



**Petersburg Borough
Petersburg Medical Center**

12 South Nordic Drive
Petersburg, AK 99833

**Meeting Agenda
Hospital Board
Regular Meeting**



Thursday, February 27, 2025

5:30 PM

Assembly Chambers

Please paste the following URL into your web browser to join:

<https://us06web.zoom.us/j/83791051113?pwd=auMrHSjWyFMt75XS5qNjg8S4lnbzFQ.1>

Webinar Id: 837 9105 1113

Passcode: 839803

1. Call to Order/Roll Call

A. Call to Order

B. Roll Call

2. Approval of the Agenda

3. Approval of Board Minutes

A. Approval of January 30, 2025, Hospital Board Minutes

4. Visitor Comments

5. Board Member Comments

A. Legislative Fly-In
Board Member Lagoudakis provided written report.

6. Committee Reports

A. Resource

B. CAH

C. LTC

D. Infection Control

E. Kinderskog

7. Reports

- A.** Imaging
S. Paul provided written report.
- B.** Lab
V. Shimek provided written report.
- C.** Long Term Care
H. Boggs provided written report
- D.** Patient Financial Services
C. Lantiegne provided written report.
- E.** New Facility
J. Wetzel/Arcadis provided written report.
- F.** Quality & Infection Control
S. Romine and R. Kandoll provided written reports.
- G.** Executive Summary
CEO P. Hofstetter provided written report with attachments.
- H.** Financial
J. McCormick provided written report.

8. Unfinished Business

9. New Business

10. Next Meeting

- A.** Currently scheduled for Thursday, March 27, 2025, at 5:30pm

11. Executive Session

- A.** By motion, the Board will enter into Executive Session to consider medical staff appointments and reappointments.

12. Adjournment



**Petersburg Borough
Petersburg Medical Center**

12 South Nordic Drive
Petersburg, AK 99833

**Meeting Minutes
Hospital Board
Regular Meeting**



Thursday, January 30, 2025

5:30 PM

Assembly Chambers

Please click this URL to join:

<https://us06web.zoom.us/j/81672294163?pwd=a6NdTjQRnRVBo6F6kRxCiKlyYi2ngU.1>

Passcode: 261745

Webinar ID 816 7229 4163

1. Call to Order/Roll Call

A. Call to Order

Member Cook called the meeting to order at 5:30pm.

B. Roll Call

Member Cook conducted Roll Call:

PRESENT

- Chairman Jerod Cook
- Board Member Marlene Cushing
- Board Member Cindi Lagoudakis
- Board Member Kimberley Simbahon
- Board Member Jim Roberts

ABSENT

- Board Member Heather Conn
- Board Member Joe Stratman

2. Approval of the Agenda

Member Cook proposed to amend the agenda to include the audit report under Financials.
 Member Roberts motioned to accept the agenda as amended.
 Motion made by Board Member Roberts, Seconded by Board Member Cushing.
 Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Roberts

3. Approval of Board Minutes

A. Approval of November 21, 2024, Hospital Board Minutes

Motion made by Board Member Lagoudakis to approve the board minutes from Nov 21st, 2024, as presented, Seconded by Board Member Roberts.
Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Roberts

4. Visitor Comments

None.

5. Board Member Comments

None.

6. Committee Reports

A. Resource

Member Lagoudakis reported that she met with other members of the Resource Committee and noted that overall finances appear strong. However, the committee would like to see improvements in AR days. She stated that there was little discussion regarding any impact from the Federal Grant freeze. Additional details will be provided during the Financials report.

B. CAH

Member Stratman will report out in February.

C. LTC

None.

D. Infection Control

Member Stratman will report out in February.

7. Reports

A. New Facility

J. Wetzel Arcadis provided a written report.

Member Cushing commented that it is good to hear that things are proceeding faster than planned and below costs.

- B. Quality & Infection Prevention
S. Romine and R. Kandoll provided written reports.

Member Cushing noted that the report references the Community Needs Survey and encouraged everyone to participate. She also reminded listeners that the survey link is available on the PMC website.

- C. Executive Summary
CEO P. Hofstetter provided written report.
1. Logo Refresh Summary submitted by J. Walker

CEO, Phil Hofstetter, reported appreciation for those who attended the work session, extending special thanks to Jason for his presence and availability. He noted that it was a productive session and expressed anticipation for the upcoming legislative fly-in.

He stated that the following week in Juneau, he would be attending the legislative fly-in. He encouraged everyone to review the 2024 Alaska Healthcare Workforce Analysis if they had not already, highlighting that it was great to see PMC staff featured in the statewide report. He emphasized that the report showcased PMC staff while underscoring the importance of a strong local workforce.

The CEO recognized Justin and the team for their efforts on the WERC building project, acknowledging the significant work involved. He noted that despite the challenges of construction in rural Alaska, the project remained on time and under budget. He reiterated the importance of securing funding for new hospital facility, emphasizing that the team had already demonstrated successful collaboration in developing the WERC building site, with contributions from the Assembly, subcontractors, contractors, and architects. He expressed hope that additional funding would be secured this year to keep the project moving forward.

He encouraged everyone to complete the Community Needs Assessment, stating that community feedback was essential in shaping operational priorities. He reported having discussed this on KFSK Live earlier in the day, where he highlighted how community input had influenced key initiatives, such as the progress made in getting MRI services to the area.

He reported on the progress of bringing the revenue cycle in-house, noting that this had been a longstanding challenge. He expressed excitement about the development, emphasizing that it would help reduce Accounts Receivable (AR) days while improving overall efficiencies.

He noted that access to care remains a key priority moving forward and commended the clinic for its efforts in adjusting schedules to optimize provider time and improve access to care. He reported that the clinic has successfully maintained patient volumes and ensured that primary care visits remain readily available to patients.

Lastly, he reported that he has been actively working to recruit specialists. He has been consulting with orthopedic specialists in Anchorage and exploring options to reinstate scope clinic services. He also noted that he is exploring the possibility of

adding additional ENT services in town and is working on expanding specialty outpatient options moving forward.

CEO Hofstetter stated that the logo refresh project is nearing completion and requested J. Walker to provide an update on its progress.

J. Walker reported that PMC began the logo refresh project in September, with contributions from staff, managers, and a dedicated workgroup that included Board Member Lagoudakis—whose efforts were acknowledged with appreciation. The project involved collaboration with Element, an Alaska-based graphic design company, and local artist Grace Wolf. Notably, Grace originally designed PMC’s logo nearly 25 years ago as a high school student after winning a contest. She expressed excitement about the opportunity to update her work, noting her growth as an artist and PMC’s evolution over the years.

The project was closely aligned with the development of PMC’s new facility. The process included a staff survey, focus groups, and multiple design revisions. A key takeaway from the feedback was the importance of preserving the compass imagery and calming blue tones, both of which were modernized. Additionally, Grace incorporated a local landmark, Devil’s Thumb, into the design to symbolize PMC’s deep connection and commitment to the community.

Currently, PMC is working with managers to update documents and materials across the facility in preparation for the official launch of the new logo in March. J. Walker noted the extensive presence of logos throughout the organization and the efforts required for a smooth transition. The process has been well-received, and meeting attendees were encouraged to review the logo in the packet. J. Walker concluded by welcoming any questions.

Member Lagoudakis noted during their resource meeting that all feedback regarding the contractor was highly favorable, particularly in terms of their engagement with both the public and PMC.

D. Financials

J. McCormick provided written report.

Jason McCormick introduced auditor Shaun Johnson from DZA, a CPA firm based in Spokane, Washington.

Shaun Johnson thanked the group for the opportunity to present and introduced the annual audit report for the fiscal year ending June 30, 2024.

J. McCormick took a moment to express gratitude to everyone in the organization for their contributions to the audit process. He emphasized that an audit is essentially a financial review, comparable to a clinical survey, requiring participation from the entire organization. He noted that auditors examine board meeting minutes for the entire year, meaning the board’s role in setting standards and expectations significantly impacts the success of the audit.

He acknowledged the efforts of department managers and administration, particularly in purchasing, invoice coding, and adherence to policies and procedures, all of which contribute to strong financial practices. He highlighted the finance and accounting

team’s hard work, recognizing Jill, Matt, and others for ensuring accurate financial reporting, as well as Justin Wetzel for his invaluable assistance with grant processing and construction-related financial applications.

J. McCormick reported that the audit findings were very positive, with only one identified opportunity for improvement: the establishment of a formal set of accounting and finance policies and procedures. Work on this has already begun, and the policies will be in place within the next few months to address this recommendation before the next audit.

Reflecting on the organization’s financial progress, he noted that nearly two years ago, when he first arrived, PMC was relying heavily on reserve funds. The primary goal was to stabilize financial performance, and the audited financial statements confirm that this goal has been successfully met. He also pointed to strategic progress, including the construction of the new facility, which has been well managed both operationally and financially.

The audit confirms that all financial management and reporting have been conducted professionally and appropriately. J. McCormick emphasized that this reflects the organization’s integrity and commitment to transparency for the board, staff, and community. He concluded by thanking everyone for their dedication to the process.

J. McCormick reported on the December financials, highlighting the ongoing process of bringing the revenue cycle billing back in-house. He noted that, in the past, in-house billing was conducted without the advantage of a remote model. With the current approach, PMC can now hire experienced billers remotely, strengthening the existing team and improving overall billing operations.

