Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda
Hospital Board
Regular Meeting

Thursday, August 28, 2025 | **5:30 PM** | **Assembly Chambers**

Please copy and paste the link below into your web browser to join the webinar:

https://us06web.zoom.us/j/83174895617?pwd=0BgsZXjyOSfBteiKC6TyMdPRN7kwXU.1

Webinar ID: 831 7489 5617
Passcode: 597250

1. **Call to Order/Roll Call**
   - **A.** Call to Order
   - **B.** Roll Call
2. **Approval of the Agenda**
   - **A.** Approval of August 28, 2025, Hospital Board Meeting Agenda
3. **Approval of Board Minutes**
   - **A.** Approval of the July 24, 2025, Hospital Board Minutes
4. **Visitor Comments**
5. **Board Member Comments**
6. **Committee Reports**
   - **A.** Resource
   - **B.** LTC
   - **C.** CAH
7. **Reports**
   - **A.** Information Technology/ EHR
     J. Dormer provided written report.

B. Materials Management
M. Randrup provided a written report.

C. Medical Records
K. Randrup provided a written report.

D. Nursing
DON, J. Bryner provided a written report.

E. Activities
A. Neidiffer provided a written report.

F. New Facility
J. Wetzel provided a written report.

G. Quality and Infection Prevention
S. Romine and R. Kandoll provided written reports.

H. Executive Summary
CEO, Phil Hofstetter, provided a written report with attachments.

I. Financial
CFO, Jason McCormick provided a written report.

8. Old Business
None

9. New Business

10. Next Meeting
Next meeting scheduled for September 25th, 2025, at 5:30pm in Assembly Chambers.

11. Executive Session
By motion, the Board will enter into Executive Session to consider medical staff appointments/reappointments, discuss any legal concerns, and conduct the CEO annual evaluation.

12. Adjournment

Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
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Meeting Minutes
Hospital Board
Regular Meeting

Thursday, July 24, 2025 | **5:30 PM** | **Assembly Chambers**

1. Call to Order/Roll Call

A. Call to Order

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

B. Roll Call

PRESENT
Board Vice President Cindi Lagoudakis
Board Secretary Marlene Cushing
Board Member Kimberley Simbahon
Board Member Jim Roberts

ABSENT
Board President Jerod Cook
Board Member Heather Conn
Board Member Joe Stratman

2. Approval of the Agenda

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

3. Approval of June 26, 2025 Board Minutes

A. Approval of the June 26, 2025, Hospital Board Minutes

Motion made by Board Member Simbahon to approve June 26,2025, Hospital Board Minutes, Seconded by Board Secretary Cushing. Voting Yea: Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, and Board Member Roberts.

4. Visitor Comments

Katie Holmlund, Youth Program Development and Advocacy Coordinator, expressed gratitude to the Petersburg community for their support in making this year's youth kayak expedition a success. Despite shipping delays for a new fleet of kayaks funded by a grant from the Elks, the community rallied to provide seaworthy kayaks, allowing the program to proceed safely. She thanked everyone involved and noted her appreciation for the community's ongoing support.

5. Board Member Comments

Board Secretary Cushing commented on the Paddle Battle being a great success.

6. Committee Reports

A. Board Vice President Cindi Lagoudakis with verbal report.

Board Vice President Lagoudakis reported:
Jason reviewed hospital statistics at the July 21st meeting, noting upward trends in primary and specialty clinic visits, radiology, procedures, rehab services, and home health visits. Revenue increased over 17% from last year, partly due to chargemaster updates. Accounts payable is current, cash reserves are strong, and funds were approved for transfer to a non-speculative investment account. The committee is renegotiating billing rates, collaborating with new providers for the 340B program, and reviewing the certificate of need process. Some grant funds have been reduced, though new opportunities are being pursued. Major updates include the delivery of the MRI and arrival of furniture for the new work building.

B. LTC- Board Member Stratman will report out in August.

C. CAH- Board Member Stratman will report out in August.

7. Reports

A. Home Health
Laura Holder submitted a written report.

B. Imaging
Sonja Paul submitted a written report.

Board Secretary Cushing notes that it is exciting to see pictures of the MRI machine that has arrived in Petersburg.

C. Lab
Violet Shimek submitted a written report.

D. Long Term Care
Helen Boggs submitted a written report.

E. Patient Financial Services
Carrie Lantiegne submitted a written report.

F. New Facility
J. Wetzel with Arcadis submitted a written report.

G. Quality and Infection Prevention
Stephanie Romine and Rachel Kandoll submitted written reports.

H. Executive Summary
CEO, P. Hofstetter, submitted a written report.

CEO, Phil Hofstetter commended Katie Holmlund and her team for the successful youth kayaking expedition and noted the strong community engagement.

The recent Pedal & Paddle Battle raised over $24,000 for scholarships and continuing education through the PMC Foundation, with 23 paddlers and 15 bikers participating—the highest ratio of paddlers to bikers to date. Thanks were extended to corporate sponsors including Alaska Airlines, Lee's Clothing, Rocky's Marine, Rexall Drug, Petersburg Properties, Anchor Properties, First Bank, USI (insurance broker), AP&T, Petersburg Mental Health Services, Last Frontier Eye Care, Dawson, Arcadis, and Bettisworth North.

An earlier report overstated medevac numbers at 73; the corrected figure is 59—still one of the higher counts for the fiscal year. Inpatient and swing bed volumes remain elevated. The Certificate of Need (CoN) for the MRI has been submitted and received by the State, allowing progress toward patient use. The WERC building is nearing readiness, with a gradual move-in anticipated, likely in September, following equipment installations.

Board Vice President Lagoudakis commended the Pedal & Paddle Battle, noting how wonderful it was to see families and young children participating and highlighted the value of including the bicycling component for younger kids. Cushing also thanked, Liz Bacom, and the PMC kitchen team for coordinating food for the event.

I. Financial
J. McCormick submitted a written report

CFO, Jason McCormick reported: Clinic volumes increased across primary care, specialty clinics, and radiology (up 11%). Rehab services rebounded strongly (12,891 vs. 10,249 prior year), as did home health (2,296 vs. 1,717). Emergency room visits rose slightly (907 vs. 872), inpatient days increased (373 vs. 351), and swing bed days grew significantly (827 vs. 441). Long-term care maintained 87–90% capacity.

Revenues exceeded budget by $257K for the month and $3.67M year-to-date. Net patient revenue trends are stable, with $58K in new 340B revenue. Adjustments were

made for the Employee Retention Tax Credit, reducing revenue by $972K after federal changes; even with this correction, year-to-date net operating income remains $3.1M (including $2M from the tax credit). Without the adjustment, June net income would have been +$400K (reported: -$589K).

Expenses exceeded budget ($94K for the month, $2.5M YTD) but are supported by increased revenues. Cash position remains strong with nearly 100 days cash on hand, short-term investments growing, and accounts payable current (31-day average). Bad debt write-offs remain well below industry averages.

The recently passed federal bill reduces one-third of the retention credit but creates a $50B fund for rural healthcare stabilization. PMC will monitor the State's plan for accessing these funds and participate where possible. No significant financial impacts are expected within the next 6–12 months, with updates to be incorporated into the FY2027 budget process.

J. McCormick highlighted portions of attached grants report.

8. Old Business

None.

9. New Business

None.

10. Next Meeting

A. Next meeting scheduled for August 28th, 2025, in Borough Chambers.

11. Executive Session

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

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

Reconvened post Executive Session.

Motion made by Board Secretary Cushing to reappoint Jonathan Sims, Radiologist to medical staff, Seconded by Board Member Roberts. Voting Yea; Board Vice President Lagoudaki, Board Secretary Cushing, Board Member Roberts, and Board Member Simbahon.

12. Adjournment

Motion made by Board Secretary Cushing to adjourn, Seconded by Board Member Roberts. Voting Yea: Board Secretary Cushing, Board Vice President Lagoudakis, Board Member Simbahon, and Board Member Roberts.

Meeting adjourned at 6:15PM.

Petersburg MEDICAL CENTER

Information Technology Report August 2025

Workforce Wellness

PMC recognizes the crucial role that the well-being of our IT staff plays in maintaining a healthy, productive, and innovative workplace. The workforce wellness plan is designed to address the unique challenges faced by our IT professionals and promote a supportive and balanced work environment.

The objectives of our workforce wellness plan are:

1. Reduce stress and burnout among IT staff.
2. Improve physical health and fitness.
3. Foster a culture of work-life balance.
4. Increase job satisfaction and engagement.

This includes maintaining secure and user-friendly access to digital wellness platforms, optimizing the employee intranet for better visibility of wellness resources, and supporting telehealth options for staff mental health services.

Additionally, we recently implemented an upgraded, centralized IT Help Desk and are getting ready to launch a Facilities Maintenance ticketing system, streamlining the way staff report and resolve technical or environmental issues that impact their workday. The goal is for the system not only to improve response times and transparency but also reduce staff frustration by ensuring consistent follow-up and accountability. These efforts should help create a smoother, more supportive work environment.

Community Engagement

Summer IT Internship Program

This summer, the IT department launched a successful internship program for five local high school students, providing them with a hands-on introduction to healthcare technology.

Program Highlights:

Interns engaged in core IT functions, including Help Desk support, cybersecurity fundamentals, and electronic medical record shadowing. They assisted with scanning paper records to support digital documentation efforts and helped with the installation of new equipment in the WERC building.

Patient Centered Care

TeleStroke Project – Partnership with University of Washington Medical Center.

We are pleased to report steady progress on the Telestroke project in collaboration with the University of Washington Medical Center. This partnership is designed to enhance our stroke care capabilities through real-time, remote access to UW's neurology specialists.

- Implementation Phase: The necessary hardware has been purchased for the Emergency Department. Secure video consultation technology has been successfully tested and meets HIPAA compliance standards.

- Training: Clinical staff will complete workflow and technical training as well as hold a mock patient walk through the week of August 25th.

- Go-Live Timeline: Targeted go-live date remains August 27, 2025.

Facility

In alignment with our strategic facilities plan and long-term vision for centralized services, several departments are in the process of transitioning to the WERC (Wellness, Education, and Resource Center) building.

The IT team played a key role in preparing the WERC building for occupancy by designing and implementing the necessary technology infrastructure to support day-to-day operations. This included installing high-speed network connectivity, secure Wi-Fi access throughout the facility, and fully equipped conference rooms with video conferencing capabilities to support hybrid meetings and community events. IT also coordinated closely with each department to ensure a smooth move-in process by setting up workstations, phones, and printers, and addressing individual staff technology needs to minimize downtime.

Departments relocating to the WERC Building:
Administration
Human Resources
Finance
Health Information Management
Information Technology
Health Education & Community Wellness
Materials Management
Environmental Services
Plant Operations
MRI

In addition, IT supported the Public Health Nurse and staff with their setup and move-in to the WERC building.

Financial Wellness

As part of our broader commitment to the financial wellness initiative, our department initiated the rollout of Office 365 Premium to enhance collaboration and streamline communication across departments. To date, roughly 50% of PMC staff have been successfully migrated to the new platform, with the project progressing smoothly and on track for completion by October 1st. This upgrade provides staff with improved tools for document sharing, real-time co-authoring, and secure messaging, supporting more efficient workflows and timely financial decision-making. By enabling better connectivity and resource access, this effort contributes to reducing workplace stress and promoting a more financially informed workforce.

Submitted by: Jill Dormer, CIO

Petersburg MEDICAL CENTER

Materials Management Report August 2025

Workforce Wellness

The staffing remains the same as in my last report, and we've been fortunate to be fully staffed. Materials Management staff will rotate between sites, and I will be working in both locations daily.

Over the past three months, the Materials Department has experienced one of its busiest periods to date. Considerable effort went into procuring furniture, equipment, and IT-related supplies, with the past two months heavily focused on receiving these orders. This surge in activity has made it the most demanding period yet for both purchasing and receiving functions. Procurement efforts are still ongoing, with particular attention directed toward acquiring the remaining items needed for the new MRI room, in addition to maintaining our regular inventory of medical supplies.

Community Engagement

The Materials Department is in the process of relocating the mail machine to the WERC building. This machine is sensitive and requires a technician from Pitney Bowes, in coordination with the IT Department, to ensure a safe and proper move. Discussions are currently underway with Pitney Bowes to schedule the relocation, and once confirmed, the IT Department will provide technical support during the process. The move will be executed once all arrangements are finalized.

During the receipt of furniture and equipment, we coordinated with the vendor (Capital Office), Dawson Contractor and the FF&E team members to ensure that all items on the delivery list were received and in good condition. This process helped verify the accuracy of the shipments and confirm that all supplies met quality standards. The receiving process is still ongoing, as the orders are not complete.

