Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda
Hospital Board
Regular Meeting

Thursday, August 27, 2026 | **5:30 PM** | **WERC Building Large Conference Room**

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

https://us06web.zoom.us/j/82121908802?pwd=b5lusts55zWfyWfepBSvgdva3jxCUa.1

Webinar ID: 821 2190 8802
Passcode: 949324

1. **Call to Order/Roll Call**
   - **A.** Call to Order
   - **B.** Roll Call
2. **Approval of the Agenda**
   - **A.** Approval of the August 27, 2026, Hospital Board Meeting Agenda
3. **Approval of Board Minutes**
   - **A.** Approval of the July 30, 2026, Hospital Board Meeting Minutes
4. **Visitor Comments**
5. **Board Member Comments**
6. **Committee Reports**
   - **A.** Resource Committee
   - **B.** LTC Quality Committee
   - **C.** Infection Prevention and Control Quality Committee
7. **Reports**
   - **A.** Information Technology/ EHR
     J. Dormer submitted a written report.

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

C. Medical Records/Utilization
K. Randrup submitted a written report.

D. Nursing
J. Bryner submitted a written report.

E. Activities
A. Wegener submitted a written report.

F. New Facility
Justin Wetzel submitted a written report.

G. Quality
S. Romine submitted a written report.

H. Infection Prevention
R. Kandoll submitted a written report.

I. Executive Summary
CEO, Phil Hofstetter, submitted a written report.
Grants Update submitted by Katie Bryson.

J. Financials
CFO, Jason McCormick, submitted a submitted report.

8. Old Business

A. Bylaws 2026 finalized post approved revisions.

B. Housing Update

9. New Business

10. Next Meeting

A. Next Meeting currently scheduled for September 24th, 2026, at 5:30pm in the WERC building conference room.

11. Executive Session

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

12. Adjournment

Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes
Hospital Board
Regular Meeting

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

1. Call to Order/Roll Call

A. Call to Order

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

B. Roll Call

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

ABSENT
Board President Jerod Cook

2. Approval of the Agenda

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

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

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

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

3. Approval of Board Minutes

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

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

4. Visitor Comments

None

5. Board Member Comments

None

6. Committee Reports

A. Resource Committee

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

B. Long Term Care Quality Committee

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

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

C. Critical Access Hospital Quality Committee

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

7. Reports

A. Home Health

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

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

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

C. Lab
Violet Shimek submitted a written report.

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

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

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

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

G. Quality
Stephanie Romine submitted a written report.

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

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

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

J. Financial

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

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

8. Old Business

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

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

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

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

9. New Business

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

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

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

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

ABSENT
Board President Jerod Cook

10. Next Meeting

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

11. Executive Session

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

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

12. Adjournment

Petersburg MEDICAL CENTER

Information Technology Report August 2026

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 and supporting telehealth options for staff mental health services.

Additionally, as part of our ongoing workforce wellness efforts, we have begun implementing software enhancements to our payroll and benefits platform to provide employees with a more streamlined and user-friendly experience. The project will improve access to benefits information and educational resources while making it easier for employees to understand and utilize the programs available to them.

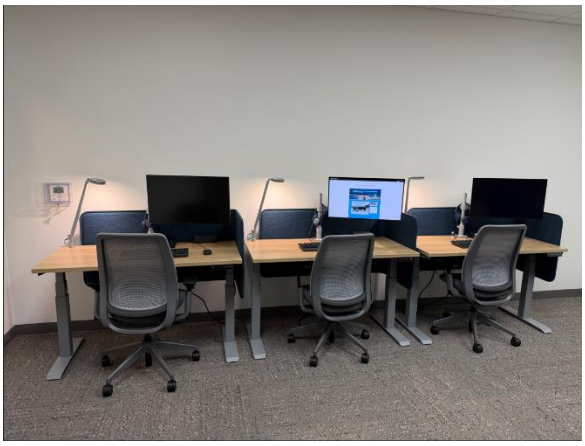
The project also includes enhancements to benefits enrollment and employee onboarding, with the goal of simplifying administrative processes and providing employees with improved self service capabilities.

An upgraded learning management system is also being implemented to expand access to employee education and professional development resources.

Implementation is currently underway, with completion anticipated in February 2027.

Community Engagement

Wellness, Education, and Resource Center (WERC)
Public Computer and Resource Use



The WERC Building, which serves as an extended campus for PMC, is expanding the hospital's ability to provide resources directly to the community by offering public access to designated conference rooms, computers, and internet connectivity. Through an online scheduling system, community members can reserve these resources Monday through Friday during regular operating hours, with reservations available on a first-come, first-served basis. This initiative provides the community with access to reliable space and technology that can support work, education and wellness activities. The WERC building technology resources provide a practical extension of PMC's community engagement efforts and creates additional opportunities for community members to access technology, meeting space, and information resources.

Patient Centered Care

Pyxis Medication Dispensing Project

PMC has implemented a new Pyxis medication dispensing system integrated with the Cerner EHR to support safer and more efficient medication management. The integration improves communication between medication orders and dispensing workflows, helping reduce manual processes and providing clinicians with more timely and accurate medication information. The PMC IT Department provided technical support and coordination throughout the implementation, working closely with PMC clinical staff and the Pyxis team to support a successful installation. A special thank you to Elise Kubo, Pharmacy Room Coordinator, for all her hard work and time spent coordinating the many details of this project. Her efforts were instrumental in helping ensure successful implementation.

Fall Prevention Technology Project

PMC has implemented a VST fall prevention system in Long Term Care to help improve resident safety and reduce the risk of falls. The system uses sensors and alerts to notify staff when a resident may be getting up or moving without assistance, allowing staff to respond more quickly. This provides caregivers with an additional

way to monitor residents who may be at higher risk for falls and helps staff intervene before a fall occurs. The system is another tool our Long Term Care team can use alongside existing safety and fall prevention practices to support resident safety.

Facility

Emergency Preparedness

The Information Technology staff are working with Michelle Rumple, PMC Emergency Preparedness Coordinator, to review and strengthen downtime procedures for situations where critical systems such as power, internet, or phone services are unavailable. The project focuses on strengthening staff procedures during an outage so that critical patient care and hospital operations can continue with as little disruption as possible.

Financial Wellness

SHIP Grant Funding

PMC successfully completed the 2026 cycle for SHIP Grant funding. This funding provides financial assistance for software and technology tools that support the hospital in managing required programs and regulatory reporting.

The grant funding helps offset the cost of tools used for programs such as HCAHPS, price transparency, and other CMS required reporting. Securing this funding allows PMC to continue using these resources while helping manage the costs associated with meeting federal reporting and compliance requirements.

Submitted by: Jill Dormer, CIO

Petersburg MEDICAL CENTER

Materials Report August 2026

Workforce Wellness

Materials Management is staffed by three full-time employees; one Materials Manager and two Materials Assistants with additional support from one PRN employee when available and in town. The Materials Manager provides operational coverage for the department when either assistant is out due to illness, PTO, or other absences. This staffing structure helps maintain essential Materials Management operations and ensures that departments continue to receive the supplies and support they need.

Community Engagement

Materials Management maintained strong communication and collaboration with vendors to support timely ordering, delivery, and resolution of supply issues. We worked with vendors to identify cost-saving opportunities, including alternative shipping and freight options that are especially important for our remote location. We also partnered with vendor representatives to address product availability, recalls, damaged shipments, credits, and special-order needs while continuing to explore additional products and resources to meet PMC's needs. In addition, we worked to establish credit accounts and Net 30 payment terms when appropriate, helping reduce reliance on credit card purchases. Through these ongoing vendor relationships and efforts to identify reliable suppliers and alternative sources, Materials Management continues to support uninterrupted access to essential supplies throughout PMC.

Patient Centered Care

Materials Management supports patient-centered care by ensuring that essential medical supplies are available when and where they are needed. We work closely with clinical departments to respond to urgent requests, source specialty and hard-to-find items, monitor product recalls and expiration dates, and identify alternatives when products are unavailable or backordered. By maintaining reliable inventory levels and responding promptly to the needs of patient-care areas, Materials Management helps reduce delays and supports safe, efficient, and consistent patient care throughout the organization.

Facility

The new vehicle requested by Materials Management has been received and is currently at the facility. The vehicle is in our possession and ready for use; however, we are still waiting to receive the title and complete the necessary documentation before it can be placed into service. Once the title is received and the registration process is completed, the vehicle will be available for use by our department.

Financial Wellness

We conducted our Fiscal/Annual Inventory at the end of June, and the overall net variance was favorable. The counting process took longer than usual because only three staff members were available to conduct the inventory, compared with the usual four staff members. In addition, because the inventory coincided with the end of the fiscal year, the department was also managing grant-related orders and invoices that needed to be completed before the end of the month. Despite the limited staffing and additional fiscal year-end responsibilities, the inventory was completed successfully, and the results were satisfactory.

PETE Med Center	Physical Count Summary				

Location :	PETE INVENTORY STOREROOM			Total Variance :	$2,328.66
Count # :	201769001	Pre Perp Count Value :	$133,586.93	Positive Variance :	$1,559.49
Committed :	6/30/2026 14:21	Post Perp Count Value :	$134,377.26	Negative Variance :	($769.17)
Committed By :	Randrup, Melva Yere	Non-Perp Count Value :	$0.00	Net Variance :	$790.33

Key Definitions:

• Pre-Perpetual Count Value: Inventory value recorded in the system before the physical count.
• Post-Perpetual Count Value: Inventory value after adjustments based on the physical count.
• Variance: The difference between the system-recorded value and the actual counted value.

Submitted by: Melva Randrup, Materials Manager

Petersburg MEDICAL CENTER

Health Information Management Report August 2026

Workforce Wellness

The HIM department is currently down one staff member, but the additional team member hired in March has helped balance workloads and provide coverage during staffing gaps. Our new employee has also transitioned well, helping us maintain a steady workflow despite being short-staffed.

Community Engagement

The HIM department continues to support our community by keeping medical records accurate and secure. Overall, our goal remains the same—being a dependable resource for both patients and staff.

Patient Centered Care

We continue to work closely with patients and providers to make the information process as smooth as possible. We strive to be responsive and helpful while making sure patients and staff can rely on us when they need information.

Facility

We are now officially settled into the new office, and it has been a great fit for the department. Having a dedicated space that supports privacy, focus, and the unique needs of HIM has really brought the team together and created a more positive work environment.

Financial Wellness

We continue to monitor anything that could affect DNFB days and address issues as they come up. Keeping communication open with Revenue Cycle has helped us resolve delays quickly and maintain a steady workflow. We'll continue focusing on consistency and timely turnaround to support the billing process.

