

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT #2
Meeting of the Board of Commissioners
February 25, 2026
East Adams Rural Healthcare
903 S Adams
Ritzville, WA

- I) Call to Order
- II) Additions or Corrections to the Agenda
- III) Public Comment
- IV) Approval of Minutes-Regular Board Meeting Minutes January 28, 2026
Approval of Minutes-Special Board Meeting Minutes February 13, 2026
Approval of Minutes-Special Board Meeting Minutes February 17, 2026
- V) Consent Agenda
 - i) CCO Report
 - ii) HR Report
 - iii) Quality Report
- VI) Medical Staff Report
- VII) CEO Report
- VIII) Committee Reports
 - i) Finance Committee
 - (1) Financials – January
 - (2) Approval of Check Voucher
- IX) Old Business
 - i) Board meeting day/time
- X) New Business
- XI) Next Board Meeting Wednesday, March 25th, 2026, at 3:30 p.m.
- XIII) Adjourn

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
East Adams Rural Hospital
903 S. Adams
Ritzville, WA 99169
Meeting of the Board of Commissioners
January 28, 2026

PRESENT:	Eric Walker	Board Chair
	John Kragt	Vice Chair
	Riley Hille	Commissioner
	Dan Duff	Commissioner
	Matt Kubik	Commissioner/Secretary
	Todd Nida	CEO
	Viola Babcock	CFO
	Lexie Zuver	Chief of Staff
	Deborah Deboard	CCO
	Dallas Killian	COO

There were approximately fifteen community members present.

Board Chair, Eric Walker called the meeting to order at 3:30 p.m.

INTRODUCTIONS-None

ADDITIONS AND CORRECTIONS

Commissioner Eric Walker requested to add new business, request of board reserve funds, meeting time, and day. Commissioner John Kragt requested to add under executive session RCW 42.30.110 (c) To consider the minimum price at which real estate will be offered for sale.

CEO, Todd Nida read a statement of gratitude and economic statistics to the public prior to starting the meeting.

PUBLIC COMMENT

M. Fowler discussed being canceled as a patient from the clinic by prior administration and the board not doing anything about it. He referred to board members and administration at the table as "bad actors." He claimed this is why the public does not attend meetings anymore because the public does not feel heard and there is no accountability.

Community Member suggested Eric Walker and John Kragt resign from the board.

D. Crisp stated that there are no bad actors at the table. There is a devoted board and employees and have been doing everything they can to right the ship and fix issues.

D. Boyer asked if any of the funds that were taken had been returned. Chair Walker said there were no funds stolen, it was mismanagement of funds. Chair Walker explained that the board should have been more pressing on the audits, but you do not expect to have corrupt employees who lie to you.

Community Member asked for financials and the status of REH transition and the potential changes. Viola explained the process with the current goal of going active on 3/1. Viola also explained that we will have to switch EMR's because our current EMR does not support the REH model. Viola also shared that the Waters Meet Foundation is willing to help with the EMR by providing a 5-year loan with no interest and payments would not start until April 2027.

K. Fowler addressed Commissioner Kragt and Chair Walker on the lack of accountability regarding the board not doing anything about M. Fowler being discharged as a patient and not following up on complaints. Commissioner Kragt stated that he did bring it to the previous CEO and was told it was being taken care of. Kragt also stated that he had a conversation with M. Fowler. Chair Eric Walker explained again the roles of board members.

APPROVAL OF MINUTES

Commissioner Riley Hille made a motion to approve the December 17th regular board meeting minutes as presented. The motion passed. Commissioner Matt Kubik made a motion to approve the January 21st special board meeting minutes as presented. The motion passed.

CONSENT AGENDA

Board Chair, Eric Walker, polled the Board to see if they would like anything off the consent agenda to be moved to the regular agenda. Nothing was requested.

