Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes
Hospital Board
Regular Meeting

Thursday, July 30, 2026	5:30 PM	WERC building large conference room

1. Call to Order/Roll Call

A. Call to Order

Vice President Cindi Lagoudakis called the meeting to order at approximately 5:30pm.

B. Roll Call

PRESENT
Board Vice President Cindi Lagoudakis
Board Secretary Marlene Cushing
Board Member Heather Conn
Board Member Joe Stratman
Board Member Jim Roberts
Board Member Joni Johnson

ABSENT
Board President Jerod Cook

2. Approval of the Agenda

A. Approval of the July 30, 2026, Hospital Board Meeting Agenda

Hospital board unanimously approved the July 30, 2026, Hospital Board Meeting Agenda.

B. Do any board members have a conflict of interest, or a potential conflict of interest, with respect to any item on today's agenda that should be disclosed?

No conflicts of interest with respect to any items on the agenda.

3. Approval of Board Minutes

A. Approval of the June 25, 2026, Hospital Board Meeting Minutes

Motion made by Board Secretary Cushing to approve the June 25, 2026, Hospital Board Meeting Minutes, Seconded by Board Member Roberts.
Voting Yea: Board Vice President Lagoudakis, Board Secretary Cushing, Board Member Stratman, Board Member Conn, Board Member Roberts, and Board Member Johnson.

4. Visitor Comments

None

5. Board Member Comments

None

6. Committee Reports

A. Resource Committee

Vice President Cindi Lagoudakis reported: July financial results were strong, driven by increased volumes in MRI, laboratory, rehabilitation, and home health services. The committee reviewed Medicare reimbursement matters, including the interim rate review and desk review. Approximately $600,000 in reimbursements remain pending, with additional recoveries anticipated through the Medicare cost report process. The 340B Program continues to generate significant revenue. Budget adjustments reflect increased staffing, employee incentive costs, and facility-related operating expenses. Max Kamp of Continental Investment Services reviewed investment performance and confirmed that the hospital's current asset allocation of 60% equities and 40% fixed income remains appropriate. Despite ongoing market volatility, the diversified portfolio has performed well, and advisors recommended maintaining a long-term investment strategy rather than making short-term market-driven adjustments. Staff reported delays in several state and federal grant awards while continuing to manage existing grants and advance facility-related projects supported by HRSA and state funding. Staff continue to monitor spending deadlines and reporting requirements to ensure compliance. There were no updates regarding the RHTP grants. The committee supported continued discussion of the organization's long-term workforce housing needs at the Board meeting. Staff are preparing for the annual audit while continuing efforts to resolve Medicare reimbursement issues, complete tax credit filings, and advance outstanding financial projects.

B. Long Term Care Quality Committee

Board Secretary Cushing reported the Long-Term Care Quality Committee met on July 15, 2026, to review routine updates, action items, and quality reports, with a primary focus on resident safety initiatives. A new fall prevention system has been installed in each resident room. The system is designed to alert staff when residents at high risk for falls attempt to get out of bed without assistance, supporting timely intervention and reducing fall risk. New beds are being ordered for all Long-Term Care residents to improve resident comfort, safety, and quality of care. The committee reviewed ongoing efforts to reduce and improve polypharmacy through regular medication reviews. These evaluations identify opportunities to safely discontinue unnecessary

medications, particularly for residents receiving care from multiple specialists. The committee also discussed the recent community open house, which provided an opportunity to share information and engage community members regarding plans for new Long-Term Care facility.

