure services are comparable. \[rmhealthcoop.com\]](#)

[3.0 to 4.0 FTE/AOB: Strong performance for many CAHs. \[rmhealthcoop.com\]](#)

[4.0 to 5.5 FTE/AOB: Typical range for CAHs. \[rmhealthcoop.com\]](#)

[>6.0 FTE/AOB: Worth investigating for staffing, service mix, or volume issues. \[rmhealthcoop.com\]](#)

Benefits as a %	21%	21%	22%	22%	22%
Supplies as a % of NPR	8.6%	7.7%	9.0%	9.0%	9.0%
Utilities estimate for EMS building				\$ 60,000	
License and Taxes % of Operating Revenue					
Depreciation Used schedule					
Amortization static amount (related to GASB 87)					

Lake Chelan Health Budget Assumptions

	Actuals		Projected		
	2024	2025	2026	2027	2028
Tax Revenue Assumptions					
Assessed value growth			4.0%	4.0%	4.0%
Regular hospital Levy			0.1500	0.1500	0.1500
Bond Levy			0.2100	0.2100	0.2100
EMS Levy			0.2800	0.2800	0.2800
Total Tax levy			0.6400	0.6400	0.6400
Interest from Debt Schedules					
Other Non-Operating					
ACTION HEALTH WORKERS GRANT	\$	20,000	\$	20,000	\$ 20,000
GAIN/LOSS ON PROPERTY	\$	-	\$	-	\$ -
GAIN/SALE	\$	365,000			
GRANTS including RHTP funding	\$	230,000	\$	861,500	\$ -
NICK OF TIME DONATIONS - RESTR	\$	500			
RESTRICTED CONTRIBUT	\$	5,500	\$	75,000	
UNRESTRICTED CONTRIB	\$	33,000			
WA ST COMMERCE GRANT - EMS BLD	\$	300,500	\$	1,201,700	\$ 1,201,700
Total Non operating	\$	954,500	\$	2,158,200	\$ 1,221,700

Lake Chelan Health

Draft Budget 2027

	Actuals			Projected							
	2024			2025		2026		2027		2028	
Inpatient Charges	\$	7,544,580	\$	7,519,029	\$	8,497,000	\$	9,452,000	\$	10,222,000	
Outpatient Charges	\$	58,215,781	\$	68,852,212	\$	88,559,000	\$	111,987,000	\$	121,113,000	
Total Charges	\$	65,760,361	\$	76,371,241	\$	97,056,000	\$	121,439,000	\$	131,335,000	
Contractual write-offs	\$	23,310,948	\$	28,488,064	\$	40,561,000	\$	48,916,000	\$	52,902,139	
Charity	\$	970,688	\$	1,293,563	\$	1,726,000	\$	3,036,000	\$	3,940,000	
Bad Debt	\$	2,524,842	\$	4,014,183	\$	2,895,000	\$	4,250,000	\$	4,597,000	
Total reductions from											
Charges	\$	26,806,478	\$	33,795,809	\$	45,182,000	\$	56,202,000	\$	61,439,139	
Net Patient Revenue	\$	38,953,883	\$	42,575,433	\$	51,874,000	\$	65,237,000	\$	69,895,861	
Other operating revenue	\$	884,629	\$	635,376	\$	657,000	\$	676,000	\$	696,000	
Total Operating Revenue	\$	39,838,512	\$	43,210,809	\$	52,531,000	\$	65,913,000	\$	70,591,861	
Salaries & Wages	\$	20,106,519	\$	23,346,504	\$	26,687,000	\$	34,471,000	\$	36,570,000	
Employee Benefits	\$	4,271,327	\$	4,885,835	\$	5,851,000	\$	7,558,000	\$	8,201,000	
Professional Fees	\$	1,921,883	\$	3,882,272	\$	5,506,000	\$	5,111,000	\$	5,264,000	
Food Supplies	\$	231,747	\$	266,957	\$	276,000					
Minor Equipment	\$	516,345	\$	397,461	\$	458,000					
Supplies	\$	2,658,533	\$	2,681,715	\$	4,000,000	\$	5,940,000	\$	6,362,000	
Plant Utilities	\$	382,207	\$	377,348	\$	394,000	\$	466,000	\$	480,000	

Lake Chelan Health

Draft Budget 2027

	Actuals			Projected							
	2024			2025		2026		2027		2028	
Purchase Services	\$	4,211,028	\$	4,866,260	\$	4,641,000	\$	5,207,000	\$	5,363,000	
Repairs and Maintenance	\$	1,153,855	\$	1,249,647	\$	1,250,000	\$	1,288,000	\$	1,327,000	
Public Relations/Recruitment	\$	59,455	\$	112,955	\$	124,000	\$	128,000	\$	132,000	
Lease/Rental	\$	422,766	\$	547,341	\$	607,000	\$	625,000	\$	644,000	
Insurance and Professional Liability	\$	525,693	\$	502,260	\$	640,000	\$	659,000	\$	679,000	
License/Taxes	\$	265,186	\$	296,531	\$	347,000	\$	435,000	\$	466,000	
Dues/Subscriptions/other	\$	578,356	\$	710,102	\$	817,000	\$	842,000	\$	867,000	
Travel/Training	\$	128,483	\$	132,751	\$	144,000	\$	148,000	\$	152,000	
Total Operating Expenses	\$	37,433,383	\$	44,255,939	\$	51,742,000	\$	62,878,000	\$	66,507,000	
EBIDTA	\$	2,405,129	\$	(1,045,130)	\$	789,000	\$	3,035,000	\$	4,084,861	
Depreciation	\$	3,446,527	\$	3,651,807	\$	4,511,000	\$	4,896,000	\$	5,381,000	
Amortization	\$	394,765	\$	836,746	\$	784,000	\$	784,000	\$	784,000	
Operating Income	\$	(1,436,163)	\$	(5,533,684)	\$	(4,506,000)	\$	(2,645,000)	\$	(2,080,139)	
Tax Revenue	\$	4,026,932	\$	4,122,839	\$	4,288,000	\$	4,460,000	\$	4,638,000	
Other non operating Revenue	\$	1,946,859	\$	1,190,594	\$	954,500	\$	2,158,200	\$	1,221,700	

Lake Chelan Health

Draft Budget 2027

	Actuals		Projected				
	2024		2025	2026	2027	2028	
Other non operating Expense	\$	(10,019)	\$ (6,945)	\$ (10,000)	\$ (10,000)	\$ (10,000)	
Interest expense	\$	(1,895,942)	\$ (1,883,783)	\$ (1,828,000)	\$ (2,216,000)	\$ (2,150,000)	
Interest Income	\$	415,032	\$ 368,162	\$ 181,000	\$ 186,000	\$ 192,000	
	\$	4,482,862	\$ 3,790,868	\$ 3,585,500	\$ 4,578,200	\$ 3,891,700	
Net Margin	\$	3,046,699	\$ (1,742,816)	\$ (920,500)	\$ 1,933,200	\$ 1,811,561	
Key Indicators							
Deduction %		40.8%	44.3%	46.6%	46.3%	46.8%	
Net Reimbursement %		59.2%	55.7%	53.4%	53.7%	53.2%	
Charity %		1.5%	1.7%	1.8%	2.5%	3.0%	
Bad Debt %		3.8%	5.3%	3.0%	3.5%	3.5%	
SWB % of NPR(Net Patient Revenue)							
Revenue)		61.2%	65.3%	61.9%	63.8%	63.4%	
Benefits as a % of Wages		21.2%	20.9%	21.9%	21.9%	22.4%	
Supplies % of NPR		8.6%	7.7%	9.0%	9.0%	9.0%	
EBIDTA Margin		6.0%	-2.4%	1.5%	4.6%	5.8%	
Operating Margin		-3.6%	-12.8%	-8.6%	-4.0%	-2.9%	
Net Margin		7.6%	-4.0%	-1.8%	2.9%	2.6%	