MEDICAL STAFF REPORT

Dr. Zuver reported that the Medical Staff met on January 15th. The Med Staff bylaws were approved and will be presented to the board for approval tonight. Docs Who Care has launched, and it is going well. There was a utilization review provided by the billing department to assist providers in using the correct codes and documentation. Commissioner Hille asked if there have been a lot of flu cases. Dr. Zuver said there have been some cases, but the uptick will come in February/March. Washington State has advised of a measles outbreak, but we have seen no cases.

CEO REPORT- See attached.

COMMITTEE REPORTS

FINANCE COMMITTEE

CFO REPORT – See attached.

Viola explained that the financials are considered proforma until the audit is completed. The next six weeks are critical. We hope to go live with REH in March, and we should receive tax monies in April. Viola shared some data showing the difference from 2022 to current. Commissioner Hille asked why \$250,000 was not billed in January. Viola explained that there was a change in process with different roles assigned and training was not completed. The issues were caught within a few days, and billing will go out in February. Viola reported that 2024 will result in a \$4 million loss and 2025 will result in \$2 million loss. The 2024 audit will be presented within a week.

Commissioner Hille stated that she called and confirmed with DZA that the audit will be completed and presented within a week. It was a delay caused by MultiCare. Commissioner Kragt requested DZA submit a statement and Commissioner Hille read aloud the statement reiterating the cause of delay. Viola stated that beginning 12/31/25 the MultiCare loan changed from long term debt to short term debt with payment to begin on 12/31/26. Commissioner Kragt asked with the trimming of payroll will there be a transgression in net revenues. Viola said there would not be because the staff are picking up additional duties to continue business as usual. Viola shared some information regarding the negotiations for debt forgiveness. Commissioner Kragt introduced Shaun Cross and explained how much he is helping with the negotiations. Mr. Cross shared some of his background and experience.

WARRANTS & VOUCHERS

Commissioner Kubik presented the following warrants for approval Accounts Payable Warrants #100230-#100298 for \$824,772.18. Commissioner Hille made a motion to approve the warrants as presented. The motion passed.

OLD BUSINESS- None

NEW BUSINESS

Commissioner Kragt made a motion to approve Eric Gutzweiler of WSHA as the EARH Safety Officer. The motion passed.

Commissioner Kragt explained what the Innovia Endowment Fund was and that once donations reach \$10,000 there is an equal 50/50 split. There is an option to donate on our website. Commissioner Kragt made a motion to approve the Innovia Endowment Fund. The motion passed.

Deb Deboard explained what the QAPI plan is. Commissioner Kragt made a motion to approve the 2026 QAPI plan. The motion passed.

Deb Deboard explained the Infection Control Plan and that Clinic Manager; Sean LaBolle is in charge. Commissioner Kragt made a motion to approve the 2026 IC Plan. The motion passed.

Todd and Viola explained that Capital Path has been lobbying the REH conversion on the state level for us. They are working pro-bono for us. There is a \$60,000 value on the contract, however we will not pay anything. We are working hard to get the conversion for Washington so it is done correctly so if any other facilities wish to convert, we will have laid the foundation for them. Commissioner Kragt made a motion to approve the Capital Path contract. The motion passed.

Dr. Zuver explained the new bylaws. Med Staff have approved of them. Commissioner Hille made a motion to approve the Med Staff bylaws. Commissioner Kragt and Walker abstained. The motion passed.

Each board member was presented with the Code of Ethics policy to read and acknowledge. This is done on an annual basis.

Viola requested that the board release the remaining \$250,000 board reserve fund to the general fund. Commissioner Kragt explained that this was discussed in the finance committee meeting and it is necessary and recommended by the finance committee. Commissioner Kragt made a motion to approve the release of the \$250,000 reserve funds to the general fund. The motion passed.

Chair Walker suggested moving the meeting back to a 5:30pm start time and the day of the board meetings for the convenience of the public. There was a brief discussion on different starting times and days. Chair Walker suggested that the commissioners think about it and it will be revisited at the next board meeting.