E. Home Health

L. Holder provided written report.

Member Cushing expressed her satisfaction in seeing that the home health department is now fully staffed.

F. Human Resources

C. Newman provided written report.

C. Newman reported that PMC experiences a high level of employee transitions, including travelers and contracted staff.

She noted that Paylocity has been an excellent program and expressed satisfaction with its integration. Additionally, she highlighted the need for additional vehicles for PMC.

Member Cook asked if we have looked at the difference in getting newer cars vs fixing the older ones.

Newman responded that finance is looking into that due to our need for more vehicles.

Member Cushing commented that Statewide there is a need for rehab employees and there are jobs available for physical therapists, occupational therapists, and speech therapists.

8. Unfinished Business

None.

9. New Business

None.

10. Next Meeting

A. Currently scheduled for Thursday, February 27, 2025 at 5:30pm.

Board agrees next meeting will be as currently scheduled on Thursday, February 27, 2025 at 5:30pm and further agrees on a standing meeting to be held the last Thursday of the month going forward unless otherwise agreed.

11. Executive Session

A. By motion, the Board will enter into Executive Session to discuss financials, legal matters, and consider medical staff appointments/ reappointments.

Motion made by Board Member Roberts, Seconded by Board Member Lagoudakis. Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Roberts

Reconvened after Executive Session:

Motion made by Board Member Cushing to reappoint Alexander Schabel, MD Radiology, to medical staff, Seconded by Board Member Lagoudakis. Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Roberts

12. Adjournment

Motion made by Board Member Simbahon to adjourn, Seconded by Board Member Roberts.

Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Simbahon, Board Member Roberts

Meeting adjourned at 6:43pm.

AHHA Meeting and Legislative Fly-In Brief - Feb 4-7, 2025

With our CEO and our consultant and his staff, I attended the Alaska Hospital and Healthcare meeting on Feb. 5, and legislative briefings on Feb. 5 & 6. Along with meeting other healthcare professionals across the state and insurance representatives, AHHA attendees listened to presentations on a variety of healthcare challenges and some of the strategies for addressing them. Due to some of the President’s recent Executive Orders, this created a bit of uncertainty in how some things will be able to move forward, but for the most part that did not dominate the discussion.

Some of the topics covered in the AHHA meeting included the Patient Prior Authorization process to expedite access to care, a review of workforce issues and the impact to local communities--and it was noted there is a need to find 1400 registered nurses annually to meet demand, discussion on healthcare infrastructure and investment from various revenue streams, recommended advocacy for maintaining the "Certificate of Need" regulatory process that demonstrates local need for healthcare resources, advocacy for full funding of Medicaid, and multiple conversations regarding delayed discharge of patients due to inadequate post-hospitalization options for continued care, among other areas of concern.

One session also featured a panel of legislators who highlighted their particular concerns and focus areas regarding aspects of and access to healthcare.

Key points in our full schedule of meeting with legislators touched on AHHA’s priority items, but discussions were heavily weighted toward outlining our success thus far in planning for and beginning construction of our new hospital site and facility. The statewide budget deficit is foremost in everyone’s minds, however there may be some avenues for funding and moving on to the next phases of the project.

We also discussed the Kinderskog program with legislative staff, who were very interested in knowing some of the nuts and bolts of the program. We were able to provide financials and an overview of program certifications, highlight enrolled families who are served, review various other aspects of the program, and share some plans for the future, all of which were well-received.

During our visit with Senator Stedman, I also extended the invitation to tour the new hospital site and WERC building the next time he visits Petersburg.

Cindi Lagoudakis, PMC Board Vice-President



Petersburg Medical Center

Radiology Report February 2025

Workforce Wellness

Staffing remains comprised of three full time technologists with one position currently being filled by a contract technologist. This level of staffing allows employees to comfortably take PTO while the other two can cover with a little higher call hour volume while the third technologist is gone. All three technologists have been able to use PTO or have PTO scheduled. The full-time technologist position is still listed. We are also preparing to post a full-time MRI technologist position. While two technologists also prepare for MRI training as well.

Community Engagement

Two third-grade classrooms visited the department, where we explored our x-ray and CT equipment and examined x-ray images. We discussed bone health, the importance of bones, and the differences between technologists and radiologists. The kids asked great questions and were excited to be in the radiology rooms. We are planning to participate in both the school career fair and the PIA job fair.

Patient Centered Care

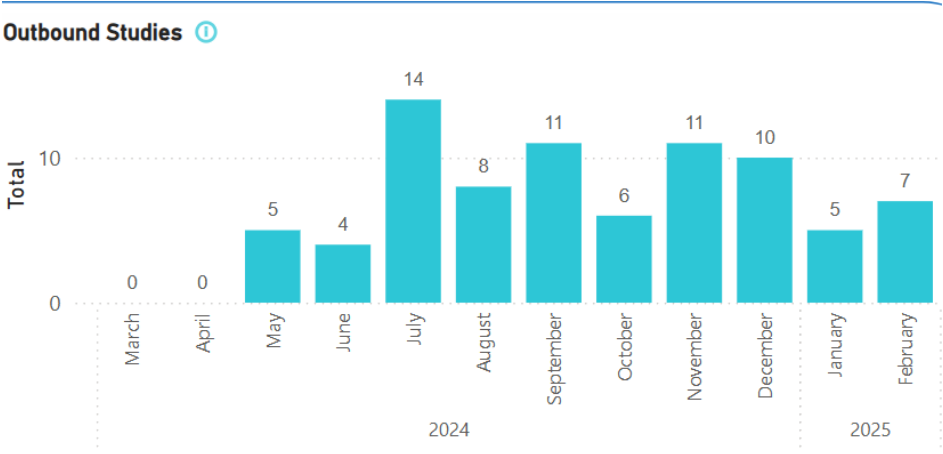
The mammography department went through the yearly MQSA inspection in August 2024. This inspection had one finding required an inspection response that was submitted to the FDA. After this response we received a passing inspection and the ability to continue mammograms.

- 2024 Mammography Medical Audit:
- Total Mammography Cases 273
- Total Screening Cases 252
- BiRad 0–Needs more imaging 20
- BiRad 1–Negative 129
- BiRad 2–Benign 120
- BiRad 3–Probably benign 4
- BiRad 4–Suspicious for malignancy 1

We started setting up Nuance powershare to electronically send images to other facilities in March and were really using it by May and by October we had already used our 200 study transfer limit. We saw how big of a help it was to our department as well as referrals and signed an agreement to become a Hub account. This allows us not to worry about study limits and will expand our ability to send and receive images. Here is a glimpse of where we have sent or received images from.



The graph below shows the number of studies sent to Juneau Bone and Joint, an orthopedic group that our physicians refer to regularly. Prior to powershare, every one of those outbound studies would have been a CD. A CD is made in the radiology department, then given to materials to be processed and brought up to the post office. The CD then must travel through the postal system to get to Juneau, make its way to the business then be placed in their mail system and brought to the referrals department in order for the patient to start the scheduling process. Now with powershare, it is done electronically thus making the whole process easier and quicker for both the patient and us as providers.



Facility

We are exploring a piece of equipment called Automated Breast Ultrasound (ABUS) which is a piece of equipment specifically designed for breast cancer screening in women with dense breasts as a supplement to mammography.

We also need to look at a replacement of equipment for performing ankle brachial index (ABI) exams. The one we currently have has stopped functioning properly. We are able to supplement with the regular ultrasound machine but this piece of equipment should be replaced.

Financial Wellness

Patient exam statistics remain consistent and gross patient revenues are on track.

Submitted by: Sonja Paul RT(R)(M)ARDMS



Petersburg Medical Center

Laboratory Report February 2025

Workforce Wellness

Staffing remains stable in the Laboratory. We continue to have a Medical Laboratory Scientist position open, as well as a Lab Assistant position.

One Lab Tech is nearing the end of her online program to become a 4-year Medical Laboratory Scientist. Another Lab Assistant has expressed interest in enrolling in the online program for the 2-year Medical Laboratory Technician degree. We hope the “grow our own” pathway for the Laboratory will ensure local, long-term sustainability for staffing.

Community Engagement

The Laboratory, along with other departments throughout PMC, will be represented at the Petersburg High School Career Fair on March 21st. We also hope Lab will be able to participate in the PIA Career Fair on March 28th. We are excited to share job options and career development opportunities within the Lab!

Patient Centered Care

The Point of Care Clinitek has been successfully interfaced in the Clinic. The interface allows all ten urine dipstick results to be automatically uploaded into the patient’s chart, rather than being entered one at a time by the Medical Assistants, allowing the MAs to be more efficient and return to patient care faster.

Facility

Lab received notification earlier this month that Abbott will stop manufacturing cartridges used to track heart failure in September of this year. As a result, Lab has identified a new platform to run cardiac labs which will be more efficient and even more sensitive than the current method used. The purchase and validation of the new tests will take place over the next few months.

Financial Wellness

In addition to streamlining the prior authorization process between Lab and Ancillary Registration so prior authorizations don’t become a barrier to our patients receiving care, HIM and Lab began having monthly meetings in October to review coding queries and prevent claim denials by insurance companies. The discussions have been extremely educational for both departments, and we hope it will allow both departments to stay a step ahead of changes to coding that affect reimbursement and keep out of pocket expenses for our patients as low as possible.

