



Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes
Hospital Board
Regular Meeting



Thursday, June 26, 2025

5:30 PM

Assembly Chambers

1. Call to Order/Roll Call

Board President Cook called the meeting to order at 5:30PM.

Board President Cook conducted Roll Call:

PRESENT

Board President Jerod Cook
Board Vice President Cindi Lagoudakis
Board Secretary Marlene Cushing
Board Member Kimberley Simbahon
Board Member Joe Stratman
Board Member Jim Roberts

ABSENT

Board Member Heather Conn

2. Approval of the Agenda

Motion made by Board Vice President Lagoudakis to approve the agenda, Seconded by Board Member Simbahon. Voting Yea: Board President Cook, Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, Board Member Stratman, and Board Member Roberts.

3. Approval of Board Minutes

A. Approval of May 29, 2025, Hospital Board Minutes.

Motion made by Board Member Stratman to approve May 29, 2025, Hospital Board Minutes, Seconded by Board Secretary Cushing. Voting Yea: Board President Cook, Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, Board Member Stratman, and Board Member Roberts.

4. Visitor Comments

Christopher Ramlogan commented on work performed by his business for PMC and expressed dissatisfaction with the process.

Laura Holder commented on her leaving PMC Home Health to pursue other endeavors and expressed her gratitude for fellow employees and the importance of Home Health in Petersburg.

5. Board Member Comments

Board Secretary Cushing announced that the Paddle/Pedal Battle fundraiser for the Petersburg Medical Center Foundation will take place on July 19, 2025. Proceeds will support scholarships for high school students and staff pursuing continued education.

6. Old Business

A. PMC Water System Isolation and RPZ Assembly Replacement

7. Committee Reports

A. Resource

Board Vice President Lagoudakis reported:

PMC's financial position remains strong, supported by slightly increased patient volumes across service areas. A Medicare interim rate review is underway, which may result in repayment of funds received in January. Seasonal financial fluctuations are expected, though certain offsetting expenses—such as small equipment purchases—can help balance the impact. While Medicare and Medicaid reimburse at cost, commercial insurers do not, which continues to influence revenue.

The in-house billing team is performing well, and the 340B program remains a steady revenue source, with possible retroactive reimbursements for approved medications. This program plays a vital role in supporting care for low-income and uninsured patients.

Following the discontinuation of HRG billing services, operating expenses have decreased and PMC's days cash-on-hand have improved. A previous issue related to PERS retirement payments has also been resolved.

PMC's investment fund continues to grow under a conservative management strategy. The organization is actively pursuing both annual and multi-year grants, including a collaborative HRSA grant with two other critical access hospitals in Alaska. Although a school-based grant was recently recalled, PMC is working with the State to explore alternative funding sources.

Special thanks were extended to the Elks Lodge for their generous donation of kayaks to support PMC's Orca Camps.

B. LTC

Board Secretary Cushing reported:

At the June 18 Long-Term Care Quality meeting, progress was reported on addressing polypharmacy—ensuring long-term care patients on multiple medications have appropriate, streamlined prescriptions. A visiting psychiatrist who typically provides telemedicine services conducted in-person visits, trained providers, and met with several residents.

The main focus of the meeting was developing a fair and transparent waitlist process for long-term care beds, given the growing demand. The next meeting is scheduled for July 16; Board Member Stratman has offered to attend in place of Board Secretary Cushing.

8. Reports

A. Human Resources

Cindy Newman submitted a written report.

Board President Cook noted the report of 13 vehicles and 18 apartments in use as a reflection of the significant number of traveling and contracted employees at PMC, highlighting the resources required to support them.

B. New Facility

Justin Wetzel with Arcadis submitted a written report.

Board Member Roberts asked about the grand opening date for the WERC building. Justin Wetzel from Arcadis responded that there is no exact date yet, as they are still awaiting FF&E and the MRI magnet. Ideally, the opening would take place in September, but no exact date is confirmed.

C. Quality and Infection Prevention

Stephanie Romine and Rachel Kandoll submitted written reports.

D. Executive Summary

CEO Phil Hofstetter submitted a written report with supporting documents.

Board Member Roberts asked if the staircase shown in a WERC building site photo would have handrails. Justin Wetzel from Arcadis confirmed that handrails are currently being manufactured.