Lake Chelan Health

Draft Budget 2027

	Actuals			Projected							
	2024			2025		2026		2027		2028	
Cash Flow	\$	8,783,933	\$	4,629,520	\$	6,202,500	\$	9,829,200	\$	10,126,561	
Actual Debt Service	\$	1,488,178	\$	1,500,337	\$	1,718,146	\$	1,773,913	\$	1,884,742	
Capital Purchases	\$	1,637,637	\$	1,080,849	\$	15,429,738	\$	5,200,000	\$	2,166,258	
Total	\$	3,125,815	\$	2,581,186	\$	17,147,884	\$	6,973,913	\$	4,051,000	
Other Key Indicators											
Days Cash on Hand		127		71		88		66		75	
Net AR days		64		75		65		55		55	
Debt Service Coverage Ratio						1.75		2.46		2.51	
Ave age of plant											
FTE's		209		234		258		291		300	
FTE per AOB		5.8		6.0		5.5		5.4		5.4	

Lake Chelan Health

DRAFT budget statistics

	Actuals		Projected		
	2024	2025	2026	2027	2028
Admissions					
Acute	316	326	372	383	395
Swing Bed	69	54	42	43	45
Total Deliveries	92	80	78	78	78
Patient Days					
Acute	840	889	1,158	1,193	1,229
Swing Bed	670	520	328	338	348
Total Newborn Days	124	114	98	98	98
TOTAL PATIENT DAYS	1,634	1,523	1,584	1,629	1,674
Average Length of Stay					
Total Inpatient	2.7	2.7	3.1	3.1	3.1
Swing Bed	9.7	9.6	7.8	7.8	7.8
Newborn	1.3	1.4	1.3	1.3	1.3
Avg Daily Census - Hospital					
Total Inpatient	2.30	2.44	3.17	3.27	3.37
Swing Bed	1.84	1.42	0.90	0.93	0.95
Total	4.14	3.86	4.07	4.19	4.32
ED Visits	6,800	6,161	6,072	6,163	6,256
Surgeries	764	640	788	812	836
Outpatient Registrations	30,900	31,174	38,278	57,694	59,424
Total Clinic Visits	9,846	10,874	16,242	27,795	28,629
Calendar days	365	365	365	365	365
FTE's	209	234	258	291	300

PUBLIC HOSPITAL DISTRICT NO. 2

Lake Chelan Health
Chelan County, WA

RESOLUTION No. 2026-16

Re: To open a new bank account at Wheatland Bank

A **RESOLUTION** of the Board of Commissioners ("Board") of Chelan County Public Hospital District No. 2, of Chelan County, Washington ("District"), to open a new bank account at Wheatland Bank.

WHEREAS, Lake Chelan Health requires a new bank account to manage its philanthropy transactions efficiently;

WHEREAS, it is necessary to designate authorized signers for the new bank account;

BE IT RESOLVED, that Lake Chelan Health shall open a new bank account at Wheatland Bank;

BE IT RESOLVED, that Aaron Edwards and Shawn Ottley are hereby designated as the authorized signers for the new bank account;

ADOPTED AND APPROVED, by the Board of Commissioners, Chelan County Public Hospital District No. 2, at an open public meeting thereof this 14th day of September 2026, with the following Commissioners being present and voting in favor of the resolution.

Lori M. Withrow

Lori M Withrow (Sep 15, 2026 19:23:41 PDT)

CHAIRPERSON OF THE BOARD

Mary C. Murphy

Mary C. Murphy (Sep 14, 2026 19:20:36 PDT)

SECRETARY

Douglas Gibson

Douglas Gibson (Sep 15, 2026 10:32:55 PDT)

VICE CHAIRPERSON

Jordana LaPorte

Jordana LaPorte (Sep 21, 2026 18:31:07 PDT)

MEMBER

Len England

Len England (Sep 14, 2026 19:28:18 PDT)

MEMBER

Aaron Edwards

Aaron Edwards (Sep 15, 2026 06:22:26 PDT)

CEO

CEO Board Report

EXECUTIVE SNAPSHOT

- Following meetings with WSHA last week, Lake Chelan Health expects to advance a legislative-session funding request to support small-volume rural hospitals that maintain obstetrical services.
- RHTP implementation, ERP and EHR planning, and University of Washington workforce collaboration remain important strategic priorities.
- HealthScale has begun structured discovery of Lake Chelan Health's ERP and EHR needs, while the organization also participates in regional shared-EHR and Epic-readiness discussions.
- September produced a \$69,543 net loss, while year-to-date net income remained positive at \$244,926 and close to budget. Labor costs, revenue deductions, and swing bed utilization were drivers of the loss.
- Core IT infrastructure work remains active, including the network refresh, firewall and server upgrades, EMS Building technology, SSO/Imprivata, and planning for mobile-clinic connectivity and thin-client access.

People

- CRNA recruitment and coverage planning continues for expansion of coverage, we have several applicants.
- Leadership continues to focus on workforce stabilization, recruitment, orientation, and coverage planning across nursing, surgical services, and other hard-to-fill roles.
- Per-dem recruitment has produced several promising candidates with sterile-processing and surgical-technologist experience. Recruitment of permanent operating-room registered nurses, particularly circulators, remains a significant workforce challenge as volumes expand.
- Perioperative professional development continues, with several registered nurses pursuing Certified Post Anesthesia Nurse certification and two surgical technologists preparing for Certified Surgical Technologist certification.
- Nursing education included critical care, neonatal resuscitation, trauma, airway management, laser safety, Just Culture, and immersion-based training. Upcoming education includes postoperative care, hypertensive emergencies in pregnancy, and fetal heart monitoring.
- Nursing and Human Resources are working to standardize registered-nurse onboarding so newly hired nurses complete required education before independently caring for patients.
- Collaboration has begun with Mid-Valley Hospital nursing leadership to explore shared education, staffing support, and mentorship.
- Human Resources is building the UKG Absence Module to support protected-leave tracking. Benefits open enrollment is scheduled for October 26.
- The Qualtrics exit-interview build is complete, and Human Resources will send the proposed questions to executive leadership for approval.
- Tara Lautiki and Louise Sahlinger began the Just Culture Master Champion class.

Community

- Planning continues for the October 31 grand opening of the new EMS, training, and administrative building. October activity included coordination of invitations and outreach to community, regional, and state partners.
- Lake Chelan Health prepared public and partner communications regarding Medicare Advantage and ACA Marketplace changes ahead of open enrollment so community members can receive timely guidance on coverage options. Our community health workers are actively working on this.
- Continued engagement with the University of Washington and regional partners supports long-term primary care recruitment, residency development, and planning to preserve obstetrical and other rural services.