C. Critical Access Hospital Quality Committee

Board Secretary Marlene Cushing reported the Critical Access Hospital Quality Committee met on July 15, 2026, to review quality improvement initiatives, patient safety, and operational updates. The Home Health Quality Improvement Plan and Critical Access Hospital Quality Improvement Plan were reviewed and approved. The pharmacy's new Pyxis medication management system has been implemented, enhancing medication security, inventory management, and patient safety. The committee reviewed efforts to streamline policy management by improving organization, archiving, and routine policy review processes. Standardization of patient forms is underway to improve consistency, readability, and accessibility, including translation into commonly used languages. Ongoing challenges with maintaining required temperatures during shipment of medications and other temperature-sensitive supplies were discussed, as these issues can result in product loss and supply disruptions. Updates to the Cerner appointment reminder system are being implemented to improve communication with patients receiving clinic, laboratory, and imaging services. The committee reviewed quality reports related to opioid stewardship, antibiotic stewardship, computerized provider order entry, and medication errors. Health maintenance remains a priority initiative. Clinical workflows are being enhanced to identify patients who are due or overdue for preventive screenings, with an initial focus on colorectal cancer screening and cervical cancer screening. Information Technology continues to strengthen business continuity planning by developing contingency workflows for communication and network outages, including internet service disruptions. The committee reviewed endoscopy program outcomes. Detection rates for adenomas and precancerous polyps remain higher than national averages, reinforcing the value of restoring local endoscopy services and improving access to timely colorectal cancer screening. Efforts continue to improve transitions of care by strengthening follow-up processes after referrals and medevac transfers and improving the timely exchange of medical records with referral partners. Community health concerns related to drug overdoses were discussed. The hospital continues to promote public awareness of naloxone (Narcan) availability as part of overdose prevention efforts. The committee also reviewed the increasing number of e-bike-related injuries and discussed opportunities to support community education and safety initiatives. Board Vice President Lagoudakis inquired if there was a specific age group that providers were treating in the ER for these injuries, and it was noted that the data was being gathered for those details. Injuries seemed to be related to riding on sidewalks, not wearing helmets, and having more than one person riding at a time.

7. Reports

A. Home Health

Ruby Shumway submitted a written report and provided updates on Adult Day Program operations, staffing, and service expansion initiatives. The Adult Day Program welcomed Ryan Nelson as Activities Coordinator. Efforts are underway to increase community awareness and participant enrollment, including monthly open

houses to introduce the program, answer questions, and assist with enrollment. The program continues to build community partnerships, including recent intergenerational activities with Kinder Skog. Staffing transitions are progressing, with Allie Perez promoted to Office Lead following the departure of the previous office lead. Through the newly awarded Senior In-Home Grant, Brandy Boggs will provide case management services in Wrangell while supporting local Home Health operations. The grant also creates opportunities to assess future expansion of Home Health services in Wrangell. Transportation remains an important factor in expanding Adult Day Program participation. Current transportation is provided through PIA, and additional transportation capacity could support increased enrollment. During Board discussion, a member inquired about the potential use of the Long-Term Care van. Staff noted they have considered the option but do not wish to interfere with Long-Term Care residents' scheduled activities and transportation needs. The organization continues to explore long-term transportation solutions, including future grant and capital funding opportunities.

B. Imaging
Sonja Paul submitted a written report and reported continued strong performance following implementation of MRI services. MRI utilization continues to exceed expectations. At the time the report was prepared, 34 MRI studies had been completed; by the Board meeting, that total had increased to 40, with additional studies already scheduled. Imaging continues to provide timely access to care, with approximately 50% of daily imaging volume consisting of same-day patients referred from the Clinic or Emergency Department, reducing delays in diagnosis and treatment. Recruitment efforts continue for a full-time MRI technologist. In the interim, a traveling MRI technologist is supporting operations while current staff continue MRI training. The long-term goal is to recruit a technologist with cross-training capabilities to support additional imaging services when not assigned to MRI. The MRI program has generated positive financial results. Staff continue to manage the administrative challenges associated with insurance pre-authorizations, particularly for VA patients, while reimbursement for completed MRI examinations has remained favorable. Community outreach remains a priority. The department hosted local high school physics students for educational tours and participated in community outreach through KFSK and public tours of the WERC facility, increasing awareness of the hospital's expanded imaging capabilities.

C. Lab
Violet Shimek submitted a written report.

D. Long Term Care
Helen Boggs submitted a written report.
Board Vice President Lagoudakis noted that Long Term Care will be receiving the AHHA award for Innovation in Patient Safety and Quality, which is encouraging to see.