I have begun coordinating with our vendors to update the shipping address to the WERC building. Once the setup is complete, all future purchases will be received at that location.

Patient Centered Care

Over the past few months, staff have been requesting special order supplies for patients and inquiring whether these could be added to our inventory. In response, Materials Management has recently updated the inventory to include new supplies designed to meet patient needs. This addition ensures that the department is well-equipped to support patient care and maintain efficient operations. The updated inventory will help staff access necessary supplies promptly, contributing to improved service and patient satisfaction.

Facility

The department has been gradually setting up the Central Supplies area and plans to begin transferring some supplies once all equipment in Materials Management is fully installed and operational.

Financial Wellness

During the review of our supply inventory, we found out that several items are essentially the same product but from different brands. Discussions were held with select departments to determine whether these items could be used interchangeably. Implementing such substitutions would help reduce duplicate stock, alleviate storage space constraints, and improve efficiency by reducing the time spent on ordering processes.

We conducted our fiscal year inventory (annual) in July, and the results were good. The counting process went smoothly.

PETE Med Center	Physical Count Summary				
Location :	PETE INVENTORY STOREROOM			Total Variance :	$1,331.66
Count # :	180782429	Pre Perp Count Value :	$108,058.73	Positive Variance :	$846.55
Committed :	6/28/2025 15:00	Post Perp Count Value :	$108,420.16	Negative Variance :	($485.11)
Committed By :	Randrup, Melva Yere	Non-Perp Count Value :	$0.00	Net Variance :	$361.43

Submitted by: Melva Randrup - Materials Manager

Petersburg MEDICAL CENTER

Health Information Management Report August 2025

Workforce Wellness

The HIM department successfully hired an additional team member to help balance the workload previously managed by a single coder. This new position alleviates the responsibility that one staff member had for coding laboratory, radiology, physical therapy, occupational therapy, and other recurring rehabilitation services, as well as processing legal and extensive medical record requests.

One of the department's ongoing goals is cross-training team members to strengthen operational efficiency and ensure coverage across all functions. With the addition of this staff member, we are better positioned to move forward with this initiative and continue improving departmental effectiveness.

Community Engagement

The HIM department builds community trust by ensuring accurate, secure medical records, helping patients understand their information, supporting access requests, and collaborating with our providers while maintaining privacy and compliance.

Patient Centered Care

The HIM department supports patient-centered care by ensuring that medical records are accurate, complete, and readily accessible to both patients and care teams. We facilitate timely access to health information while maintaining strict adherence to privacy and confidentiality standards, reinforcing our departmental priority of protecting the security of all patient records.

Facility

The HIM department is currently collaborating with IT to establish full operational capacity at our touchdown location in the WERC building. At this time, we are still awaiting delivery of equipment and additional resources required to make the space fully functional.

On Monday, August 18th, the department held its first in-person meeting in the new facility. The dedicated space provides an environment designed specifically for HIM functions, including the necessary level of confidentiality when performing departmental work.

Financial Wellness

We continue to work closely with the Revenue Cycle team to keep DNFD (Discharged Not Final Billed) days as low as possible. By improving communication, streamlining processes, and quickly addressing incomplete documentation, we help ensure bills are processed on time, support accurate revenue, and keep operations running smoothly.

Submitted by: Kim Randrup, RHIT

Petersburg MEDICAL CENTER

Nursing Report August 2025

Workforce Wellness

Current Status
Nursing department staffing has remained stable over the past six months, anchored by an exceptional core group of permanent nurses and CNAs, supported by a skilled team of traveling staff.

We were pleased to welcome several returning college students and a newly licensed high school CNA to our team for summer employment. They contributed meaningfully to patient care and team support, and their absence will be felt when the academic year resumes.

Improvement Initiative
We are designing a pilot project to increase night shift coverage by adding a second nurse to the acute care unit. This “float nurse” would:

- Respond to ER needs
- Support acute care during high census/high acuity
- Assist in LTC during peak activity
- Conduct quality assurance/improvement projects when patient volume is lower

Anticipated Benefits

- Faster emergency response and improved patient outcomes
- Reduced on-call callbacks and overtime
- Improved staff safety when the building is minimally staffed
- Reduced stress and isolation for the sole night nurse
- Increased productivity for QI projects
- Improved morale, retention, and recruitment for night shift positions
- Decreased travel staff in the long term

Potential Risks

- Increased staffing costs and wages
- Potential for underutilization during low-activity periods

Community Engagement

Nursing Education: UAA nursing students begin their final year in late August with Carolyn Kvernvik again being the clinical instructor. We are excited to have our class time in the new WERC building conference room!

CNA Training: In May, five high school students completed the CNA course; three passed the state exam and are now certified. A new CNA class starts in September, with the goal of a full roster of motivated students.

Continued collaboration with WAVE and Petersburg Police Department to maintain a ready, trained Sexual Assault Response Team that works together to improve the care of the person seeking care.

Patient Centered Care

Telestroke Implementation: Going live August 27 in partnership with the University of Washington Harborview Stroke Team. Two days of physician and nursing staff training will precede the launch, ensuring readiness for best-practice stroke care and rapid specialist access.

Specialty Service Expansion: Credentialing a surgeon and CRNA to reintroduce regular colonoscopy clinics at PMC—restoring local access to routine colorectal cancer screening.

High Census & Complex Social Needs: Sustained high patient volumes across all care areas. We are seeing unprecedented demand for complex social work support, particularly in discharge planning and assisted living placement for individuals who do not meet criteria for acute, skilled, or LTC levels of care but require 24-hour supervision.

LTC Annual Survey: Conducted July 28, 2025, with second half completed remotely.

Preliminary Feedback:

- Residents reported high satisfaction.
- Staff engagement noted as exceptional.
- Care quality described as “on a different level”

Next Step: Awaiting official results and plan of correction (if required).

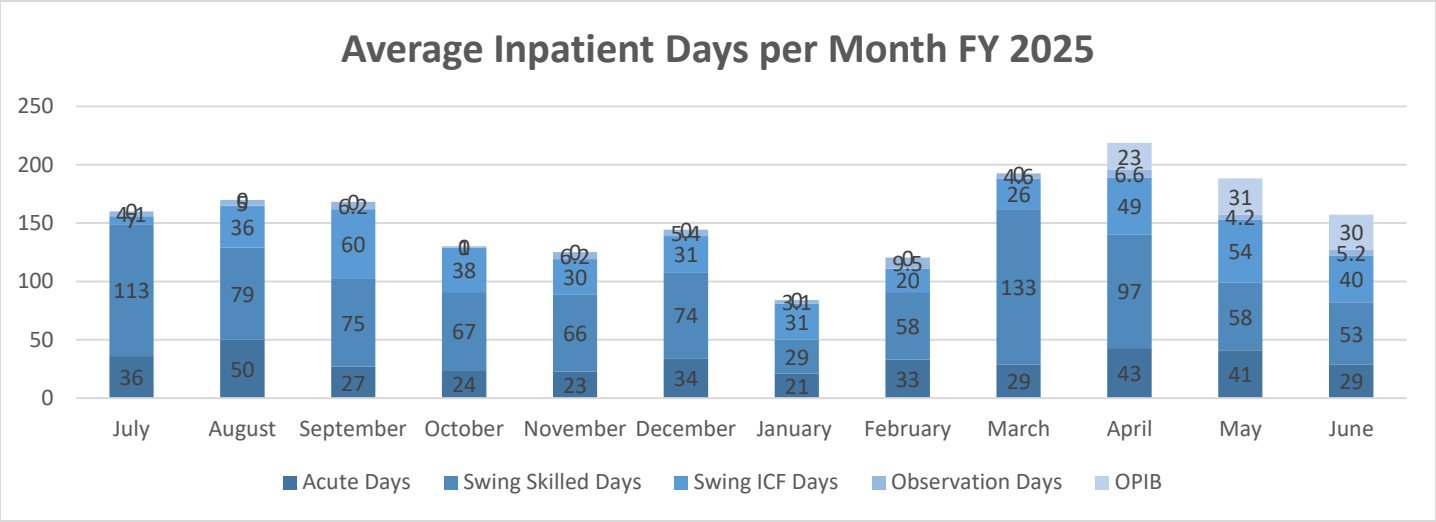
Facility

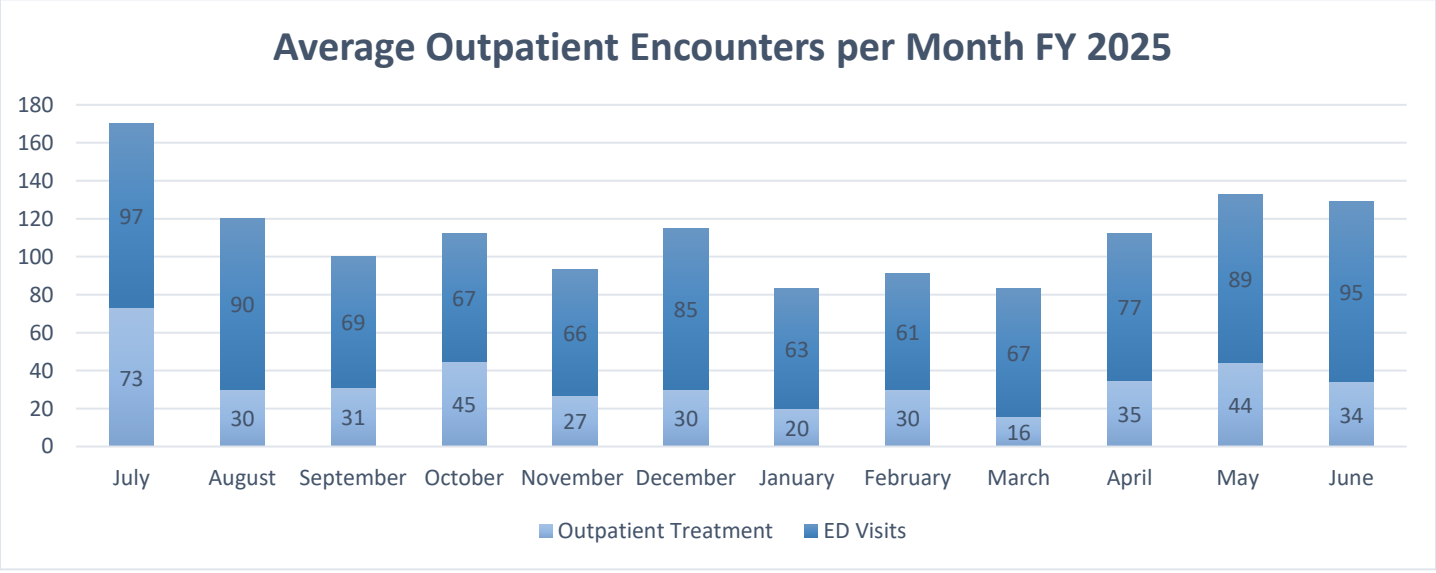
Building Challenges: Infrastructure limitations continue to impact comfort and workflow. LTC lacks cooling, resulting in uncomfortably high temperatures during warm weather, while other areas remain overly cold.

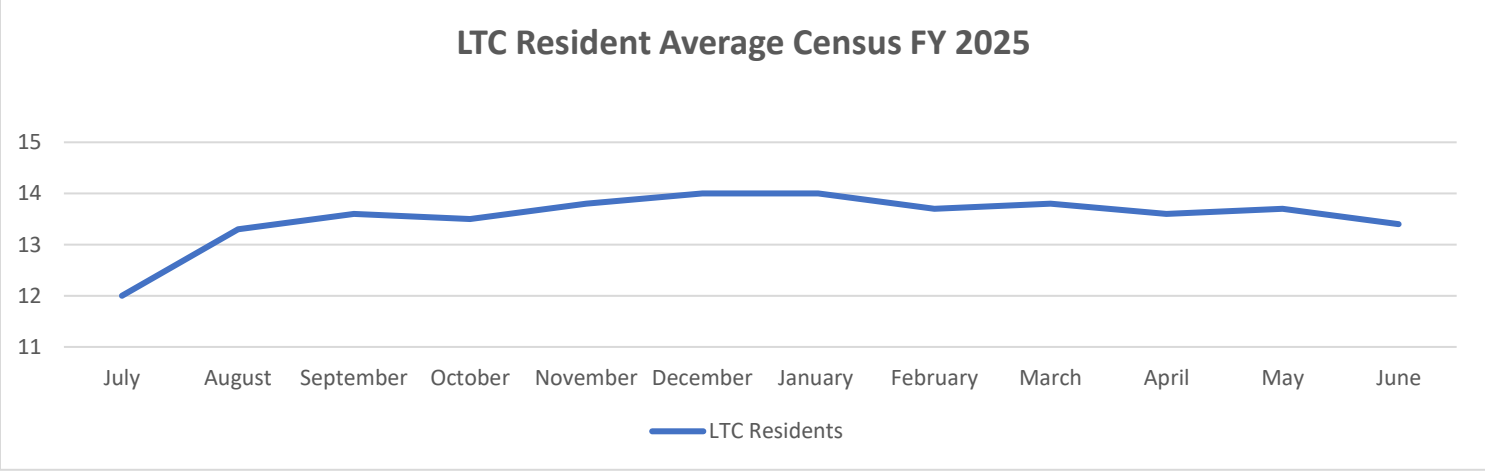
Outdoor Space Access: During good weather, LTC residents are escorted outdoors to enjoy sunshine and meals. This requires multiple staff escorts and supervision. Proximity of an outdoor space to the LTC entrance would significantly improve efficiency and resident quality of life.