Submitted by: Violet Shimek, MLS (ASCP)^{CM}



Petersburg Medical Center

Long Term Care Report - February 2025

Workforce Wellness

Nursing:

0800 – 1700 Mon-Fri: 1 LTC DON

0600 – 1830: 1 staff nurse

1800 – 0630: 1 staff nurse

0600 – 1830: 2 CNA

1800 – 0630: 2 CNA

0800 – 2000: 1 CNA (M-F)

0800 – 2000: 2 CNA (Sat-Sun)

Activities Current Schedule:

Activities Coordinator: Monday-Friday (0800 – 1700)

Activities Aid: Monday – Friday (1100-1900)

Managers will cover during the shift and assist as needed to make sure that staff are getting time away from the floor to recharge. Floor shifts are usually 12.5 hours - staff who are working typically do not leave the facility. We encourage participating in the wellness opportunities that are available through the organization. We have had changes to our activities department which makes it difficult to staff on the weekend. Due to this, we have added CNA staff on the weekend.

Community Engagement

LTC welcomes visitors and families. Volunteers have been coming in to play music, bingo, sing to and with residents, read to residents, etc. Staff work with residents to get them out into the community as often as they would like. Some residents have been enjoying Bingocize, participating in sporting events, celebration of life gatherings, church of choice, etc. Kinder Skog continues to come once a month to do arts and crafts with residents. Pioneers of Alaska came to have an ice cream social this month.

Patient Centered Care

PMC LTC is currently in our survey window (December 2024 – June 2025). Surveyors can come at any time unannounced during this timeframe, or after if they are late. The previous survey results are below:

PMC LTC had Survey with federal oversight March 4th-8th. We received 5 tags on the survey.

Free from Unnecessary Psychotropic Meds/PRN Use F758 CFR(s): 483.45(c)(3)(e)(1)-(5).

Food in Form to Meet Individual Needs F805 CFR(s): 483.60(d)(3).

Payroll Based Journal F851 CFR(s): 483.70(q)(1)-(5).

Infection Prevention & Control F880 CFR(s): 483.80(a)(1)(2)(4)(e)(f)

7 AAC 10.900(b) Background Check N100

PMC LTC was put back into substantial compliance for the health side of the survey effective 4/25/24 after the health revisit.

The departments that touch LTC are all fantastic. Rehab, dietary, lab, physicians, etc. go above and beyond for the residents to make sure that they are happy, healthy, and cared for. Each resident has a specific plan in these areas. PMC truly delivers resident centered care. On Monday, Wednesday, and Friday we have a multidisciplinary meeting to discuss each resident and their needs/concerns/changes. Staff know the residents and are advocates for their care. It is not a one size fits all system in LTC.

Petersburg Medical Center Nursing home has a 5-Star rating on Nursing Home Compare as of January 29, 2025. Health inspection = 5/5 stars, Staffing = 4/5 stars, and Quality measures = 5/5 stars. This has improved since the last report where we had a 4-star rating.

Facility

When a need arises in LTC with residents we need to fix the problem and or purchase the appropriate equipment. For example, we cannot have a resident in a wheelchair if they exceed the weight limit. We then need to make sure that we have the appropriate equipment to care for our residents.

We have been working with Materials to come up with items that we will need in the near future that we can also move into a new facility such as beds, tables, chair, etc.

An issue that continues to come up with equipment is insurance coverage. It has become increasingly difficult to get custom Durable Medical Equipment (DME) for residents in LTC. Medicare/Medicaid will not pay for DME (custom wheelchairs) if the person resides in a nursing home. Regulation wise, we are required to provide appropriate and safe equipment for residents to safely get in and out of bed and spend time out of bed.

Due to the age of the building, there are no oxygen connections in the three rooms in the older part of LTC (212, 215, 216). If residents require oxygen in those rooms a concentrator is used. We were unable to move a resident into one of the larger single rooms due to there not being oxygen connections in those rooms.

There is a contractor coming this month to replace flooring in some bathrooms in LTC resident rooms.

PMC staff have been working to reduce clutter in areas and keep areas clean and tidy.

Financial Wellness

As of today, the LTC census is 13 residents. One resident discharged this month. There is an LTC level of care resident on this swing bed side that will be moving into LTC proper once the room is available. All residents have Medicaid. The average Medicaid wait time is 3-6 months. The nursing department currently has 4 CNA travelers and 6 RN travelers. When staff call out sick for a shift, managers look at the census and current staffing then decide if the shift should be filled. During high census times, this leads to an increase in overtime hours.

Submitted by: Helen Boggs, RN – LTC DON



Petersburg Medical Center

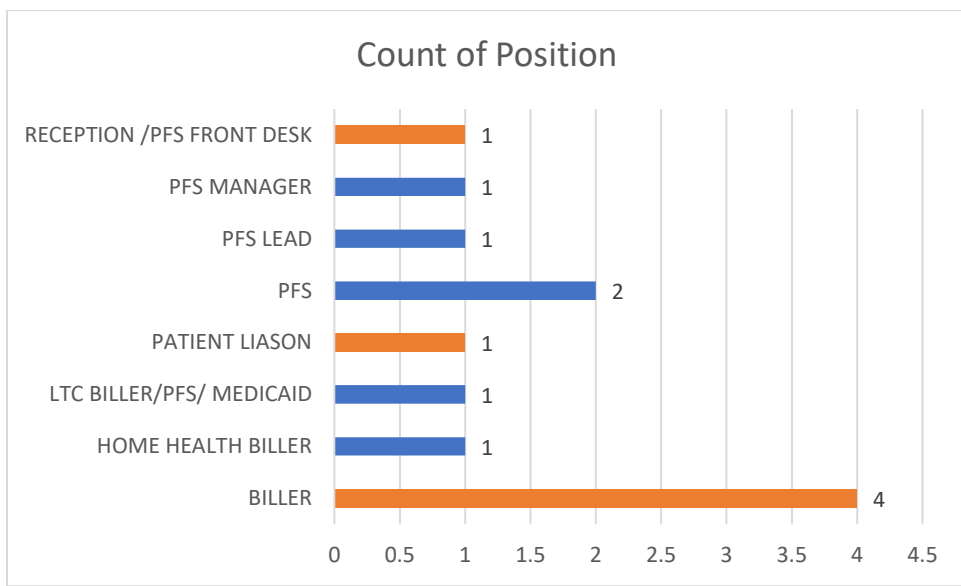
Patient Financial Services Report February 2025

Workforce Wellness

PFS (Patient Financial Services) focus has been the decision to bring our billing of claims in-house. In preparation, PFS has increased staffing by six new hires, bringing the total staff number in this department to 11. (One biller is a current Home Health staff) The new remote billers that have received their computers and training and are currently working aged AR in Cerner. In the next few weeks, PMC billers will start submitting new claims and Trubridge staff will work on aged AR.

The 4 new billing positions will cover: Medicare, AK Medicaid, Aetna/Commercial, and Blues/SEARHC/Gov't/WC claims.

I am feeling extremely optimistic about the PFS billing team we have created. Our billers have many years of experience between them and are working hard to learn our systems and processes. I am confident that the team will be ready to take over the claims management from our third-party billers, Trubridge, in March.



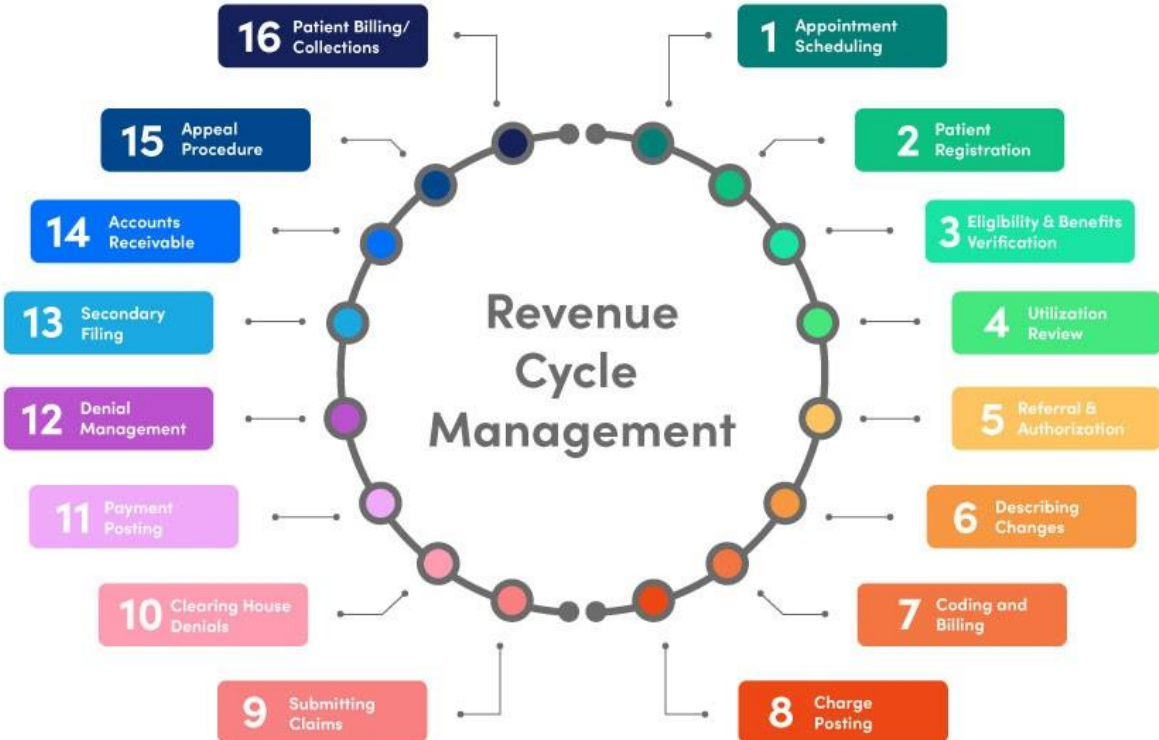
Status Key: **New** and **Current**

Community Engagement

Patient Financial Services interacts with the community daily, providing friendly and approachable support in navigating medical bills and payment plans. Our goal is to ensure clear communication and a positive experience while assisting patients with their financial needs. PFS participates in daily and weekly meetings within our department with remote billers and staff. We use these meetings to build policy and procedures that the team will use as we bring billing, posting, and self-pay follow up inhouse. Daily training with new hires is ongoing as we prepare for a seamless transition of duties.

