

Willapa Harbor Hospital
Minutes of the Governing Board
Cedar Room
August 26, 2025

Board Members Present: Kathy Spoor, Jeff Nevitt, Steve Holland and Gary Schwiesow

Others Present: Matthew Kempton, CEO, Kimberly Polanco, CFO, Chelsea MacIntyre, CNO, Renee Clements, COO, Steven Hill, DO, CMO, Dawn Pearson, Executive Assistant, Cindy Sherman, Controller and Jim Reynolds, IT Manager

Board Members Absent: Toni Williams

Others Absent:

Guests: Joe Kunkle, The Healthcare Collaborative Group

Audience: Sherri McDonald

I. Call to Order:

The meeting was called to order at 5:30 pm by Kathy Spoor

Addition to the Agenda

Addition under New Business:

Cybersecurity Risk Assessment Summary – Jim Reynolds, IT Manager

Approval of July 22nd, 2025, Regular Board Meeting minutes: Jeff Nevitt made a motion to approve July 22nd, 2025, Regular Board Meeting minutes as written. Gary Schwiesow 2nd the motion, all in favor, motion carried.

Consent Agenda

Steve Holland made a motion to approve the July consent agenda. Jeff Nevitt 2nd the motion, all in favor, motion carried.

Vouchers/Warrants: July \$1,655,450.04

Payroll/Payable: July \$ 846,885.01

Write-offs: Bad Debt July \$ 113,242.21

II. New Business

➤ **Cybersecurity Risk Assessment Summary – Jim Reynolds, IT Manager**

- Willapa Harbor Hospital has a strong, multi-layered cybersecurity program that protects patient data, systems, and operations. Key safeguards include resilient backups, network segmentation, multi-factor authentication, 24/7 threat monitoring, and advanced email security. Planned upgrades will further strengthen defenses. Overall, the hospital is well-positioned to detect, contain, and recover from cyber threats while maintaining patient care and operational continuity.

➤ **Employee Engagement Survey**

- The annual WHH Employee Engagement Survey results were reviewed. A total of 128 employees participated. Results were compared to the 2024 survey to track progress and identify areas of focus. It was noted that the upcoming Leadership Development Institute in October will provide an opportunity for the leadership team to take a deeper dive into the survey findings and develop strategies for continued improvement.
- The board suggested sharing some survey results highlighting our strengths with the public.

➤ **Communication Plan**

- The board discussed the need for a structured communication plan utilizing social media, newsletters, email, the hospital website, and local newspapers. Topics for communication could include financial updates, board meeting summaries, employee highlights, and other community-focused information.
- Questions raised included whether current staff can manage this work or if a part-time position would be needed.
- Matt and Dawn will draft a proposed communication plan to present to the board at their next meeting.

➤ **Proposed Additions to the Medical Staff Bylaws**

- Proposed additions to the Medical Staff Bylaws include additional provider performance language and a revised Radiologist reading, tele providers reappointment length to align with vRAD & Providence reappointment timelines.

Steve Holland made a motion to approve the additions to the Medical Staff Bylaws. Jeff Nevitt 2nd the motion, all in favor, motion carried.

III. Continued Business

➤ **Quality**

- Quality Dashboard Review
- Renee distributed the quality data report (Jan–Jun), which tracks patient safety monthly and clinical metrics quarterly. Key areas include DOH and DNV standards, along with medical staff, environment of care/facilities (utilities, fire plan, etc.), blood transfusions, WMC, ED readmissions (noted behavioral health/substance abuse concerns), transition of care, and case management. Additional tracking covers infection control, pharmacy review, falls, post-surgical wound care documentation, and workplace violence/security checks. A color system (green/yellow/red) is used to indicate progress. A quarterly complaints committee has been reinstated.

➤ **Facility Master Planning**

- Proposal to expand local services to grow revenue and increase debt capacity over the next 3–5 years, potentially reducing the need for a large bond. Some ideas included creating an IV infusion clinic, moving departments to free space, and exploring additional services such as chemotherapy, wound care, and other community-requested offerings. The board agrees that growth should focus on services that meet community needs and improve financial stability. It was emphasized to assess risks before decisions are made. The importance of aligning service expansion with both revenue return and community demand was noted.