Financial Wellness

High census has persisted over the past six months, driving sustained overtime and traveler utilization. While these staffing measures ensure quality care, they also increase operational costs.







Submitted by: Jennifer Bryner, MSN, RN, Chief Nursing Officer

Petersburg MEDICAL CENTER

Activities Report August 2025

Workforce Wellness

The Activities Department currently is staffed as follows:

Activities Coordinator, Monday-Friday 0800-1700

Activities Aide, Sunday 0700-1000; Monday-Thursday 0700-1500

Activities Aide, Tuesday-Friday 1100-1900; Saturday 1200-2000.

The activities department is at a place that feels appropriately staffed for our current census. There had been a several-month gap where there were no activities staffed on the weekend; however, our staffing is now allowing that. Currently our activities coordinator and one activities aide are CNA certified, and the other aide is planning on taking the CNA program.

Community Engagement

Long Term Care activities continues to be heavily involved in the community and is always looking for ways to increase involvement across departments. This summer Long Term Care activities coordinated with Parks and Rec to get one of our residents swimming and another to the gym. Parks and Rec continue to be very supportive of ways to get our residents involved. Our residents also got out and enjoyed the festivities for both Little Norway Festival and Fourth of July. On July 16th, Long Term Care hosted a picnic at Sandy Beach for the community to join. Our second picnic is currently postponed due to a COVID outbreak in Long Term Care. Within PMC, activities continues to host a monthly “Lunch with the Residents” where staff from any department can come enjoy lunch with the LTC residents.

Looking into the fall, the Activities department is hoping to continue to utilize the pool for our residents. We are also looking forward to resuming our monthly visits from Kinderskog. We have also reached out to KFSK to see about bringing back the Long-Term Care radio program starting in September now that our staffing can make this more sustainable.

Patient Centered Care

The Long-Term Care Activities department continues to provide a personalized care plan for each of our Long-Term Care residents—built upon their lifelong preferences and routines. Examples of the personalization activities can be seen as follows:

Scavenger Hunt—Our Rehab Tech formulated an activity that consistently gets one of our residents out of their room. A scavenger hunt throughout the hospital gets the residents moving and socializing with the staff encountered along the way.

Volunteer Service—Each week one of our Long-Term Care residents goes down to the Petersburg Pilot to assist with preparing papers for weekly delivery.

Pool Use—Long Term Care and Rehab staff have been getting one of our residents to the pool on a weekly basis.

Facility

This quarter we purchased a new salon bowl and styling chair to replace our broken one. This chair gets lots of use; however, maintenance has had issues getting it connected to hot water, so staff have to bring hot water in from the kitchen when hair is being washed.

We are also in the process of ordering an adaptive rod holder. Petersburg is a town built on fishing and something that is important to many of our residents. We are hoping this rod holder can be a way to get our residents fishing.

Financial Wellness

No concerns in this area.

Submitted by: Alice Neidiffer

Petersburg MEDICAL CENTER

ARCADIS

New Facility Construction Report August 2025

Sitework

The Wellness Drive continuation to Excel should start in mid-September, as should exterior improvements, including a black privacy fence that will be installed at the delineation line between the WERC building and the Hospital site. Landscaping will start in late September after all the trees have been procured, or in the case of the local transplant, trees from the road will be harvested, repurposed, and then excavated.

WERC Building

The Substantial completion walkthrough for the MRI Addition has been completed, and a Punch list of items for adjustments or corrections was generated and will be ongoing through August. The permanent power for the magnet has been transferred to run through the Eaton power conditioner, versus the original temporary setup. Once the magnet is fully operational and regenerated, the magnet will be started, activated, and calibrated.

The generator load bank was installed after it was delayed due to long lead procurement issues. This will allow the generator to be tested and started. After everything is tested and complete. All other major building equipment is fully functional.

Furniture, Fixtures, and Equipment (FF&E) were installed on time as scheduled. This included the first two Waves, 1 and 2; Wave 3 should be in Petersburg before the end of August. The remaining items for FF&E include a separate vendor package for Audio and Video equipment (A/V), which includes VR technology for the conference rooms. The A/V vendor had shipping and procurement issues and was not able to start work on this until the end of August or the first week of September. This puts them to a completion date or the end of September.

New Hospital Design

Phase 5 Permit for the continuation of the Wellness drive to Excel Street has been approved, and the credit for the Natzuhini Bay Mitigation Bank has been paid to offset the impacts of the wetlands following ACOE requirements. Bettisworth North has created a design package specifically for this work, and the cost of the work came in slightly under what had been reserved in the budget for this purpose. This work will be paid for with reserved HRSA grants as part of the overall future Hospital/LTC pre-construction sitework.

Upcoming Construction Activities

- August – Landscaping, Fencing, FFE Install Wave 3
- Sep – Retaining Wall, Completion of the WERC, Wellness Drive to Excel Road

Budget

- WERC budget – $22.7M (Stacked)
  - CCPF Treasury Grant – $20M
  - HRSA Grant – $2.7M
- Hospital Sitework & 35% Schematic Design – $5.3M
  - HRSA Grant – $5.3M

Updated PMC Logo – Conference Room Furniture

Conference Room Furniture

Submitted by: Justin Wetzel- Arcadis Project Manager

Petersburg MEDICAL CENTER

Quality Report August 2025

Workforce Wellness

Summertime has been wonderful for outdoor recreation to provide a good work-life balance. Every opportunity is taken to connect with fellow co-workers within the home health department and throughout PMC. I hope to be on site for in-person collaboration in October.

Community Engagement

Remote/Zoom 'Tai Ji Quan: Moving for Better Balance' will be offered again this fall. Start date is TBD and will be advertised soon. This will run twice weekly for 24 weeks over the winter and is offered to all community members as an evidence-based fall prevention program.

Quarterly participant and family satisfaction surveys are collected for feedback on the Cedar Social Club in an effort to continually improve the experience and care provided in this setting. There is currently work being done to increase the enrollment capacity in this program.

Patient Centered Care

The LTC QAPI plan has been updated to reflect new guidance from CMS. This incorporates a healthy equity component to data collection, analysis, and project planning within LTC.

We have recently increased the use of standardized QAPI tools, such as Root Cause Analysis (RCA) within PMC. RCA provides a standardized framework for analyzing events at a system level to increase identification of areas for learning and improvement within the organization. The primary goal of conducting an RCA is to improve systems, processes, and communication to increase patient safety, positive outcomes, and satisfaction. Once completed, RCA's that have a clinical component will be presented to the Medical Staff for input and to increase the effectiveness of action planning.

Facility

LTC Quality Committee will meet on the 20th to review information from the recent state survey that occurred the week of August 4th. Congratulations to Helen and her staff on receiving very positive feedback.

Financial Wellness

No new updates in this area.

Submitted by: Stephanie Romine, RN

Petersburg MEDICAL CENTER

Infection Prevention Board Report August 2025

Workforce Wellness

I am the Infection Preventionist for PMC.

Community Engagement

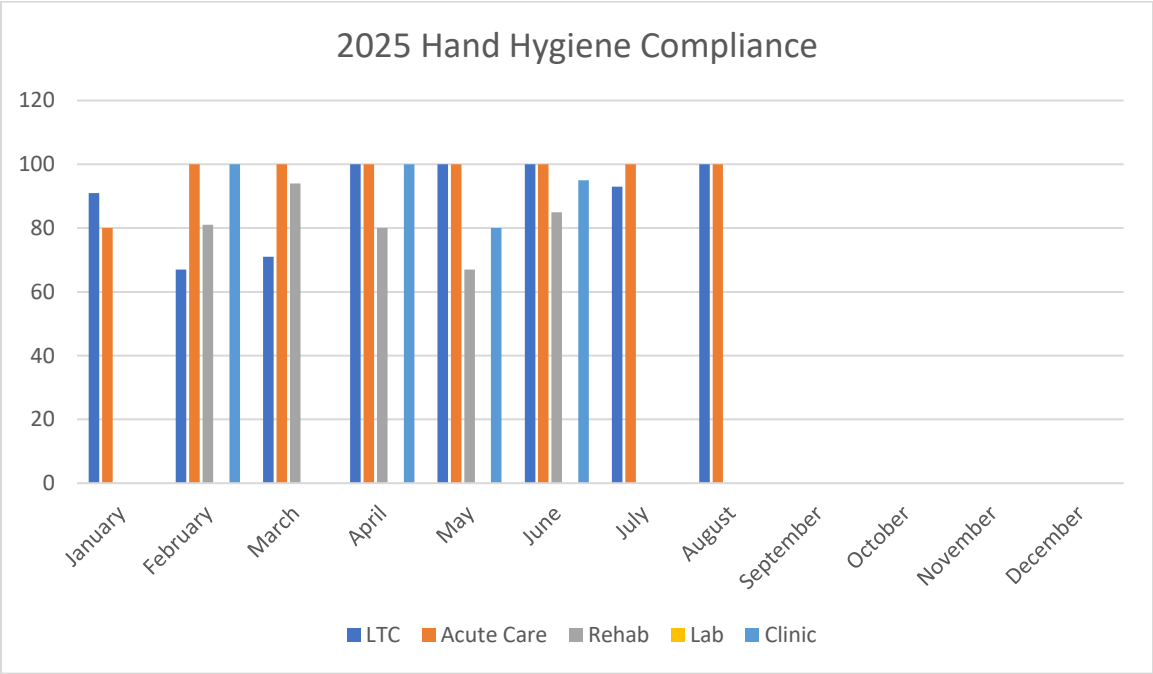
I have been continuing to look for ways to update and improve PMC. I work with many different departments at PMC to ensure compliance with regulations. Last month in Environment of Care Rounds, our team of lab, nursing, EVS, and management focused on the lab area. This month we will turn our focus to the clinic.

I will continue working with our PMC's contracted pharmacist to improve our Antimicrobial Stewardship program. One goal has been to educate staff on the differences between asymptomatic bacteriuria and urinary tract infections. This is ongoing.

Another area of focus is improving our hand hygiene practices in the facility. I have been working through verbal education to staff, as well as adding signs to remind staff of moments to do hand hygiene. I have also increased my presence on the floor doing audits of staff as they care for residents.

Patient Centered Care

2025 Hand Hygiene Compliance



LTC 2025 Infection Prevention Metrics

- Urinary Tract Infections (UTI): 2
- Catheter associated Urinary Tract Infections (CAUTI): 0
- Clostridium Difficile Infections: 0
- Covid-19 Infections: 1
- Influenza Infections: 0
- RSV Infections: 0

August has seen our first Covid outbreak of the year in LTC. We are taking measures to prevent the spread and protect our residents.

Facility

I continue to work closely with the maintenance department to identify and correct any damage, structural or cosmetic, that I find in our facility. We identified some areas needing repair in the lab during our last EOC Rounds. I have given a list of those needs to the maintenance department. Our aging facility continues to cause many obstacles in meeting current IPC standards.

Financial Wellness

No changes to this area.

Submitted by: Rachel Kandoll, RN, BSN, Infection Preventionist

Petersburg MEDICAL CENTER

PMC CEO Board Report August 2025

Mission Statement: Excellence in healthcare services and the promotion of wellness in our community.

Guiding Values: Dignity, Integrity, Professionalism, Teamwork, and Quality

Workforce Wellness: *Goal: To create a supportive work environment and promote the physical and mental well-being of hospital staff to improve retention and overall productivity.*

- August: Coworkers recognized Max Craske for his collaborative efforts working with his team. He was presented with gift award.
- August 13: Medstaff meeting
- August 15: Manager Meeting
- August 21 : Office Hours/Coffee with Phil
- August 22: Environmental Care Rounds focusing on clinic department.