Submitted by: Kim Randrup, RHIT

Petersburg Medical Center

Acute Care Utilization & Trends

Q2 2026 Utilization Summary

Key Performance Indicators (Q2 2026)

- Total Admissions: 30
- Patient Days: 85
- Average Length of Stay (ALOS): 3.75 days
- Readmissions: 1
- Transfers: Multiple identified

Patient Flow & Utilization

- Majority LOS 1–4 days
- Limited 5–8 day stays
- Discharges primarily to Home with SNF and transfers noted

Top Conditions (Q2 2026)

- Pneumonia, UTI, Heart Failure, Behavioral Health, General Medical Conditions

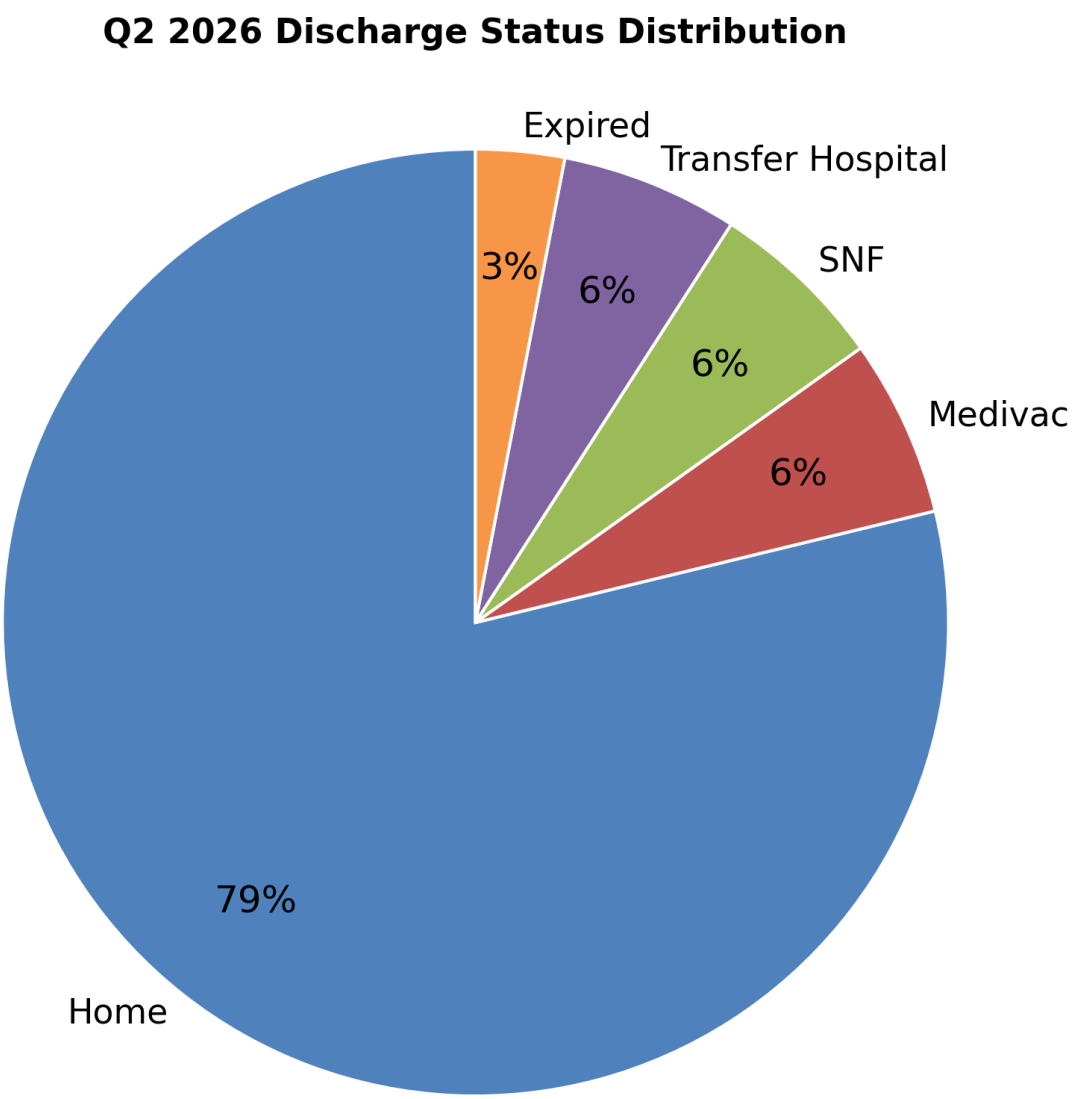
Readmission Summary

- Total Readmissions: 1
- Diagnosis: Ulcerative colitis w/rectal bleeding
- Disposition: Home and Medivac (3 days between events)

Length of Stay Distribution

- ALOS: 3.75 days
- 1 day: 7 cases
- 2 days: 12 cases
- 3 days: 3 cases
- 4 days: 3 cases
- 5 days: 3 cases
- 6+ days: 1 case

Discharge Status Distribution (Q2 2026)



6 Year Overview of Acute Care Utilization

2023	QUARTER	DAYS	PATIENTS	Length of Stay	Charts sent Peer Review
	1st	82	25	3.3	8 or 32%
	2nd	91	29	3.2	3 or 10%
	3rd	88	26	3.4	4 or 15%
	4th	91	30	3	5 or 16%

2024	QUARTER	DAYS	PATIENTS	Length of Stay	Charts sent Peer Review
	1st	77	25	3	4 or 16%
	2nd	110	42	2.6	5 or 10%
	3rd	113	39	2.9	2 or 5%
	4th	69			

2025	QUARTER	DAYS	PATIENTS	Length of Stay	Peer Review Charts within PMC
	1st	76	26	2.9	4 or 15%
	2nd	101	31	3.2	6 or 19%
	3rd	58	20	2.9	4 or 20%
	4th	93	32	2.9	5 or 16%

2026	QUARTER	DAYS	PATIENTS	Length of Stay	Peer Review Charts within PMC
	1st	89	26	3.4	10 or 38%
	2nd	85	30	3.75	7 or 23%
	3rd				
	4th				

2027	QUARTER	DAYS	PATIENTS	Length of Stay	Peer Review Charts within PMC
	1st				
	2nd				
	3rd				
	4th				

2028	QUARTER	DAYS	PATIENTS	Length of Stay	Charts sent Peer Review
	1st				
	2nd				
	3rd				
	4th				

*CAH rules: Standard periodic evaluation; not less than **10%** of active & closed charts 485.641(a)(1)(ii) and our annual average length of stay has to be under 96 hours per patient 42 C.F.R. 485.620(b)*

Utilization Review by diagnosis for inpatient **Days**		**2025**
		Days
A00-B99	Certain infectious and parasitic diseases	14
C00-D49	Neoplasms	19
D50-D89	Diseases of the blood & blood-forming organs & certain disorders involving the immune mechanism	1
E00-E89	Endocrine, nutritional and metabolic diseases	16
F01-F99	Mental, Behavioral and Neurodevelopmental disorders	41
G00-G99	Diseases of the nervous system	18
H00-H59	Diseases of the eye and adnexa	0
H60-H95	Diseases of the ear and mastoid process	1
I00-I99	Diseases of the circulatory system	9
J00-J99	Diseases of the respiratory system	38
K00-K95	Diseases of the digestive system	37
L00-L99	Diseases of the skin and subcutaneous tissue	1
M00-M99	Diseases of the musculoskeletal system and connective tissue	3
N00-N99	Diseases of the genitourinary system	11
O00-O9A	Pregnancy, childbirth and the puerperium	0
P00-P96	Certain conditions originating in the perinatal period	0
Q00-Q99	Congenital malformations, deformations and chromosomal abnormalities	0
R00-R99	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	63
S00-T88	Injury, poisoning and certain other consequences of external causes	24
V00-Y99	External causes of morbidity	
Z00-Z99	Factors influencing health status and contact with health services	1
U00-U85	Special Purposes (Covid as of 4/2020)	3

	Total Days	**300**

Utilization Review by diagnosis for inpatient **Admissions** for 5 years		2025	2024	2023	2022	2021
Codes	**Description** *Number of*	**Admits**	**Admits**	**Admits**	**Admits**	**Admits**
A00-B99	Certain infectious and parasitic diseases	6	5	4	3	7
C00-D49	Neoplasms	7	1	2	3	1
D50-D89	Diseases of the blood & blood-forming organs & certain disorders involving the immune mechanism	1	2	0	2	0
E00-E89	Endocrine, nutritional and metabolic diseases	10	4	6	3	4
F01-F99	Mental, Behavioral and Neurodevelopmental disorders	12	17	26	20	13
G00-G99	Diseases of the nervous system	7	2	0	2	2
H00-H59	Diseases of the eye and adnexa	0	0	0	0	0
H60-H95	Diseases of the ear and mastoid process	1	0	0	0	0
I00-I99	Diseases of the circulatory system	5	13	5	7	14
J00-J99	Diseases of the respiratory system	12	33	14	12	11
K00-K95	Diseases of the digestive system	10	12	17	19	15
L00-L99	Diseases of the skin and subcutaneous tissue	3	8	2	2	2
M00-M99	Diseases of the musculoskeletal system and connective tissue	1	4	2	3	2
N00-N99	Diseases of the genitourinary system	5	3	6	3	10
O00-O9A	Pregnancy, childbirth and the puerperium	0	2	0	0	1
P00-P96	Certain conditions originating in the perinatal period	0	1	0	0	0
Q00-Q99	Congenital malformations, deformations and chromosomal abnormalities	0	0	0	0	0
R00-R99	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	20	31	26	23	7
S00-T88	Injury, poisoning and certain other consequences of external causes	10	10	6	7	10
V00-Y99	External causes of morbidity	0	0	0	0	0
Z00-Z99	Factors influencing health status and contact with health services	1	2	0	0	0
U00-U85	Special purposes (covid as of April 2020)	2	2	6	7	16
	TOTAL Admissions:	**113**	**152**	**122**	**116**	**115**

Petersburg MEDICAL CENTER

Nursing Department Report August 2026

Workforce Wellness

Current Status
Nursing department staffing remains challenging.

Permanent CNA staffing has fluctuated despite our recent class. We benefited from extra help over the summer from former students in our high school CNA cohorts, which was very helpful.

As other departments develop and grow, nurses are being recruited from the core nursing department. This growth is good for the organization, but it creates additional staffing challenges for our department.

The nurses who assumed additional responsibilities following Elizabeth Hart's retirement have been a great addition to the leadership team and have taken real ownership of their roles.

Current nursing department staffing is summarized below:

Staff Group	Permanent	Travelers
Floor nurses	55%	45%
All nurses in the nursing department	65%	35%
Floor CNAs	64%	36%
All CNAs in the nursing department	74%	26%

My goal is to have at least 80% permanent floor staff.

Despite these staffing challenges, our staff remain hard-working, committed, team-oriented, and flexible. They continue to provide high-quality, patient- and resident-centered care, even during periods of high census and acuity. I continue to be impressed by their dedication, professionalism, and ability to help patients and residents feel well cared for during even the most chaotic times.

Improvement Initiative: Night Shift Staffing
Staffing a second acute care nurse on night shift has shown sustained benefit across the nursing department. Compared with the same six-month period last year, total callback hours decreased by 52%, total callbacks decreased by 27%, and callbacks were distributed among more nurses, reducing the burden on individual staff members.
Comparison periods: February 18–August 18, 2025, and February 18–August 18, 2026.

Measure	Prior Period	Current Period	Change
Nurses participating in callbacks	17	21	↑ 4 nurses
Total callbacks	84	61	↓ 23 (27%)

Total callback hours	227	110	↓ 117 (52%)
Average hours per callback	2.7	1.8	↓ 0.9 (33%)
Average callbacks per nurse	4.9	2.9	↓ 2.0 (41%)

Community Engagement

UAA AAS Nursing Program

Bessie Johnson and Holli Davis successfully completed the program in April. Bessie passed the NCLEX-RN on her first attempt and is actively onboarding as an RN. Holli is scheduled to take the exam at the end of August. Congratulations to Bessie, and best of luck to Holli!

We do not have a cohort starting this fall, but we hope to have a full cohort beginning in fall 2027.

High School CNA Class

Eleven CNA students are starting the year-long program this week. We are pleased to see the excitement within this group for the program and for healthcare careers. One of our previous CNA students is also starting nursing school this fall. This program continues to support the future healthcare workforce in our community.

Sexual Assault Response Team (SART)

We continue to partner with the Petersburg Police Department and WAVE to provide coordinated, professional care for people who experience sexual assault. We recently attended joint training with the State of Alaska District Attorney's Office to better understand the justice system process and how we can be effective partners and advocates for the people we serve.

Patient Centered Care

Patient-centered care can be difficult to quantify, but I continue to be impressed by the care and concern shown to each patient, regardless of the reason for admission, socioeconomic status, age, gender, or walk of life. There is almost always a thank-you card, bouquet, or treats on our counter from a recent patient or family. Recent comments include:

- "The nursing staff were so pleasant and professional with me and took time to listen."
- "I've seen a lot of nurses … and feel safe with them."
- "There truly is no place as caring, compassionate, and generous as Petersburg."
- "We want to extend our heartfelt thanks to the doctors, nurses, and entire staff at PMC for the exceptional care they provided."
- "All you gals are awesome."

Surveys

This spring, we received a joint complaint survey of the CAH and LTC regarding the same issue. There were no findings in either setting, and the survey was closed early. Nearly two months later, we received a federal oversight survey of LTC related to the same complaint. That survey also resulted in no findings and was concluded early.

Telestroke

We continue our collaboration with the University of Washington Harborview Telestroke Program and continue to improve our processes with each patient encounter.

Endoscopy Clinics

Our fourth endoscopy clinic with Dr. Taggart and CRNA Jenilyn Lo will be held October 1–2. We are cross-training additional staff for each position to improve scheduling flexibility. We are also updating the nursing documentation workflow after Cerner unexpectedly retired the forms we had been using for preoperative and recovery care.

We purchased a third colonoscope in June, which decreases turnaround time and allows us to schedule more patients each day. Several additional equipment purchases are planned for the endoscopy program, including a new anesthesia machine, dry leak tester, and stretchers.