IV. Reports and Presentations:

CEO Report – Matthew Kempton

➤ **Recognition & Gratitude**

- We have replaced our outdated telephone system. Today was the day scheduled to port over our old phone numbers to the new system. The process with Lumen and CenturyLink has been challenging at best. A big thank you, much appreciation and recognition goes to Jim Reynolds, IT Director, and Megan Houk in the IT dept.

➤ **Physician Recruitment**

- Dr. Blake Busey was recruited as a family practitioner. He will start his practice October 1st at WMC. We will be sending details out shortly regarding a welcome dinner. Jenni Kuker, NP is starting full time at WMC in December of this year. We are actively searching for a J1 waiver physician candidate as well to start in 2026.

➤ **Facilities**

- I have approved a dye test study and jetting the drain lines for \$3,400. In addition, we received one quote for the elbow joint excavation (6 feet below street level) and repair in the back parking lot. The bid was over 20k. As a result, I have asked that we get 3 competing bids and bring them to a future board meeting for review, selection and potential approval.
- A local painter finished his work to restore the metal framework around the building, removing the rust. He did an excellent job.

➤ **Pharmacy**

- The pharmacy wholesale license inspection occurred on 7.24 as expected. It went very well, thank you to Stacey and all of the pharmacy staff. We recently received approval that our pharmacy is in full compliance with all wholesale license requirements. We will be starting our new 340b shelter pharmacy program within the next few weeks.

➤ **Financial**

- As Security State Bank has been bought out by Gesa Credit Union, I would like the board to consider reviewing local banks in the area to determine whether switching to a different bank would be beneficial to the hospital district. If the board agrees, Kimberly and I will review local options and bring any proposed banking change to the board for review at our next meeting.

➤ **Reminders**

- August 31st - Labor Day Parade Float
- September 27th - WHHF - 3rd Annual "Drive to Save Lives" Charity Golf Tournament

CFO Report – Kimberly Polanco

July Financial Status

Willapa Harbor Hospital's July business resulted in a Total Net Loss of (\$199,916) for the month, bringing the YTD loss to (\$508,055). The Total Margin YTD is (2.6%) with an operating margin of (6%), compared to a budget of 2% and 1.6%, respectively. Days cash on hand is 84, down from 93 in June.

Operations resulted in an operating loss of (\$323,597) for the month and an operating loss of (\$1,239,849) YTD. Inpatient admissions were significantly over budget with 80 days vs a budget of 52 days. Emergency room visits were lower in July similar to the prior two Julys.

Non-operating revenue includes \$75,191 from Maintenance and Operations Tax for the month and \$526,337 for the year which are taxes received from levied property taxes as community support to the hospital. Interest income from investments of \$48,490 for the month and \$205,457 for the year is also included in non-operating revenue.

Patient Service Revenue

July Patient Revenue was \$4,694,860, 10% under budget. YTD Patient Revenue is \$32,281,848, 8% under budget and 10% over July YTD 2024. Net Patient Revenue (revenue less deductions) YTD is under budget (\$1,317,161). 48% of the shortfall in Net Patient Revenue is due to lower volumes in pain management services. Volumes have continued to increase over the past quarter and this is expected to partially recover by year end. The remainder of the shortfall is in imaging and nuclear medicine, clinic services, surgery, and cardiac rehabilitation partially offset by higher inpatient admissions including swing bed patients, and ultrasound, mammography, MRI, and respiratory therapy services.

The payer mix in July was 43.5% Medicare, 17% Medicare Advantage, 18% Medicaid, 15% Commercial, 5% Tricare/VA, and 1.5% Self Pay.

Revenue deductions in July were 40% compared to a budget of 41%. YTD deductions are 39% compared to a budget of 40%.

Charity care was \$152,184, \$35,305 over budget for the month, however under budget by \$298,572 YTD.

Accounts Receivable

Patient service revenue collections were \$2,484,712, consistent with the 2025 average trend and collection expectations. Revenue collections YTD are \$17,978,425, 7% or \$1,113,959 higher than the same time period in 2024. Collections in the hospital and clinic continue to trend upward. Net Days in AR increased from 41 in June to 45 in July.

