

Cascade Medical Center Board Minutes

July 22, 2025

CMC Conference Room/Zoom

12:00 pm – 2:21 pm

Trustees present in person: Rachel Smith, David Gough, Tom Watson, Jacque Zemlicka, and David Croshaw.

Trustees attending remotely via Zoom: Michael Drury and Lesa Becker

Members absent and excused: None

Others present in person or remotely: Tom Reinhardt, Sarah Hasbrouck, Teri Coombs, Randy Kyris, Craig Trumbull and Sylvia Kober.

Call to Order: Meeting called to order by Rachel Smith at 12:05PM.

Rachel Smith stated that the posting of today's meeting agenda complied with Idaho Open Meeting Laws, noting that the agenda was posted at the Cascade Post Office, the two East entrances of Cascade Medical Center, as well as on CMC's website by July 18th, 2025.

Mission Moment:

Rachel Smith provided a Mission Moment, sharing two items. First a quote from Mother Teresa about the importance of kindness, and then her appreciation of the decrease in COVID cases and the impact those decreases have had on the stress levels of the world at large.

Approval of Agenda:

Rachel Smith asked if there were any updates to the agenda. Hearing no need for adjustment, Tom Watson made a motion to approve the agenda as posted; David Gough seconded this motion. All members were in favor, motion passed.

2. Public Comment

A neighbor of the hospital provided comment regarding landscaping and traffic direction of the hospital's East parking lot.

3. Consent Agenda:

- a) Approval of the Minutes of the June 2025 BOT meeting.
- b) July Medical Staff Minutes & June Utilization Report

The members of the board reviewed the consent agenda items for additional discussion. Hearing that no items needed to be withdrawn from the Consent Agenda for further discussion, Rachel Smith adopted the items within the Consent Agenda.

4. Finance

FY25 Financial Report – 3rd Quarter YTD

Randy shared the slide deck provided to the Finance Committee with the members of the Board. Tom spoke about volumes YTD, sharing overall volumes are up from the prior year. Randy spoke to two factors that are causing challenges in comparing the budget numbers this year to the prior year, citing the number of prior accounting adjustments that were needed, as well as the Chargemaster/Formulary pricing increase implemented this past December. He shared that the pricing adjustment is producing the expected impact on contractual adjustments, and that the net result is still an increase in revenue showing an overall net collectible of around 50%. Randy did share that total revenue is still favorable compared to both budget, as well as the prior year.

Mike Drury provided a call out to the Board regarding the ratio of Variance between Budget Contractual Adjustment vs. the Total Other Sources – primarily the impact of conversion to a Rural Emergency Hospital in January, stating they should offset each other. This is a metric he will be monitoring going forward.

Randy also spoke about Expenses, sharing that all items are below budget and below the prior year. Randy presented the KPI dashboard and provided a brief overview relating to a REH conversion issue with TriWest claim payment delays. Sarah and Tom shared this issue should be resolved in the next month or so and that the decrease to Days in AR will be noticeable once resolved.

Randy finally spoke to the Service Department Financials: YTD, showing where positive and negative margins exist within each department and discussing how they impact and support each other.

David Gough asked if Donnelly clinic is tracking within the lines of the original proforma. Randy shared that it is not currently. Tom relayed the efforts on Sylvia's part to market and grow the clinic. Tom shared that Donnelly is growing faster than the Cascade clinic, and reviewed the graph of clinic visits and their break even points. Tom and Lesa both acknowledged most clinics do not break even due to the provider salaries often being allocated to those departments and revenue from ancillary services like lab and imaging being attributed to other departments.

Draft FY26 Budget: Presentation of Assumptions

Randy shared the proposed FY26 Operations Budget, speaking to volume assumptions and that they are on the conservative side. He spoke to some of the deduction assumptions and how they were calculated using the new contractual adjustment data. He spoke to the methodology used to calculate operating expense assumptions, including the increase in the budget for salaries, provider contracts, personal benefits and the addition of an ED Medical Director. Lesa asked for clarification on the 3% Property Tax assumption. Randy did speak about the statues and calculations for property tax revenue, sharing that the total is often over 3%, but that this is the number to include in our Operations Budget for FY26. Mike Drury also shared that the Finance Committee has met on this twice regarding the FY26 Proposed Budget and made the recommendation to present this version to the Board.

Draft FY26 Budget: Recommendation to post public notice

Randy spoke to the required next steps, sharing the need to post the Proposed FY26 Budget in accordance with the statues, including both the budget and a Notice of Public Hearing. Michael Drury made a motion to post this proposed Notice of Public Hearing and FY26 Budget as it was presented. David Gough seconded the motion. All members were in favor, motion passed.