Sterile Processing and High-Level Disinfection

We have worked with Infection Prevention to review our space and processes in sterile supply. This is an ongoing improvement initiative. We have made significant progress and look forward to continuing that momentum.

Pyxis

Implementing Pyxis in the ER and acute care has been a significant change for the nursing staff. The system is fully operational, and we continue to refine processes to improve efficiency. We can already see the benefit of expanding the medication inventory available in each unit.

Upcoming/Ongoing Projects

- Trauma Designation
- Policy Review and Revision
- Sepsis Protocol
- Pediatric Readiness
- Sterile Processing and High-Level Disinfection

Facility

Building Challenges

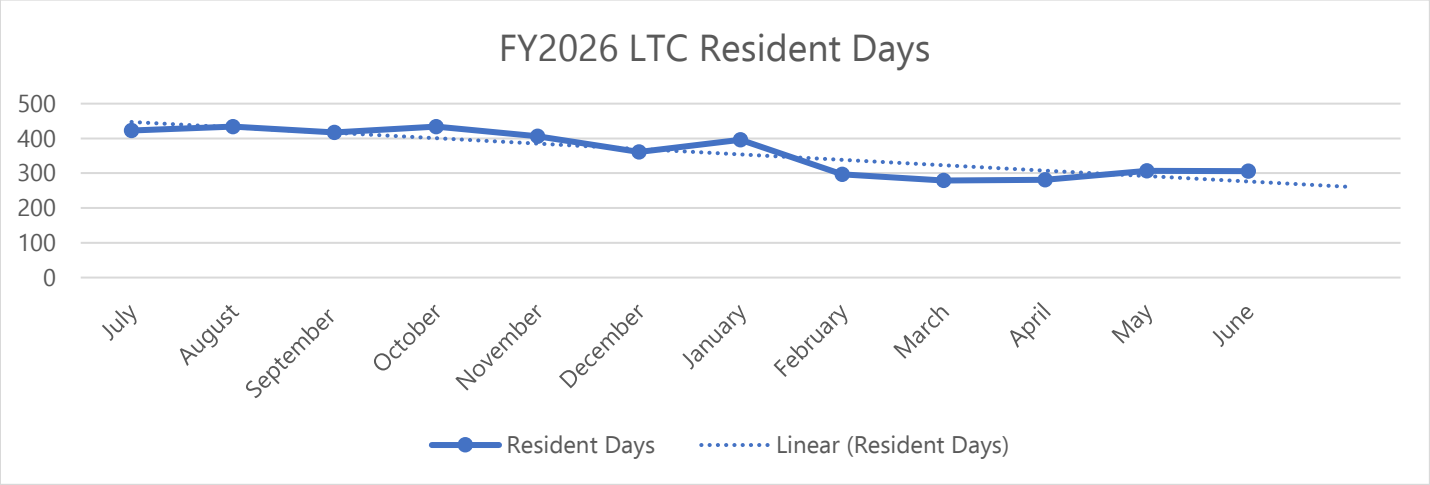
The lack of space in the ER, acute care, and LTC continues to be a daily operational struggle.

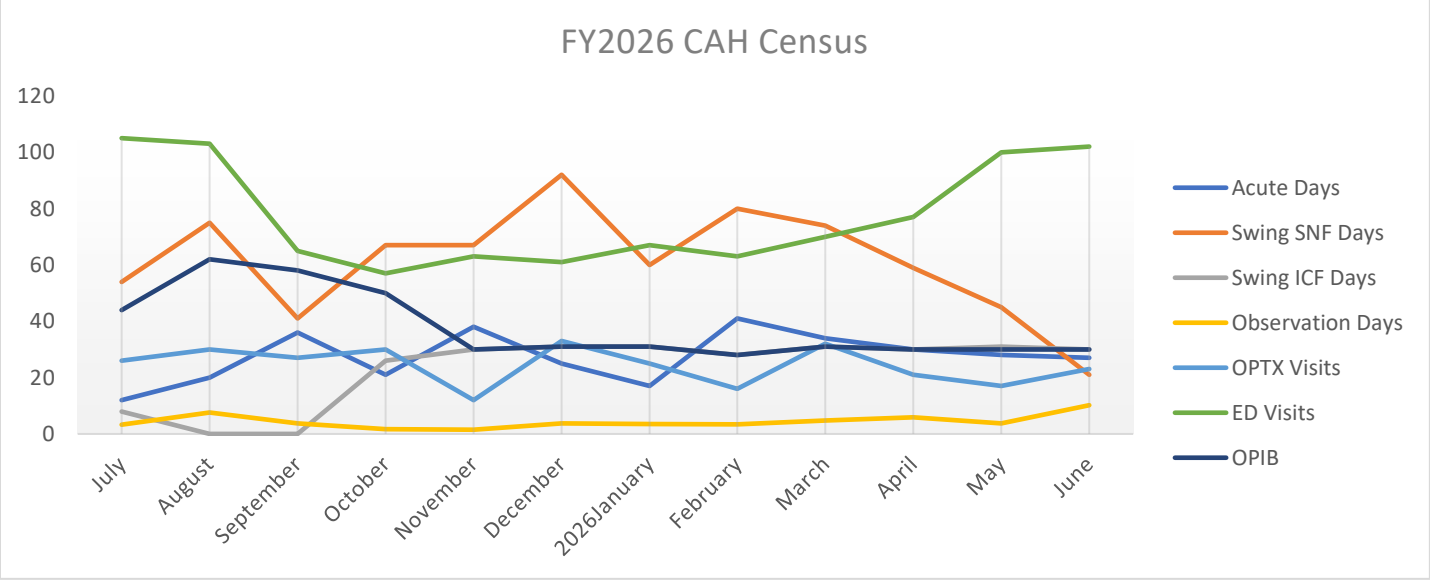
Financial Wellness

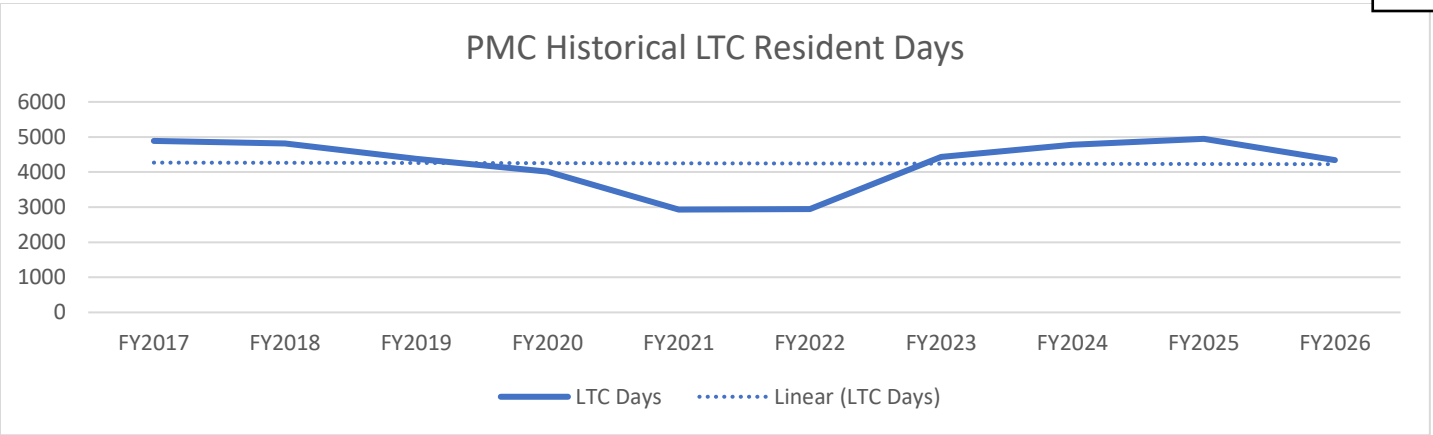
FY2026 nursing service volumes and historical census information are summarized below.

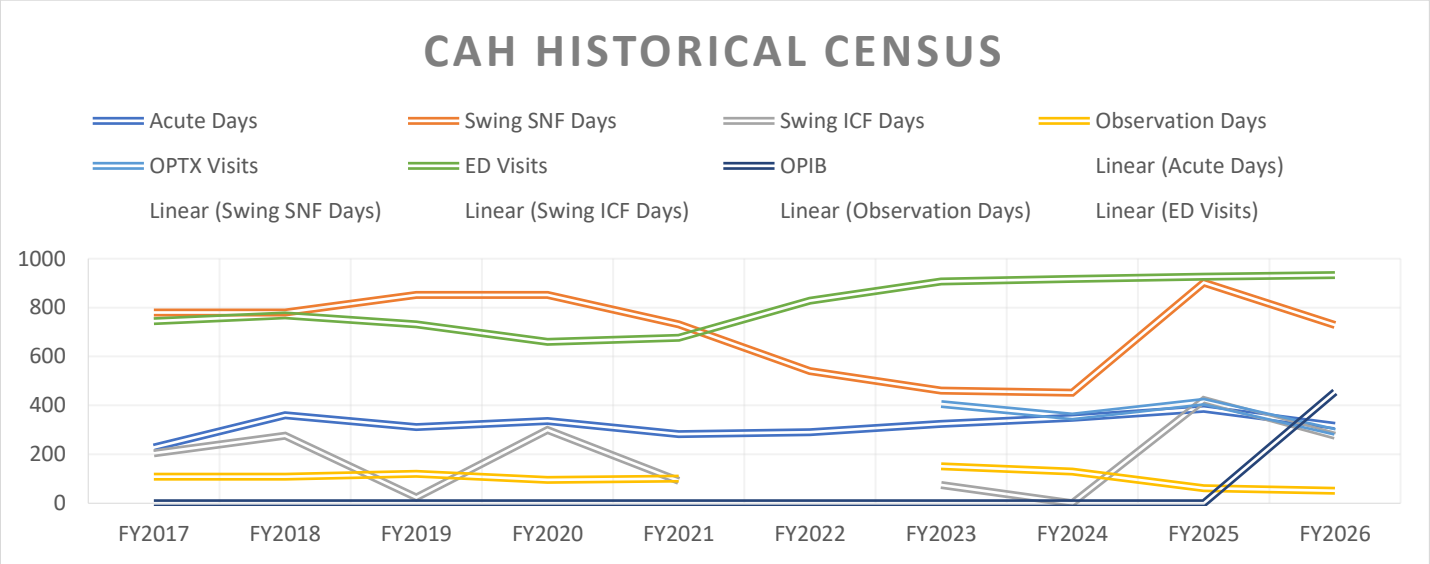
Metric	7/25	8/25	9/25	10/25	11/25	12/25	1/26	2/26	3/26	4/26	5/26	6/26	FY26 Total
Acute days	12	20	36	21	38	25	17	41	34	30	28	27	329
Swing skilled days	54	69	41	67	67	92	60	80	74	59	45	21	729
Swing ICF days	8	0	0	26	30	31	31	28	31	30	31	30	276

LTC days	423	434	417	434	406	361	396	297	279	281	307	306	4341
LTC average	13.6	14	13.9	14	13.5	11.7	12.8	10.6	9	9.4	9.9	10.2	11.8
Observation days	3.25	7.6	3.73	1.7	1.5	3.7	3.5	3.4	4.8	5.9	3.7	7.9	50.68
Observation patients	5	6	5	4	3	4	5	5	7	8	4	10	66
OPTX visits	26	30	27	30	12	33	25	16	32	21	17	23	292
OPIB “boarding”	44	62	58	50	30	31	31	28	31	30	30	30	455
ED visits	105	103	65	57	63	61	67	63	70	77	100	102	933
Outpatient surgery procedures	0	0	0	0	0	0	0	15	0	21	0	24	60
Deliveries	0	0	0	0	0	0	0	0	0	0	0	0	0









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

Petersburg MEDICAL CENTER

Activities Report August 2026

Workforce Wellness
The activities department has been very well staffed for our lower census. Staffing is as follows:

Activities Director: M-F 0800-1700
Activities Aide 1: Sun 0930–1530; Mon–Fri 0700–1500
Activities Aide 2: Tues-F 1100-1900; Sat 1200-1900
Activities Aide 3: M-W 0800-1100; Thurs-F 0700-100

This summer the activities department had the privilege to take on a youth intern. Kaija Wood joined us for the month of July and was a wonderful asset to the program.

The activities director hours will be changing effective 8/24 to M-F 0800-1600, as she is pursuing her master's in social work and has started school and clinicals.