Expenses

July expenses were \$2,988,876, in line with the budget for the month, 1.3% under budget for the year, and 15% higher than the same time period in the prior year.

YTD Purchased services are under budget (\$426,554) as well as supplies (\$332,211), and professional fees (\$152,305) primarily offset by higher than budgeted salaries and wages by \$399,549, and bad debt expense by \$248,048. Bad debt expense continues to rise which is similar to state and national trends this year. While charity care is down year to date, bad debt expense has made up the difference.

CNO Report – Chelsea MacIntyre

➤ Wins

- The Rural OB Simulation was held here on 8/4 and 8/5. It was an extremely valuable experience and was well-attended and well-received by our nurses.
- We have had a LOT of new nursing staff join our organization this year.

➤ Recognition

- To Chelsey, one of our nurses, who had a great idea for a documentation improvement we were able to implement!

➤ Projects

- Excited to kick off the Vocera project this summer!
- Behavioral Health/Recovery Navigator Program/Designated Crisis Responder/Crisis System
 - Dedicated Designated Crisis Responder for PacCo is in the hiring process.
 - Will be running as co-responder program with the Pacific County Sheriff's Office (PCSO).
 - We met with the Pacific County Crisis Coordinators Claudia and Payton and had a wonderful meeting about how we can work together.
 - Renee and I are exploring ways to further integrate behavioral health into WHH systems of care.
- Hospital Staffing Committee
 - Working with HR on process improvements around meal/rest breaks.
 - Developing 2026 HSP has been developed and is pending final approval.
- IV Therapy and Swing Bed

- Have been seeing a high number of IVT patients this month, which has been great.
- Infection Control and Employee Health
 - We are conducting audits on employee files, especially in light of rising measles cases.
 - COVID-19 cases are on the rise!
- Serving on the Rural Collaborative Ethics Committee
- Newspaper Column
- Chairing the Rural Collaborative Chief Nurse Executive Committee
- Education
 - We have prepared community-facing education on cardiac, stroke, trauma, injury prevention, fall prevention and suicide prevention for the Pacific County Fair.
 - This year, we have had one nursing student from Grays Harbor College (GHC), and another one coming in August from Indiana Wesleyan University (IWU). A third is coming from South Dakota State University in the fall.

➤ **Quality**

- Working with colleagues to respond to an increase in falls here on campus.
 - One fall in July.
 - Collaborating with Dawn and Paul for signage on our fall prevention initiative on campus.

➤ **Service**

- Assisting with policy development to clarify non-public areas of the hospital campus.
- Policy draft being reviewed internally following risk review.

➤ **Gratitude**

- To Kris, for the dedication, passion and creativity he brings to each thing he works on.

COO Report – Renee Clements

- **Recognition** – Stefanie Ekman for her perseverance and expertise with current projects at the clinic and cardiology.
- **Rural Health Clinic – Willapa Medical Clinic**
 - **Interventional Pain Mx:** 25 of 34=73% of budgeted volumes
 - **Cardiology visits:** 76 of 69=110% of budgeted volumes
 - Ongoing cardiology-ancillary services continue in progress:
 - Holter monitor interpretation project completed, Echo interpretation ongoing.
 - **Total WMC visits:** 1123 of 1051- 106% of budgeted volumes
 - **Provider recruitment:** Dr. Busey announcement- Onboards October 1st
- **Radiology** Strong Radiology month

- 933 exams meeting projected budget of 895=104% of budgeted volumes
- Focused improvements:
 - Nuclear Medicine: 31 of 25=120% of budgeted volumes
 - MRI: AI enhancement-optimizing schedule. 50 of 39=128% of budgeted volumes.