One area of concentration is updating our Revenue Cycle policies. We will be meeting with each department manager as we work our way through each step of the cycle to discuss their current processes as pertains to information submitted on claims – registration, insurance, charges and coding. Our efforts to understand and build process is aimed at increasing our clean claim rate submitted to insurance. Our current clean claim rate average for the last 13 months, is 85% - industry standard is 95%. There are many pieces of Revenue Cycle,

owned by different departments, that affect whether a claim is submitted to insurance without issue. Our goal is to identify these issues, determine if they are caused by system or process, and correct them.



Clean Claims- Ensuring steps 1-9 in the Revenue Cycle are error free will have our clean claims process through insurance quickly and any patient responsibility will post to the statement in a timelier manner.

These trainings and transitions will equip our team to better serve our patients and community.

Patient Centered Care

Our team has attended demonstrations for potential updates to our patient registration and access. We are researching Digital Patient Engagement and how that could help both patients and staff. This would give patients digital access to schedule appointments, check-in, communicate, and pay. We plan to meet with IT and registration to discuss what our current system offers and if we are using it to its full potential.

Facility

PFS has been working closely with the HR and IT departments to set up new employees in our systems and provide the remote billers with laptops, hardware, and software that they will need to bill claims. PFS purchased a new printer for the office dedicated to printing claims that cannot be transmitted electronically to insurance. The remote billers have been using this daily as they work through the old AR and find claims to re-bill. PFS appreciates the department’s dedication and time they have committed to help get the in-house billing project off the ground.

For the first time in over 4 years the PFS desks in our office will all be occupied! IT has been working on the spaces to get them ready for the staff that will be starting in March in the Patient Liaison position. This position

is responsible for self – pay follow up with patients. Staff will reach out to patients with past due balances to offer interest-free pay plans, financial assistance applications, and help with Medicaid applications.

Financial Wellness

The PFS team has been participating in training for billing, posting, and follow up to cross train our staff for coverage when staff has PTO or Sick Leave. We are a stronger team when we all have the knowledge to support each other and the ability to work as needed, where needed.

We continue to monitor the high AR and our new billing team is working to help alleviate these high numbers by working the aged AR – some encounters identified as too old to bill (most insurance will not accept claims over a year from date of service)- these need to be adjusted off the AR. Other encounters have issues in which billers are resolving and rebilling. We see the number of issues in our Work Queues going down, and the number of claims submitted going up. This means potential revenue for PMC.

PFS has signed a contract with Physicians Angels, a remote company that supplies support in all areas of the Revenue Cycle. These remote workers will be available to us as we bring the claims billing and follow up in-house. The Physicians Angels team is trained in billing, posting, self-pay, coding, and other revenue cycle functions, and can assist us with the conversion to in-house processes, if needed. This is our safety net for any unforeseen issues that may occur at conversion.

Submitted by: Carrie Lantiegne



Petersburg Medical Center



Construction Report – February 2025

Sitework

Sitework is currently paused for winter months but will start up again in March, and that activity will continue through the end of April. This will include final grading, landscaping, pouring concrete sidewalks, and a service driveway. Other exterior improvements will be done during this same time and should all be completed by May 1st or sooner.

WERC Building

The additional layer of exterior clad Rockwool insulation is nearly completed, and the metal siding has been started. The interior of the building is progressing very quickly. The casework is nearly complete, acoustical ceiling grid has been installed to include laying in tiles where they can be completed. Otis has mobilized to the project site and has started installation of the elevator which should be complete by the end of March. Electrical and Communication rooms have flooring installed to be able to install communication racks and run data throughout.

The MRI Addition steel structure has arrived in Petersburg and installation is scheduled for the first week of March or sooner. ETS Lindgren will soon begin to fabricate the RF Copper shield offsite for installation in May alongside the parts of the addition after framing is completed. The Siemens SOU chiller units and Power Conditioner are also scheduled to arrive in May, followed by the magnet in June, and should allow for the calibration and testing to be completed by July 1.

New Hospital Design

Further design progress is on hold pending grant funding. The Phase 5 wetlands permit is currently under review, approval can take 3-4 months and should have approval by May of this year.

Upcoming Construction Activities (2-month look ahead)

- March – Exterior siding, Exterior concrete surfaces, Flooring, Fire Alarm, Mechanical and Electrical trim, MRI Addition steel and framing.
- April – Landscaping, Final grading, Interior Finishes, Testing, and Commissioning. MRI Addition siding and MEP rough-in installation, prep for RF Shield.

Budget

- WERC budget – \$22.7M
 - CCPF Treasury Grant – \$20M
 - HRSA Grant – \$2.7M
- Hospital Sitework & Design Budget up to 35% – \$5.3 M
 - HRSA Grant – \$5.3 M

Submitted by: Justin Wetzel – Arcadis Project Manager

Elevator & Casework Installation



Exterior Clad – Rockwool Insulation and Metal Siding





Petersburg Medical Center

Quality Report February 2025

Workforce Wellness

The upcoming Employee forum planned for February 27th & 28th will be an excellent opportunity for employee engagement and knowledge sharing.

Alaska Hospital & Healthcare Association will be hosting a Quality Summit on April 8th in Anchorage which will provide an opportunity for learning and collaborating with Alaska leaders in healthcare quality and safety.

Community Engagement

Community Health Needs Assessment- Survey is now closed. The work group will be analyzing data and producing draft content over the next month. The final publication scheduled for May 2025 will include an implementation/action plan for community identified priorities and will help guide targeted efforts for improvement.

Patient Centered Care

The Home Health department quality meeting this month provided focused time to review quality measures, incidents, and processes. This team effort is a proactive approach to improving departmental processes, documentation, communication and ultimately the care provided to the community. This month's focus was on patient care planning and addressing risks for hospitalization.

Collaboration initiated to bring additional quality measure reporting data to the Quality Committee for timely review. These include measures reported through the Medicare Beneficiary Quality Improvement Project.

Facility

February meetings include both LTC Quality & Infection Prevention & Control Committee (IPCC.) IPCC has been moved to a quarterly schedule.

Two representatives from the Occupation Safety and Health Administration (OSHA) visited PMC on February 13th. This requested visit was consultative and cooperative in nature rather than focused on enforcement. A full site walk through was performed. They were very complimentary of the employee protections in place and expressed praise to Wolf Brooks for his level of knowledge and management of facility operations.

Financial Wellness

The home health department continues to allocate duties and cross-train to maximize flexibility and availability of staff for patient care. The department is now fully staffed and will no longer be utilizing travel nursing services, which will be a cost savings.

Submitted by: Stephanie Romine, RN



Petersburg Medical Center

Infection Prevention Report February 2025

Workforce Wellness

I am settling into my job as Infection Preventionist, working alone. I am able to contact the *Alaska Infection Prevention Network* for assistance as problems arise that I do not know the answer to. This has been very helpful.

Community Engagement

There have been numerous collaborations between my department and others. Recently I worked with EVS, Radiology, Nursing and others to prepare for our OSHA visit. We were able to help each other and prepare our entire facility for the visit.

Patient Centered Care

By continuing to decrease clutter in the facility and encourage best practices of clean workspaces and cleanliness, we have created a better environment in which to care for our patients. This also provides them with a higher quality of care.

Facility

While there is no plan for new equipment in my department, I would like to continue utilizing Safety Culture to conduct audits. I will also be encouraging other departments to use the audit forms on Safety Culture to ensure we are providing quality care in a clean, safe environment.

Financial Wellness

I will continue to work with the tools that have already been provided to me and do not foresee any changes in the immediate future for this.

Submitted by: Rachel Kandoll, Infection Preventionist, RN



Petersburg Medical Center

PMC CEO Board Report February 2025

Mission Statement: Excellence in healthcare services and the promotion of wellness in our community. **Guiding Values:** Dignity, Integrity, Professionalism, Teamwork, Quality

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

- Jan 27th- Borough Assembly/Hospital Board Work Session
- Jan 30th-KFSK Live
- Jan 30th- Hospital Board Meeting
- Feb 3rd- Reported out at noon Borough Assembly meeting
- Feb 4th -6th-Legislative Fly In-



Legislator Meetings for Petersburg Medical Center
At the Capitol Building, Juneau

Thursday, February 6th

- 11:00am, Sen. Hoffman – Rm. 518**
State Senate, District 5 (Bristol Bay/Aleutians/Kuspuq)
- 11:30am, Sen. Stedman – Rm. 516**
State Senate, District A (Southeast)
- 12:15pm, Rep. Zack Fields – Rm. 24**
House of Representative, District 17 (Anchorage)
- 2:50pm, Rep. Rebecca Himschoot – Rm. 411**
House of Representatives, District 2 (Southeast)
- 3:45pm, Rep. Calvin Schrage staffer Erik Gunderson – Rm. 410**
Rep. Schrage, House of Representatives, District 12 (Anchorage)
Erik is the staffer responsible for coordinating the Capital Budget on the house side

*We will drop by Sen. Gary Steven’s office (staffer is Jenny Martin) Rm. 111.