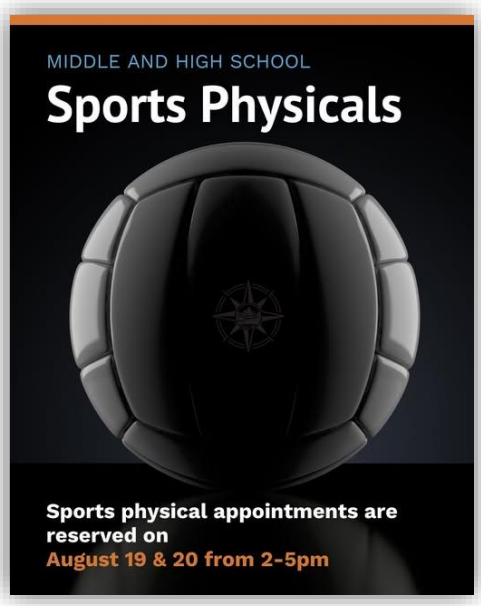
Community Engagement: *Goal: To strengthen the hospital's relationship with the local community and promote health and wellness within the community.*

- August 4: Submitted report for Borough Noon Assembly Meeting.

- August 14: Fleet of 9 new kayaks arrived. The Elks, WAVE, and PMC provided funding for kayaks. Alaska Marine Lines donated shipping for 7 kayaks, Tongass Adventures lent storage space, and 58 degrees North in Kodiak coordinated purchase and delivery. Thank you all!
- August: 18: Tour and interview with Petersburg Pilot
- August 20: WERC building tour with SEAPA Board. Representatives from Ketchikan and Wrangell were present. Jared Kosin, President and CEO at AHHA, also on site.
- August 28: KFSK Live
- August 28: Hospital Board Meeting open to the public
- August: ORCA camps launch featuring Basketball POD, Wiffleball Wednesdays, Flyfishing, and Wild Trails. Enrollment open for Fall programs.
- Ongoing: Bingocize and Tai Ji Quan, part of fall prevention program
- Upcoming: September 1st- Rainforest Run! Run, Walk or Bike out Frederick Pt. Road and back.

Patient Centered Care: *Goal: To provide high-quality, patient-centered care, and promote wellness for patients.*

- Currently we are advertising for an additional physician to join our team.
- Joy Janssen Clinic Access to Primary Care: We remain fully staffed with 4 Physicians. We are actively looking for a provider to fill Dr. Morgan's position as he is leaving Petersburg later this fall. We are also staffed with 2 mid-level practitioners.
- Clinic is open and available M-F 8AM-5PM, and Saturday 8AM-12, 1PM-4:30PM.
    - Same day appointments for urgent or acute care are readily available.
    - Next available appointment with primary care provider averages 13 business day wait time
    - Third available appointment with primary care currently averages 19 business days. -This is largely attributed to provider PTO during the summer months and full schedules upon their return as they work to accommodate patient demand.



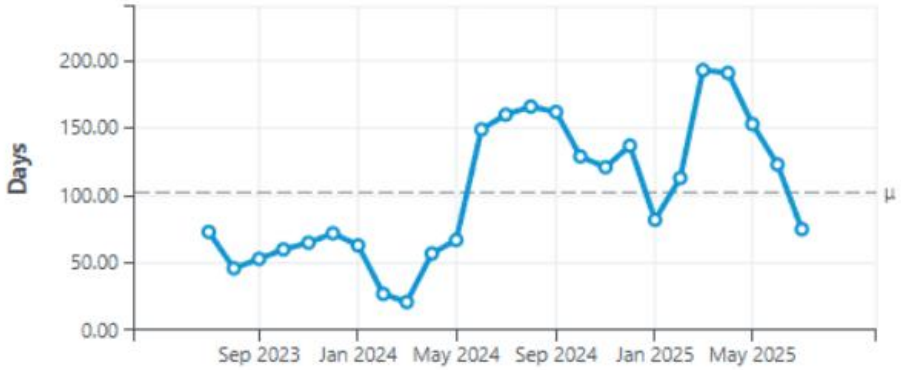
- Psychiatry services are ongoing via telehealth.
- Audiologist, Phil Hofstetter, continues to see patients in Specialty Clinic.
- Optometry Clinic: Dr. Kamey Kapp was here August 4th-12th in Specialty Clinic.
- Dermatology: Dr. Cameron French returning mid- September and seeing patients in the Joy Janssen Clinic.

Inpatient Days Options

Hospital Operations

75.00	-48.00 (39.0%)	102.32
Days July 2025	Change from June 2025	Monthly Average Custom By Month

View By: Aggregate

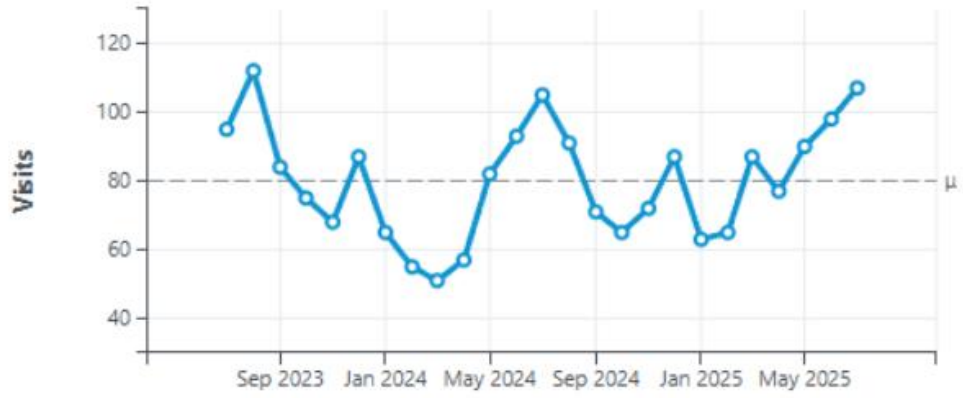


Inpatient Days

ED Visits Options

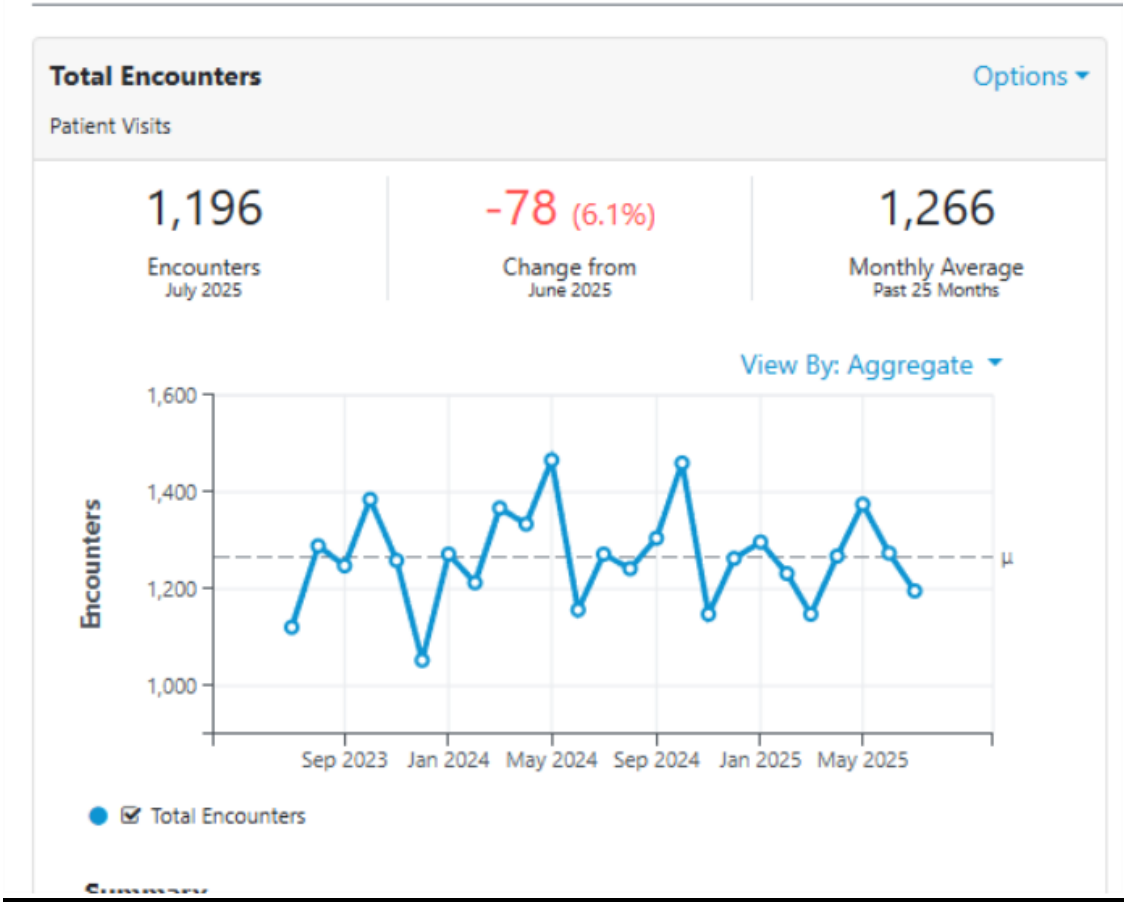
Hospital Operations

107	9 (9.2%)	80
Visits July 2025	Change from June 2025	Monthly Average Past 25 Months



ED Visits

Benchmark (Critical Access Clients)

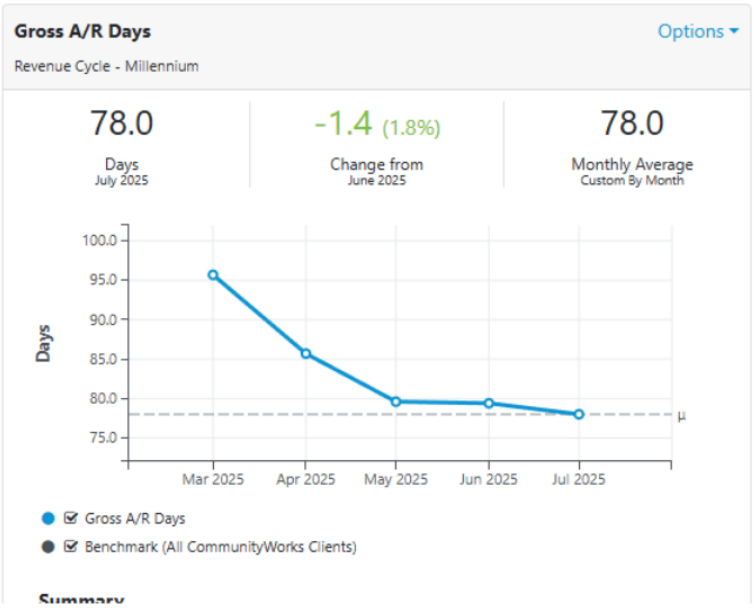


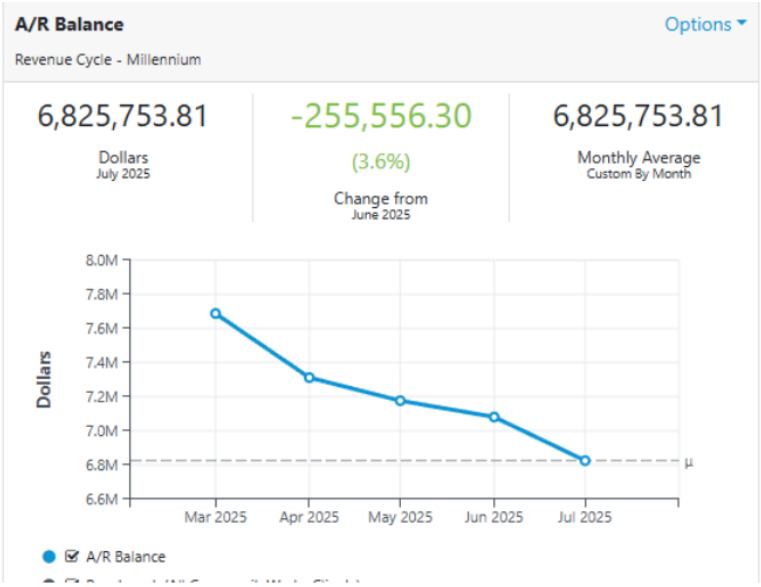
New Facility: *Goal: To expand the capacity and capabilities of the community borough-owned rural hospital through the construction of a new facility, while taking into account the needs and priorities of the local community.*

- Arcadis submitted a report with a detailed update on the new facility.
- Base sitework nearing completion.
- Landscape work for WERC building in process and ongoing with noticeable changes daily.
- Furniture, fixtures, and equipment are being installed with many office spaces fully assembled and operational.
- MRI is installed and continues to configure.
- We continue to be on track and on budget for the WERC building.
- Departments, such as Finance, Wellness, Admin, IT, Materials Management, and HIM are in the process of moving to WERC building.
- Public Health has moved completely to WERC building and is operational.
- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab.
- Official opening date is still pending as we await the arrival of key elements, however we are still expecting early/late Fall.
- CON has been completed and submitted. The state provided feedback requesting certain costs and projections be itemized. Work is underway to prepare and submit requested information.