Community Engagement
Long-term care activities remain actively engaged in the Petersburg community and collaborate closely with other PMC departments. Residents participated in community events including the Little Norway Festival, Fourth of July festivities, spring dance recital, Mitkof Mummers' production, and summer baseball. We also continue to host a monthly radio show on KFSK.
Activities maintains a strong partnership with the Kinderskog department through intergenerational activities and works closely with the PT Tech to incorporate movement through activities such as Bingocize, bowling, and balloon toss.

Patient Centered Care
The Activities Department continues to provide individualized plans of care and activity choices for each resident. Special activities have included volunteering with the Petersburg Pilot, trips to the pool, cultural events, and berry picking.

Facility
The activities department does not have any plans for facility upgrades.

Financial Wellness
The activities department is fully CNA certified to assist on the floor as needed.

Submitted by: Alice Wegener, LTC/SNF Activities Coordinator

Petersburg MEDICAL CENTER

ARCADIS

New Facility Construction Report August 2026

Sitework

Completed to shovel-ready status and ready for Phase 3 (Long-Term Care); the SWPPP (Stormwater Pollution Prevention Plan) has been closed out. Phase 1 has been completed.

WERC Building

Phase 2 has been completed

New Long-Term Care/Hospital

Phase 3 – Long-Term Care (LTC) concept design and renderings are complete, awaiting funds to advance the design.

Phase 4 – Hospital, awaiting funds to advance the design.

Staff Housing Concept

Duplex Concept Rendering – CGI generated, based on sketch and actual photos

Rough Order Magnitude Budgets – Sitework and Construction

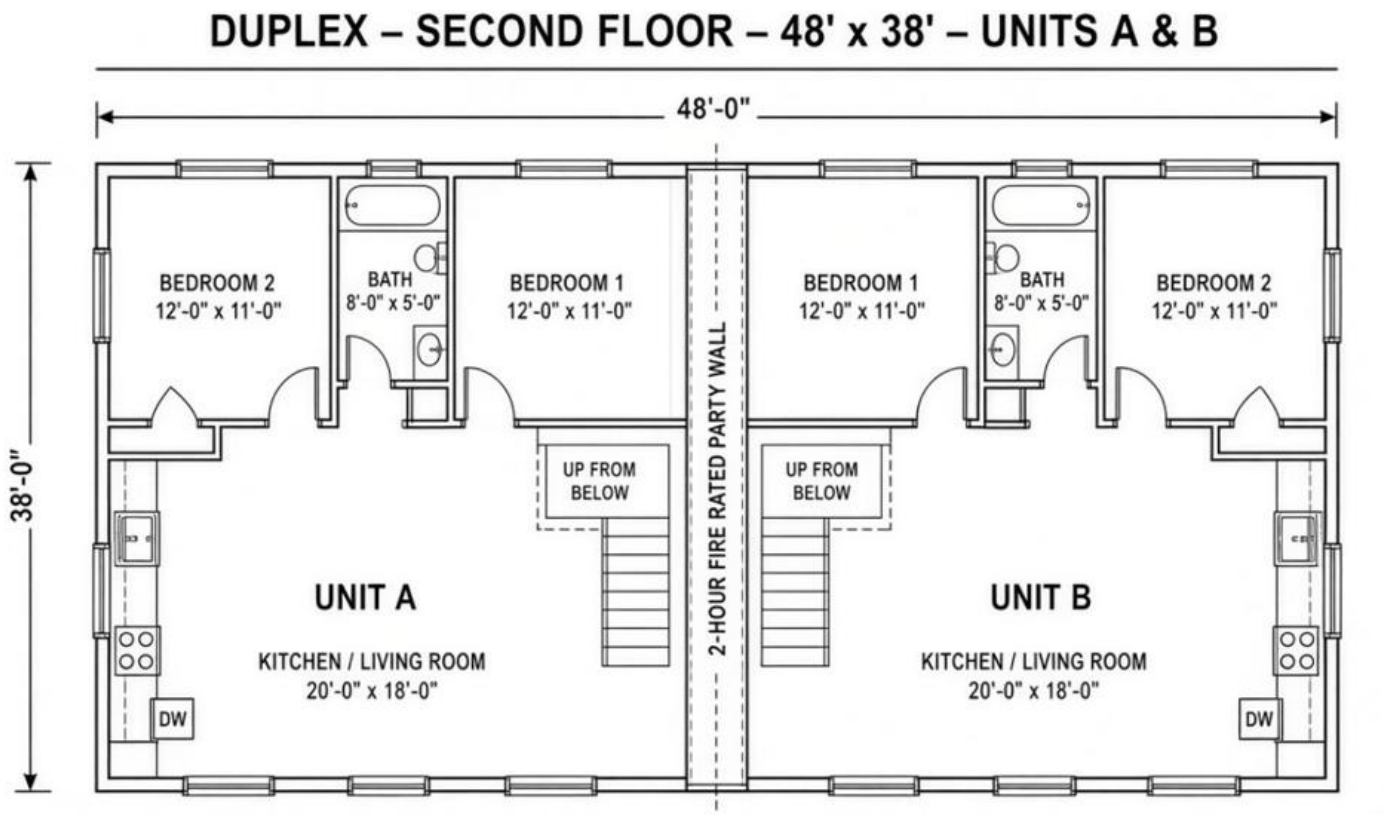
Upcoming Activities

Approval and funding to design Staff Housing duplexes.

Obtain funding to advance LTC and/or Hospital designs.

Be positioned to start construction of LTC in the spring of 2027 if possible; that would mean design completed by January 2027.

PMC Staff Housing Duplex – Early Concept Rendering and Floor Plan (generated by CGI)



Rough Order Magnitude – Concept Level Budget (each duplex)

Two-bedroom, one-bathroom units, A and B, two units per duplex

Category	**Estimated Cost**
Site work	$40,000
Foundation	$80,000
Concrete driveway/flatwork	$22,000
Framing	$170,000
Roofing	$32,000
Exterior envelope	$120,000
Interior build-out	$230,000
Plumbing/Electrical/HVAC	$160,000
Water and sewer connection	$35,000
Permits/Design/Management	$185,000
Subtotal	**$1,084,000**

Alternative larger version; three bedrooms, two bathrooms, Units A and B, two units per duplex = ***$1.45M+***

Phase 3 Concept Renderings – Long Term Care Completed

Phase 3 Concept Renderings – Long Term Care – East Deck & Service Entrance

Submitted by: Justin Wetzel- Arcadis Project Manager

Petersburg MEDICAL CENTER

Quality Report August 2026

Workforce Wellness

Educational resources are provided through Alaska Hospital & Healthcare Association, Midwest QIO, and National Association for Healthcare Quality and continue to support staff education and continuing professional development. Quality improvement efforts reach across all departments and provide collaborative opportunities for PMC staff.

Community Engagement

PMC's Cedar Social Club continues to make program gains and increase enrollment. The Club provided a recent community open house to encourage all potential participants and/or caregivers to drop by to explore the program and interact with staff. Current club hours are weekday afternoons, except for Wednesday. Hours and services are guided by enrollment and participant needs with expansion considerations as these factors change.

Patient Centered Care

Alaska Hospital & Healthcare Association chose PMC's Long-term care and its support team for their 'Innovation in Patient Safety & Quality Award' this year. Congratulations to Helen Boggs, Jennifer Bryner and the support team for their contributions, commitment, and impact.

Accomplishments highlighted:

- Reducing polypharmacy and medication related risk
- Expanding access to behavioral health services
- Leveraging technology to prevent falls
- Improving mobility and functional independence
- Building a sustainable rural workforce
- Supporting successful transitions to LTC through early identification and care coordination
- Enhancing resident choice through dining services
- Overcoming infrastructure challenges through teamwork

The PMC long-term care team has demonstrated that innovation in patient safety and quality is not dependent on size, but on commitment, collaboration and creativity. These accomplishments have created meaningful and sustainable improvements in the lives of LTC residents.

Facility

Continue collaboration with the IT department to assume and assist with required quality reporting and facility follow-up.

There is also an ongoing focus on report development for current project areas to provide timely, clinically relevant data for informed program decision making. The IT department continues to provide expertise and guidance in developing these useful data sets.

August Quality Committee meetings will include LTC Quality Committee and Infection Prevention & Control Committee on Wednesday, August 19th.

Financial Wellness

PMC received its first notice of award for an RHTP funded project. Maternal Health & Early Childhood Planning Project has a preliminary award for $159,947 for a project period ending June 30, 2027. This project aims to expand support for maternal health and early childhood through primary care and community services.

Submitted by: Stephanie Romine, RN

Petersburg MEDICAL CENTER

Infection Prevention Board Report August 2026

Workforce Wellness

I am the Infection Preventionist for PMC.

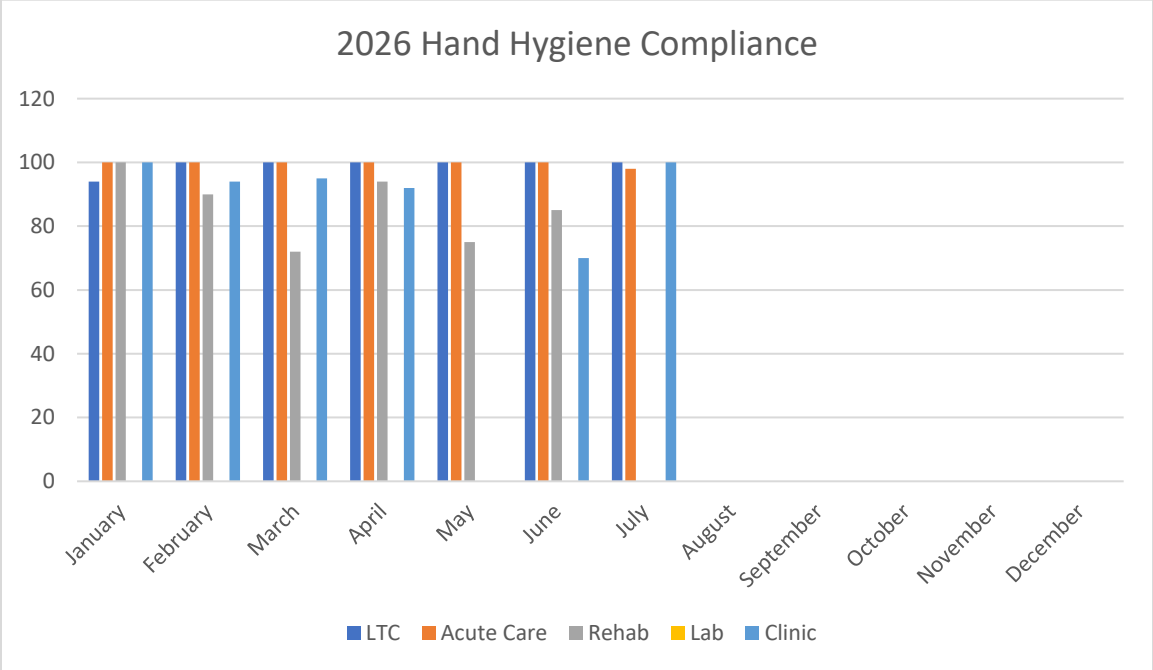
Community Engagement

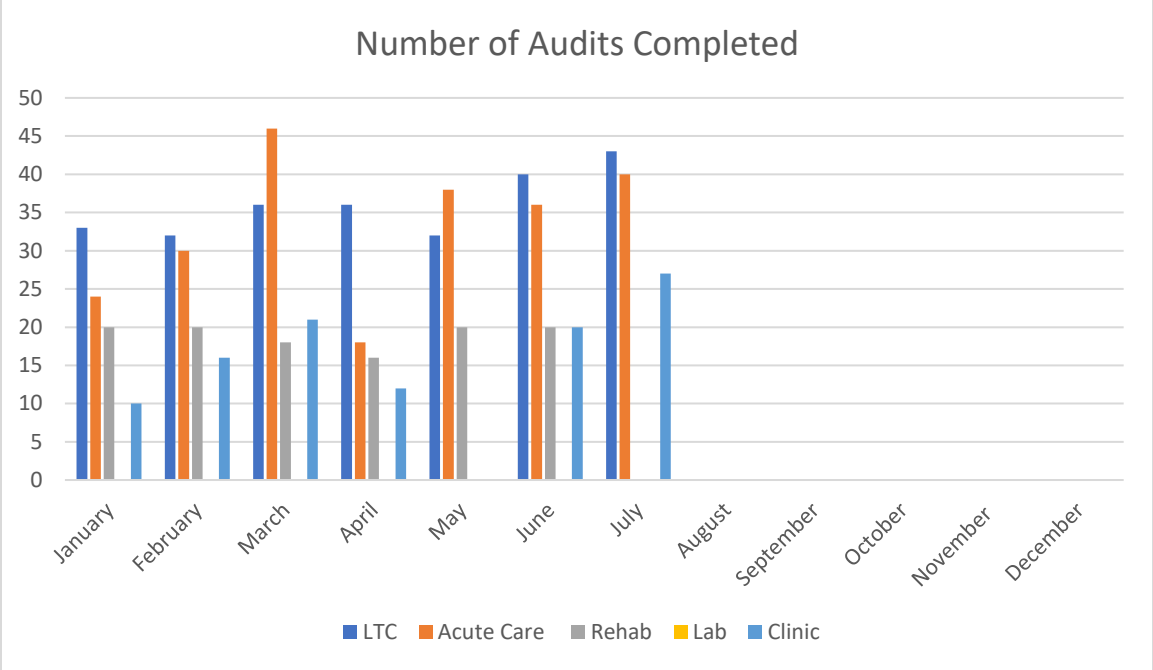
I work with many different departments at PMC to ensure compliance with regulations, including nursing, EVS, home health, physical therapy, clinic and lab. This month our Environment of Care will focus on PMC's Joy Janssen Clinic.