Quality

- Lake Chelan Health participated in the Rural Connect Steering Committee discussion regarding a shared EHR with other rural hospitals.
- TeleNeurology implementation moved into operational use following the planned September 29 go-live, with continued attention to workflow reliability, clinical adoption, and patient access.
- The Medical Executive Committee reviewed credentialing, emergency credentialing and disaster privileging, return-to-practice planning, and a bylaws update.
- Quality continues preparing for the January 1, 2027 quality oversight restructure. A standardized toolkit is being developed for use across quality oversight committees and activities.

- Wendy Kenck has transitioned into the Non-Clinical Informatics/Project Management role within the Quality Department. Wendy and Louise Sahlinger are identifying organizational needs and developing a workplan.
- Ruby Sylvester, HR Generalist, was recognized as the month's Quality Star for supporting HR and Compliance activities and assuming additional responsibilities during the HR Director's absence.

Financial

- HealthScale has begun meeting with members of the leadership team to understand ERP and EHR needs. The October 19 executive leadership update identified additional one-on-one discussions and a follow-up leadership update as immediate next steps.
- September produced a net loss of \$69,543 compared with a budgeted gain of \$99,494. Year-to-date net income remained positive at \$244,926, closely aligned with the budgeted \$248,794.
- Net patient revenue totaled \$4.46 million, \$1,460 above budget. Total operating revenue was \$32,170 below budget, while operating expenses were \$353,371, or 8.4%, over budget, resulting in an operating loss of \$434,498.
- Gross patient charges reached \$8.70 million, \$666,000 above budget. Outpatient charges were \$681,000, or 9.3%, above budget, while inpatient charges were 2.2% below budget.
- Net reimbursement was 51.3% compared with a budgeted 55.5%. September charity care totaled \$171,562 and bad debt totaled \$390,088, causing total deductions from revenue to exceed budget by \$664,153.
- Labor remains the largest financial challenge. Salaries, wages, and benefits represented 63.2% of net patient revenue compared with a budgeted 56.7%; the year-to-date ratio was 61.4%. Other unfavorable variances included purchased services, supplies, insurance and professional liability, repairs and maintenance, and lease and rental expense.
- Days cash on hand increased to 98.2 from 51.5 in the prior month, driven by the \$5.2 million draw from the 2025 bond issue. Cash and short-term reserves totaled approximately \$14.1 million.
- Net accounts receivable days were 64.0, compared with a 50-day target and 72 days at the prior year-end.
- FY2027 budget development, the three-year capital plan, and the 10-year forecast remain active priorities. Budget will be presented to board this month for approval.
- Operational volumes were mixed. Emergency Department visits were essentially on budget at 527. Surgeries totaled 90 procedures, approximately 29% above budget. Laboratory volume was approximately 24% above budget, while clinic visits were approximately 13% below budget.
- Total patient days were 1,212, approximately 15% below budget, primarily because of lower swing bed utilization. Year-to-date gross charges were 2.9% above budget, reflecting continued strength in outpatient service lines and procedural volume.

Building for the Future

- Surgical Services continues strong growth. The team completed Lake Chelan Health's first two urology procedures in October, and surgical volume is 187 cases above the same period last year; GI endoscopy volume is six cases higher.
- Obstetric Services reported 58 deliveries year to date, including two in September and five thus far in October. Eight OB diversions have occurred year to date because of staffing limitations.
- All RHTP applications had been submitted by the September 29 Board meeting, with two approvals reported at that time (microbiology and a chemistry analyzer). We are awaiting a decision from CMS on the two remaining projects. No word back from the Healthcare Authority on our technology application around Coltrain.
- Lake Chelan Health executed the HealthScale master services agreement and statement of work to support IT strategy and preparation for ERP and Epic-related decisions. ERP discovery is currently focused on documenting needs and requirements before scope, sequencing, procurement, and implementation recommendations are defined.
- Cellular boosters have been installed; one is operating.
- Approximately 50 remaining laptops will be replaced as needed and as resources become available during the remainder of calendar year 2026.

Board of Commissioners Policy and Procedure regarding Ethical and Legal Matters

I. PURPOSE

The purpose of the Board of Commissioners Policy and Procedure regarding Ethical and Legal Matters is essential to clarify expectations for the behaviors of board members who represent the community in governing the Public Hospital District and to ensure their compliance with ethical and legal standards to protect the Hospital District from legal and reputational risk.

II. POLICY STATEMENT

The Board of Commissioners shall apply the highest ethical and legal standards in fulfilling in their role. The Board members should hold themselves accountable to each other, to Chelan County Public Hospital District 2, and to the public for their actions and omissions. From time to time governance and /or Board issues might arise that indicate or require the Board to seek legal counsel to identify the best way to address a Board or governance issue.

III. SCOPE

This policy applies to the Lake Chelan Health Board of Commissioners as a whole, individual Board members, and Board Committee members when exercising duties for Lake Chelan Health.

IV. ROLES AND RESPONSIBILITIES

The Board of Commissioners roles and responsibilities are to apply and enforce the highest ethical and legal standards for the Board. Failure of any board member to comply with these standards could subject the member to Board censure, sanctions and/or removal from specific Board committees.

[Failure to read and/or acknowledge this policy and procedure does not exempt a Commissioner from his or her responsibility to comply with this policy, applicable laws, rules and regulations, and District policies and procedures.](#)

[None of the principles and practices outlined in the policy is intended to restrict any Commissioner from exercising its constitutional rights of free speech and should not be so construed. Furthermore, the exercise of such rights shall not subject any Commissioner to any sanctions under this policy, even if such exercise is otherwise inconsistent with a stated principle or practice of appropriate ethical conduct.](#)

V. DEFINITIONS

An alleged "(improper) governmental action," is defined by RCW 42.41.020(1) to mean:

1. Action by a local government officer or employee;
2. Taken in the performance of the officer's or employee's official duties, whether or not the action is within the scope of the officer's duties or employee's employment.

"Confidential information" means (a) specific information, rather than generalized knowledge, that is not available to the general public on request or (b) information made confidential by law.

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VI. PROCEDURE

1. When a Board member identifies an improper ~~governmental~~ action that increases a risk of legal or ethical issue, or does not comply with law(s) or Lake Chelan Health's (LCH) Compliance Plan or policies and procedures, the Board member must promptly report this matter to the Compliance Officer according the Compliance Plan. In the case that the Compliance Officer is the person whose action allegedly places the District at legal risk, the Board member must report this action to the CEO.

2. The Board duty includes an obligation to report suspected violations of laws, regulations, or organizational policies to appropriate officials and to avoid retaliation against others who in good faith report such violations. A Board member may in good faith report the suspected violation to the Hospital District Board Chair or CEO, (or the Compliance Officer, if the CEO and/or Board Chair made the suspected violation).

In these circumstances, the reporting Board member is protected by the Whistle-Blower Protection policy.

3. The Board duty includes an obligation to prohibit retaliation against others who in good faith report such violations. In these circumstances, the reporting Board member and /or employee is protected by the Whistle-Blower Protection policy.

4. Board members are encouraged to seek legal advice from the Municipal Research and Services Center (MRSC) as appropriate. MRSC legal advice services are free to individual Board members of the public hospital district through its membership in Association of Washington Public Hospital Districts.