- Scheduled meetings with:
 - Senator Hoffman- Senate Finance Committee co-chair operating budget
 - Senator Stedman- (our senator) Senate Finance committee co-chair Capital Budget
 - Representative Zach Fields- representative Anchorage area focused on childcare.
 - Representative Himschoot- our regional representative.
 - Representative Calvin Schrage- House Chair of Finance.
- Valuable conversations with senator Gary Steven’s office, Senator Gray-Jackson, Commissioner Crum, Commissioner Hedberg, and Senator Dunbar. Each legislator has a unique focus, which I gained insight into through these discussions.
- Mainly focused on capital funding. Unlike operating budgets, capital budgets are seen as long-term investments that drive economic growth. This is something I strongly believe in, and our community will experience firsthand the benefits of such investments.

- Feb 3rd – Youth Program Advisory Committee
- Feb 7th- Community Needs Assessment Survey ended.
- Feb 10th- Free blood pressure checks at Hammer & Wikan Grocery Store from 11am-1pm

*Love your heart,
check your blood pressure*



Petersburg Medical Center will be offering FREE blood pressure checks


HEALTHY COMMUNITY SERIES

Monday, February 10th
Hammer & Wikan Grocery Store
11:00am - 1:00pm

- Community Needs Assessment survey ended 2/7/25. This survey gathers input from the community on health status, needs, resources and more.
- Feb 21st and 22nd- Wild and Scenic Film Festival (a fundraiser for PMC youth programs- Kinder Skog & Orca Camps)

PRESENTED BY PETERSBURG MEDICAL CENTER YOUTH PROGRAMS - Kinder Skog & ORCA Camps

WILD & SCENIC FILM FESTIVAL
 where activism gets inspired



Brilliance French

"Wonderful Wildlife" 02.21.2025 @ 8:30-8:30pm
 "Wild Child" 02.22.2025 @ 8:30-4:30pm

Petersburg, Alaska

Tickets available at Lee's Clothing beginning Feb 3rd.
 \$20 Friday Night
 \$10 Saturday Matinee

a benefit to support PMC Youth Programs youth enrichment opportunities

Logos for Earthjustice, hmi Tangled Bank Studios, American Rivers, and nia Impact Capital.

- Feb 27th- The first of the four sessions of Asset Protection Planning & Long Term Medicaid offered



Planning for long-term care is an understandably difficult subject to tackle, and many people don't know where to start. That's why PMC is providing information on protecting your assets and navigating the complexities of Long Term Care Medicaid. This session will be offered four times - attend the one that works best for you!

**FREE INFORMATIONAL SESSIONS
at the PMC Dorothy Ingle Conference Room**

- Thurs. 02/27 at 5:30-7:00pm
- Sat. 03/01 at 3:00-4:30pm
- Fri. 03/07 at 5:30-7:00pm
- Sat. 03/08 at 3:00-4:30pm



Hosted by Petersburg Medical Center
FOR MORE INFO:
907-531-5857 or bboggs@pmc-health.org

- Feb 27th-Hospital Board Meeting

Financial Wellness: Goal: To achieve financial stability and sustainability for the hospital.
FY23 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:** Accounts Receivables (AR) continue to hover around 80-86 days and is essentially unchanged. The revenue cycle team is now working on its transition to bring this process in-house. We are very excited to move away from outsourced billing. Our goal is to improve this metric with a target of 55 days and provide a higher level of timely billing. (See attached Patient Financials Report with excellent detail)
- Grants: See attached grants report.
- Budget preparation for the next FY26 will begin in the next two months.

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 the update on the new facility and we continue to be on track and on budget for the WERC building. Transition planning with the departments that will move will continue monthly until the move date next summer/fall.
- Design completed for MRI contract was signed and Certificate of Need application will be submitted. Foundation to be poured for the MRI addition to be completed.
- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab. Photos are updated on social media every Friday afternoon.
- Tour of the Sites: As mentioned above guided tours are adjusted to 1x per month, sign-up available on PMC website. January’s tour was well attended, and the next scheduled site tour was held February 21st at noon.
- Transition planning will begin for those departments that will be occupying the space and what occurs with the space in the current facility when it is unoccupied.
- Please see updated PMC building project update attached.

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

- PMC welcomes Sarah Larson, Patient Financial Services Representative to the team!
- Feb 5th- Physician Lunch
- Feb 5th-AHHA site visit on their way to legislative Fly-In



- Feb 12th-Medstaff
- Feb 13th-OSHA consultation visit-employee safety
- February 14th. we recognized our amazing staff that have reached 10,15,20,25, and 30 years of service at PMC.



- Feb 20th- CEO Office Hours, “Coffee with Phil”, each month gives an opportunity for all PMC staff to meet with CEO to share ideas.
- Feb 21st Manager Meeting
- Feb 27th and 28th -Employee Forums (three sessions)



- Employee engagement internal newsletter this month recognizes Pride in Food service the week of Feb 3rd-7th. We have an amazing team of food and nutritional professionals. Our food service provides meals and snacks for our hospital and long term care and even hosts lunch for the Home Health Cedar Social Club four days per week. Our team also provides breakfast, lunch, and dinner for Mountain View Manor residents on the weekends. Their commitment to excellence is admirable and appreciated.



Back row: Diane, Hanna, Jean, Debbie, Mason, Jennifer, Donnalyn, Tammy, Russel. Front row: Mackenson, Jeanette