I am working with the Nursing and Facilities departments to continue improving our facility. Next month I plan to travel with other PMC EVS staff to attend the CHEST Train-the-Trainer Program. After completing this training, we will be able to offer this training to the rest of our EVS staff at PMC.

Patient Centered Care

2026 PMC Hand Hygiene Report





LTC 2026 Infection Prevention Metrics

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

Facility

I work closely with the maintenance department to identify and correct any damage, structural or cosmetic, that I find in our facility. Our aging facility continues to cause many obstacles in meeting current IPC standards. This remains a challenge.

Financial Wellness

No changes to this area.

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

Petersburg MEDICAL CENTER

PMC Executive Summary August 2026

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

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

Summary: July was a productive month for Petersburg Medical Center (PMC), with strong service demand and continued progress in access, workforce, community partnerships, and long-range planning. PMC recorded 1,486 primary care encounters, 14 inpatient admissions, and 119 Emergency Department visits, all exceeding June levels and their respective longer-term averages.

The clinic continues to operate with three physicians and three advanced practice providers, supplemented by locum coverage for the Emergency Department, while recruitment remains active for an additional provider. The Direct Primary Care pilot has moved through early implementation and is now live. Rehabilitation services continue to expand, including recertification to provide local FEES swallowing evaluations and preparations for a second rehabilitation gym. MRI utilization also remains strong, with 62 examinations completed through August 18.

August-to-date developments include Patrick Sessa's relocation to Petersburg and his work developing and assessing behavioral health services as Director. In-person psychiatry services were added this month, along with staff education from Dr. Sonkiss. PMC has also received notice of a Rural Health Transformation Program award for maternal-child health and is awaiting further decisions on remaining projects.

PMC renewed its school nursing and counseling agreements with the Petersburg School District, while outreach with Borough and federal partners advanced discussions related to facility funding, rural EHR opportunities, and community safety. Recent meetings included candidate Bill Hill through the Borough, nearly a full day with Senator Murkowski's policy advisor, and a meeting with Representative Begich's office regarding EMR connectivity and potential assistance engaging Oracle/Cerner.

The Foundation's Paddle/Pedal Battle raised a record $25,135 for employee education and scholarships.

Capital planning continues with Arcadis and Bettisworth North refining scope, costs, and funding materials for future phases. Workforce-housing options and a potential shared Oracle Health/Cerner platform with Cordova remain exploratory.

Gross accounts receivable days ended at 64, above the target of fewer than 55, making revenue-cycle improvement an ongoing management priority. Overall, July results and August-to-date activity reflect sustained demand, expanding local capabilities, and continued progress on PMC's strategic priorities.

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 5:** Physician lunch
- **August 12:** Medstaff meeting
- **August 12:** Training and education provided by Dr. Sonkiss
- **August 20:** CEO office hours open to employees
- **August 21:** Manager Meeting
- **Ongoing:** Employee Meals
- **Ongoing:** Employee Recognition and Rewards

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

- **August 3:** Submitted written report for Borough Noon Assembly Meeting.
- **August 8:** Paddle/Pedal Battle Fundraiser

- **August 12:** Cedar Social Club Open House

- **August 20:** AHHA Executive Committee meeting
- **August 27**: PMC Live on KFSK at 12:30
- **August 27:** Hospital Board Meeting open to the public
- **Ongoing:** Bingocize and Tai Chi Programs- Tai Chi has a Wednesday at noon class for beginners at the WERC building.
- **Ongoing:** PMC is currently in the process of developing a new website designed to enhance usability and improve access to information for our patients and the community we serve.
- **Ongoing:** Conference rooms and computer room at WERC building are available to reserve at no cost to community: **Facility Use - PETERSBURG MEDICAL CENTER**
    - So far we have seen great uses of the space from graduation ceremonies, workforce interviews, project meetings, book club gatherings, and various youth sport club meetings

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

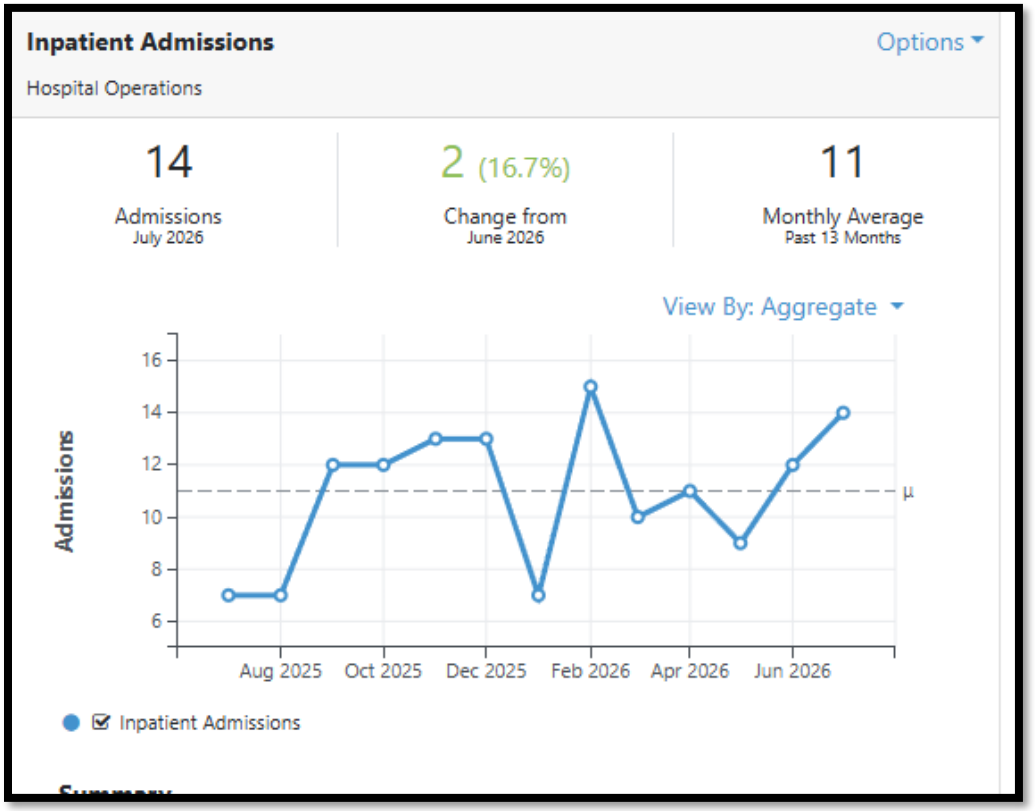
- **August:** MRI services available- As of August 18th, there have been 62 MRIs conducted.
- **Rehabilitation Services:** Due to the space freed up by admin staff relocating the WERC building, we have been able to arrange for much-needed space for a second gym for physical therapy which is very close to being ready. Many patients were willing to do their physical therapy exercises in the open hallway but now they will have another gym to conduct PT and other therapies.
- **Swallow Studies:** We can now offer FEES evaluations locally at PMC. FEES is a specialized swallow study that helps clinicians evaluate how safely and effectively a person swallows. Previously available only off island, this service is now offered locally with speech-language pathologist Hannah Kehrer,

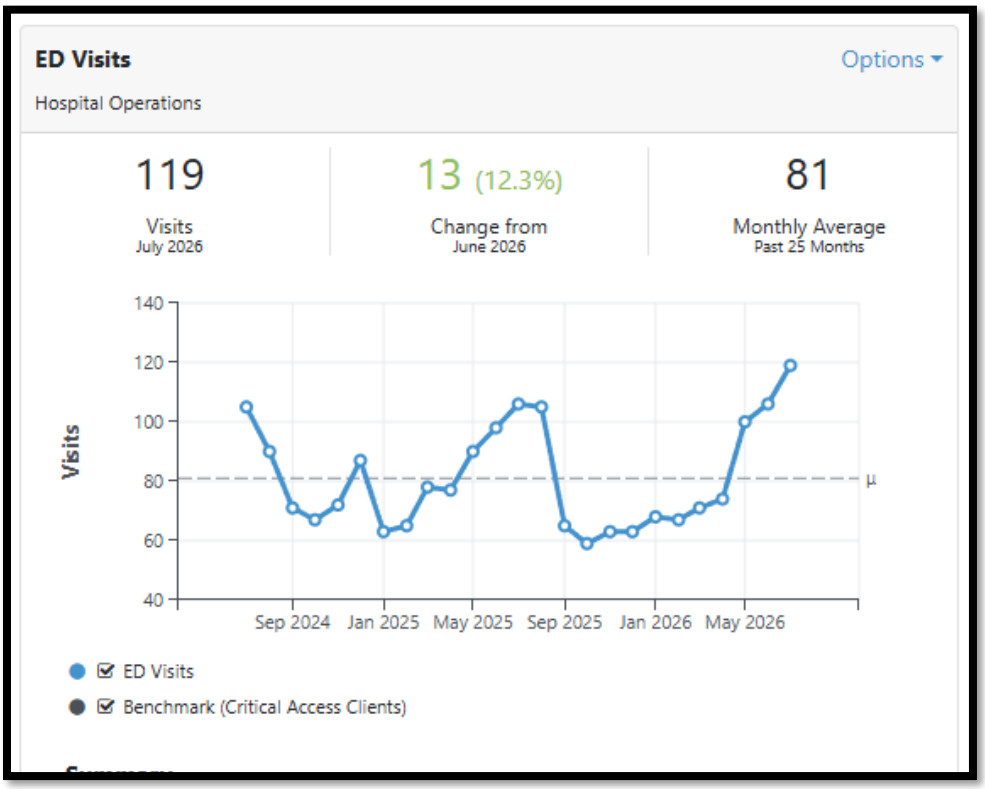
providing patients and families with greater access to specialized swallowing assessment and care close to home.

- **August 19:** Quality Meetings (LTC & Infection Prevention)
- **Joy Janssen Clinic** Access to Primary Care: We are currently staffed with 3 Physicians and 3 mid-level practitioners. Locums are staffed as needed.
    - We are actively looking for a provider to fill the 4th position available.
    - As of August 3, 2026, average patient access across all present providers reflects a 11-day wait for the next available appointment and 13 days for the third next available
    - Locum coverage through summer months to cover provider PTO.
    - Same day acute care appointments remain consistently available.
    - Sports physicals available, call 772-4299 then press 0.
    - 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.

- **Audiology:** Phil Hofstetter continues to see patients in the Specialty Clinic. Call 772-5792 to schedule.
- **Psychiatry:** Dr. Sonkiss continues to provider ongoing services via telehealth and was here on site in Petersburg this month seeing patients in person.
- **Integrative Medicine:** Integrated Medicine with Dr. Hyer is offered via telehealth, email Dr. Hyer directly at jhyer@pmc-health.org to schedule.
- **Optometry Clinic:** Dr. Kamey Kapp, Optometrist with Last Frontier Eye Care, regularly visiting Petersburg in the Specialty Clinic. Please call 907-434-1554 to schedule appointments.
- **Scopes Clinic:** Dr. Taggart and CRNA Jenilyn Lo will have their next clinic in September.
- **Dermatology:** Cameron French will be conducting clinic Aug. 31st- Sept 4th
- **Endocrinology:** Dr. Harrison plans to host endocrinology clinic on September 18th.
- **Orthopedic Clinic:** Discussions are ongoing to explore options for bringing ortho clinic specialty to Petersburg.
- **Adult Day-** Cedar Social Club offered to eligible people 60 and older, please call 772-5716 to learn more about this program.