5. Written advice may be requested from MRSC, and may be distributed as appropriate to all or select Board members, to assist them in their specific role. If MRSC attorney advises that a District seek advice from the hospital's contracted legal counsel, the Board member must request action through the Board Chair and/or CEO, as appropriate.

6. The Hospital District may contract legal counsel services with one or more outside law firms according to their special expertise to provide services regarding Board or governance matters, such as legal advice, investigation and report of findings, representation of the Hospital District in dealings with other entities, preparation of documents such as Board resolutions, and review and/or development of contracts. Contracted legal counsel works for the Hospital District and not any individual Board member or employee of the District. Therefore, communication with contracted legal counsel regarding Board matters shall be conducted by CEO, Board Chair or authorized representative as indicated. See Lake Chelan Health Compliance Plan.

7. When contracted legal counsel is deemed necessary, the CEO or Board Chair should discuss the need to determine the most effective approach.

8. Confidentiality in all legal matters of the Hospital District is imperative to protect attorney-client privilege. See the policy, Compliance Plan.

9. Commissioners shall fully cooperate with government investigators as required by applicable law. If a Commissioner encounters an investigator, or receives a subpoena, search warrant or other similar document, related to an investigation of the District, the Commissioner shall promptly give notice of such investigation to the Board Chair and CEO.

10. Commissioners shall not destroy or alter any information or documents in anticipation of, or in response to, a request for documents by any applicable governmental agency or from a court of competent jurisdiction.

VII. REFERENCES

Lake Chelan Health Compliance Plan
Lake Chelan Health Whistle-Blower Protection Policy
Revised Code of Washington, specifically RCW 42.52.010
Municipal Resource and Services (MRSC)
[AWPHD Legal Manual October 2025](#)

VIII. ATTACHMENTS

N/A

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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Origination 2/25/2020
Last Approved 2/17/2026
Effective 1/27/2026
Last Revised 2/17/2026
Next Review 2/17/2027

Owner Mary Murphy:
Board Governance
Committee Member
Area Hospital
Commission

Board of Commissioners Conflict of Interest Policy

I. PURPOSE

So that no conflict of interest concerns arise concerning any particular issue of business transacted by the Board of Commissioners as a whole, or in part.

II. POLICY STATEMENT

Lake Chelan Health Board members, officers of the District and Board committee members shall conform, in the conduct of their office to the provisions of RCW 42.20 and RCW 42.23, Board bylaws and Lake Chelan Health policies and procedures. The Board commits itself and its members to ethical, professional, and lawful conduct to include proper use of authority and appropriate decorum when acting as Board members.

III. SCOPE

This policy applies to the Lake Chelan Health Board of Commissioners as a whole, individual Board members, and Board Committee members when exercising duties for Lake Chelan Health.

IV. ROLES & RESPONSIBILITIES

Lake Chelan Health Board of Commissioners as a whole, individual Board members, and Board Committee members are responsible to monitor their behavior to ensure compliance with all laws and organizational policies and procedures regarding conflict of interest.

V. DEFINITIONS

Conflict of Interest is defined by Revised Code of Washington and Lake Chelan Health Board Bylaws.

VI. PROCEDURE

Upon election or appointment, and annually thereafter, the Board shall complete and sign a Lake Chelan Health Conflict of Interest form, disclosing any circumstances or factors that may create actual or potential conflicts of interest.

In the event that any Board member or officer has a real or potential conflict of interest on a matter coming before the Board, they shall disclose such real or potential conflict prior to any participation in discussion or voting on the issue. They shall also withdraw from participating and voting on the issue. Should any other Board member disagree, the issue of participation in discussion and/or voting shall be decided by a majority vote of the remaining Board members.

Board members must represent unconflicted loyalty to the interests of the District. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership to other Boards or staff's, and the personal interests of any Board member acting as a consumer of Lake Chelan Health services. Board members should avoid the following conflicts:

1. Must avoid conflict of interest with respect to their fiduciary responsibility. This means, specifically, that there must be no self-dealing or any conduct of private business or personal services between any Board member and Lake Chelan Health except as procedurally controlled to assure openness, competitive opportunity, and equal access to "inside" information.
2. Direct or indirect solicitation or acceptance of personal fees or commissions in connection with Hospital business.
3. Use of their position to secure special privileges or exemptions for themselves, spouse, child, parents, or other related persons from vendors, contractors, physicians, patients, the Hospital District, or its staff.
4. Must not use their position to obtain employment at Lake Chelan Health for themselves, family members, or close associates. Should a member desire employment, he or she must first resign from the Board and follow the provisions of the RCW with respect to this subject.
5. Solicitation of gifts or gratuities for personal use for themselves or related parties from our customers, suppliers, consultants or anyone else doing business with the District. Unsolicited non-cash gifts of nominal value such as flowers, meals, plaques, cups, pens, or calendars may be accepted.
6. Acceptance of a paid trip from a vendor to visit an installation or attend a seminar if the dominant theme is entertainment. Such trips may be acceptable for educational purposes, or an installation visit that is the result of a decision to purchase a specific vendor's product and is directly related to the installation of the product.
7. Placing themselves in a position that may create or lead to a conflict of interest, or the appearance of one, such as engaging in any outside business activity, financial relationship or investment that conflicts with the District, competes with the District, or may interfere with Board members' responsibilities to the District. Board members are also prohibited from having any personal interest, directly or indirectly, in any transaction with Lake Chelan Health unless disclosed in writing in advance to the Hospital's CEO. A decision can then be made as

to whether a conflict of interest exists.

8. Engage in outside business, other activities, or private employment that would result in the inducement to divulge confidential information about the District, other employees or patients.
9. Disclose confidential information about the District, nor may the Commissioners use such information for their personal gain or benefit. It is a primary responsibility of all Board members to protect the confidentiality of District Information. The breaking of confidentiality is the repeating of any information, written or spoken, when authorized or indiscreet disclosure could be harmful or injurious to the interests of a patient, employee, or the District in general.
10. Board members may not attempt to exercise individual authority over Lake Chelan Health except as explicitly set forth in Board policies. Members' interactions with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized.

Violations of this policy may be reported to the State Auditor and/or Hospital Attorney for investigation.

VII. REFERENCES

RCW 42.20 AND RCW 42.23

Lake Chelan Health Board of Commissioner Bylaws

Open Public Meeting Act

VIII. ATTACHMENT

Attachment A: Lake Chelan Health Conflict of Interest Disclosure 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.

Attachments

 [Board Conflict of Interest Form fillable.pdf](#)

Approval Signatures

Step Description	Approver	Date
Board Approval	Wendy Kenck: Executive Assistant	2/17/2026

Administration	Aaron Edwards: CEO	2/17/2026
Policy Management Committee	Committee Policy Management: Policy Management Committee	2/16/2026
	Mary Murphy: Board Governance Committee Member	2/10/2026

COPY

Lake Chelan Health Conflict of Interest Disclosure Form

Instructions: Please complete this form annually to disclose any potential conflicts of interest. This information will be used to ensure transparency and ethical conduct within the Public Hospital District.