The Board went into Executive Session at 5:00 pm to discuss Medical Staff Credentialing and RCW 42.30.110(c) To consider the minimum price at which real estate will be offered for sale. The estimated length of the executive session was 30 minutes. The Board came out of executive session at 5:30 pm and extended it for an additional 15 minutes. The board came out of Executive Session at 5:45 pm. Commissioner Kubik made a motion to approve the appointment of Thomas Jacobs, Kyle Hoffman, and Heath DeHart to the Medical Staff of East Adams Rural Healthcare. The motion passed.

Commissioner Kragt made a motion to approve Resolution 26-01 to approve the sell price of \$165,000 of property located at 207 W 9th. The motion passed.

Chair Walker made a motion to adjourn the meeting. The motion passed.

The meeting adjourned at 5:47 p.m.

Respectfully submitted,
Kylie Lasen, Executive Assistant



East Adams Rural Healthcare

February 13, 2026, Special Board Meeting

Attendance: Eric Walker, John Kragt, Riley Hille, and Dan Duff

Mr. Walker called the meeting to order at 1400.

- Joe Lodge, Senior Partner DZA, presented the 2024 audited financials.
- Mr. Kragt requested the audited financials to be emailed to all Commissioners, CFO, Ms. Babcock agreed to provide. Ms. Babcock also stated that each Commissioner would receive a paper copy at the February 25th regular Board meeting.
- Mr. Kragt made a motion to accept the 2024 audited financials. The vote was approved 4 to 0.
- At 1445 to 1500, John made a motion for executive session for attorney/client privileged information. Eric called executive session.
- 1500 – Board came out of executive session.
- John made a motion to approve Todd Nida, CEO, to sign the MultiCare Memorandum of Understanding. The vote was approved 4 to 0.
- John motioned to adjourn. Eric adjourned the meeting.



East Adams Rural Healthcare

February 17, 2026, Special Board Meeting

Attendance: Eric Walker, John Kragt, Riley Hille, and Matthew Kubik

Mr. Walker called the meeting to order at 1400.

- Eric announced to go into executive session for one hour based on RCW 42.30.110(i)
- Eric announced an extension to the executive session at 1500 to 1530.
- Eric announced coming out of executive session at 1530.
- John made a motion for new model for the hospital with change in services. Vote was 4-0
- Riley made a motion to approve Todd Nida, CEO to sign the Health Carousel Memorandum of Understanding. Vote 4-0
- Meeting was adjourned.

Job Openings

Department	Job Opening	Date Open	Status	Notes
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Therapy	Speech Language Pathologist	04/14/2025	On-Hold	On-Hold
Nursing	ER/Acute Part-Time Noc	06/10/2025	On Hold	Hired 1 per diem nurse, orientation 10/29/25
Nursing	ER Full-Time Day	10/03/2025	On-Hold	3 open positions
Administration	Chief Financial Officer	06/10/2025	On-Hold	Contracted CFO
Imaging	CT/Rad Tech	01/14/2026	On-Hold	Per Diem
Facilities	Housekeeper	01/16/2026	Per Diem	Hired per diem 1/22/2026



East Adams Rural Healthcare

VOUCHER CERTIFICATION AND APPROVAL

I, THE UNDERSIGNED AUDITING OFFICER, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED AND THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIMS ARE JUST AND PAID OBLIGATIONS BY ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS.

TODD NIDA, CEO

WARRANTS AUDITED AND CERTIFIED BY THE AUDITING OFFICER HAVE BEEN RECORDED ON THE ATTACHED LISTING.

WE, THE UNDERSIGNED BOARD OF DIRECTORS OF ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, ADAMS COUNTY, WASHINGTON, DO APPROVE THOSE WARRANTS INCLUDED IN THE ATTACHED LIST AND FURTHER DESCRIBED AS ACCOUNTS PAYABLE WARRANTS #100299-#100343 IN THE AMOUNT OF \$582,237.21.