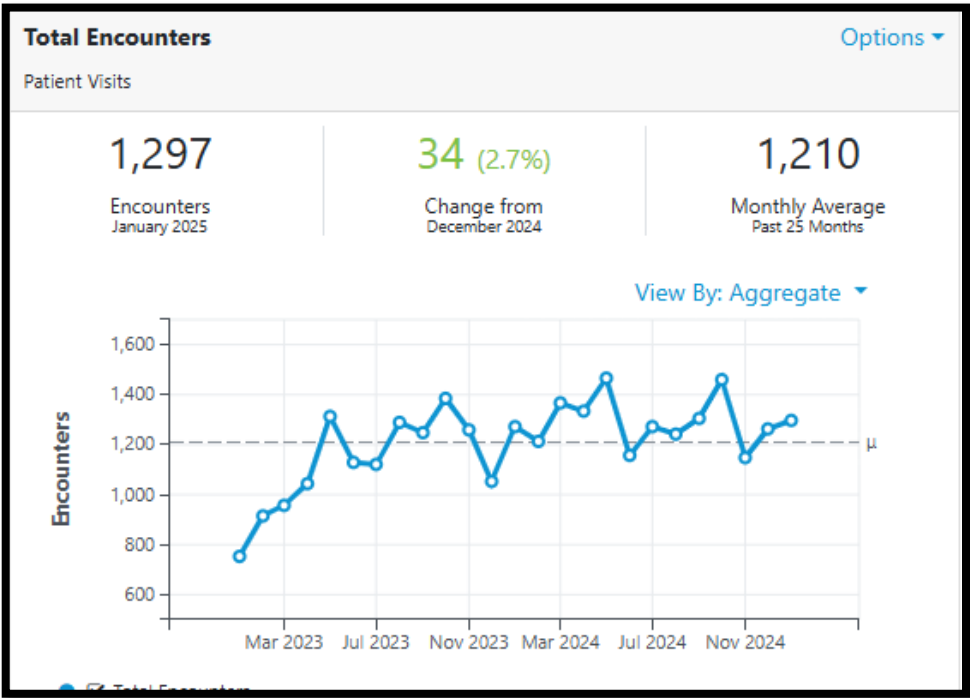


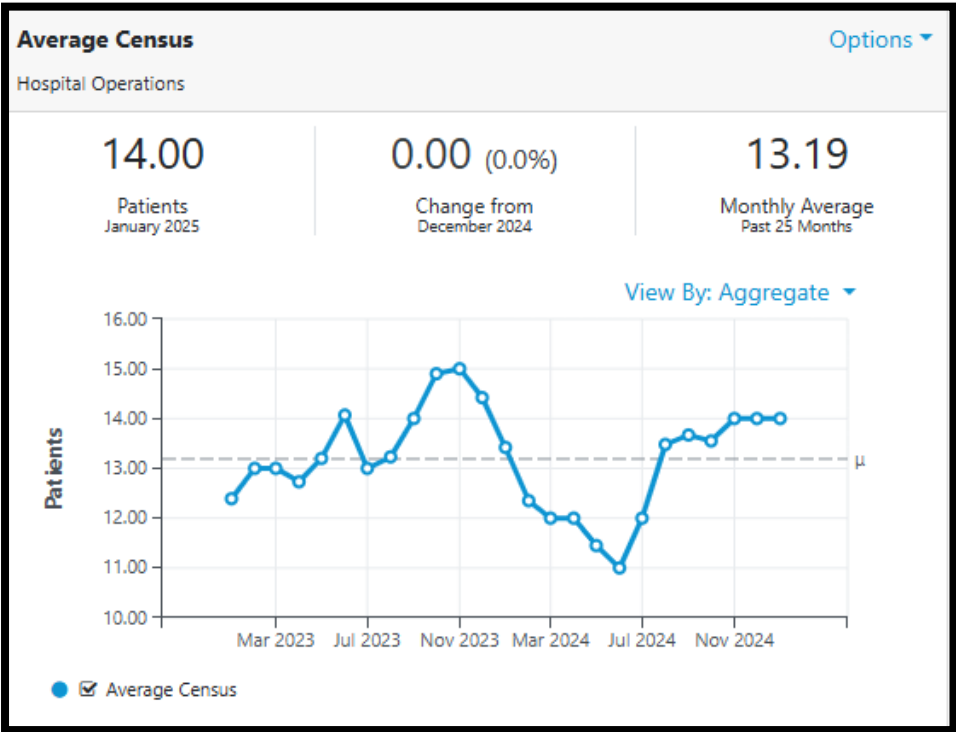
Cheryl, Jeanette, Diane

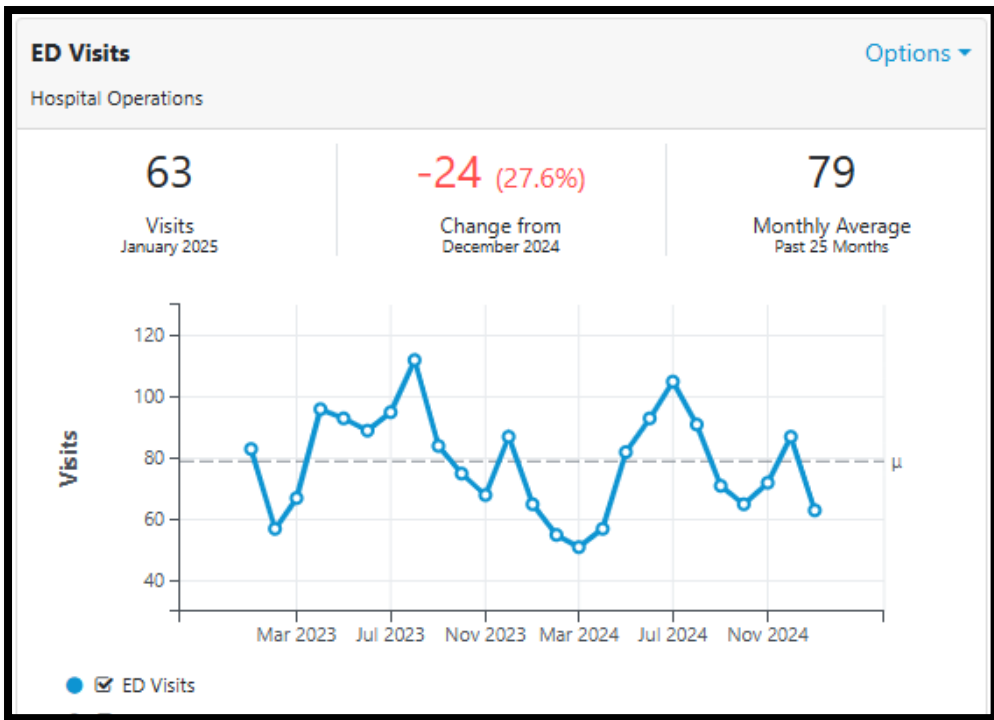
Access to care:

- Optometrist, Kamey Kapp saw patients in specialty clinic end of January/early Feb and will be back end of March/early April, scheduling and accepting referrals.
- Dermatologist, Cameron French planning to see patients in May in regular clinic, accepting referrals.
- Audiology ongoing in specialty clinic and accepting referrals
- Psychiatry services are ongoing via telehealth and accepting referrals
- Clinic: Remains fully staffed with 4 physicians and 2 mid-level practitioners. Average First Available Wait Time is 9.5 business days. Average Third Available Wait Time is 12.33, with acute care availability day of.

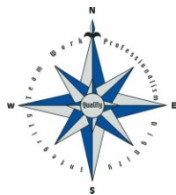
Clinic-







Submitted by: Phil Hofstetter, CEO



Petersburg Medical Center

FISCAL YEAR 2025 GRANTS

Updated February 17, 2025

4 Pending Grant Requests: \$3,370,000

- ◆ **AK Community Foundation Camps Initiative**
Community Wellness-developed funding request supporting Summer 2025 ORCA Camps.
1 Year | **\$20,000** (total single award)
- ◆ **HRSA Rural Health Network Development Planning Program**
Planning project with Alaska’s other independent CAHs to improve rural health access & efficiency.
1 Year | **\$100,000** total requested – *Decision anticipated by September 2025*
- ◆ **Rasmuson Foundation Community Support Grant**
Wellness, Education, & Resource Center MRI Suite addition construction costs.
1 Award | **\$250,000** total requested – *Decision anticipated February 2025*
- ◆ **Senate Appropriations Congressionally Directed Funds (Sen. Murkowski) – FY24, STILL PENDING**
New Medical Center & Long-Term Care facility remaining costs through Phase 3.
1 Award | **\$3,000,000** total requested – *Decision now anticipated Spring 2025*

2 New Health Campus Grants Operating in FY25 \$28,000,000

- ◆ **HRSA Congressionally Directed Spending: Community Project**
Contributes to New Medical Center & Long-Term Care facility sitework and construction costs.
Year 3 of 3 | **\$8,000,000** (total single award)
Project housed in: Finance
- ◆ **US Department of Treasury Coronavirus Capital Projects Fund Grant**
Constructs a 19,000 square foot Wellness, Education, and Resource Center (WERC) building adjacent to the New Medical Center & Long-Term Care facility, which will include program space enabling community work, education and health monitoring.
Year 3 of 6 | **\$20,000,000** (total single award)
Project housed in: Finance

9 Program & Personnel* Grants Operating in FY25 \$780,296

FY25 grant contributions to PMC’s Admin & Finance costs: \$62,980

* FY25 grants are currently funding 4.80 FTE in staff time across 15 PMC roles

FISCAL YEAR 2025 GRANTS

Updated February 17, 2025

- ◆ **AK Community Foundation Summer ORCA Camps – COMPLETE**
Launched PMC's first overnight camp experience / specialized kayaking camp for older youth.
1 Year | \$20,000 (total single award)

- ◆ **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 members with Home Health / other PMC services.
Year 2 of 4 | \$147,076 in FY25
Currently funding: 1.1 FTE in Community Wellness & Home Health staff positions

- ◆ **AHHA Facility-Led Workforce Initiative Funding**
Provides financial support for Community Wellness youth programs, specifically expansion of summer camps, and behavioral health and wellness supports for PMC personnel.
Year 2 of 2 | \$52,992 in FY25
Currently funding: 0.1 FTE in Behavioral Health staff

- ◆ **HRSA Rural Community Opioid Response Project – Overdose Response**
No-Cost Extension (NCE) of FY24 project establishing PMC's telepsychiatry access pilot program.
Year 2 of 2 | \$65,000 in FY25
Currently funding: 0.2 FTE personnel in Behavioral Health staff / Contracted telepsychiatrist

- ◆ **SBHA School-Based Health Services Grant**
Partnership to provide School Nurse & Behavioral Health supports for PCSD K-12 students.
* This grant was expanded by an additional \$17k in January 2025 after PMC & District advocacy
1 Year | *\$104,116
Currently funding: 1.15 FTE across 3 positions in Primary Care / BH; \$8,752 in PMC indirect costs.

- ◆ **State Health Dept. Adult Day Services Grant**
Support for Cedar Social Club staffing and over \$33K per year in scholarships for participants.
Year 1 of 3 | \$149,855 in FY25
Currently funding: 0.9 FTE across 3 positions in Home Health; \$19,546 in PMC indirect costs

- ◆ **State Health Department Community-Based Tobacco Prevention & Control Grant**
Implements the evidence-based Million Hearts® Change Package for Tobacco Cessation in the PMC health care systems change, by making tobacco cessation a practice and system priority and creating a supportive environment for cessation.
Year 2 of 3 | \$145,000 in FY25
Currently funding: 0.7 FTE across 2 positions in Community Wellness; \$18,913 in PMC indirect costs

- ◆ **State Health Dept. Hospital Preparedness Program – COMPLETE**
Purchased two radio base stations; four mobile handheld radios for emergency preparedness/drills.
1 Year | \$14,664.28 (total single award)

- ◆ **State Health Dept. Opioid Settlement Funds Grant**
Sustaining telepsychiatry access pilot program established by PMC's 2023 HRSA grant.
Year 1 of 3 | \$142,828 in FY25
Currently funding: 0.9 FTE across 3 positions BH & Grants Director; \$18,630 in PMC indirect costs.

Submitted by: Katie McKay Bryson, Director of Grants, Planning & Evaluation

New Petersburg Medical Center & Long Term Care Building

Project Update



February 2025

The new medical center will comprise two separate buildings: a 19,000sf Wellness, Education & Resource Center (WERC) that will house Public Health Nursing, community workforce training rooms, a public internet center, the Borough's first MRI suite, and Community Wellness programs; and the main 59,000sf hospital building. The main hospital will include 12 acute care beds; 16 Long Term Care beds; an Emergency Room; Primary Care Clinic; Physical Therapy; and ancillary support services such as Lab, Imaging, and Pharmacy.