Board Member Name: _____

1. Financial and Ownership Interests:

Do you or any immediate family members have a financial interest or ownership in any entity that does business with or competes with Lake Chelan Health? ☐ Yes ☐ No

If yes, please describe the nature of the financial interest or ownership and the entity involved:

2. Relationships and Services Provided:

Do you or any immediate family members have relationships with vendors, contractors, or other entities that do business with Lake Chelan Health, or provide board, managerial, or consulting services to such entities? ☐ Yes ☐ No

If yes, please describe the nature of the relationship or service and the entity involved:

3. Gifts and Gratuities:

Have you or any immediate family members received any gifts, gratuities, compensation, remuneration, or personal benefits from any entity that does business with or competes with Lake Chelan Health in the past year? ☐ Yes ☐ No

If yes, please describe the nature of the gift, gratuity, compensation, or benefit and the entity involved:

4. Compensation and Benefits Arrangements:

Do you or any member of your immediate family have any compensation, remuneration, or personal benefit arrangement (including arrangements for consulting, advisory, or other services) with any business, legal entity, or governmental agency that does business with or competes with Lake Chelan Health? ☐ Yes ☐ No

If yes, please describe the nature of the arrangement and the entity involved:

5. Employment and Family Employment:

Are you or any member of your immediate family employed by, contracted with, or otherwise doing business with Lake Chelan Health? ☐ Yes ☐ No

If yes, please describe the nature of the employment or business activity and the family member's name, relationship to you, and their relationship with the Lake Chelan Health:

Board Member Signature

Date



Origination 10/15/2024
 Last Approved N/A
 Effective Upon Approval
 Last Revised 10/8/2026
 Next Review 2 years after approval

Owner Louise Sahlinger:
 Executive Director Of
 Quality, Patient Safety, & R
 Area Quality

Complaint & Grievance Resolution Policy and Procedure

I. PURPOSE

To assure consistent and effective communication and resolution of patient complaints and grievances, all Lake Chelan Health employees should be aware of the processes in place to immediately resolve issues or how to escalate them in order to provide an acceptable resolution to the patient and also take advantage of the opportunity to learn and support our commitment to continuous improvement.

II. POLICY STATEMENT

1. The Board of Commissioners delegates authority for managing grievances to the Grievance Committee.
 1. The Grievance Committee is an ad hoc committee comprised of the Executive Director of Quality, Safety & Risk, or designee, the Department Manager or Director where the grievance originated, and other staff as appropriate including the Risk Manager, medical providers, and executive leadership team.
2. Patients are informed of their rights upon seeking care or admission, including the right to voice complaints or grievances.
3. Signs are to be posted in patient care areas detailing the options for filing a grievance via phone to the Executive Director of Quality, Safety & Risk and the Department of Health.
4. Complaints or grievances may be filed by a patient or patient representative, or any person who witnesses a potential patient rights or patient safety violation.
5. A patient or patient representative may bypass the complaint or grievance process and contact the Washington State Department of Health directly to file a complaint or grievance.

1. Washington State Department of Health
1-800-633-6828 or hsqa.csc@doh.wa.gov
6. Legal claims are managed by Risk Management and/or Legal Services and not considered grievances for resolution according to this policy.
7. Complaints or grievances made through online platform reviews (i.e., Google, Yelp, etc.) and social media will not be processed according to this policy.
8. Billing complaints will be reviewed by the Business Office Manager or other designee in collaboration with other leaders, as appropriate, and ultimately resolved by the Executive Director of Quality, Safety & Risk. If the billing complaint involves a clinical care concern, it will be reviewed by the Executive Director of Quality, Safety & Risk separately from the billing complaint (to include medical director chart review) and the findings and recommended resolution will be communicated to the Business Office Manager or designee

III. SCOPE

The scope of this policy applies to all complaints and grievances received through email, event report, letter, or phone call. This policy does not apply to social media messages or comments.

IV. ROLES & RESPONSIBILITIES

It is the responsibility of the Executive Director of Quality, Patient Safety, and Risk to ensure all complaints and grievances are upheld to this policy.

<u>Role</u>	<u>Responsibilities</u>
<u>All Workforce Members</u>	• <u>Receive patient complaints respectfully and without retaliation.</u> • <u>Attempt to resolve routine service concerns at the point of service when appropriate.</u> • <u>Escalate unresolved concerns through the chain of command.</u> • <u>Report complaints, grievances, and potential patient rights concerns according to organizational policy.</u> • <u>Cooperate with investigations and corrective actions.</u>
<u>Department Manager/Supervisor</u>	• <u>Review complaints referred by staff.</u> • <u>Attempt timely resolution of routine complaints.</u> • <u>Document actions taken and outcomes.</u> • <u>Escalate complaints meeting the definition of a grievance.</u> • <u>Implement department-level corrective actions and monitor effectiveness.</u>
<u>Patient Advocate / Patient Relations Representative (if designated)</u>	• <u>Serve as a resource for patients, families, and representatives.</u> • <u>Assist with complaint intake and resolution.</u> • <u>Educate patients regarding the grievance process and external reporting options.</u> • <u>Coordinate communication with involved departments.</u>
<u>Quality/Risk Management</u>	• <u>Maintain the complaint and grievance management</u>

<u>Role</u>	<u>Responsibilities</u>
<u>Department</u>	<u>system.</u> <u>• Determine whether concerns qualify as complaints or grievances.</u> <u>• Coordinate investigations and ensure regulatory timelines are met.</u> <u>• Monitor documentation completeness.</u> <u>• Trend, analyze, and report complaint and grievance data.</u> <u>• Identify opportunities for performance improvement and patient safety interventions.</u>
<u>Compliance Officer / Privacy Officer</u>	<u>• Review complaints involving privacy, confidentiality, HIPAA, ethics, discrimination, or regulatory concerns.</u> <u>• Coordinate required reporting and investigations.</u> <u>• Advise leadership regarding regulatory obligations.</u>
<u>Attending Provider / Clinical Staff</u>	<u>• Participate in investigations involving clinical care concerns.</u> <u>• Provide factual information and documentation.</u> <u>• Assist in resolution when appropriate.</u> <u>• Support implementation of corrective actions related to clinical care.</u>
<u>Grievance Committee (if delegated by Governing Body)</u>	<u>• Review grievances that require formal investigation and resolution.</u> <u>• Evaluate findings and corrective actions.</u> <u>• Ensure written responses meet regulatory requirements.</u> <u>• Recommend system improvements based on trends.</u> <u>• Maintain documentation demonstrating objective review.</u> <u>DNV requires delegation from the Governing Body to be in writing and the committee must consist of more than one qualified individual.</u>
<u>Chief Executive Officer (CEO)</u>	<u>• Ensure implementation of the grievance process across the organization.</u> <u>• Allocate resources necessary for timely resolution.</u> <u>• Review significant or high-risk grievances.</u> <u>• Escalate matters requiring Governing Body attention.</u>
<u>Quality Oversight / Quality Committee</u>	<u>• Receive aggregate reports on complaints and grievances.</u> <u>• Monitor trends, response timeliness, patient rights concerns, and corrective actions.</u> <u>• Evaluate effectiveness of improvement initiatives.</u> <u>• Report significant findings to organizational leadership and the Governing Body.</u>
<u>Governing Board</u>	<u>• Approve the grievance policy and process.</u> <u>• Maintain ultimate responsibility for the effective operation of the grievance program.</u> <u>• Direct all complaints and grievances received to the Executive Director of Quality, Safety, Risk.</u> <u>• Ensure organizational compliance with CMS and DNV</u>

Role	Responsibilities
	<u>requirements.</u> <u>• Provide oversight of grievance trends and corrective actions.</u>

V. DEFINITIONS

Complaint: Verbal expression of dissatisfaction by a patient or patient representative that is made to staff regarding patient care, patient experience or patient satisfaction and can be resolved promptly prior to the patient's discharge from LCH. Complaints can also be defined as negative feedback or concerns where the patient, family member, etc. does not wish to file a formal complaint and their concerns can be resolved outside the patient care contexts. Complaints may include but are not limited to:

1. Standard of care or quality of care issues;
2. Reports of inadequate pain management;
3. Miscommunication between patients/families and healthcare providers;
4. Housekeeping, diet/food, or facility issues.