E. Carrie Lantiegne, Patient Financial Services manager submitted a written report and reported continued strong performance in revenue cycle operations. The billing team continues to perform exceptionally well, maintaining Accounts Receivable in the high-50 to low-60 day range, reflecting strong revenue cycle performance despite increasing reimbursement challenges. The department continues recruitment efforts

for a front desk position. In the interim, staff have successfully absorbed the additional workload while maintaining claims processing, collections, and reimbursement activities. Patient Financial Services continues to support several organizational initiatives, including administration of the Direct Primary Care subscription program and monitoring reimbursement for MRI services. Staff continue to address insurance denials and reimbursement challenges through Revenue Cycle Action Plan (RCAP) meetings. Alaska Medicaid and evolving payer requirements remain significant challenges requiring ongoing monitoring and follow-up. Board Secretary Cushing asked where community members enrolling in Medicare could obtain information regarding Medicare supplemental insurance and Medicare Part D coverage. Staff advised that PMC staff, including Brandy Boggs and Jen Ray, as well as Patient Financial Services, can provide general information and referrals to appropriate state resources, while not making specific insurance recommendations. Board Member Johnson asked about enrollment in the Direct Primary Care program. Staff reported that while no enrollments had been completed at the time of the meeting, there has been community interest, and informational materials have been distributed to prospective participants.

F. New Facility
Justin Wetzel with Arcadis submitted a written report and presented project updates on the status of the New Facility development. Phase 1 – Site Development: All site work has been completed, including construction of the access road to Excel. The site has been stabilized and is now considered shovel-ready for future construction. The Stormwater Pollution Prevention Plan has been formally closed with the Alaska Department of Environmental Conservation (ADEC), completing all Phase 1 environmental requirements. Phase 2 – WERC Building: Construction is complete. Final punch-list items, including fence repairs and minor roof improvements, have been completed. Staff and project representatives also participated in a successful community open house to showcase the completed facility. Phases 3 and 4: Conceptual design work and project renderings have been completed. The project is currently awaiting funding to advance into the next phase of design and development. Board Vice President Lagoudakis emphasized the importance of minimizing lighting impacts on neighboring residential areas and encouraged the project team to incorporate conservative, neighborhood-sensitive lighting design as future phases move forward.

G. Quality
Stephanie Romine submitted a written report.

H. Infection Prevention
Rachel Kandoll submitted a written report.
Board Secretary Cushing commended staff for their exemplary infection prevention efforts, noting that the reporting period reflected zero urinary tract infections, catheter-associated infections, Clostridioides difficile infections, COVID-19, influenza, and RSV cases. She recognized this outstanding outcome as a reflection of the team's diligence, careful planning, and unwavering commitment to patient safety and high-quality care.

I. Executive Summary and Grants Update
Katie Bryson submitted Grants report.

CEO, Phil Hofstetter, submitted a written report and highlighted several significant organizational accomplishments and operational updates: The MRI program has exceeded initial expectations, with utilization and financial performance surpassing conservative budget projections. Hofstetter recognized the Imaging and Patient Financial Services teams for successfully managing the complex prior authorization and billing requirements, resulting in strong reimbursement performance. Several major projects have been successfully implemented, including the pharmacy's Pyxis medication management system and the Long-Term Care Falls Prevention Program. These initiatives represent significant multidisciplinary efforts that enhance patient safety and operational efficiency. Although enrollment has not yet begun for Direct Primary Care, Hofstetter remains optimistic that participation will increase as community awareness grows and the program becomes more established. Weekly senior resource planning and navigation services continue to assist community members in accessing healthcare resources and navigating increasingly complex insurance requirements. Hofstetter also highlighted the expansion of these services to Wrangell through the Senior In-Home Grant. Patient volumes remain strong across multiple service lines, including the Emergency Department and Home Health, reflecting sustained demand for services during the summer months. The CEO encouraged participation in the upcoming Pedal Battle community event, which supports organizational outreach and wellness initiatives. Katie Bryson provided the update that PMC was awarded a new three-year Tobacco Prevention and Control Grant, allowing the organization to continue health systems improvement initiatives begun under the previous award. Leadership also noted that there were no new updates regarding the Rural Health Transformation Program (RHTP) grant but will continue to keep the Board informed as additional information becomes available. Board Vice President Lagoudakis recognized the accomplishments of Sarah Larson and Dakota Caples as highlighted in the CEO's written report. She also expressed appreciation for the collaboration between PMC's ORCA camp and the Petersburg Volunteer Fire Department, noting the value of having the Emergency Services Coordinator participate in the kayak expedition.