KEY REASONS TO SUPPORT THE FACILITY

- Healthcare is the number one economic driver in Alaska for both employment and wages.
- The new medical center will employ more than 175 staff and provide an on-site nurse training program to boost the economy and combat outmigration
- The current hospital building is obsolete and unable to meet modern health care requirements. A new hospital ensures PMC's capacity to meet the Borough's healthcare needs into the future.
- PMC is a designated Critical Access Hospital which allows for a cost-based reimbursement structure through the Medicaid and Medicare system (i.e. including depreciation).
- A new facility supports the long-term financial position of the hospital. PMC will not require additional funding for operations and maintenance costs at the new facility.

PMC WELLNESS, EDUCATION & RESOURCE CENTER UPDATE

We're thrilled to share that the new WERC building continues to stay on track and on budget!

Here's a quick look at our exciting progress this year:

MRI Addition:
Residents of the Borough currently bear the cost of air travel to access MRI services. The new MRI suite changes that. Design is complete, and the foundation will be poured soon.

Site Preparation:
Site prep for the full 4.9 acres of wetlands permitting is complete. Permitting for the northeast corner expansion has been submitted.

WERC Building—Grand Opening Fall 2025!
Construction is 65% complete. More than 2/3 of WERC capital project funds are cycling directly into Alaska's economy: \$14.3 million+ for Alaskans' jobs and businesses.



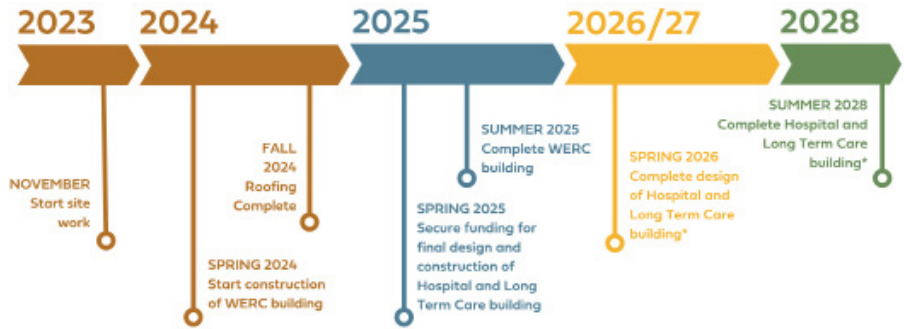
Learn more about the project:
www.pmcak.org/new-building.html



PROGRESS TO DATE

- May 2021:** Borough Resolution 2021-04 donates land, supports phased construction and getting the project shovel ready
- August 2022:** Awarded \$8M HRSA CDS through Sen. Murkowski
- December 2023:** Awarded \$20M U.S. Dept. of the Treasury grant for WERC
- February 2024:** Start construction on WERC building
- January 2025:** Borough approves 2025 Capital Projects and Federal Priority Projects. This project is #1 priority capital project for the 3rd year in a row.

NEXT STEPS



*Main hospital construction start and completion dates may shift up to 1 year depending on procurement methods.

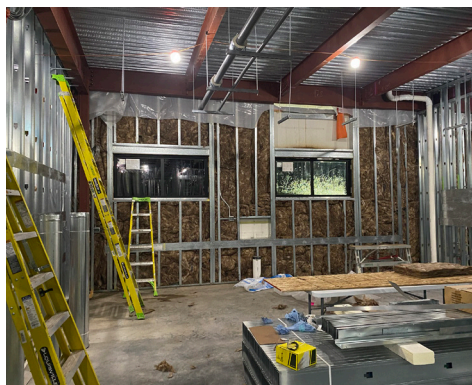
WELLNESS, EDUCATION & RESOURCE CENTER PROGRESS



HOSPITAL AND WERC SITE PLAN UPDATE



PMC WELLNESS, EDUCATION & RESOURCE CENTER CONSTRUCTION PROGRESS PHOTOS



December 17, 2024

Governor Mike Dunleavy
Office of the Governor
P.O. Box 110001
Juneau, AK 99811-0001

RE: Priority Capital Projects to Modernize Community Health Infrastructure

Dear Governor Dunleavy,

For over seventy years, the Alaska Hospital & Healthcare Association (AHHA) has served as a non-profit trade association representing and supporting Alaska's hospitals, nursing homes, and a growing number of healthcare partners across the continuum of care. Our members play an invaluable role – both as community care providers and essential employers – in cities, towns, and villages across Alaska.

Healthcare is the state's largest economic sector, representing 13% of all Alaska's workforce earnings, and our contribution to state GDP has risen steadily for over 20 years. Particularly in rural and remote Alaskan communities, AHHA members navigate unique challenges and opportunities in their vital and rewarding work – but they do so with significant variance in their access to resources for necessary capital improvements.

Ensuring that all Alaskan communities have access to modern, compliant healthcare facilities is critical for the future health and economic strength of our state.

A healthcare system's functionality is intrinsically tied to the effective maintenance of healthcare facilities and operations. Investing in community healthcare facilities has an exponential impact, as the funds are used to employ Alaskans from construction to wiring and plumbing to the delivery of services within finished walls. These projects, once completed, continue to support the diversification of our regional economies. They provide access to quality healthcare that is vital both to recruiting qualified professionals and to ensuring Alaskans can raise families in the places they were born. They stem financial hardship for rural Alaskans who too often must travel to urban communities to access even preventative and diagnostic care.

In anticipation of the upcoming legislative budget development process, AHHA queried our membership about Alaska's shovel-ready healthcare infrastructure projects with strong community support. I wish to highlight three of these projects, all of which are located at independent, non-profit Critical Access Hospitals with no system affiliation or outside ownership, of which only three remain in Alaska.

Critical Access Hospitals improve access to healthcare by keeping essential services in rural communities. With the rural communities they serve hit particularly hard by inflation and cost volatility over the past five years, Alaska’s independent Critical Access Hospitals serving the Southern Kenai Peninsula, Petersburg Borough, and Cordova have faced uphill battles in their efforts to fully fund capital projects for urgently needed local healthcare improvements. Each entity has secured a portion of project costs through in-kind and grant dollars and can furnish a prospectus detailing these investments.

The three capital projects described in the attached summary will deliver access to comprehensive quality healthcare our rural communities deserve, in addition to fueling the vital economic and employment engine of local ownership. A one-time capital investment in otherwise self-sustaining entities with no need for further State operational funds, these projects have the power to exponentially impact employment – including long-term recruitment and retention – at the community level.

Thank you for your time and attention to these vital healthcare capital projects. Your championship of rural Alaskans’ health and economic vitality is deeply appreciated by AHHA and our member providers. We look forward to working with you and your team in the next legislative session and in the coming years ahead.

Sincerely,



Jared C. Kosin, JD, MBA
President & CEO
Alaska Hospital & Healthcare Association

CC: Heidi Hedberg, Commissioner, Alaska Department of Health
Ryan Smith, CEO, South Peninsula Hospital
Phil Hofstetter, CEO, Petersburg Medical Center
Hannah Sanders, CEO, Cordova Community Medical Center

Community-Owned Critical Access Hospital Capital Project Summaries

South Peninsula Hospital (SPH) is a 501(c)(3) non-profit Critical Access Hospital in Homer. Serving a population of about 15,000, which substantially swells during the summer, SPH is the only hospital on the southern Kenai Peninsula, a region with 16 disparate communities spread out over 100 miles. In addition to the hospital, SPH operates two primary care clinics, a home health program, a 28-bed nursing facility, and numerous specialty clinics. SPH is the area's largest employer, contributing more than \$50,000,000 annually into the local economy in payroll alone.

Despite being a dynamic healthcare leader in the region, much of the hospital's infrastructure is aging-with the main part of the facility coming in at nearly 50 years old. A 2024 facility assessment by Architects Alaska highlighted key areas of critical capital infrastructure repairs and replacements needed to address failing mechanical systems, code requirements, energy inefficiencies, and patient and staff health and safety concerns. These include replacement of existing air handlers, HVAC equipment, power systems, and plumbing and hydronic systems; major roof upgrades; elevator and electrical systems upgrades and replacements; generator and boiler plant upgrades and relocation; and improvements to parking and patient access.

SPH has secured \$5 million in federal funding to help defray the cost of key building systems upgrades according to a renovation plan developed by Architects Alaska.

SPH is working to secure \$25 million from private and federal sources, supporting immediate work on key infrastructure improvements that will enable the organization to continue offering high quality care to our regional population, now and into the future.

Petersburg Medical Center (PMC) is an independent non-profit Critical Access Hospital and Long Term Care facility serving Petersburg Borough and other remote communities in Southeast Alaska since 1917. The region is a HRSA-designated Health Professional Shortage Area and home to one of the nation's fastest growing senior populations. In 2015, the existing hospital was assessed by an architecture/engineering team and found to be well beyond useful life. Building 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. Functional improvements are needed to comply with current guidelines on infection control, patient safety, patient privacy, food service, and sanitation.

A 2020 Master Plan completed by NAC Architecture recommended that PMC construct a replacement hospital and the community has dedicated itself to achieving that goal, which has continuously been listed as the Borough's first priority. The New Petersburg Medical Center and Long Term Care Facility will comprise separate buildings built in phases. Pending a secured final funding stack, PMC stands ready to construct a 59,000-square foot main hospital building and Long Term Care center with Emergency Room, Primary Care Clinic, Physical Therapy, Lab, Imaging, and Pharmacy, among other ancillary services. The updated health care 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.