Grievance: Either an informal or formal written or verbal complaint that is made to Lake Chelan Health by a patient, or the patient's representative, when a patient issue cannot be resolved promptly by staff present. If a complaint cannot be resolved promptly by staff present or is referred to the Quality department, patient advocate, or Lake Chelan Health management, it is to be considered a grievance. To include high medical/legal/reputation risk or identified care concerns. A complaint becomes a grievance when:

1. It is received in writing;
2. A patient or their representative requests that their complaint be handled as a formal complaint or grievance;
3. A patient or their representative requests a written response;
4. A patient care complaint requires another team member's review or investigation to occur, including a formal clinical chart review.

Patient Representative: The patient's representative is someone who, in accordance with state law, may speak for the patient. This would include but is not limited to: Legal Guardian, Medical Durable Power of Attorney for Healthcare, family members (spouse, adult child, parent, adult sibling, and grandparent). The representative may also be someone whom the patient has indicated may speak for them. If the patient is unable to communicate this information, it will be assumed that anyone coming forward with a complaint is acting on behalf of the patient and will be considered a patient representative.

Grievances can be received through the following venues:

1. Phone call/voicemail
2. Email
3. USPS letter or certified mail
4. Response to patient satisfaction survey detractor letter, or patient satisfaction comments that

cause the Quality department to investigate further

5. Face to Face

Billing complaints: A written or verbal complaint regarding a bill that is not related to quality of care and does not include any patient safety or quality care concerns in the clinical setting. These complaints are handled separately and are not considered grievances and are not required to follow this policy.

VI. PROCEDURE

Complaints

1. Patients or patient representative may contact any staff member to file a complaint.
2. Staff members aim to resolve concerns or complaints at the time they are received.
3. Complaints are escalated based on the chain of command if appropriate.
4. At any time during the complaint resolution process, the Quality Department may be contacted for assistance, advice, or support.
5. At any time during the complaint process, the patient's physician may be notified if appropriate under the circumstances and should be given the opportunity to assist in resolving any complaints related to clinical care.
6. If staff are unable to resolve the complaint, they are to complete a Quality Management Memo (QMM) including the person's contact information making the complaint, and a description of the complaint, for resolution through the grievance procedure.
7. The QMM submitter shall immediately notify the Compliance Officer of any complaint concerning privacy/patient confidentiality in addition to entering the QMM.

Grievances

1. Patients or patient representatives may contact the Executive Director of Quality, Safety & Risk at 509-682-3300 ext. 7814, or designee, to file a grievance; they can also call the designated LCH Compliance Hotline at 1-888-866-6321.
2. The Grievance Committee reviews and investigates all grievances.
 1. The Grievance Committee membership (stated above) is an ad hoc committee.
3. The Executive Director of Quality, Safety & Risk will contact the patient or patient representative to gather all pertinent information if they did not originally speak with the patient.
4. A letter notifying the patient of receipt of the complaint/grievance will be drafted and mailed to the patient or patient's representative within 7 ~~to 10~~ calendar days. The letter will explain that an investigation will be conducted and that it is expected to close within 30 calendar days.
 1. If the patient or authorized representative of the patient is not the person making the grievance, Protected Health Information of a patient that may be included in the investigation summary can only be released as allowed by law.
5. Every effort is made to resolve grievances within 30 calendar days.

1. If the review and/or investigation is likely to take more than 30 calendar days, or 30 calendar days have elapsed since the grievance has ~~elapsed since the grievance has~~ been filed, the patient or patient representative is notified in writing.
6. All grievances that have a completed investigation will be considered resolved and the patient or patient's representative will be responded to in writing. Responses are to include:
 1. ~~the~~The contact person for the grievance
 2. ~~steps~~Steps taken to investigate the grievance
 3. ~~results~~Results of the grievance process and any other relevant findings
 4. ~~the~~The date of completion
7. A grievance is considered resolved when the patient or patient representative is satisfied with the actions taken on their behalf.
 1. ~~The grievance resolution will include:~~
 - 1- ~~Identification of Lake Chelan Health's contact person;~~
 - 2- ~~Steps taken to investigate;~~
 - 3- ~~Results of the grievance process; and,~~
 - 4- ~~Date of completion.~~
 2. There may be situations where the organization has taken appropriate and reasonable action to resolve the grievance and the patient or patient representative remains unsatisfied. The organization may consider these closed if regulatory requirements have been met and are documented and no further clinical or operational concerns are identified. Alternatively, the grievances can be forwarded to the Chief Executive Officer for final disposition.
 3. If any grievance remains open after 30 calendar days since the filing and without any further communication from the patient, a letter will be sent to the patient notifying them that their grievance case will be closed; should they wish to keep the grievance open (as appropriate) they are to contact the Executive Director of Quality, Safety & Risk.
 4. If the grievance remains open after 60 days since the original filing of the grievance (and communication attempts are also documented), and after 30-60 days without any further communication from the patient, the grievance case will be closed.
8. Documents pertaining to the review and/or investigation will be maintained by Executive Director of Quality, Safety & Risk or designee.

Billing Complaints

1. Patients or patient representatives may contact any staff member to file a complaint.
2. Staff members aim to resolve concerns or complaints at the time they are received.
3. Complaints are escalated based on the chain of command if appropriate.
4. Staff should complete a Quality Management Memo including the patient or patient representative contact information, and a description of the complaint, or grievance.

5. Should the complaint include quality of care or clinical care concerns, the Executive Director of Quality, Safety & Risk will follow up with the patient and follow the formal Grievance procedure described above for clinical care concerns.
6. The Business Office Manager, [Financial Counselor](#), or designee, will work to resolve any billing complaints they receive according to their own complaint procedure(s).
7. Documents pertaining to the review and/or investigation will be maintained by the Revenue Cycle Director, Business Office Manager or designee.

Reporting

1. Grievances and complaints are reported internally via the QMM report which is published for review every quarter.
2. All QMMs, including grievances and complaints, are tracked and trended to identify opportunities for improvement. Results are shared with the appropriate leaders and/or committees [on a regularly scheduled basis](#).
3. Data is shared with the [Clinical](#) Quality Committee no less than once per quarter.

Confidentiality

All records, reports, database information, investigations, and other related documents are prepared for quality improvement processes under Lake Chelan Health Executive Leadership, quality related committees, other medical staff committees and medical staff peer review. As such, this information is confidential, privileged, and protected from discovery and inappropriate disclosure. Employees should not openly discuss grievances that they receive outside ~~of~~ the established grievance process set forth by this policy.