J. Financial

CFO Jason McCormick submitted a written report and provided an overview of PMC's strong year-end performance, highlighting growth in services, positive financial results, and continued support from the community. Clinic visits exceeded 10,000 for the year, representing a slight increase from the previous year and reflecting the community's continued confidence in PMC's services. McCormick noted that PMC continues to serve a broad patient base with limited out-migration, and the growth of specialty clinics has helped expand access to care while supporting additional services throughout the organization. Several service areas experienced strong performance during the year. Radiology, laboratory, rehabilitation, and home health services all showed growth, demonstrating continued demand for PMC's programs and services. Emergency department visits remained consistent with seasonal expectations. While inpatient, swing bed, and long-term care volumes were lower than the prior year, McCormick explained that this aligns with PMC's goal of providing care in the most appropriate setting, including preventative care and outpatient services whenever possible. From a financial perspective, PMC finished the year in a strong position. Patient service revenue exceeded expectations, supported by continued outpatient growth and effective management of resources. Additional support from programs

such as 340B pharmacy savings and grant funding also contributed to the organization's positive financial performance. McCormick noted that expenses increased during the year due to operational needs and investments in staff support, but PMC remains financially stable with strong reserves, reduced debt, and continued progress on capital improvements, including the new facility. In closing, McCormick recognized the dedication of PMC employees and the strong partnership with the community. He shared that the organization's continued success is a result of providing quality care, managing resources responsibly, and maintaining a strong focus on long-term sustainability.

8. Old Business

A. Housing Update: assess more permanent housing needs for PMC discussion

Human Resources Director Cindy Newman reported that housing continues to be a significant challenge for PMC, particularly for traveling staff, interim housing needs for permanent employees, and contracted staff. Despite the recent addition of an apartment, PMC continues to actively seek additional housing options. Newman noted that this is not unique to PMC, but is a broader challenge affecting the Petersburg community.

CEO Phil Hofstetter shared that PMC is exploring potential solutions to address housing needs, including options such as renting, purchasing, building, and collaborating with community partners. These opportunities were discussed during the Resource Committee meeting, and a legal review was completed to better understand the processes and allowances available to PMC. Hofstetter confirmed that PMC is able to move forward with exploring these potential pathways.

Newman also expressed appreciation to the Board for approving the purchase of additional vehicles, noting that these resources are greatly needed and will provide valuable support for PMC operations.

9. New Business

A. Bylaws Revision
Proposed changes to Article VII (suggested addition "E" pg.8, in red), and Article VIII (pg. 10, suggested additional language in red). Spelling correction (pg.12, in red).

These suggestions were made public, read aloud, and reviewed at the last public board meeting held on June 25th, 2026. Per Article XI, the board may now vote to approve these changes as presented.

Motion made by Board Member Stratman to approve the proposed changes to the bylaws, specifically to Article 7 and Article 8, as well as the spelling correction on page 12 and the newly identified spacing typo on page 3. Seconded by Board Member Roberts.

Roll Call Vote:
Board Vice President Cindi Lagoudakis-Yea
Board Secretary Marlene Cushing-Yea
Board Member Heather Conn-Yea
Board Member Joe Stratman-Yea
Board Member Jim Roberts-Yea
Board Member Joni Johnson-Yea

ABSENT
Board President Jerod Cook

10. Next Meeting

A. Currently scheduled for August 27th, 2026, at 5:30pm at the Wellness, Education, and Resource Center (WERC) in the large conference room.

11. Executive Session

A. By motion the Board will enter into Executive Session to consider medical staff appointments or reappointments, and to discuss any legal and/or financial concerns.

Motion made by Board Member Stratman to enter into Executive Session to consider medical staff appointments or reappointments, and to discuss any legal and/or financial concerns. Seconded by Board Member Roberts.
Voting Yea: Board Vice President Lagoudakis, Board Secretary Cushing, Board Member Conn, Board Member Stratman, Board Member Roberts, and Board Member Johnson.
Motion made by Board Secretary Cushing to exit Executive Session, with none opposed.

12. Adjournment