5. New Business

Provider Credentialing

Sarah Hasbrouck presented the application from Dr. Julie Mills, requesting appointment to the Medical Staff at CMC as an Active provider. Sarah stated that Dr. Mills' application met all the requirements for approval.

Tom Watson made a motion to approve the application from Julie Mills, DO as an Active member of the Medical Staff for a term of two years. David Gough seconded this motion. All members were in favor, motion passes.

Sarah Hasbrouck presented the application from Katherine Ferguson, FNP-C requesting reappointment to the Medical Staff at CMC as an Active provider. Sarah stated that Katherine Ferguson's application met all the requirements for approval.

David Gough made a motion to approve the application from Katherine Ferguson, FNP-C as an Active member of the Medical Staff for a term of two years. Tom Watson seconded this motion. All members were in favor, motion passes.

Employee Engagement Survey Results

Sylvia Kober shared the results of the staff engagement survey of which had a 71% response rate. Results and the action plan were previously shared with all employees and the medical staff. Overall, this survey has provided CMC with the opportunity to improve the culture, engagement and feedback for all staff.

HYVE

Tom gave a brief presentation of HYVE, which is a company that aggregates data from hospitals about how insurance companies reimbursed them for care. The IHA uses the data for advocacy work and encourages its members to participate. Tom shared the requirements on CMC's participation, as well as his recommendation to postpone our participation until the Epic conversion has been completed and performance stabilizes. The members of the Board responded positively to this plan.

6. Old Business

Stibnite Mine Clinic

Tom stated he had no new updates relating to the clinic at the Stibnite Mine site.

Epic Implementation Status

Tom shared the Epic implementation is still on track.

Donnelly Physical Therapy

Sarah is still working on credentialing the Donnelly PT practice with Medicare due to the new REH designation.

REH

CMC received its third REH payment.

7. Committee Reports:

Quality Assurance, Performance Improvement and Compliance Committee: The Quality Assurance, Performance Improvement and Compliance Committee did not meet.

Finance Committee:

Members:

Michael Drury, Chairperson
David Croshaw
Jacque Zemlicka
Randy Kyrias
Tom Reinhardt

The Finance Committee met twice since the last Board meeting. Mike shared the committee reviewed the June financials and the proposed FY26 budget, stating everything discussed was previously covered in this meeting around budget discussions.

Strategic Planning Committee: The Strategic Planning Committee did not meet.

Proposal for a Special Committee

Tom provided a brief overview of issues that will impact rural hospitals from both federal and state legislations, including OBBBA and changes within the Idaho legislation impacting Medicaid cuts and the development of a managed care program. Tom made a recommendation to the Board that they form a “special committee” that can begin to evaluate the details of these pieces of legislation impacting rural hospital reimbursements, as well as other events that may arise, to advise on the best way for this facility to approach these challenges.

A motion was made by Jacque Zemlicka to form a special committee for the purpose of understanding legislative challenges that will have an impact on our rural health facility and how to respond to those challenges. Tom Watson seconded the motion. All members were in favor, motion passed.

David Gough shared interest in joining this committee. Lesa shared that she would be interested in joining the committee, especially from the perspective of how we can positively impact long-term care facilities in the area. Tom Watson also shared that he would be happy to participate in this committee.

Discussion about the purpose and direction of the committee ended with it being about creating Strategic Opportunities, which this committee shall be so named. Rachel Smith appointed David Gough, Lesa Becker and Tom Watson as members of the Board to serve on the Strategic Opportunities committee, with Tom Watson serving as chair of the committee.

8. Executive Session:

An Executive Session was not held during the July 2025 meeting.

9. Other/Next Steps:

New Video of Medical Center

- Tom shared one of the new marketing videos provided to the facility by a generous member of the community. The members of the Board appreciated not only this video, but the effort of all the staff who really do make this facility the wonderful, impactful place it is.

Agenda Topics for Next Meeting

- Budget Hearing
- Lab Facilities Overview
- Overview of format for new Strategic Opportunities Committee

Meeting Evaluation

Good meeting, even if it ran over, there was a lot to cover. Rachel voiced her appreciation of the Finance committee for all of their work. The members appreciate each other's strengths, and willingness to differentiate between Board responsibilities and operational responsibilities.

Adjournment: Lesa Becker made a motion to adjourn the meeting; David Croshaw seconded this motion. All members are in favor, motion passes. Michael Drury adjourned the meeting at 2:21pm.