Total Encounters
Options
Patient Visits
1,486
Encounters
July 2026
105 (7.6%)
Change from
June 2026
1,281
Monthly Average
Past 13 Months
View By: Aggregate
Encounters
1,600
1,500
1,400
1,300
1,200
1,100
1,000
μ
Aug 2025
Oct 2025
Dec 2025
Feb 2026
Apr 2026
Jun 2026
Total Encounters
Summary


Inpatient Admissions
Options
Hospital Operations
14
Admissions
July 2026
2 (16.7%)
Change from
June 2026
11
Monthly Average
Past 13 Months
View By: Aggregate
Admissions
16
14
12
10
8
6
μ
Aug 2025
Oct 2025
Dec 2025
Feb 2026
Apr 2026
Jun 2026
Inpatient Admissions


ED Visits
Options
Hospital Operations
119
Visits
July 2026
13 (12.3%)
Change from
June 2026
81
Monthly Average
Past 25 Months
140
120
100
80
60
40
Visits
μ
Sep 2024
Jan 2025
May 2025
Sep 2025
Jan 2026
May 2026
ED Visits
Benchmark (Critical Access Clients)


Average Census
Options
Hospital Operations
10.00
Patients
July 2026
-0.20 (2.0%)
Change from
June 2026
11.85
Monthly Average
Past 13 Months
View By: Aggregate
16.00
14.00
12.00
10.00
8.00
Patients
μ
Aug 2025
Oct 2025
Dec 2025
Feb 2026
Apr 2026
Jun 2026
Average Census
Summary

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

- Please see attached report submitted by J. Wetzel with Arcadis
- Art Proposals have been received and reviewed by art subcommittee for the WERC building.
- Continuing to promote the need for fundraising for Phases 3 & 4.

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: 64
- See attached Grants Report by Katie Bryson.

Submitted by: Phil Hofstetter, CEO

Petersburg MEDICAL CENTER

FISCAL YEAR 2027 GRANTS UPDATE

In FY27 to date, grants fund 3.0 FTE in staff time across 9 PMC positions.

3 Pending Congressional Funding Requests: $8,200,000

- **Senate Appropriations** **PMC Long Term Care Center Construction Request**
  Sen. Murkowski submitted a request for PMC's new LTC to LHHS Subcommittee.
  1 Award | **$2,700,000** total requested – *Decision anticipated 2026-2027*

- **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 2026-2027*

- **House Appropriations** **PMC New Health Campus Construction Design Request**
  Rep. Begich submitted a request for funding to House Appropriations Committee.
  1 Award | **$2,000,000** total requested – *Decision anticipated 2026-2027*

4 Pending State & Federal Funding Requests: $4,261,388

- **HRSA** **Rural Communities Opioid Response Program Impact grant**
  To launch a broad expansion of substance use prevention, treatment, & recovery.
  4 Years | **$2,913,600** over four years – *Decision expected August 2026*

- **State of Alaska RHTP Funding** **Petersburg Telehealth Integration Project**
  Funds requested to develop infrastructure to support telehealth across services.
  1 Award | **$468,435** in Year 1 – *Decision expected July 2026*

- **State of Alaska RHTP Funding** **Home & Community Based Services Expansion**
  Launch multiyear expansion of service lines, equipment, staffing & regional reach.
  1 Award | **$423,579** in Year 1 – *Decision expected July 2026*

- **State of Alaska RHTP Funding** **Integrated Behavioral Health Program**
  Establish & staff a PMC Behavioral Health Department with internship capacity.
  1 Award | **$455,774** in Year 1 – *Decision expected July 2026*

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

Updated 8/17/2026 *by Katie McKay Bryson (Director of Grants, Planning & Evaluation)*

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

9 Program & Personnel Grants Operating in FY27 $986,834

** FY27 Grant contributions to PMC's Admin & Finance costs: $33,354*

- **Alaska Community Foundation** **Camps Initiative**
  Youth Programs project supporting the Summer 2026 ORCA Kayaking Camp.
  1 Award | **$20,000** (total single award)

- **Alaska Mental Health Trust Authority** **Partnership Grant**
  Expands PMC's hybrid telehealth/onsite behavioral health services for LTC & HH.
  1 Award | **$81,960** (total single award)

- **ACL** **Communities Deliver & Sustain Evidence-Based Falls Prevention**
  Evidence-based falls prevention programs delivered in community settings.
  Year **4** of **4** | **$147,076** in FY27

- **Rasmuson Foundation** **Tier I Grant**
  Youth Programs award for Kinder Skog & ORCA camp gear, equipment & storage.
  1 Award | **$25,000** (total single award)

- **State Health Department** **Adult Day Services Grant**
  Supports Cedar Social Club staffing & $50K+ per year in participant scholarships.
  Year **3** of **3** | **$191,030** in FY27

- **State Health Department** **Opioid Settlement Funds Grant**
  Sustaining telepsychiatry access pilot program established by 2023 HRSA grant.
  Year **3** of **3** | **$142,828** in FY27

- **State Health Department** **Senior In-Home Services Grant**
  Delivering case management services to Elders/Seniors in Petersburg & Wrangell.
  Year **1** of **3** | **$63,993** in FY27

- **State Health Department** **Tobacco Prevention & Control Health Systems Grant**
  Project to provide tobacco use/chronic disease Health Systems Change activities.
  Year **1** of **3** | **$155,000** in FY27

- **State of Alaska RHTP Funding** **Maternal & Early Childhood Health Planning**
  Develop lactation consulting and childbirth education, & assess opportunities.
  1 Award | **$159,947 **preliminary award amount**** in FY27

PETERSBURG MEDICAL CENTER

FINANCIAL REPORTING PACKAGE

For the month ended July 31, 2026

Key Volume Indicators

FISCAL YEAR 2027

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior YTD	% Change
1. Clinic Visits	778	-	-	-	-	-	-	-	-	-	-	-	778	768	1.3%
Primary Clinic	*768*												*768*	*768*	*0.0%*
Specialty Clinics	*10*												*10*	-	*n/a*
2. Radiology Procedures	357												357	253	41.1%
MRI	38												*38*	-	
3. Lab Tests (excluding QC)	2,137												2,137	1,937	10.3%
Health Fair									-	-			-	-	
4. Rehab Services Units	1,827												1,827	883	106.9%
Physical	*1,206*												*1,206*	-	
Occupational	*460*												*460*	-	
Speech	*161*												*161*	-	
5. Home Health Visits	317												317	155	104.5%
Nursing Visits	*172*												*172*		
PT/OT Visits	*145*												*145*		
6. Emergency Room Visits	115												115	102	13%
7. Observation Days	11												11	3	292%
Hospital Inpatient															
8. Patient Days - Acute	41												41	12	241.7%
9. Patient Days - Swing Bed (SNF)	35												35	54	-35.2%
10. Patient Days - Swing Bed (ICF)	31												31	8	287.5%
11. Patient Days - Total	107	-	-	-	-	-	-	-	-	-			107	74	44.6%
12. Average Daily Census - Acute	1.3												0.1	0.4	-71.5%
13. Average Daily Census - Swing Bed (SNF)	1.1												0.1	1.7	-94.6%
14. Average Daily Census - Swing Bed (ICF)	1.0												0.1	0.3	-67.7%
15. Average Daily Census - Total	3.5												0.3	2.4	-88.0%
16. Percentage of Occupancy	28.8%												2.4%	19.9%	-88.0%
Long Term Care															
17. LTC Days	301.0												301	426	-29.3%
18. Average Daily Census	9.7												0.8	13.7	-94.1%
19. Percentage of Occupancy	64.7%												5.4%	91.6%	

Petersburg Medical Center
Statement of Revenues and Expenses
For the period ending 07/31/2026

Month Actual	Month Budget	$ Variance	% Variance			YTD Actual	YTD Budget	$ Variance	% Variance	Prior YTD	% Variance
					Gross Patient Revenue:						
$680,984	$590,762	$90,221	15.3%	1.	Inpatient Revenue	$680,984	$590,762	$90,221	15.3%	$344,367	97.7%
$1,490,720	1,175,639	315,081	26.8%	2.	Outpatient Revenue	1,490,720	1,175,639	315,081	26.8%	1,074,524	38.7%
$578,684	743,151	(164,467)	-22.1%	3.	Longterm Care Revenue	578,684	743,151	(164,467)	-22.1%	778,599	-25.7%
$573,408	502,582	70,825	14.1%	4.	Clinic Revenue	573,408	502,582	70,825	14.1%	470,547	21.9%
$62,378	57,629	4,749	8.2%	5.	Home Health Revenue	62,378	57,629	4,749	8.2%	62,044	0.5%
$3,386,173	3,069,763	316,410	10.3%	6.	**Total gross patient revenue**	3,386,173	3,069,763	316,410	10.3%	2,730,082	24.0%
					Deductions from Revenue:						
$536,125	541,238	5,113	0.9%	7.	Contractual Adjustments	536,125	541,238	5,113	0.9%	485,175	-10.5%
				8.	Prior Year Settlements						
$110,509	4,389	(106,120)	-2417.9%	9.	Bad Debt Expense	110,509	4,389	(106,120)	-2417.9%	119,112	7.2%
$20,824	16,672	(4,152)	-24.9%	10.	Charity and Other	20,824	16,672	(4,152)	-24.9%	29,672	29.8%
$667,458	562,298	(105,159)	-18.7%	11.	**Total deductions from revenue**	667,458	562,298	(105,159)	-18.7%	633,960	-5.3%
$2,718,715	2,507,465	211,251	8.4%	12.	**Net patient revenue**	2,718,715	2,507,465	211,251	8.4%	2,096,122	29.7%
					Other Revenue:						
$29,632	67,945	(38,313)	-56.4%		340B Revenue	29,632	67,945	(38,313)	-56.4%	53,726	-44.8%
$180,752	165,629	15,123	9.1%	13.	Inkind Service - PERS/USAC	180,752	165,629	15,123	9.1%	108,346	66.8%
$49,199	77,578	(28,379)	-36.6%	14.	Grant Revenue	49,199	77,578	(28,379)	-36.6%	80,101	-38.6%
				15.	Federal & State Relief						
$55,653	50,248	5,405	10.8%	16.	Other Revenue	55,653	50,248	5,405	10.8%	32,359	72.0%
$315,236	361,401	(46,165)	-12.8%	17.	**Total other operating revenue**	315,236	361,401	(46,165)	-12.8%	274,532	14.8%
$3,033,951	2,868,865	165,086	5.8%	18.	**Total Operating Revenue**	3,033,951	2,868,865	165,086	5.8%	2,370,654	28.0%
					Expenses:						
$1,379,610	1,320,130	(59,480)	-4.5%	19.	Salaries and Wages	1,379,610	1,320,130	59,480	4.5%	1,203,177	-14.7%
$279,376	234,114	(45,262)	-19.3%	20.	Contract Labor	279,376	234,114	45,262	19.3%	139,316	-100.5%
$461,806	516,031	54,225	10.5%	21.	Employee Benefits	461,806	516,031	(54,225)	-10.5%	446,369	-3.5%
$190,987	180,344	(10,643)	-5.9%	22.	Supplies	190,987	180,344	10,643	5.9%	139,588	-36.8%
$71,277	81,578	10,301	12.6%	23.	Purchased Services	71,277	81,578	(10,301)	-12.6%	72,336	1.5%
$90,801	64,883	(25,917)	-39.9%	24.	Repairs and Maintenance	90,801	64,883	25,917	39.9%	52,958	-71.5%
$58,191	31,379	(26,812)	-85.4%	25.	Minor Equipment	58,191	31,379	26,812	85.4%	21,675	-168.5%
$37,639	48,463	10,824	22.3%	26.	Rentals and Leases	37,639	48,463	(10,824)	-22.3%	29,127	-29.2%
$170,925	157,457	(13,467)	-8.6%	27.	Utilities	170,925	157,457	13,467	8.6%	83,953	-103.6%
$10,542	12,704	2,162	17.0%	28.	Training & Travel	10,542	12,704	(2,162)	-17.0%	3,833	-175.0%
$26,932	24,341	(2,591)	-10.6%	30.	Insurance	26,932	24,341	2,591	10.6%	28,965	7.0%
$46,537	40,742	(5,796)	-14.2%	31.	Other Operating Expenses	46,537	40,742	5,796	14.2%	30,558	-52.3%
$2,824,623	2,712,166	(112,457)	-4.1%	32.	**Total Expenses**	2,824,623	2,712,166	112,457	4.1%	2,251,855	-25.4%
$209,328	156,699	52,629	33.6%	33.	Income(Loss) from Operations	209,328	156,699	52,629	33.6%	118,799	76.2%
					Nonoperating Gains(Losses):						
($40,234)	53,122	(93,355)	-175.7%	34.	Investment Income	(40,234)	53,122	(93,355)	-175.7%	39,208	-202.6%
($7,802)	(10,055)	2,254	-22.4%	35.	Interest Expense	(7,802)	(10,055)	2,254	-22.4%	(9,879)	-21.0%
				36.	Gain (loss) in disposal of assets						
$85,783	58,048	27,735	47.8%	37.	Other non-operating revenue	85,783	58,048	27,735	47.8%	1,392,953	-93.8%
($183,560)	(190,361)	(6,801)	3.6%	38.	Depreciation and Amortization	(183,560)	(190,361)	6,801	-3.6%	(153,404)	-19.7%
($145,812)	(89,247)	(56,566)	63.4%	39.	**Net nonoperating gains (losses)**	(145,812)	(89,247)	(56,566)	63.4%	1,268,877	-111.5%
$63,516	$67,452	($3,936)	97.0%	40.	**Change in Net Position (Bottom Line)**	$63,516	$67,452	($3,936)	97.0%	$1,387,676	-35.3%