Retaliation

No person may retaliate against any patient or person acting on behalf of a patient for filing a complaint or grievance with the organization.

VII. REFERENCES

n/a

VIII. ATTACHMENTS

n/a

**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.*

Approval Signatures

Step Description	Approver	Date
Executive Approval	Aaron Edwards: Chief Executive Officer	Pending
Policy Management Committee	Committee Policy Management: Policy Management Committee	10/12/2026
Policy Owner	Louise Sahlinger: Executive Director Of Quality, Patient Safety, & R	10/8/2026

COPY



Origination	3/25/2024
Last Approved	N/A
Effective	Upon Approval
Last Revised	10/12/2026
Next Review	2 years after approval

Owner	Louise Sahlinger: Executive Director Of Quality, Patient Safety, & R
Area	Administration

Lake Chelan Health Patient Rights and Responsibilities

I. Purpose

To promote patient safety, we encourage you to speak openly with your health care team, be well informed, and take part in care decisions and treatment choices. Join us as active members of your health care team by reviewing the rights and responsibilities listed below for patients and patient representatives.

II. Policy Statement

In keeping with its Mission and Vision, to provide the highest quality healthcare with compassion and respect to the community we serve. It is the policy of Lake Chelan Health to honor the diverse cultures, beliefs, and practices of our patients. Patient rights forms, brochures and information will be consistent with federal, state, WA Department of Health, DNV and Medicaid (CMS) standards related to patient rights.

III. Scope

Applicable to all organization personnel including: caregivers, medical staff members, contracted service providers, volunteers, all vendors, representatives, and any other individual(s) providing services to or on behalf of Lake Chelan Health.

IV. Roles and Responsibilities

1. Patient Rights and Responsibilities

1. Be given considerate, respectful, and compassionate care.
2. Have a family member/friend and your doctor notified when you are admitted to the hospital.
3. Be given care in a safe environment, free from abuse and neglect (verbal, mental, physical, or sexual).
4. Have a medical screening exam and be provided stabilizing treatment for emergency medical conditions and labor.
5. Be free from restraints and seclusion unless needed for safety.
6. Know the names and jobs of the people who care for you.
7. Know when students, residents or other trainees are involved in your care.
8. Have your culture and personal values, beliefs and wishes respected.
9. Have access to spiritual services.
10. Be treated without discrimination based on race, color, national origin, age, gender, sexual orientation, gender identity or expression, physical or mental disability, religion, ethnicity, language, or ability to pay.
11. Be given a list of protective and advocacy services, when needed. These services help certain patients (e.g., children, elderly, disabled) exercise their rights and protect them from abuse and neglect.
12. Receive information about hospital and physician charges.
13. Ask for an estimate of hospital charges before care is provided.

2. Effective Communication and Participation in Your Care

1. Get information during your visit in a way you can understand. This includes communication assistance, such as sign language and foreign language interpreters, as well as vision, speech and hearing assistance provided free of charge.
2. Notify organization personnel when a cultural situation exists concerning the healthcare process;
3. Get information from your doctor/provider about:
 1. your diagnosis
 2. your test results
 3. possible outcomes of care and unanticipated outcomes of care
4. Be involved in your plan of care and discharge plan or request a discharge plan

evaluation at any time.

5. Involve your family in decisions about care.
6. Ask questions and get a timely response to your questions or requests.
7. Have your pain managed.
8. Refuse Treatment.
 1. Patients are responsible for the results if they refuse the treatment the physician has prescribed or if they choose not to follow the physician's instructions, including leaving against medical advice.
9. Have someone with you for emotional support, unless that person interferes with your or others' rights, safety, or health.
10. Ask for a chaperon to be with you during exams, tests or procedures.
11. Choose your support person and visitors and change your mind about who may visit.
12. Select someone to make health care decisions for you if at some point you are unable to make those decisions (and have all patient rights apply to that person).

3. **End of Life Decisions**

1. Create or change an advance directive (also known as a living will or durable power of attorney for health care).
2. Have your organ donation wishes known and honored, if possible.

4. **Informed Consent**

1. Give permission (informed consent) before any non-emergency care is provided, including:
 1. risks and benefits of your treatment
 2. alternatives to that treatment
 3. risks and benefits of those alternatives
2. Agree or refuse to be part of a research study without affecting your care.
3. Agree or refuse to allow pictures for purposes other than your care.

5. **Privacy and Confidentiality**

1. Have privacy and confidential treatment and communication about your care.
2. Be given a copy of the HIPAA Notice of Privacy Practices, which includes information on how to access your medical record.

6. **Complaints and Grievances**

1. Complain and have your complaint reviewed without affecting your care. If you have a problem or complaint, you may talk to your doctor, nurse manager or a department manager.
2. You may also contact the Executive Director of Quality at 509-682-3300 ext. 7814.

3. If your issue is not resolved to your satisfaction, other external groups you may contact include:
4. **Hospital's Quality Improvement Organization (QIO) for coverage decisions or to appeal a premature discharge:**

1. Qualis/BFCC-QIO
P.O. BOX 33400
Seattle, WA 98133
1-800-949-7536

2. **State Agency:**

1. Washington State Department of Health
Health Systems Quality Assurance
Complaint Intake
PO Box 47857
Olympia, WA 98504-7857
Email: hsqacomplaintintake@doh.wa.gov
Phone: 1-800-633-6828

3. **Accreditation Agency:**

1. DNV-GL Healthcare
Attn: Hospital Complaint DNV GL Healthcare Inc.
400 Techne Center Drive, Suite 100
Milford, OH 45150-2792
Phone: (866) 523-6842
<https://www.dnvghealthcare.com/complaint>

4. **To address discrimination concerns, you may also file a civil rights complaint with the U.S. Department of Health and Human Services:**

1. Office for Civil Rights
200 Independence Ave., SW
Room 509F, HHH Building
Washington, DC 20201
1-800-368-1019, 1-800-537-7697 (TDD)
OCRMail@hhs.gov
Complaint forms are available at:
<http://www.hhs.gov/ocr/office/file/index.html>

7. Responsibilities

1. Provide accurate and complete information about your health, address, telephone number, date of birth, insurance carrier and employer.
2. Call if you cannot keep your appointment.
3. Be respectful of your hospital team, from the doctors, nurses and technicians to the people who deliver your meals and the cleaning crews.

4. Be considerate in language and conduct of other people and property, including being mindful of noise levels, privacy, and number of visitors.
5. Give us a copy of your advance directive.
6. Ask questions if there is anything you do not understand.
7. Report unexpected changes in your health.
8. Follow hospital Policy and Procedures as directed.
9. Take responsibility for the consequences of refusing care or not following instructions.
10. Personal **BeloningsBelongings**:
 1. Patients are responsible for their personal belongings. This includes, but is not limited to dentures, eyeglasses, crutches, wheelchairs and personal items such as **jeweleryjewelry**. Lake Chelan Health is not responsible if these items are damaged or misplaced while here.
11. Keep all information about hospital staff or other patients private.
12. Do not take pictures, videos, or recordings without permission from hospital staff.
13. Assure that the financial obligations of hospital care are fulfilled as promptly as possible.