Financial Wellness: *Goal: To achieve financial stability and sustainability for the hospital. FY25 Benchmarks for Key Performance Indicators (KPIs): Gross A/R days to be less than 55, DNFB < then 5 days, and 90 Days Cash on Hand*

- Accounts Receivables (AR) Update: This number was at 96 in March, down to 88 at the end of April, down to 78 mid-June, 76 for July, and currently at 80 as of August 19th.





- Grants; *See attached Grants Report*
- Financially, the organization is performing well, with revenue exceeding the previous year. There are some changes in financial reports as pertains to new building and depreciation. *See detailed Financial report.*
- State of Alaska opened RFI to solicit proposals under the Rural Health Transformation Program. *See attached for PMC's proposal.* Katie Bryson assisted in completing our submission well ahead of deadline.

Submitted by: Phil Hofstetter, CEO

Petersburg MEDICAL CENTER

FISCAL YEAR 2026 GRANTS UPDATE

To date, grants fund 3.4 FTE in FY26 staff time across 10 PMC positions.

3 Pending Grant Requests: $4,581,960

- **Alaska Mental Health Trust Authority** **Partnership Grant**
  Expansion of PMC's hybrid telehealth & onsite behavioral health services/training.
  1 Award | **$81,960** total requested – *Decision anticipated Dec 2025*

- **Rasmuson Foundation** **Legacy Grant**
  Support for Long Term Care, Home Health & Youth Services Building 65% designs.
  1 Award | **$1,000,000** total requested – *Decision anticipated Dec. 2025*

- **Senate Appropriations** **Borough Transportation Project Request**
  PMC provided a proposal item to widen & pave Excel Rd./pave & light Wellness Dr.
  1 Award | **$3,500,000** total requested – *Decision anticipated FY26*

3 Denied Grant Requests in August: $3,090,000

- **Alaska Community Foundation** **GCI Suicide Prevention Grant**
  Community Wellness request for *Sources of Strength* training, supplies, and more.
  $15,000 request denied - ACF received 6x more requests than they could fund

- **Exact Sciences** **FOCUS Program Grant**
  Support with relaunching visiting colonoscopy clinics with contracted providers.
  $75,000 request denied – met w/ ES; received 2x as many requests as ever before

- **Senate Appropriations** **Congressionally Directed Funds (Rep. Begich)**
  New Facility Phase 3 costs. Requested in FY24, still pending budget appropriation
  $3,000,000 request dropped from Senate budget – Sen. Murkowski "strongly advocated," but amount available for FY26 CDS projects is significantly reduced

2 New Facility Grants Operating in FY26 $28,000,000

- **HRSA** **Congressionally Directed Spending: Community Project**
  No-Cost Extension of grant for new health campus sitework and construction.
  Year **4** of **4** | **$8,000,000** (total single award); Project housed in: Finance

- **US Department of Treasury** **Coronavirus Capital Projects Fund Grant**
  Wellness, Education & Resource Center building construction including MRI Suite.
  Year **5** of **6** | **$20,000,000** (total single award); Project housed in: Finance

Updated 8/18/2025 *by Katie McKay Bryson (Director of Grants, Planning & Evaluation)*

9 Program & Personnel* Grants Operating in FY26 — $800,739

** FY26 Grant contributions to PMC's Admin & Finance costs:* *$51,502*

- **Alaska Children's Trust** **Cultural Activities Grant**
  Community Wellness request to fund PIA guest educators & Elders in Kinder Skog
  1 Year | **$1,000** (total single award)

- **Alaska Community Foundation** **Camps Initiative**
  Community Wellness request supporting the Summer 2025 ORCA Kayaking Camp.
  1 Year | **$20,000** (total single award) – **COMPLETE**

- **ACL** **Communities Deliver & Sustain Evidence-Based Falls Prevention**
  Provides evidence-based falls prevention programs to older adults, people with disabilities, & others with mobility challenges. Connects community to CW/HH.
  Year **3** of **4** | **$147,076** in FY25

- **HRSA** **Rural Community Opioid Response Project – Overdose Response**
  No-Cost Extension of FY24 project establishing PMC's telepsychiatry pilot project.
  Year **2** of **2** | **$65,000** in FY25 – **COMPLETE**

- **HRSA** **Rural Health Network Development Planning Program**
  Planning with independent AK CAHs to improve rural health access & efficiency.
  1 Year | **$100,000** (total single award)

- **Petersburg Community Foundation** **Community Support Grant**
  Community Wellness request for *Sources of Strength* training, supplies, and more.
  1 Award | **$10,000** (total single award)

- **State Health Department** **Adult Day Services Grant**
  Supports Cedar Social Club staffing & $33K+ per year in participant scholarships.
  Year **2** of **3** | **$149,855** in FY25

- **State Health Department** **Community Tobacco Prevention & Control Grant**
  Funds evidence-based Million Hearts® Change Package for Tobacco Cessation.
  Year **3** of **3** | **$145,000** in FY25

- **State Health Department** **Opioid Settlement Funds Grant**
  Sustain telepsychiatry access pilot program established by 2023 HRSA grant.
  Year **2** of **3** | **$142,828** in FY25

Updated 8/18/2025 *by Katie McKay Bryson (Director of Grants, Planning & Evaluation)*

Petersburg
MEDICAL CENTER

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July 29, 2025

Annalisa Haynie
Procurement Specialist
Department of Health
Division of Finance & Management Services

RE: Request for Information #26-001 – Rural Health Transformation Projects

Dear Ms. Haynie,

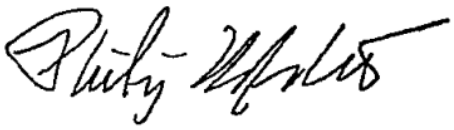
Thank you for this opportunity to provide input to the Department of Health to help shape Alaska's strategy for implementing the new Rural Health Transformation Projects (RHTP) funding. I hope you find our submission of the following RHTP-aligned scalable ideas and project concepts useful in developing Alaska's Rural Health Transformation Plan. From the vantage point of our community owned rural hospital, each item included would uphold RHTP expectations to improve healthcare access, outcomes, partnerships, strategies and effective use of new and emerging technologies. I strongly believe each recommended project supports the Department's goal to leverage this federal funding opportunity to generate transformational improvements in the full continuum of health care across Alaska.

I wish to thank the Division of Finance & Management Services and the Department of Health as a whole for supporting this process. The RHTP is emerging rapidly as an unprecedented opportunity to transform rural health systems in a moment when we have never needed that transformation more. I can only imagine the pace at which Department personnel are working to meet these deadlines, and to ensure Alaska puts forward a plan that truly reflects the challenges and potential of our diverse, resilient rural communities.

Our hospital is proud to be part of the vision you are building in developing and implementing this plan – thank you for affording us this meaningful opportunity to bring our ideas to you. Petersburg Medical Center's response to this RFI strives to provide recommendations of projects with broad statewide viability and potential for impact, while giving specific examples of project applications in our service area that are immediately actionable in the current fiscal year if funding is available.

My team looks forward to answering any questions these proposals may raise or providing more context, detail, or other resources as needed. Thank you for your tireless work on behalf of Alaskans' health and wellbeing!

Warmly,



Philip Hofstetter, AuD
Chief Executive Officer
Petersburg Medical Center
Petersburg, Alaska

Attachment: Petersburg Medical Center Response to RFI #26-001 – RHTP

CC: doh.procurement.proposals@alaska.gov

Petersburg Medical Center Response to RFI #26-001 – Rural Health Transformation Project

Organizational Background & Experience

Petersburg Medical Center (PMC) is an independent 501(c)3 non-profit Critical Access Hospital (CAH) serving the remote Southeast Alaska communities of Petersburg Borough, and one of Alaska's three remaining community-owned CAHs, unaffiliated with any larger healthcare system. PMC was established as a community hospital in 1917, in the three-story wooden home from which it operated for nearly 40 years. A designated CAH for over two decades, PMC provides the only emergency, primary, Long Term Care, Home Health, and other vital healthcare services in a 4,000-square mile service area – a HRSA-designated Health Professional Shortage Area accessible only by boat or plane – and is relied on by residents, visitors, the U.S. Coast Guard, and a significant seasonal workforce population alike for care.

PMC's healthcare services are provided through our Joy Janssen Primary Care Clinic, 12 inpatient hospital beds, and 24-hour Emergency Department; State-licensed Medicare-certified Home Health agency and Long Term Care Unit with a five-star rating from Medicare's Nursing Home Compare; school-based and outpatient behavioral health; chiropractic, rehabilitative, and preventative care; visiting specialties program through which PMC coordinates local care with out-of-town providers; full-service lab, imaging center with same-day diagnostic testing, on-site licensed drug and pharmacy compounding rooms; and a robust Community Wellness program providing nature-based outdoor childcare and summer camps, community- and school-based suicide and substance use prevention activities, falls prevention programming for older and disabled residents, and hospital staff wellbeing services. PMC provides our community with overnight observation stays and infusion services, such as chemotherapy, blood transfusions, and monoclonal antibodies, and in fall 2025 the hospital will open our service area's first local MRI service access. Given our region's seasonally fluctuating population it is no surprise that, calculated on a rolling multi-year basis, PMC serves unduplicated individuals far in excess of U.S. Census and Alaska Department of Labor estimates for our Borough's total population.

The key contacts for this RFI response and projects proposed within are as follows:

Philip Hofstetter, AuD
Chief Executive Officer
phofstetter@pmc-health.org
907-304-1243

Katie McKay Bryson, MPH
Director of Grants, Planning & Evaluation
kbryson@pmc-health.org
907-231-7256

Overview of Recommendations

PMC respectfully proposes the following ideas and potential projects for consideration. These are approaches we believe have considerable beneficial power and promise spanning outside of our region, and each could be adapted and applied in other communities, and/or scaled for statewide impact. Each recommendation summary submitted for consideration in the State's RHTP plan includes an application example of a demonstration or pilot project in PMC's operational context. We are ready to provide any additional information desired regarding projects' scope, budgets, deliverables, or research grounding.

Please note, formal timelines for implementation are not included as they will vary based on which elements of the projects below might be selected as appropriately aligned with the Department's emerging Rural Health Transformation Plan to warrant investment. Broadly, however, PMC has only proposed project examples we know to be (a) shovel-ready, in the case of infrastructure opportunities; (b) already in progress or ready to pilot, in the case of programmatic/capacity opportunities; or (c) positioned for immediate assessment or evaluation, in the case of future planning/systems integration opportunities. In short, **any of these proposed projects could be actionable beginning in FY26 if funded.**

- **PROPOSED PROJECT 1: Rural Hospital Deferred Maintenance & Critical Infrastructure**
  Summary: A healthcare system's functionality is intrinsically tied to the effective maintenance of healthcare facilities and operations. Alaska's Critical Access Hospitals sustain access to healthcare by keeping essential services in rural communities. With these communities hit particularly hard by inflation and cost volatility over the past five years, Alaska's independent Critical Access Hospitals have faced uphill battles in their efforts to fully fund capital projects required for urgently needed infrastructure improvements. This project proposes establishing robust Rural Health Infrastructure funding to immediately invest in modernizing facilities, ensuring rural communities have access to cost efficient, code compliant healthcare buildings with the capacity to engage current and future technologies. This project supports the critical rural health infrastructure necessary to improve access to hospitals, health care providers, and health care services today and into the future.