Petersburg Medical Center
Balance Sheet
07/31/2026

	ASSETS:	JUL 2026	JUN 2026	JUL 2025	JUN 2026
	Current Assets:				
1.	Cash - operating	2,975,112.27	3,303,586	797,214	3,303,586
2.	Cash - payor advances				
3.	Investments - short-term	2,185,816.82	2,179,349	2,103,565	2,179,349
4.	Cash and equivalents	5,160,929.09	5,482,935	2,900,779	5,482,935
5.	Patient receivables	6,197,832.28	5,609,759	7,060,667	5,609,759
6.	Allowances for contractuals & bad debt	(2,181,897.30)	(2,054,829)	(2,289,510)	(2,054,829)
7.	Net patient receivables	4,015,934.98	3,554,930	4,771,158	3,554,930
8.	Other receivables	862,919.59	1,172,010	4,229,607	1,172,010
9.	Inventories	369,543.46	364,181	330,356	364,181
10.	Prepaid expenses	495,776.50	194,600	406,670	194,600
11.	Total current assets	10,905,103.62	10,768,656	12,638,569	10,768,656
	Property and Equpiments:				
12.	Assets in service	49,740,894.05	49,717,634	28,690,239	49,717,634
13.	Assets in progress	7,057,702.81	6,950,452	24,149,447	6,950,452
14.	Total property and equipment	56,798,596.86	56,668,086	52,839,685	56,668,086
15.	Less: accumulated depreciation	(25,835,742.92)	(25,652,183)	(23,533,365)	(25,652,183)
16.	Net property and equipment	30,962,853.94	31,015,903	29,306,321	31,015,903
	Assets Limited as to Use by Board:				
17.	Investments	4,254,654.26	4,299,542	3,690,680	4,299,542
18.	Building fund	931,946.60	939,312	806,253	939,312
19.	Total assets limited as to use by Boa	5,186,600.86	5,238,854	4,496,933	5,238,854
	Deferred Outflows:				
20.	Pension	2,218,751.00	2,218,751	2,218,751	2,218,751
21.	**Total assets**	49,273,309.42	49,242,164	48,660,574	49,242,164

	Liabilities & Net Position	JUL 2026	JUN 2026	JUL 2025	JUN 2026
	Current Liabilities:				
22.	Accounts payable	1,413,809	940,396	857,658	940,396
23.	Accrued payroll	536,149	386,120	449,762	386,120
24.	Payroll taxes and other payables	116,918	186,073	97,847	186,073
25.	Accrued PTO and extended sick	1,358,174	1,306,052	1,476,843	1,306,052
26.	Deferred revenue	208,610	155,197	118,720	155,197
27.	Due to Medicare	(978,252)	(530,277)	1,241,394	(530,277)
28.	Due to payors - advances				
29.	Other current liabilities	3,803	3,803	3,323	3,803
30.	Accounts Payable - New Facility	6,480	212,774	1,389,764	111,794
31.	Current portion of LTD	404,918	410,137	460,171	410,137
32.	Total current liabilities	3,070,607	3,070,275	6,476,525	3,070,275
	Long-Term Debt:				
33.	Capital leases payable	1,500,832	1,533,535	1,788,924	1,533,535
	Pension Liabilities:				
34.	Net pension & OPEB liabilities	9,749,491	9,749,491	9,749,491	9,749,491
35.	Total liabilities	14,320,930	14,353,300	18,014,939	14,353,300
	Deferred Inflows:				
36.	Pension	291,347	291,347	291,347	291,347
	Net Position:				
37.	Unrestricted	34,597,517	28,966,612	28,966,612	28,966,612
38.	Current year net income (loss)	63,516	5,630,905	1,387,676	5,630,905
39.	Total net position	34,661,032	34,597,517	30,354,288	34,597,517
40.	**Total liabilities and net position**	49,273,309	49,242,164	48,660,574	49,242,164

Key Operational Indicators

For the month ended July 31, 2026

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior Year	% Change
1. Contractual Adj. as a % of Gross Revenue	15.8%												15.8%	19.4%	-18.4%
2. Charity/Other Ded. As a % of Gross Revenue	0.6%												0.6%	1.1%	-44.1%
3. Bad Debt as a % of Gross Revenue	3.3%												3.3%	2.0%	63.2%
4. Operating Margin	6.5%												6.5%	5.7%	14.7%
5. Total Margin	1.8%												1.8%	15.2%	-88.1%
6. Days Cash on Hand (Including Investments)	118.4												118	118	0.4%
7. Days in A/R (Net)	49.8												50	53	-6.0%
8. Days in A/R (Gross)	63.4												63	66	-3.9%
9. Days in Accounts Payable	28												28	25	13.4%

PETERSBURG MEDICAL CENTER

BYLAWS OF THE HOSPITAL BOARD

DEFINITIONS

1. The term "Hospital" shall mean the Petersburg Medical Center.

2. The term "President" shall refer to the then acting President of the Board as further defined in Article IV of these Bylaws.

3. The term "Medical Staff" shall refer to the organized Medical Staff as further defined in Article VII of these Bylaws.

4. The term "Board" shall refer to the Board of Directors of the Hospital as defined in Article II of these Bylaws.

5. The term "Chief Executive Officer" or "CEO" shall refer to the Chief Executive Officer of the Hospital as defined in Article VI of these Bylaws.

6. The term "Medical Director" refers to the Medical Director of the Hospital who works closely with the executive management team of the Hospital to implement strategies that enhance patient care and improve the practice of medicine within the Hospital.

ARTICLE 1
NAME AND PURPOSE

The Petersburg Medical Center is referred to in these Bylaws as the "Hospital." The Hospital is operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code") and is owned by the Petersburg Borough and is a component of the Petersburg Borough. The governing body of the Hospital is the Petersburg Medical Center Board, referred to in these articles as the "Board."

The purpose of the Hospital is:

1) To provide quality health care services to the residents and visitors of Petersburg and the surrounding area within the available resources

without regard to race, creed, age, sex, handicap, socioeconomic status, or national origin.

2) To promote and improve health in the community through education, preventive medicine, and quality health care.

3) To take actions and make choices that will best ensure the financial stability of the Hospital into the future, and thereby ensure the availability of health care services today and tomorrow.

ARTICLE II
BOARD OF DIRECTORS

SECTION 1. POWERS. The Board shall be the governing body of the Hospital, overseeing the management of its business and affairs, including management of patient care, in a manner consistent with those powers granted to it by the Charter of the Petersburg Borough, the Petersburg Municipal Code, these Bylaws, and other applicable law reasonably incident and necessary for the management of the Hospital.

SECTION 2. MEMBERSHIP. Membership of the Board is in accordance with the Charter of the Petersburg Borough and the Petersburg Municipal Code. As such, Board members must be a qualified Petersburg Borough voter and have resided in the borough for a period of one year prior to taking office. The Board shall be composed of no more than seven (7) voting members. Each member shall serve a three-year term, and the terms must be staggered to allow for the uninterrupted continuation of Board functions. Notwithstanding anything in Article II to the contrary, membership, qualifications, and appointment of members of the Board shall be controlled and governed by the laws of Alaska as it presently exists or may hereafter be amended from time to time.

SECTION 3. VACANCIES. In the event of vacancy on the Board prior to a regularly scheduled election, the Board will follow Borough Charter Section 3.04.060 to fill the vacancy.

SECTION 4. QUALIFICATIONS. No Board member shall be an employee of the Hospital during any part of his/her term of office or have served as an employee of the Hospital within the preceding twelve (12) month period.

SECTION 5. ABSENCES/ATTENDANCE. A vacancy is created on the Board for any of the reasons stated in Borough Charter Section 3.50.020 (B) and Borough Charter Section 2.04 (A) and (B).

ARTICLE III
MEETINGS

SECTION 1. AUTHORITY ON PROCEDURE. The latest available edition of ROBERTS RULES OF ORDER, REVISED, shall apply to all questions of procedure not specified in these Bylaws.

SECTION 2. REGULAR MEETING. Regular meetings shall be held monthly, or no fewer than ten (10) times per year, at a time and place designated by the Board after the installation of officers. Regular meetings may be suspended or postponed by the President or by a quorum of the Board.

SECTION 3. SPECIAL MEETINGS. Special meetings may be called by the President of the Board or by a quorum of the Board. No less than three (3) days' notice shall be given to allow for notification of the Board and public advertising in accordance with Alaska law.

SECTION 4. QUORUM. Four Board members, attending in person, telephonically, or electronically, shall constitute a quorum for the transaction of all business of the Board.

ARTICLE IV
OFFICERS

SECTION 1. OFFICERS. The officers of the Board shall be the President, Vice-President, and Secretary.

SECTION 2. ELECTION OF OFFICERS. Election of officers shall be held annually, at the first meeting following the general municipal election. Nominations shall be made from the floor, followed by the election. A majority vote of all members of the Board shall be necessary to elect. The terms shall begin upon adjournment of the meeting at which the election is held.

SECTION 3. PRESIDENT. The President shall preside at all meetings of the Board and shall exercise and discharge other powers and responsibilities as may be required by the Board, by these Bylaws, or by the Medical Staff Bylaws. The President's responsibilities may include but are not limited to making recommendations to the Board, from time-to-time, as the President determines appropriate, on policies and matters that the President believes require Board action, as well as attending meetings of the Board and Medical Staff unless the President appoints a designee. The President will also serve as liaison among the Board, the Medical Staff, and the Hospital.

SECTION 4. VICE-PRESIDENT. The Vice-President shall, in the absence or refusal to act of the President, perform the duties of the President, and shall perform all such other duties as may be required by the Board, by these Bylaws, or by the Medical Staff Bylaws.

SECTION 5. SECRETARY. The Secretary of the Board shall keep an accurate record of all meetings of the Board; shall conduct all correspondence of the Board as directed; shall file all documents and correspondence belonging to the Board; shall keep these Bylaws and the Medical Staff Bylaws current for reference; and shall conduct an election of a President pro tem in the event that the President and Vice President are absent from or otherwise unable to participate in a meeting of the Board. The secretary may receive assistance from Hospital staff in carrying out these duties and responsibilities.

SECTION 6. TERM OF OFFICE. The term of office for all officers shall be one year. Officers shall be eligible for re-election to the same or other positions as officers.

SECTION 7. REMOVAL OF OFFICERS. Any officer may be removed with cause by a two-thirds majority vote of the Board for any of the reasons enumerated in the Borough Charter Section 2.04 (B).

ARTICLE V
COMMITTEES Of THE BOARD

SECTION 1. COMMITTEES GENERALLY. Committees of the Board may be standing or special. Each committee shall exercise such power and carry out such functions as are designated by these Bylaws or are delegated by the Board. Except as otherwise specified in this Article V, each committee shall adhere to the following procedures:

A. Meetings. The President of the Board or committee chair shall determine the schedule that each committee shall be required to meet. Reasonable notice of the meetings of any committee shall be given to the committee members and to the President and any such other individuals as may be designated by the Board from time to time, each of whom shall have the right to attend and participate in the deliberations of the committee except as otherwise expressly noted in these Bylaws. The President of the Board or the committee chair may invite to any committee meeting such individuals as they may select who may be helpful to the deliberations of the committee.