PMC has secured \$28 million in federal funding toward the health campus to date, in addition to \$1.3 million in property donated by the Borough. The Wellness, Education & Resource Center, on track to open to the community in 2025, will cycle an estimated 63% of the capital project funds invested in its design, construction, and furnishing into Alaska's economy: over \$14.3 million to Alaskan businesses and Alaskans' jobs. The project's next and final phase, construction of the new hospital and Long Term Care facility, is anticipated to triple these hiring numbers.

PMC is working to secure the remaining \$67 million needed to complete the final phase of hospital / Long Term Care construction, through market, governmental, and philanthropic sources. With the first building on track to open in 2025, PMC's goal is to move directly into the next construction phase, thereby reducing costs and inefficiencies common for rural / remote infrastructure projects.

Cordova Community Medical Center (CCMC) is an independent 13-bed Critical Access Hospital with a 10 bed Long Term Care facility, owned by the City of Cordova. Originally founded in 1937, CCMC provides a range of essential services including emergency care, primary care, specialty clinics, and more, tailored to meet the needs of the remote community it serves.

In December 2019, an engineering condition report was completed for repair of CCMC facilities. The study revealed that the facility has exceeded its useful life and requires extensive upgrades to meet modern healthcare standards. Critical deficiencies were identified in structural integrity, plumbing, electrical, and HVAC systems, many of which are no longer serviceable. Since the time of the initial assessment, inflation and other cost increases have significantly changed the projected cost, emphasizing an urgent need for timely action to address these essential facility improvements and ensure continued delivery of quality healthcare services to our community.

CCMH is working to secure \$25 million in order to move forward with the needed design and comprehensive renovation work, including \$9.5 million which will be used to immediately address critical deficiencies in the facility during continued planning and construction phases. The city of Cordova is appropriating \$200-300k per year in support of the needed capital improvements.

PETERSBURG MEDICAL CENTER

FINANCIAL REPORTING PACKAGE

For the month ended January 31, 2025

PETERSBURG MEDICAL CENTER
Balance Sheet
Jan, 2025

ASSETS	Jan 2025	Dec 2024	June 2024	Jan 2024	LIABILITIES & FUND BALANCE	Jan 2025	Dec 2024	June 2024	Jan 2024
Current Assets:					Current Liabilities:				
1. Cash	2,460,605	1,465,964	356,249	447,695	23. Accounts Payable - Trade	\$1,062,046	\$1,263,904	\$3,255,927	\$2,615,905
2. Cash - insurance advances	0	0	0	0	24. Accounts Payable - New Facility	1,843,691	1,379,288	0	0
3. Investments	1,077,986	1,075,014	1,057,873	47,441	25. Accrued Payroll	434,644	330,050	240,920	322,046
4. Total cash	3,538,591	2,540,977	1,414,122	495,136	26. Payroll taxes and other payables	825,695	624,475	236,514	195,960
5. Patient receivables	7,280,802	7,476,712	6,821,298	5,902,385	27. Accrued PTO and extended sick	1,062,460	1,133,836	1,018,401	1,010,446
6. Allowance for contractals & bad debt	(2,752,457)	(2,686,494)	(2,363,151)	(1,745,685)	28. Deferred revenue	84,861	91,533	152,525	107,606
7. Net patient receivables	4,528,345	4,790,217	4,458,147	4,156,700	29. Due to Medicare	1,393,548	1,393,548	160,798	(398,008)
8. Other receivables	1,418,422	1,522,114	2,231,342	1,368,495	30. Due to Medicare - Advance	0	0	0	0
9. Inventories	351,486	359,365	319,404	324,048	31. Due to Blue Cross - Advance	0	0	0	0
10. Prepaid Expenses	222,333	289,774	161,762	169,094	32. Other current liabilities	3,206	3,206	4,145	3,517
11. Total current assets	10,059,177	9,502,448	8,584,777	6,513,472	33. Current portion of long-term debt	451,528	449,580	618,244	394,169
Property and Equipment:					34. Total current liabilities	7,161,679	6,669,420	5,687,476	4,251,642
12. Assets in service	28,640,186	28,627,030	28,601,075	28,196,810	Long-Term Debt:				
13. Assets in progress	17,054,649	15,851,990	9,368,246	3,636,698	35. Capital leases payable	2,020,403	2,058,932	2,283,594	2,289,182
14. Total property and equipment	45,694,835	44,479,020	37,969,321	31,833,507	Pension Liabilities:				
15. Less: accumulated depreciation	(22,951,746)	(22,864,097)	(22,298,956)	(21,797,613)	36. Net Pension Liability	15,526,950	15,526,950	16,521,607	16,521,607
16. Net property and equipment	22,743,089	21,614,923	15,670,365	10,035,895	37. OPEB Liability	-	-	-	-
Assets Limited as to Use by Board					38. Total pension liabilities	15,526,950	15,526,950	16,521,607	16,521,607
17. Investments	3,559,110	3,488,823	3,337,912	3,160,521	39. Total liabilities	24,709,033	24,255,302	24,492,677	23,062,431
18. Building fund	775,343	758,981	724,158	685,450	Deferred Inflows:				
19. Total Assets Limited as to Use	4,334,453	4,247,804	4,062,069	3,845,971	40. Pension	413,688	413,688	623,594	623,594
Pension Assets:					Net Position:				
20. OPEB Asset	7,338,848	7,338,848	6,685,608	6,685,608	41. Unrestricted	13,726,830	13,726,830	2,751,845	2,751,845
Deferred Outflows:					42. Current year net income (loss)	8,054,807	6,736,991	9,689,507	3,197,880
21. Pension	2,428,790	2,428,790	2,554,803	2,554,803	43. Total net position	21,781,636	20,463,821	12,441,352	5,949,724
22. Total assets	\$46,904,357	\$45,132,813	\$37,557,622	\$29,635,749	44. Total liabilities and fund balance	\$46,904,356	\$45,132,812	\$37,557,622	\$29,635,749

**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 Volume Indicators
FISCAL YEAR 2025

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior YTD	% Change
1. Clinic Visits	847	874	860	986	782	828	855						6,032	5,539	8.9%
2. Radiology Procedures	259	202	211	231	247	240	194						1,584	1,418	11.7%
3. Lab Tests (excluding QC)	2,057	1,754	1,720	1,717	1,489	1,861	1,655						12,253	12,082	1.4%
4. Rehab Services Units	1,028	789	788	1,061	1,137	1,184	1,047						7,034	5,638	24.8%
<i>Physical</i>	687	629	643	789	870	1,022	906								
<i>Occupational</i>	281	112	123	272	251	152	123								
<i>Speech</i>	60	48	22	-	16	10	18								
5. Home Health Visits	157	176	187	251	202	145	160						1,278	1,003	27.4%
6. Emergency Room Visits	95	88	65	64	67	86	63						528	549	-4%
<i>Hospital Inpatient</i>															
7. Patient Days - Acute	34	49	27	24	23	30	21						208	201	3.5%
8. Patient Days - Swing Bed	120	115	135	105	96	105	35						711	280	153.9%
9. Patient Days - Total	154	164	162	129	119	135	56						919	481	91.1%
10. Average Daily Census - Acute	1.1	1.6	0.9	0.8	0.8	1.0	0.7						1.0	0.9	3.4%
11. Average Daily Census - Swing Bed	3.9	3.7	4.5	3.4	3.2	3.4	1.1						3.3	1.3	154.3%
12. Average Daily Census - Total	5.0	5.3	5.4	4.2	4.0	4.4	1.8						4.3	2.2	91.2%
13. Percentage of Occupancy	41.4%	44.1%	45.0%	34.7%	33.1%	36.3%	15.1%						35.7%	18.6%	91.2%
<i>Long Term Care</i>															
14. LTC Days	372.0	418.0	410.0	392.0	420.0	434.0	434.0						2,880	3,002	-4.1%
15. Average Daily Census	12.0	13.5	13.7	12.6	14.0	14.0	14.0						13.4	14.0	-4.0%
16. Percentage of Occupancy	80.0%	89.9%	91.1%	84.3%	93.3%	93.3%	93.3%						89.3%	93.1%	-4.0%

PETERSBURG MEDICAL CENTER
Key Operational Indicators
For the month ended January 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	14.2%	11.2%	12.5%	22.5%	16.1%	36.8%	10.5%						17.9%	21.3%	16.1%
2. Charity/Other Ded. As a % of Gross Revenue	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	5.1%						0.7%	-0.1%	836.6%
3. Bad Debt as a % of Gross Revenue	1.2%	3.7%	1.6%	-0.3%	0.0%	6.4%	3.1%						2.3%	-2.8%	-183.1%
4. Operating Margin	9.1%	12.8%	8.0%	1.9%	-4.4%	-26.6%	1.0%						1.6%	-10.2%	115.4%
5. Total Margin	47.5%	39.0%	39.0%	29.6%	28.7%	-0.6%	38.0%						34.0%	-10.6%	276.6%
6. Days Cash on Hand (Including Investments)	83.3	87.9	89.8	92.4	96.9	100.5	117.6						100.5	81.3	24%
7. Days in A/R (Net)	68.5	65.9	67.8	62.6	65.6	77.7	75.4						77.7	62.0	25.2%
8. Days in A/R (Gross)	85.3	85.3	87.1	81.0	82.8	87.6	88.8						87.6	79.2	11%