➤ **Lab** **Strong Lab month**

- 6985 of 6005= 116% of budgeted volumes

➤ **Quality / Risk / Clinical Informatics**

- Sepsis Awareness Month: September; WHH Sepsis campaign.
- QI Goals- Continued Fall prevention activities. Goal to decrease Falls on campus to 17/year
 - Fall Prevention Program adopted a Fall Campaign and slogan:
 - “A fall, a slip, a hospital trip”
 - Campaign to decrease falls with fun incentive awards. Ie pizza, ice-cream, coffee
 - Registration will continue to screen all patients for a fall risk. If screening in, the next clinical dept. staff member will escort via w/c throughout the visit.
- Complaints/Grievances:
 - Quarter 2: (2) complaints (1) Grievance-Location: Emergency Dept.=All resolved
 - July 2025- (2) complaints: Locations-Radiology and Surgical Dept.=resolved
 - August 2025- (1) complaint: Location: Emergency Dept.=resolved

➤ **Diabetic Program**

- Diabetes Program-WMC clinic visit integration. Diabetes education and presence to be at the Pac. Co Fair and at our Community Health Fair.

➤ **Community**

- August 5th, National Night Out-WHH booth
- October 4th, 10-2:00 Saturday- WHH- Adventure to Wellness

CMO Report – Steven Hill, DO

➤ **Staffing**
Willapa Harbor Hospital Hospitalist coverage

- RPG will start 9/10/25 with some initial coverage changes in the schedule but will begin covering 14 days on and then Dr Hill will cover additional 14 days. Schedule being written for first several months.

Emergency Room

- 5 physicians in ER who work regularly (Smith, Kuypers, Bhullar, Souza, Rookstool)
- 1 physician that works part time when in the country (Shaw)
- 3 per diem who work intermittently (Wilson, Kim, Frakes)
- One physician (George Dueber, DO) who works full time in the ER is resigning/offering to stay on as part time/per diem effective November 30 due to personal issues. Hopefully we will have some additional pickup by other staff

Office at Willapa Medical Clinic

- Looking forward to adding Dr. Busey as full-time family doctor October – community is enthused and believe he will be a welcome addition.
- Looking forward to adding Jennifer Kuken, ARNP early December. She was well liked when working here as locums previously and believe that she will be a good addition to staff.

General Medical Staff issues

- Currently working with Dustie Franks in medical staff office completing reviews with all providers Doing paperwork to satisfy our DNV accreditation. Working with staff on some CME to update our privileges in the ER
- Impromptu unscheduled meeting will be held 8/20/25 for medical staff to address new credentialing for RPG, Telehealth providers and add bylaw changes for staff reviews.

➤ **Difficult issues**

- We have had some down time due to mechanical issues when the lab had machine breakdowns as well as CT being down. This makes it very difficult in the ER as it greatly affects turnaround times, etc. This is unavoidable but makes it difficult as the standard of care requires certain evaluation and treatment.

V. Appointments/Reappointments

➤ **Appointments**

Rural Physicians Group Providers – Telehealth & Hospitalists (6mo Provisional):
Start date for RPG Hospitalists & the Compass (Telehealth) programs: 9.9.25.

- **RPG Telehealth Providers:**
 1. James Driscoll, MD Pulmonology
 2. Mohammad Hajjiri, MD Infectious Disease
 3. Desa Pooja, MD Pulmonology

4. Daniel Baram, MD Pulmonology
5. Belaal Sheikh, MD Pulmonology
6. Banshi Rathi, MD Nephrology
7. Maomen Al Zoubi, MD Infectious Disease

- **RPG Hospitalists (6mo Provisional):**

8. Benjamin Huneycutt, MD
9. Chi Pui, MD
10. Augustine Ajuogu, MD

- **Willapa Medical Clinic Physician (6mo Provisional):**

1. Blake Busey, DO

Jeff Nevitt made a motion to approve all appointments, Steve Holland 2nd the motion to approve all appointments, all in favor, motion carried.

VI. Executive Session: There was an executive session to discuss:

- Performance of a public employee RCW 42.30.110)
- Complaints or brought against a public officer or employee (RCW 42.30.110)

Closed for Executive Session at 8:10 pm, expected to take around 30 minutes.

The Executive Session closed at 8:40 pm and returned to the regular session.

VII. Adjournment: With no further business the meeting adjourned at 8:40 pm

Submitted: _____



Toni Williams, Secretary to the Board