B. Minutes. Each committee shall record minutes of its deliberations, recommendations, and conclusions and shall deliver a draft copy of such minutes to the Secretary, the President, and such other individuals

designated by the Board from time to time for review and comment prior to completion.

C. Quorum. Subject to the provisions otherwise identified in these Bylaws, a majority of the members of each committee shall constitute a quorum for the transaction of business.

D. Rules. Each committee may adopt rules for its own operations and that of its subcommittees consistent with these Bylaws or the policies of the Board. The Board must approve any such rules before they become effective.

SECTION 2. APPOINTMENT TO COMMITTEES. The chair and members of each committee, except as otherwise provided in these Bylaws, shall be appointed annually by the President and confirmed by a majority of the Board.

SECTION 3. STANDING COMMITTEES. Standing committees shall consist of the Quality Improvement Committee, Joint Conference Committee, and the Resource Committee.

A. QUALITY IMPROVEMENT COMMITTEE. The Quality Improvement Committee shall review and report on matters of patient care and safety of patients, staff, and Hospital visitors. This committee shall identify, assess, and recommend solutions of Hospital-wide problems concerning the standard of care provided by the Hospital's employees, agents, independent contractors, and Medical Staff. The committee shall review and report on systems of performance evaluation for all clinical and administrative staff; membership by individuals on the Medical Staff; scope of privileges held by members of the Medical Staff and others; and litigation and claims related to malpractice, non-feasance or misfeasance by employees, agents, independent contractors, and members of the Medical Staff. The committee shall include, at a minimum, one member of the Board, the CEO, the director of nursing, the medical records director, and one member of the Medical Staff. The committee shall meet at least ten (10) times per year and shall report to the Board as requested by the President.

B. RESOURCE COMMITTEE. The Resource Committee shall review and make recommendations to the Board with respect to the financial and strategic planning needs and activities of the Hospital. These include, but are not limited to, debt structure; purchase, sale or encumbrance of real property; financial feasibility of projects; adoption of the annual budget; policies of the Hospital on bad debts; donated services; insurance held by the Hospital;

reports of the auditors; and other matters that might affect the financial condition and future direction of the Hospital.

C. JOINT CONFERENCE COMMITTEE. The Joint Conference Committee shall act as an intermediary between the Board and the Medical Staff. It shall consist of the President of the Board, the CEO, and the Chief of Medical Staff. In the absence of the President, another officer of the Board shall represent the Board.

The chair of the committee shall alternate annually between the President, who shall serve in even-numbered years, and the Chief of the Medical Staff, who shall serve in odd-numbered years. An alternate chair may be appointed by mutual agreement of the President and the Chief of the Medical Staff.

The Joint Conference Committee shall hear grievances and make recommendations to the Board and to the Medical Staff. It shall review proposed amendments to the Medical Staff Bylaws and rules and regulations. The committee shall meet quarterly or at the request of the President or the Chief of the Medical Staff and shall report to the Board as requested by the President.

SECTION 4. SPECIAL COMMITTEES. Special committees may be designated by the President with the approval of a majority of the Board. A special committee shall limit its activities to the task for which it is appointed. Upon completion of the task for which it was appointed, a special committee shall be dissolved without further Board action.

SECTION 5. AUXILARY AND ASSOCIATED ORGANIZATIONS. The Board may authorize the formation of auxiliary and associated organizations to assist in the fulfillment of the purposes of the Hospital. Each such organization shall exercise such power and carry out such functions as are designated by these Bylaws or delegated by the Board. Each organization shall keep regular minutes of its proceedings and shall report to the Board when requested to do so.

ARTICLE VI
Chief Executive Officer (CEO)

SECTION 1. SELECTION, AUTHORITY, AND EVALUATION OF CEO. The Board shall select and employ a competent and experienced CEO who shall be its direct executive representative in the management of the Hospital.

The CEO shall have the general supervision, administration and direction of all the Hospital's activities and departments, in accordance with the Petersburg Municipal Code and subject to the direction of the Board. The CEO shall perform all the duties

commonly incident to his/her office and authorized by the Petersburg Municipal Code. The CEO shall act as the Board's duly authorized representative in all matters in which the Board has not formally designated some other person for that specific purpose.

The Board shall evaluate the performance of the CEO annually based on mutually agreed upon goals and objectives. This evaluation shall be performed in an executive session of the Board and a written record of the evaluation shall be made part of the personal and confidential file of the CEO.

SECTION 2. RESPONSIBILITIES AND DUTIES. Responsibility and duties of the CEO shall include, but not be limited to:

A. Responsibility for carrying out all policies established by the Board;

B. Preparation and submission to the Board for approval of a plan or organization of the personnel and others concerned with the operation of the Hospital;

C. Preparation of an annual budget showing the expected revenue and expenses of the Hospital;

D. Selection, employment, control and discharge of all employees, including the development and maintenance of personnel policies and practices of the Hospital;

E. Responsibility for the repair and operating condition of all physical properties;

F. Supervision of all business affairs of the Hospital and ensuring that all funds are collected and expended to the best possible advantage to the Hospital;

G. Working with the Medical Staff and with all those concerned with providing professional services to the Hospital so that the best possible care may be rendered to all patients;

H. Preparation of periodic reports to the Board reflecting the activities of the Hospital, and the preparation of any special reports as may be requested by the Board;

I. Attendance at all meetings of the Board;

J. Performance of any other duty assigned by the Board or that may be necessary in the interests of the Hospital;

K. The CEO shall be responsible for establishing policies for services provided by individual volunteers.

ARTICLE VII
MEDICAL STAFF

SECTION ONE. ORGANIZATION, APPOINTMENTS AND HEARINGS.

A. The Medical Staff shall be organized into a responsible administrative unit, and be a self-governing body, having its own Bylaws, rules, policies and regulations, subject to approval by the Board. It shall be comprised of physicians who are graduates of recognized medical schools.

B. The Medical Staff shall be responsible to the Board for the scientific work and the clinical work of the Hospital and it shall respond to the Board when called upon to advise the Board regarding professional problems and policies.

C. The Medical Staff shall make recommendations to the Board on individuals who apply for appointment to the Medical Staff, allied health professional staff, and dependent practitioner staff, and the Board shall consider the Medical Staff's recommendations in deciding whether the applicant should be appointed. Any differences in recommendations concerning Medical Staff appointments, reappointments, terminations of appointments, and the granting and revision of clinical privileges shall be resolved within a reasonable period of time by the Board and the Medical Staff. Each appointee to the Medical Staff shall have the appropriate authority to care for their patients subject to such limitations and restrictions as are contained in these Bylaws and in the policies, Bylaws, rules and regulations for the Medical Staff, and, further subject to any limitations which may be attached to his or her appointment. Final authority and responsibility governing the Medical Staff shall reside with the Board.

D. The Board shall specify the authority and responsibility for selection of Medical Staff officers, section chairmen, and any other positions deemed appropriate by the Board.

E. The Medical Staff shall recommend to the Board the appointment of the medical and surgical privileges for each member of the Medical Staff annually.

SECTION TWO. MEDICAL CARE AND ITS EVALUATION.

A. The Board shall assign to the Medical Staff reasonable authority for ensuring appropriate professional care of the Hospital's patients. The Medical Staff is responsible for the review/revision of policies and procedures that affect the Medical Staff as warranted. The period between reviews shall not exceed three (3) years.

B. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered in the Hospital and shall report such activities and the results to the Board.

C. The Board may refer specific matters to the Medical Staff for their consideration and recommendations concerning:

1. Appointments, reappointments and other changes in staff status;

2. Granting clinical privileges;

3. Disciplinary actions; and

4. All matters relating to professional competency.

D. The Board shall ensure the Medical Staff contributes to the quality of care by coordinating their work with that of other leaders and those responsible for governing the organization. The Board shall also:

1. Ensure all Medical Staff members responsible for assessing, caring for, or treating patients are clinically competent and that clinical care rendered is appropriate; and

2. Ensure the Medical Staff contributes to the organization's planning, budgeting, safety management, and overall performance improvement activities.

SECTION THREE. The Board shall invite the Chief of the Medical Staff or its designee to its regularly scheduled meetings, The Chief of the Medical Staff or designee as spokesman for the Medical Executive Committee ("MEC") will be required to present the activities carried out and the recommendations made by the Medical Staff and MEC during the preceding month, as appropriate. These recommendations may include:

A. The structure of the Medical Staff

B. The mechanism used to review credentials and to delineate individual clinical privileges.

C. Individuals for appointment to the Medical Staff.

D. Delineated clinical privileges for each eligible individual.

E. The Medical Staff's participation in organization-wide performance improvement activities.

F. The mechanism by which appointment on the Medical Staff may be terminated.

G. The mechanism for the fair-hearing process.

SECTION FOUR. The Medical Staff shall adopt policies, Bylaws, rules and regulations and amendments as may be appropriate, setting forth its organization and governing its conduct. These policies, Bylaws, rules and regulations and any amendments thereto are subject to the approval of the Board.

SECTION FIVE. FAIR HEARING. The Board of Directors shall require that any adverse recommendation made by the Medical Executive Committee or any adverse action taken by the Board with respect to a practitioner's Medical Staff appointment, reappointment, category, admitting prerogatives, or clinical privileges, shall, except under circumstances for which specific provision is made in the Medical Staff Bylaws, be accomplished in accordance with the fair hearing provisions of the Medical Staff Bylaws, then in effect. These fair hearing provisions shall provide for procedures to assure fair treatment and afford opportunity for the presentation of all pertinent information. For the purpose of this Section, an "adverse recommendation" of the Medical Executive Committee and "adverse action" of the Board of Directors shall be as defined in these fair hearing provisions.

ARTICLE VIII
INDEMNIFICATION

To the extent permitted by the Charter of the Petersburg Borough and the Petersburg Municipal Code, the Hospital shall indemnify, defend and hold harmless the CEO, the Chief of the Medical Staff , and any Board Member who was or is made a party, or is threatened to be made a party, to any threatened, pending or completed action, lawsuit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was an officer, representative, employee or agent of the Hospital, or is or was serving as an officer, representative, employee or agent of the Hospital in any matter, including a peer review proceeding or in any proceeding relating to the

discipline or licensure of a Medical Staff member, against all expenses, attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by that person in connection with the action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in the best interest of the Hospital, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

The determination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of a *nolo contendere* or equivalent, shall not, by itself, create a presumption that the person did not act in good faith or in a manner which he or she did not reasonably believe to be in the best interests of the Hospital and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Except as otherwise set forth in this Article VIII, the Hospital may not indemnify an CEO, Chief of Medical Staff, or Board Member (i) in connection with any proceeding by or in the right of the Hospital in which the individual is or has been adjudged liable to the Hospital; or (ii) in connection with any other proceeding charging that the individual derived an improper personal benefit, whether or not involving action in an official capacity, in which proceeding the individual was adjudged liable on the basis that the individual derived an improper personal benefit. Notwithstanding the foregoing, the Hospital shall indemnify any CEO, Chief of the Medical Staff, or Board Member to the extent properly ordered to do so by a court of competent jurisdiction.

ARTICLE IX
CONFLICT OF INTEREST

A Board member shall be considered to have a conflict of interest if he or she has an existing or potential financial interest which impairs or might reasonably appear to impair such member's independent, unbiased judgment in the discharge of his or her responsibilities to the Hospital. All Board members shall disclose to the Board any possible conflict of interest at the earliest practical time.

A Board member shall recuse himself or herself from voting or otherwise participating in any matter under consideration at a Board or committee meeting in which he or she has a conflict of interest. The minutes of each meeting shall reflect any recusals. A Board member who is uncertain whether a conflict of interest exist in any matter shall disclose the possible conflict and request the Board or committee to resolve the question by majority vote without his or her participation.

ARTICLE X
DISSOLUTION OF HOSPITAL

If the Hospital Board is dissolved and/or the operations of the Hospital cease, the assets of the Hospital will revert back to the Borough or such other governmental entity identified by the Borough for a public purpose, or to such other nonprofit corporation identified by the Borough for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

ARTICLE XI
AMENDMENTS

These Bylaws may be amended or have additional articles or sections added at any regular meeting of the Board by four votes, provided the amendment or additions have been submitted in writing and read at the previous regular meeting.