  PMC would apply this funding to support the completion of the final phases of a highly needed new Petersburg Health Campus. Our existing hospital was found to be well beyond useful life a decade ago. Systems do not meet current codes, are no longer manufactured or supported, and require costly constant maintenance; made difficult when parts and expertise are no longer available for aging components. The building cannot support the increased technology demands essential for modern healthcare, and functional improvements are needed to comply with current guidelines on infection control, patient safety, patient privacy, food service, and sanitation. The New Petersburg Health Campus will comprise a fully funded Wellness Center (opening 2025, on schedule and under budget), a Medical Center, and a Long Term Care Facility, with phased completion of buildings pending full funding. The project is shovel-ready with the main hospital and state of the art Long Term Care buildings remaining, including Emergency Room, Primary Care Clinic, Physical Therapy, Lab, Imaging, Home Health, and Pharmacy, among other ancillary services. The updated campus will significantly increase PMC's energy efficiency, reducing operating costs into the future and ensuring access to critical services in the safest, most cost-effective environment available to rural Alaskans: their own home community. The land for this project has been developed through prior funding to shovel ready status, with proper local permitting, zoning established via ordinance, and strong community support. Construction of the Wellness Center has cycled an estimated 63% of all capital project funds invested in design, construction, and furnishing into Alaskan businesses and jobs.
  Total Estimated Project Cost: LTC Building - $37m FY26-27; Main Hospital - $39m FY28-30

  RHTP Alignment: This project is aligned most closely with **RHTP required activities #7 and #5** and

promotes sustainable access to high quality rural health care services, as directed by **RHTP required activity #10** (to be determined by the CMS Administrator).
Anticipated Impact: Without timely investment to replace aging infrastructure, rural hospitals are significantly vulnerable to cost volatility, given the higher utility and maintenance expenses demanded by relying on systems far beyond their useful life. Given mounting, multidirectional pressure on these hospitals, the impact of investing in rural infrastructure is to ensure they will continue to exist and serve rural Alaskans who have the least access to other sources of healthcare.
Sustainability Strategy: Designated CAHs like PMC have a cost-based reimbursement structure under Medicare/Medicaid, including depreciation of capital – an important factor that supports financial viability for new facility investments. Through one-time capital investments in otherwise self-sustaining entities with no need for further State operational funds, this project has the power to retain the State's frontline providers in rural healthcare, expand rural capacity for effective use of new health technologies, and exponentially impact employment – including long-term recruitment and retention – at the community level, while fueling the vital economic engine of local ownership.

- **PROPOSED PROJECT 2: Rural Hospitals Primary Direct Care Payor Model Demonstration Project**
Summary: In 2024 the State Legislature passed Senate Bill 45, authorizing direct health care arrangements to reduce barriers and costs for healthcare services, including primary direct care provided by facilities that bill insurance. This allows rural hospitals to pilot subscription models for care, adhering to CMS rules and insurance regulations, with the goal of reducing costs and improving access in the communities they serve – particularly increasing access to cost-saving preventative case, and particularly benefiting uninsured and underinsured individuals such as small business owners and fishermen. Funding a project to encourage rapid testing of primary direct billing models in rural communities will identify best practices and opportunities to scale statewide.

  PMC would use this funding to support the FY26 launch of a pilot project in direct primary care for Petersburg Borough. Our hospital has been working since late FY25, internally and with external partners, to explore viability and establish parameters for a pilot project testing a local monthly fee payment model. The hospital will measure the model's efficacy at addressing the lower rates of engagement with ongoing primary and preventative care among self-pay patients over time, as well as cost effectiveness and pathways to sustainability, and engagement / satisfaction levels among community members struggling with rising cost of living coupled with high insurance premiums.
  Total Estimated Project Cost: $300k per project year for planning, personnel, & research/evaluation

  RHTP Alignment: This project is aligned most closely with **RHTP required activity #9**.
  Anticipated Impact: Rural Alaska is looking toward an evolving landscape for both individuals' health insurance coverage and the foundational payor sources that support continued operation of the rural health entities often providing the only care within a given geographic service area. Localized experimentation with alternative payor models will be most impactful with the coordination, shared learning, and meaningful evaluation made possible by a benchmarked state-led project.

Sustainability Strategy: This project allows rural providers like PMC to work toward transforming and diversifying how healthcare is paid for, in order to maintain long-term operations; specifically after RHTP funds sunset in 2032. Piloting payor innovations with robust measurement and evaluation of different models – ideally shared among rural providers in a statewide learning collaborative – will identify the most promising models and considerations for rural Alaska, and the extent to which they are able to consistently provide predictable revenue while incentivizing uptake of preventive care.

- **PROPOSED PROJECT 3: Hybrid Telehealth Access Expansion Project**

Summary: Telehealth is an undeniably critical component of rural healthcare access in Alaska. As an early adopter and robust investor in telehealth innovation, PMC has identified elements vital for success at the patient, program, and institutional levels. Specifically, a hybrid onsite / telehealth approach that includes dedicated in-person support and integration in the local healthcare site's continuum care, opportunities for provider consultation and training as well as delivery of direct services, and periodic in-person access to the remote provider has been identified as increasing success in patient retention and sustained project engagement. Funding for rural providers to launch or expand hybrid telehealth models with these program components, purchase needed tech hardware, and invest in wifi/broadband infrastructure when necessary strongly supports RHTP goals.

PMC would use this funding to support the expansion of our successful telepsychiatry model into a full Telehealth Department encompassing primary, behavioral, and specialty healthcare. PMC's telepsychiatry project was launched with a federal grant in FY24, sustained with investment of State Opioid Settlement funds in FY25, and entering FY26 has been built into a community staple with full provider caseloads and multiple opportunities for expansion identified. The project is exceeding national average rates for patient wait time from referral to contact, patient wait time from referral to intake, and percentage of patients who remain engaged in care beyond two appointments. In FY25, PMC began offering integrative telemedicine to support management of complex and chronic conditions, to great response from our patients. In FY26, the hospital is exploring opportunities to fund expansion of this hybrid telemedicine project to other areas of specialty care. The vision for this expansion embraces and builds upon our successful tripart model for onsite support, telehealth access to medical experts, and periodic in-person care. Expansion could include additional virtual specialties such as telecardiology, as well as significantly improving rural behavioral health access.
Total Estimated Project Cost: $750k per project year for two years to establish Telehealth Dept.

RHTP Alignment: This project is aligned most closely with **RHTP required activities #3, #2, and #1**, and in communities working with behavioral telehealth, **required activity #8**.
Anticipated Impact: PMC's telepsychiatry pilot project established our service area's first consistent local access to direct psychiatric care for patients and integrated provider / prescriber psychiatric consultation. Within this and other areas of specialty care, the impact of meaningful telehealth access is difficult to overstate. Rural residents too often forego care when it requires lengthy, costly, logistically complicated travel; or delay that travel until a health condition has become more acute

and expensive to treat. Access to specialized care in the communities where we live is vital.
Sustainability Strategy: Pilot projects will generally encounter roadblocks and PMC's telepsychiatry project was no exception. In our first 12 months, funder support for experimentation and strategic rethinking was essential. By 18 months, the project was stable, receiving consistent referrals, and providing services to patients and providers with positive result. At 24 months, it is close to self-sustaining through reimbursement for care, with opportunities for service expansion identified.

- **PROPOSED PROJECT 4: Traveling Specialties to Expand Chronic Disease Screening & Prevention**
Summary: Too often, rural Alaskans experience unusually high rates of preventable chronic disease burden and disproportionately low access to the screenings, monitoring, and treatment required to address chronic disease and reduce both costly late-stage interventions and overall mortality. A project supporting providers to engage regional, statewide, or out-of-state specialty care teams in establishing regular visiting clinics could transform community members' access to this care.

  PMC would use this funding toward establishing a renewed quarterly visiting clinic model to bridge the severe gap in access to comprehensive colorectal cancer (CRC) screening, among other chronic disease specialties. Rural residents in Southeast Alaska, as in other regions, have limited or – in the case of Petersburg Borough – zero local access to colonoscopies. Currently residents of our service area must travel by air or water to access colonoscopies, or even to reach a mail facility that can guarantee a Cologuard test is delivered to the lab within the required timeframe for processing. These barriers reduce the number of residents who receive CRC screenings far below recommended levels, heightening their risk for advanced stage diagnosis and more severe outcomes. PMC has worked to close these gaps by attempting to contract with regional hub providers who have access to the requisite personnel to provide colonoscopies onsite. Unfortunately, no regional provider has had capacity to make more than one visit to our Borough in the past several years, and the waitlist for services has grown exponentially. The cost of provider travel to remote communities is rising and is not reimbursable through traditional billing. However, with recent advances in Cologuard test technology and with RHTP-driven short-term funding to explore and establish new partnerships with visiting clinic providers outside the region and develop local outreach and health education strategies, these barriers could be meaningfully addressed for our rural residents.
  Total Estimated Project Cost: $160k per project year for case management & nonmedical clinic costs

  RHTP Alignment: This project is aligned most closely with **RHTP required activities #1, #2, and #7**, and promotes sustainable access to high quality rural health care services, as directed by **RHTP required activity #10** (to be determined by the CMS Administrator).
  Anticipated Impact: The impact of a rural community going from zero local colonoscopy access to regular and consistent access cannot be overstated. Health education and recommendations for standards-aligned screening can be more meaningfully employed by rural providers, and rates of late-stage diagnosis and treatment can be reduced, with meaningful impacts on patient outcomes, family experiences, and on cost reductions in treatment of advanced disease.
  Sustainability Strategy: Once the requisite external provider partnerships are established and a

projected cost basis for clinics established, rural providers will be able to make an informed internal case proposal to cover travel costs associated with bringing otherwise billable services to their area.

- **PROPOSED PROJECT 5: Rural Resident Chronic Disease Prevention & Monitoring Project**
  Summary: As described above, rural Alaskans experience unusually high rates of preventable chronic disease burden and disproportionately low access to monitoring and treatment services to address chronic disease and to reduce both costly late-stage interventions and overall mortality. Many rural communities do not have public infrastructure larger towns and cities have come to rely on, such as free blood pressure monitoring devices in drugstores and pharmacies. An RHTP project supporting providers to expand home monitoring for conditions such as hypertension would help address this.

  PMC would use this funding to support a pilot project to expand successful blood pressure screening and hypertension management through remote home monitoring that the hospital first began pursuing funding for in 2024. This comprehensive project is designed to establish free-to-use devices for public blood pressure checks located throughout the community, with health education information and easy-to-use linkages to local providers posted. Increased case management and data capacity would support necessary expansion of patient services, while a lending library of home monitoring devices with provider interoperability will promote improved condition management.
  Total Estimated Project Cost: $175,000 per project year for personnel, monitoring tech, materials

  RHTP Alignment: This project is aligned closely with **RHTP required activities #3 and #1**.
  Anticipated Impact: High blood pressure is the most common cardiovascular disease, and the highest mortality risk, associated with heart failure, stroke, peripheral artery disease, chronic kidney diseases, cognitive disorders, and high cardiovascular mortality. Managing blood pressure is the most important factor in reducing cardiovascular risk.
  Sustainability Strategy: This project would essentially provide launch funding to providers with documented need and readiness to implement. The seed funding for place-based tech purchases / improvements, staff training, health education materials development, systems integration, and quality testing/iterations covers short-term needs. Sustained operation of the hypertension home management program can be more easily supported by healthcare reimbursement once established.

- **PROPOSED PROJECT 6: Rural Health Networks – Planning, Development & Implementation**
  Summary: Increasing health system consolidation is linked to reduced services and hospital closures in rural areas nationwide. Alaska's healthcare landscape is unique, with strong alliances between Tribal health system entities, FQHCs, Critical Access Hospitals, and other diverse provider types. For rural providers, interrelationship is non-negotiable – without healthy and active partnerships, we are all at increased risk. Rural Health Networks are a time-tested model supported by HRSA to identify locally-specific opportunities for innovation and collaboration, and develop and implement shared action plans, while maintaining institutional autonomy. Yet to manage such Rural Health Networks effectively, and to qualify for federal implementation funding, partners must front the cost

of a 0.5 FTE or 1.0 FTE Network Director, depending on the size of the collaboration. A fund supporting the initial personnel costs needed to leverage additional Network funding could exponentially expand Rural Health Networks' viability and resources; reducing opportunity cost of implementation delays.

PMC would use this funding to establish a Network Director for the newly formalized Alaska Independent CAH Network in FY26. Alaska's three remaining independent, community-owned CAHs – PMC, South Peninsula Hospital, and Cordova Community Medical Center – have obtained federal funding to formally establish our Rural Health Network in FY26 to achieve more effective use of our collective resources, expand access to care, improve healthcare coordination and quality, and generate improved rural health outcomes in our service areas. Currently, PMC is providing the Project Director role for this one-year launch project and contributing in-kind time for our CEO to serve as interim Network Director. Beyond FY26, however, it is unrealistic for a CEO to perform this role, as it will require an increasing level of time and capacity relative to Network goals and projects. In order to sustain Network activities – which are anticipated to generate cost savings and beneficial shared outcomes initiatives across the three CAHs – a permanent half- or full-time position will be required. This position, when established, will render the Network eligible for future HRSA funding.
Total Estimated Project Cost: $185,000 per project year if FT position with ~40% fringe benefits

RHTP Alignment: This project is aligned closely with **RHTP required activities #6 and #7**.
Anticipated Impact: With up-front investment, Rural Health Networks can become primary drivers of reduced costs and increased innovation regionally. The impact of providing short-term funding to establish half- or full-time Rural Health Network Director positions can have an outsized impact: ensuring that implementation plans developed by these Networks are not delayed by lack of institutional capacity among their membership and increasing the likelihood of Networks generating further federal funding to support far-reaching implementation and quality projects.
Sustainability Strategy: Bridging the funding gap for these critical positions between Network planning and implementation activities strongly increases the likelihood of future access to project grants, as well as to successfully generating sufficient cost savings to enable Networks to sustain the positions through member contributions.