V. DEFINITIONS

N/A

VI. PROCEDURE

1. To have posted, at all organization registration areas, a written statement of patient rights and responsibilities, and to provide hard-copy patient rights form, upon request;
 1. The Patient Rights and Responsibilities form is available in English and Spanish;
 2. Lake Chelan Health provides language services to people whose primary language is not English by utilizing qualified interpreters;
2. To follow policies and procedures to identify patients who are potential organ donors;
3. To address research, investigation and clinical trials, including:
 1. How to authorize research;
 2. Require staff to follow informed consent laws; and
 3. Not hindering a patient's access to care if a patient refuses to participate;
4. To inform patients (or support person(s), where appropriate) of Patient Visitation Rights;
 1. Patients have the right to reasonable access to people outside Lake Chelan Health by means of visitors, and by verbal and written communication;
 2. Patients have the right, subject to their consent, to receive visitors they designate, including but not limited to spouse, domestic partner, another family member, or a friend. Such access is permitted so long as it does not interfere with the provision of

- patient care services and a reasonable safe and secure environment.
3. Patients have the right to withdraw or deny such consent at any time;
 4. Patients have the right to be informed of restrictions which Lake Chelan Health may impose on a patient's visitation rights;
 5. Lake Chelan Health's visitation privileges are not restricted, limited or denied on the basis of race, color, creed, religion, sex, sexual orientation, gender identity, national origin, disability or age. All visitors enjoy full and equal visitation privileges consistent with patient preferences;
5. Be in compliance with Federal HIPAA privacy rules. You have the right to receive a Notice of Privacy Practices that describes how medical information about you may be used and disclosed and how you can get access to this information. As a patient, you have the right to "opt out" of our organization directory and Lake Chelan Health will not disclose you as a patient;
 6. Provide inpatient Medicare beneficiaries, or his/her representative, the standardized notice "An Important Message from Medicare About Your Rights", in accordance with federal guidelines;

VII. REFERENCES

WAC 246-320-14, RCW 7.70.065, RCW 70.41.380, RCW 68.50.500, RCW 68.50.560

VIII. ATTACHMENTS

1. Patient Rights (English)
2. Patient Rights (Spanish)

**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.*

Attachments

 [Patient Rights English 10.28.20.pdf](#)

 [Patient Rights Spanish 10.28.20.pdf](#)

Approval Signatures

Step Description	Approver	Date
Executive Approval	Aaron Edwards: Chief	Pending

Policy Management
Committee

Executive Officer

Committee Policy
Management: Policy
Management Committee

10/12/2026

Louise Sahlinger: Executive
Director Of Quality, Patient
Safety, & R

10/12/2026

COPY

CHELAN COUNTY PUBLIC HOSPITAL DISTRICT #2
Lake Chelan Health
Chelan County, WA

RESOLUTION No. 2026-24
Disposal of Vacuum

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 2, Chelan County, Washington (the 'District'), to authorize the disposal of hospital surplus items; and

WHEREAS, Lake Chelan Health (LCH) a public hospital in the State of Washington, is committed to the responsible management and disposal of assets; and

WHEREAS, the Facilities Department has identified the following items as surplus to departmental needs:

- Advance Wet/Dry vacuum, manufacturer #AWD 315, asset tag #8594

WHEREAS, an assessment has determined that this equipment is no longer needed for hospital purposes and should be disposed of in accordance with applicable laws and hospital policies;

BE IT RESOLVED, that the Board of Commissioners of Chelan County Public Hospital District No. 2 hereby adopts the following:

1. The items described above are declared surplus and are authorized for disposal.
2. The approved method of disposal is to sell the equipment, in accordance with hospital policy and applicable regulations.

The Controller is authorized to oversee and document the disposal process in compliance with all applicable state and local regulations.

A record of the disposal, including method and justification, shall be maintained for auditing purposes.

ADOPTED AND APPROVED, by the Board of Commissioners, Chelan County Public Hospital District No. 2, at an open public meeting thereof this 27th day of October 2026 with the following Commissioners being present and voting in favor of the resolution.

CHAIRPERSON OF THE BOARD

SECRETARY

VICE CHAIRPERSON

MEMBER

MEMBER

CEO

CHELAN COUNTY PUBLIC HOSPITAL DISTRICT #2
Lake Chelan Health
Chelan County, WA

RESOLUTION No. 2026-25
Disposal of Electrocardiograph

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 2, Chelan County, Washington (the 'District'), to authorize the disposal of hospital surplus items; and

WHEREAS, Lake Chelan Health (LCH) a public hospital in the State of Washington, is committed to the responsible management and disposal of assets; and

WHEREAS, the Specialty Clinic has identified the following items as surplus to departmental needs:

- Welch Allyn, Electrocardiograph, Model #BUR280C 12 Lead – ELI280, Asset Tag #10984

WHEREAS, an assessment has determined that this equipment is no longer working and should be disposed of in accordance with applicable laws and hospital policies;

BE IT RESOLVED, that the Board of Commissioners of Chelan County Public Hospital District No. 2 hereby adopts the following:

1. The items described above are declared surplus and are authorized for disposal.
2. The approved method of disposal is to scrap the equipment, in accordance with hospital policy and applicable regulations, as it has been deemed unusable.

The Controller is authorized to oversee and document the disposal process in compliance with all applicable state and local regulations.

A record of the disposal, including method and justification, shall be maintained for auditing purposes.

ADOPTED AND APPROVED, by the Board of Commissioners, Chelan County Public Hospital District No. 2, at an open public meeting thereof this 27th day of October 2026 with the following Commissioners being present and voting in favor of the resolution.

CHAIRPERSON OF THE BOARD

SECRETARY

VICE CHAIRPERSON

MEMBER

MEMBER

CEO

CHELAN COUNTY PUBLIC HOSPITAL DISTRICT #2
Lake Chelan Health
Chelan County, WA

RESOLUTION No. 2026-26
Disposal of OB EKG/Cardiograph/Pagewriter

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 2, Chelan County, Washington (the 'District'), to authorize the disposal of hospital surplus items; and

WHEREAS, Lake Chelan Health (LCH) a public hospital in the State of Washington, is committed to the responsible management and disposal of assets; and

WHEREAS, the OB Department has identified the following items as surplus to departmental needs:

- Philips Medical, EKG/Cardiograph/Pagewriter Model #1156, Asset Tag #8601, Serial #USD0711941

WHEREAS, an assessment has determined that this equipment is no longer working and should be disposed of in accordance with applicable laws and hospital policies;

BE IT RESOLVED, that the Board of Commissioners of Chelan County Public Hospital District No. 2 hereby adopts the following:

1. The items described above are declared surplus and are authorized for disposal.
2. The approved method of disposal is to scrap the equipment, in accordance with hospital policy and applicable regulations, as it has been deemed unusable.

The Controller is authorized to oversee and document the disposal process in compliance with all applicable state and local regulations.

A record of the disposal, including method and justification, shall be maintained for auditing purposes.

ADOPTED AND APPROVED, by the Board of Commissioners, Chelan County Public Hospital District No. 2, at an open public meeting thereof this 27th day of October 2026 with the following Commissioners being present and voting in favor of the resolution.

CHAIRPERSON OF THE BOARD

SECRETARY

VICE CHAIRPERSON

MEMBER

MEMBER

CEO