Over the past month, efforts focused heavily on communication and advocacy. An op-ed was published—written with support from grant writer Katie—addressing concerns about potential Medicaid cuts and their impact on rural communities. Letters were also sent to Senators Murkowski and Sullivan, which are included in the board packet.

The CEO participated in a press conference hosted by the Alaska Cancer Association via Zoom from Anchorage. Summer programs, including the Kinderskog program and various camps, are in full swing and seeing strong engagement.

Patient volumes have remained steady and high, particularly in the ER and inpatient departments, with fewer fluctuations than usual. Swing bed usage is slightly down from previous months but still above historical norms.

Dr. Sonkiss, PMC's telepsychiatry partner, visited on site, strengthening collaboration with providers and patients. His visit was successful and further engagement is planned. The dermatology clinic, led by PA French, also returned and saw over 100 patients, receiving highly positive feedback.

On-site visits to the WERC building continued, including walkthroughs with the superintendent and both Wolf and Justin with Arcadis. These visits helped deepen understanding of the layout and future potential of the facility.

Lastly, the CEO noted that much was covered in the recent Resource Committee meeting, particularly on financials, which will be presented by CFO, J. McCormick.

E. Financial

J. McCormick submitted a written report.

Action Required: Approval of revised budget for FY25

J. McCormick gave overview of submitted report.

K. Bryson gave overview of submitted grants report.

Motion made by Board Secretary Cushing to approve revised budget for FY25 as presented, Seconded by Board Member Roberts.

Roll Call Vote:

Board President Jerod Cook- YEA

Board Vice President Cindi Lagoudakis- YEA

Board Secretary Marlene Cushing- YEA

Board Member Kimberley Simbahon- YEA

Board Member Joe Stratman- YEA

Board Member Jim Roberts- YEA

ABSENT

Board Member Heather Conn

By motion, Petersburg Medical Center's Board of Directors approved the revised operating budget for FY 2025 as presented.

9. New Business

A. Budget Presentation: Informational only

J. McCormick presented overview of submitted budget for Fiscal Year 2026.

B. Operating Budget

Action Required: Approval

J. McCormick submitted the Operating Budget for board approval.

Motion made by Board Vice President Lagoudakis to approve operating budget for FY26 as presented, seconded by Board Member Roberts.

Roll Call Vote:

Board President Jerod Cook- YEA
Board Vice President Cindi Lagoudakis- YEA
Board Secretary Marlene Cushing- YEA
Board Member Kimberley Simbahon- YEA
Board Member Joe Stratman-YEA
Board Member Jim Roberts- YEA

ABSENT

Board Member Heather Conn

By motion, Petersburg Medical Center's Board of Directors approved the final operating budget for FY 2026 as presented.

C. Capital Budget
Action Required: Approval

J. McCormick submitted the Capital Budget for board approval.

Motion made by Board Member Simbahon to approve the capital budget for FY26 as presented, seconded by Board Vice President Lagoudakis.

Roll Call Vote:

Board President Jerod Cook- YEA
Board Vice President Cindi Lagoudakis- YEA
Board Secretary Marlene Cushing- YEA
Board Member Kimberley Simbahon- YEA
Board Member Joe Stratman-YEA
Board Member Jim Roberts- YEA

ABSENT

Board Member Heather Conn

By motion, Petersburg Medical Center's Board of Directors approved the final capital budget for FY 2026 as presented.

10. Next Meeting

- A. Propose meeting change to July 24, 2025, at 5:30pm at Borough Chambers.

Next meeting confirmed: July 24, 2025, at 5:30pm at Borough Chambers.

11. Executive Session

- A. By motion the Board will enter into Executive Session to discuss legal matters, medical appointments or reappointments.

Motion made by Board Member Stratman to enter into Executive Session to discuss legal matters, medical appointments and/or reappointments, Seconded by Board Member Roberts. Voting Yea: Board President Cook, Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, Board Member Stratman, and Board Member Roberts.

Reconvened post Executive Session.

Motion made by Board Member Cushing to reappoint Dr. Courtney Hess, Dr. Mark Tuccillo, and Dr. John Raster to medical staff, Seconded by Board Member Roberts. Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Stratman, and Board Member Roberts.

12. Adjournment

Motion to adjourn made by Board Vice President Lagoudakis, Seconded by Board Member Roberts.

Voting Yea: Board President Cook, Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, Board Member Stratman, and Board Member Roberts.

Meeting adjourned at 6:50pm.