- **PROPOSED PROJECT 7: Regional Expansion of Rural Home & Community Services Coverage**
Summary: Alaska's population of older adults has long held one of the country's highest rates of growth, with high current and even higher projected need for specialized Long Term Care, Home Health, and Home & Community-Based Services healthcare statewide. However, there are stark divides between rural and urban communities' access to these essential services, and capacity to contend with regulatory requirements designed for road-system based providers. Entire regions of rural Alaska have insufficient access to Home Health care, Adult Day Services, hospice care, and more. Given that each community has unique place-based challenges and opportunities, a flexible fund for statewide improvement in rural access to these services is a strategic use of RHTP funds; as is robust State investment in care coordination systems interoperability to reduce existing barriers

to timely care management and case planning among rural older adults and disabled individuals.

PMC would use this funding to expand access to our Home Health program and other critical services for older adults and those with disabilities to areas in our region without local Home Health Services. According to Department of Labor's 2025 estimates, a quarter of Petersburg Borough's population is age 65+, with the relative population of 65+ year old residents projected to remain at 25% through 2035. Southeast has one of the highest populations of older adults nationwide and has been among the fastest growing in the country for the past decade. A rapid increase in service availability is essential to meet the needs of this population, make it possible for older adults to live as long as possible in their own homes, reduce the level of burden on family caregivers, and prevent unnecessary or accelerated transfers into higher-cost, less locally available institutionalized care. It is critical that rural Alaskans have the same level of access to home- and community-based services.
Total Estimated Project Cost: $750k/year for personnel, travel, outreach to establish region coverage

RHTP Alignment: This project is aligned most closely with **RHTP required activities #7 and #2** and promotes sustainable access to high quality rural health care services, as directed by **RHTP required activity #10** (to be determined by the CMS Administrator).
Anticipated Impact: Robust availability of Home Health and Home & Community-Based services reduces the pressure on Alaska's assisted living and long term care facilities, and help to sustain family caregivers in their challenging but vital roles. However, Alaska's need for these services far outstrips current availability, particularly in rural areas. Targeted RHTP expansion grants for projects contributing to shared outcomes strengthening this system of care could have considerable impact.
Sustainability Strategy: The sustainability of this project is linked to the State's goals for cost reimbursement of Home Health and similar services, in combination with some services' eligibility under traditional billing mechanisms. Bridging the gap to successfully launch and stabilize services to the point of reimbursement is a worthy investment of RHTP funding with long-term potential.

Additional projects would strongly benefit Alaska's rural health systems of care – specifically funding for demonstration projects in **community-based collective bargaining / risk pooling for insurance costs**, **interoperability of schools, health services and payors** (eg EHR, telehealth, & billing), and **rural ambulatory surgery centers**; as well as establishing a **rural health workforce professional development and recruitment fund** – particularly one that amplifies "grow your own" pathways, like those PMC and many of our rural partners strive to invest in. PMC would gladly submit proposals expanding on these ideas and opportunities in alignment with the final State RHTP Plan, but will refrain from further project proposals in this RFI submission in consideration of the Department's request for limited length.

Implementation Considerations

Key Partners

The key partners PMC anticipates working with in implementation of any application of the proposed projects above include, but are not limited to, the following:

- **Petersburg Borough (Local Government)**
  The Borough is a vital partner and has demonstrated strong support for the new Petersburg Health Campus infrastructure development project through passage of multiple resolutions over the last several years. The Borough provided land for the Campus at no cost, and continues to advocate for funding and provide in kind support as possible. Our local government's backing ensures alignment with community development goals and lends public support.

- **State of Alaska Department of Health**
  The State is a vital partner far beyond its role as the conduit for RHTP funds. As the body responsible for Alaska's RHTP Plan, our goals, priorities, and outcomes are linked. PMC looks forward to continued partnership with the Department to ensure that projects align with the state's Rural Health Transformation Plan and eligibility criteria, as well as all other requisite regulations and credentialing. The State's role includes providing technical assistance, coordinating policy support, reviewing opportunities for regulatory flexibility to promote new care models or payment models, and potential co-design of projects such as the proposed value-based payment pilot or other best practice-based innovations.

- **Tribal Government, Public Health, & Local Community Organizations**
  The Public Health Nursing (PHN) office in Petersburg is co-located with PMC in our new WERC building, symbolizing our long standing and intentional integration with the income-based public health services our community relies on. Our year-long 2025 Community Health Needs Assessment process included PHN staff alongside PMC, and our staff routinely plan and strategize improvements in outreach and service goals. PHN is a vital partner in implementing community health programs such as vaccinations, health education, and maternal-child health outreach on the new Health Campus. PMC also enjoys deep partnerships with local community organizations including the School District (with whom we deliver school-based health and behavioral health services, as well as courses and internships in the health professions). We partner with the local assisted living facility and Parks & Recreation Department to provide evidence-based fall prevention activities; and with the local Tribal government (Petersburg Indian Association) to provide Adult Day Services and transportation for Elders and those with mobility challenges. PMC also anchors the community's wellness coalition (SHARE), which includes nearly all the area's non-profits, service providers, and emergency services personnel.

- **Federal Agencies & Other Funders**
  Federal and philanthropic partners have been critical in funding short-term or initial pilot programs testing several of the proposals we hope to expand if selected for investment. These funding agencies and their technical assistance providers are key stakeholders in project implementation and shared outcomes, spanning the US Treasury, HRSA, Administration for Community Living, and statewide funders including Rasmuson Foundation, Alaska Community Foundation, Alaska Children's Trust, Mental Health Trust Authority, and more. PMC coordinates data collection and monitoring/compliance reporting across all funders.

- **Cordova Community Medical Center & South Peninsula Hospital**
  Our partners in the newly forming Alaska Independent CAH Network (AKICN), collaboration between our three hospitals is critical to increasing cost effectiveness; expanding best practices, quality improvement, and robust incorporation of new technologies; and amplifying workforce recruitment, retention, and training efforts. The independent CAHs' ongoing and deepening collaborative initiative, currently supported through a FY26 HRSA Rural Health Network Development & Planning grant, will ensure the project's foundation is broad, not merely localized, leveraging peer-to-peer support and shared learning across multiple sites.

- **National Peers & Partner Institutions**
  Through PMC's federal grants, team members across multiple departments engage regularly with nationwide technical assistance and learning communities. PMC has established partnerships outside the state for both workforce development (medical residency rotation, etc.) and for services (such as our newly formalized telestroke response project with University of Washington / Harborview, and our well-established school-based audiology screening partnership with University of Arkansas faculty). Partnerships like this must be expanded and relied on to strengthen our local offerings and inform project scalability.

Organizational Capacity & Readiness

As an independent non-profit Critical Access Hospital, PMC has been serving the rural Southeast Alaska communities in and around Petersburg Borough since 1917. A mature healthcare provider, PMC relies on our experienced Finance & Accounting team to successfully steward nine active FY26 Federal, State, and philanthropic grants funding the hospital's current programmatic and capital projects. PMC's reporting is timely and comprehensive; current and prior grant-funded project objectives were achieved; and our financial management is proficient, demonstrated by our history of independent audits without findings.

PMC is experienced in launching, managing, and scaling novel efforts to meet emergent needs and opportunities. Over the past five years, PMC successfully managed two major outbreaks of COVID in a high-vulnerability population, including Petersburg's Long Term Care and Assisted Living facilities, and treated patients without pause during periods of pandemic-related staff attrition, preventing severe outcomes for our remote service area. Our team's capacity for effective project management and successful partnership to innovate in healthcare provision is well documented. In 2019, PMC's then five-year-old Medication Assisted Treatment (MAT) program received the Golden Stethoscope award for substance use disorder treatment. This program was subsequently expanded through a FY24 HRSA Rural Communities Opioid Response grant award and a FY25 Alaska Opioid Settlement grant award to pilot telepsychiatry access in the Borough. With over a decade of strong results and steady expansion, this integrated primary / behavioral health project uses the hybrid telehealth model proposed in this letter to serve community members from age 12 through residency in our Long Term Care program, meeting them where they are with what they need.

PMC is governed by a Board elected annually by the community we serve, and as its CEO, I am proud to serve our broader healthcare community as the current Chair of the Alaska Hospital & Healthcare

Association Board and an Alaska HIE Board member, advocating for the needs and potential of rural healthcare providers. The proposals we include here reflect not only the interests of Petersburg Medical Center, our Borough, or our Southeast region, because I have been privileged in my career to serve rural communities throughout this state and understand well how inextricably linked our survival is as rural providers – much less our ability to excel within the unique restrictions and possibilities of our regions. I benefit from my experience developing the Uŋalaqłiq audiology program, serving as Director of Audiology in Nome, and supervising thirty departments across the Bering Strait region as Norton Sound Health Corporation's Vice President of Hospital Services, in addition to my current role. The geographies and cultures of our region are specific, and each community knows its own needs best – but across decades and across roles, I have seen firsthand how investing in place-based, community-driven health services innovations pays off, notably in the ever-expanding area of telemedicine.

PMC's leadership and the teams involved in implementation of these proposed projects are experienced in transparent management of complex financial streams (including subcontracts, private/public medical billing, and grants), as well as the local, regional and statewide partnership to achieve shared outcomes. PMC is prepared and more than ready to support the success of the Department's RHTP goals.

Risks, Barriers, & Mitigation Strategies

There are clear and routine potential barriers inherent in these proposals, largely by the nature of being located in rural and remote communities. Costs are highly volatile. Recruitment of healthcare professionals and access to sufficient housing are both issues that long predate the current moment, indeed informing the need for this program as a whole. Concerns about outmigration and workforce destabilization through funding shifts tend to become reality in rural communities first. We are highly interdependent, so what happens to other industries, other providers, other infrastructure in our rural communities happens to us as well.

PMC is experienced in navigating and mitigating these barriers, risks, and realities. Our financial position is solid. As a designated CAH, PMC has a cost-based reimbursement structure under Medicare/Medicaid, which includes depreciation of capital; an important factor that supports financial viability for necessary infrastructure investments. PMC has demonstrated that our team can manage large grant-funded projects effectively, on time, and under budget, as in the construction of the first building on Petersburg's new health campus, the Wellness, Education, and Resource Center (WERC) which will open to the public at the end of this summer. Our workplace satisfaction far exceeds national averages, and our compensation structure is regularly reviewed and shown to be highly competitive based on the annual AHHA provider survey. Across multiple departments, the PMC team is already engaged in innovation- and partnership-forward projects and initiatives – including piloting some of the goals we hope to accelerate through RHTP investment – preparing us to launch with not only the speed required, but the knowledge and earned experience as well.

It is also worth noting that there is no neutral ground where we stand: refraining from robust investment in this moment is far from without risk. As the Department understands, rural healthcare

and the providers who deliver it across Alaska are standing at a precipice. We must also ask ourselves as we consider each project or possibility what the opportunity cost might be if we do not act. While PMC and other providers like us stand ready and able in this moment, not one of us is fully insulated from the changes in our financial position, staffing, and services that may be coming.

Overall, we believe the risks are known, manageable, and far outweighed by the benefits of these proposed projects. Our proactive mitigation strategies combined with long-established relationships with our key partners at all levels gives us confidence that PMC's recommendations for the Rural Health Transformation Project can be implemented successfully. The projects summarized above embody our shared commitment that through overdue investments in modernized infrastructure, cutting-edge technology, collaborative partnerships, and sustainable operations Alaska can ensure high-quality healthcare for our rural residents, now and for generations to come. As components within the State's Rural Health Transformation Plan, I believe these projects have the potential to transform healthcare delivery in our community and region, but also to serve as a blueprint for rural health innovation across Alaska and even nationally, in line with the vision of the RHTP.

Thank you for your consideration of our recommendations, and your work on behalf of this transformational vision for Alaska's rural health systems, provides, and beneficiaries.

PETERSBURG MEDICAL CENTER

FINANCIAL REPORTING PACKAGE

For the month ended July 31, 2025

PETERSBURG MEDICAL CENTER

Key Volume Indicators

FISCAL YEAR 2026

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior YTD	% Change
1. Clinic Visits	790	-	-	-	-	-	-	-	-	-	-	-	790	833	-5.2%
Primary Clinic	*765*												*765*	*833*	*-8.2%*
Specialty Clinics	*25*												*25*	-	n/a
2. Radiology Procedures	253												253	259	-2.3%
3. Lab Tests (excluding QC)	1,936												1,936	2,057	-5.9%
4. Rehab Services Units	880												880	1,028	-14.4%
Physical	*648*												*648*		
Occupational	*154*												*154*		
Speech	*78*			-									*78*		
5. Home Health Visits	259												259	155	67.1%
Nursing Visits	*137*												*137*		
PT/OT Visits	*122*												*122*		
6. Emergency Room Visits	102												102	95	7%
7. Observation Days	3												3	5	-45%
Hospital Inpatient															
8. Patient Days - Acute	12												12	34	-64.7%
9. Patient Days - Swing Bed (SNF)	54												54	113	-52.2%
10. Patient Days - Swing Bed (ICF)	8												8	7	14.3%
11. Patient Days - Total	74	-	-	-	-	-	-	-	-	-			74	154	-51.9%
12. Average Daily Census - Acute	0.4												0.4	1.1	-64.7%
13. Average Daily Census - Swing Bed (SNF)	1.7												1.7	3.6	-52.2%
14. Average Daily Census - Swing Bed (ICF)	0.3												0.3	0.2	14.3%
15. Average Daily Census - Total	2.4												2.4	5.0	-51.9%
16. Percentage of Occupancy	19.9%												19.9%	41.4%	-51.9%
Long Term Care															
17. LTC Days	426.0												426	372	14.5%
18. Average Daily Census	13.7												13.7	12.0	14.5%
19. Percentage of Occupancy	91.6%												91.6%	80.0%	14.5%

PETERSBURG MEDICAL CENTER

Statement of Revenues and Expenses

For the month ended July 31, 2025

Month Actual	Month Budget	$ Variance	% Variance			YTD Actual	YTD Budget	$ Variance	% Variance	Prior YTD	% Variance
					Gross Patient Revenue:						
$344,367	$570,035	($225,668)	-39.6%	1.	Inpatient	$344,367	$570,035	($225,668)	-39.6%	$657,247	-47.6%
1,074,524	1,029,728	44,796	4.4%	2.	Outpatient	1,074,524	1,029,728	44,796	4.4%	975,649	10.1%
778,599	628,507	150,092	23.9%	3.	Long Term Care	778,599	628,507	150,092	23.9%	519,475	49.9%
470,547	495,109	(24,562)	-5.0%	4.	Clinic	470,547	495,109	(24,562)	-5.0%	389,591	20.8%
62,044	47,549	14,495	30.5%	5.	Home Health	62,044	47,549	14,495	30.5%	46,481	33.5%
2,730,082	2,770,928	(40,847)	-1.5%	6.	**Total gross patient revenue**	2,730,082	2,770,928	(40,847)	-1.5%	2,588,443	5.5%
					Deductions from Revenue:						
485,175	500,578	15,403	3.1%	7.	Contractual adjustments	485,175	500,578	15,403	3.1%	367,314	-32.1%
0	0	0	n/a	8.	Prior year settlements	0	0	0	n/a	-	n/a
119,112	36,158	(82,955)	-229.4%	9.	Bad debt expense	119,112	36,158	(82,955)	-229.4%	32,229	269.6%
29,672	19,831	(9,841)	-49.6%	10.	Charity and other deductions	29,672	19,831	(9,841)	-49.6%	631	-4601.3%
633,960	556,567	(77,393)	-13.9%		**Total revenue deductions**	633,960	556,567	(77,393)	-13.9%	400,174	-58.4%
2,096,122	2,214,361	(118,240)	-5.3%	11.	**Net patient revenue**	2,096,122	2,214,361	(118,240)	-5.3%	2,188,269	-4.2%
					Other Revenue					-	
53,726	46,712	7,014	15.0%	12.	340b Revenue	53,726	46,712	7,014	15.0%	-	n/a
108,346	104,217	4,129	4.0%	13.	Inkind Service - PERS/USAC	108,346	104,217	4,129	4.0%	90,612	19.6%
80,901	53,686	27,216	50.7%	14.	Grant revenue	80,901	53,686	27,216	50.7%	97,563	-17.1%
0	0	0	n/a	15.	Federal & State Relief	0	0	0	n/a	-	n/a
32,359	26,154	6,205	23.7%	16.	Other revenue	32,359	26,154	6,205	23.7%	45,705	-29.2%
275,332	230,768	44,564	19.3%	17.	**Total other operating revenue**	275,332	230,768	44,564	19.3%	233,880	17.7%
2,371,454	2,445,130	(73,676)	-3.0%	18.	**Total operating revenue**	2,371,454	2,445,130	(73,676)	-3.0%	2,422,149	-2.1%
					Expenses:						
1,203,177	1,161,736	(41,440)	-3.6%	19.	Salaries and wages	1,203,177	1,161,736	(41,440)	-3.6%	993,507	-21.1%
140,272	160,681	20,410	12.7%	20.	Contract labor	140,272	160,681	20,410	12.7%	195,961	28.4%
449,049	421,179	(27,870)	-6.6%	21.	Employee benefits	449,049	421,179	(27,870)	-6.6%	382,109	-17.5%
141,398	164,634	23,236	14.1%	22.	Supplies	141,398	164,634	23,236	14.1%	146,521	3.5%
75,093	79,710	4,617	5.8%	23.	Purchased services	75,093	79,710	4,617	5.8%	137,542	45.4%
56,100	51,174	(4,926)	-9.6%	24.	Repairs and maintenance	56,100	51,174	(4,926)	-9.6%	40,825	-37.4%
23,757	35,655	11,898	33.4%	25.	Minor equipment	23,757	35,655	11,898	33.4%	36,388	34.7%
29,927	37,377	7,450	19.9%	26.	Rentals and leases	29,927	37,377	7,450	19.9%	30,450	1.7%
83,953	110,452	26,499	24.0%	27.	Utilities	83,953	110,452	26,499	24.0%	81,409	-3.1%
3,833	8,878	5,045	56.8%	28.	Training and travel	3,833	8,878	5,045	56.8%	1,351	-183.8%
28,965	19,095	(9,871)	-51.7%	29.	Insurance	28,965	19,095	(9,871)	-51.7%	21,109	-37.2%
37,062	28,663	(8,398)	-29.3%	30.	Other operating expense	37,062	28,663	(8,398)	-29.3%	36,490	-1.6%
2,272,586	2,279,234	6,648	0.3%	31.	**Total expenses**	2,272,586	2,279,234	6,648	0.3%	2,103,661	-8.0%
98,868	165,896	(67,028)	40.4%	32.	**Income (loss) from operations**	98,868	165,896	(67,028)	40.4%	318,488	69.0%
					Nonoperating Gains(Losses):						
39,208	19,194	20,014	104.3%	33.	Investment income	39,208	19,194	20,014	104.3%	114,933	65.9%
(9,899)	(21,429)	11,530	53.8%	34.	Interest expense	(9,899)	(21,429)	11,530	53.8%	(10,822)	8.5%
0	0	0	n/a	35.	Gain (loss) on disposal of assets	0	0	0	0.0%	-	0.0%
1,393,638	87,380	1,306,258	1494.9%	36.	Other non-operating revenue	1,393,638	87,380	1,306,258	-1494.9%	1,671,232	16.6%
(153,404)	(248,479)	95,075	-38.3%	37.	Depreciation & Amortization	1,269,542	(248,479)	1,518,021	610.9%	(99,249)	1379.1%
1,269,542	(163,334)	1,432,876	-877.3%	38.	**Net nonoperating gains (losses)**	1,269,542	(163,334)	2,855,823	-1748.5%	1,676,094	-24.3%
$1,368,410	$2,561	$1,365,849	53324.1%	39.	**Change in Net Position (Bottom Line)**	$1,368,410	$2,561	$2,788,795	108877.4%	$1,994,582	-31.4%

PETERSBURG MEDICAL CENTER

Balance Sheet

July, 2026

ASSETS	July 2025	June 2025	June 2025	July 2024
Current Assets:				
1. Cash	797,214	0	1,544,710	709,109
2. Cash - insurance advances	0	0	0	0
3. Investments	2,103,565	0	2,097,227	562,481
4. Total cash	2,900,779	0	3,641,937	1,271,590
5. Patient receivables	7,360,517	0	7,548,114	7,125,888
6. Allowance for contractuals & bad debt	(2,571,588)	0	(2,615,075)	(2,748,961)
7. Net patient receivables	4,788,930	0	4,933,039	4,376,927
8. Other receivables	4,059,485	0	2,701,066	3,687,757
9. Inventories	367,761	0	364,788	309,552
10. Prepaid Expenses	406,670	0	169,095	313,954
11. Total current assets	12,523,625	0	11,809,926	9,959,780
Property and Equipment:				
12. Assets in service	28,690,239	0	28,677,563	28,622,553
13. Assets in progress	24,144,583	0	22,776,724	11,089,348
14. Total property and equipment	52,834,822	0	51,454,287	39,711,901
15. Less: accumulated depreciation	(23,533,365)	0	(23,379,960)	(22,398,205)
16. Net propery and equipment	29,301,457	0	28,074,326	17,313,696
Assets Limited as to Use by Board				
17. Investments	3,690,680	0	3,668,961	3,421,665
18. Building fund	806,253	0	799,968	743,255
19. Total Assets Limited as to Use	4,496,933	0	4,468,928	4,164,920
Pension Assets:				
20. OPEB Asset	7,338,848	-	7,338,848	7,338,848
Deferred Outflows:				
21. Pension	2,428,790	0	2,428,790	2,428,790
22. Total assets	**$56,089,653**	**$0**	**$54,120,818**	**$41,206,034**

LIABILITIES & FUND BALANCE	July 2025	June 2025	June 2025	July 2024
Current Liabilities:				
23. Accounts Payable - Trade	$858,465	$0	$1,299,834	$4,329,255
24. Accounts Payable - New Facility	1,765,943	0	831,368	0
25. Accrued Payroll	449,762	0	319,625	336,579
26. Payroll taxes and other payables	97,807	0	143,596	193,869
27. Accrued PTO and extended sick	1,199,843	0	1,196,902	1,046,508
28. Deferred revenue	178,529	0	131,961	151,643
29. Due to Medicare	1,466,833	0	1,466,833	793,548
30. Due to Medicare - Advance	0	0	0	0
31. Due to Blue Cross - Advance	0	0	0	0
32. Other current liabilities	3,323	0	3,323	3,517
33. Current portion of long-term debt	460,171	0	459,791	439,970
34. Total current liabilities	6,480,676	0	5,853,233	7,294,889
Long-Term Debt:				
35. Capital leases payable	1,788,924	0	1,826,846	2,249,095
Pension Liabilities:				
36. Net Pension Liability	15,526,950	0	15,526,950	15,526,950
37. OPEB Liablity	-	-	-	-
38. Total pension liabilities	15,526,950	0	15,526,950	15,526,950
39. Total liabilities	23,796,550	0	23,207,029	25,070,934
Deferred Inflows:				
40. Pension	413,688	0	413,688	413,688
Net Position:				
41. Unrestricted	30,511,007	0	13,726,830	13,726,832
42. Current year net income (loss)	1,368,410	0	16,773,270	1,994,582
43. Total net position	31,879,416	0	30,500,100	15,721,413
44. Total liabilities and fund balance	**$56,089,654**	**$0**	**$54,120,817**	**$41,206,034**

****Note: Cash on line 1 is for presentation purposes only. The total cash in bank is the sum of Lines 1 and 2.**

PETERSBURG MEDICAL CENTER

Key Operational Indicators

For the month ended July 31, 2025

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior Year	% Change
1. Contractual Adj. as a % of Gross Revenue	17.8%												17.8%	16.6%	7.1%
2. Charity/Other Ded. As a % of Gross Revenue	1.1%												1.1%	0.9%	20.8%
3. Bad Debt as a % of Gross Revenue	4.4%												4.4%	1.2%	263.6%
4. Operating Margin	4.2%												4.2%	10.2%	-59.1%
5. Total Margin	37.6%												37.6%	38.0%	-1.1%
6. Days Cash on Hand (Including Investments)	98.5												98.5	117.1	-15.9%
7. Days in A/R (Net)	64.4												64.4	58.8	9.5%
8. Days in A/R (Gross)	82.3												82.3	82.9	-0.7%
9. Days in Accounts Payable	26												26	31.0	-17.7%

0