SIGNED THIS 25TH DAY OF FEBRUARY 2026.

ERIC WALKER, CHAIRMAN

JOHN KRAGT, VICE-CHAIRMAN

MATT KUBIK, SECRETARY/COMMISSIONER

RILEY HILLE, COMMISSIONER

DAN DUFF, COMMISSIONER

Date	Vendor	Check Number	Amount	Description
1/22/2026	V00027--AFLAC	ACH	\$ 272.22	Employee Benefits
1/22/2026	V00037--Alliant Insurance Services, Inc-8377	100299	\$ 4,761.00	Vehicle Insurance
1/22/2026	V01077--BABCOCK CONSULTING	ACH	\$ 6,187.61	CFO
1/22/2026	V00174--Department of Health	100300	\$ 180.02	Charity Care Assessment
1/22/2026	V01070--YS CREDENTIALING PLLC	100301	\$ 1,112.50	Contracted Provider Credentialing
1/29/2026	V01090--Airgas USA	100319	\$ 4,526.11	Oxygen & Gases
1/29/2026	V01069--AMN Leadership Solutions	100302	\$ 24,685.06	Interim CFO
1/29/2026	V00077--AVISTA UTILITIES	100303	\$ 9,848.15	Utilities
1/29/2026	V00768--Bound Tree Medical, LLC	100304	\$ 6,942.23	EMS Supplies
1/29/2026	V00911--Brown, Nathan	100305	\$ 1,600.00	EMS Rental
1/29/2026	V00139--COBRA Management Services, LLC	100320	\$ 1,552.00	Employee Benefits
1/29/2026	V00183--DINGUS, ZARECOR & ASSOCIATES PLLC	100306	\$ 20,992.00	Auditors
1/29/2026	V00186--Docs Who Care Northwest, Inc	100307	\$ 110,862.00	Contracted ER Providers
1/29/2026	V00194--EAP Consulting L.L.C.	100308	\$ 4,550.00	IT Manager
1/29/2026	V00221--FISHER HEALTHCARE	100309	\$ 11,542.53	Lab Supplies
1/29/2026	V01102--IMA-Parker Smith & Feek Insurance LLC	100310	\$ 8,573.76	Cyber Security Insurance
1/29/2026	V00968--Intrinium/Torchlight	100311	\$ 20,000.00	IT Server Backup
1/29/2026	V00334--MEDLINE INDUSTRIES, INC.	100312	\$ 3,404.57	ER Supplies
1/29/2026	V00619--Pacific Office Automation	100313	\$ 1,824.53	Leased Copier
1/29/2026	V00383--Pacific Office Automation INC	100314	\$ 4,092.36	Leased Copier
1/29/2026	V00421--PURE FILTRATION PRODUCTS	100315	\$ 1,909.01	Plant Operations Supplies
1/29/2026	V00424--Qualivis	100316	\$ 1,667.32	Contracted ER Provider
1/29/2026	V00518--Travelers CL Remittance Center	100317	\$ 5,078.50	Vehicle/Building Insurance
1/29/2026	V00542--Vitalant	100318	\$ 4,058.20	Blood Supplies
2/19/2026	V00027--AFLAC	100321	\$ 246.74	Employee Benefits
2/19/2026	V00053--AMERICAN PROFICIENCY INSTITUTE	100322	\$ 4,116.62	Lab Contract
2/19/2026	V00077--AVISTA UTILITIES	100323	\$ 12,835.10	Utilities
2/19/2026	V01077--BABCOCK CONSULTING	ACH	\$ 13,154.08	CFO
2/19/2026	V00082--BASIN REFRIGERATION	100324	\$ 22,588.20	Electrical for Café'
2/19/2026	V01093--Budd Bay Law P. S.	100325	\$ 6,575.00	Attorney Fees
2/19/2026	V00928--Culton Consulting LLC	100326	\$ 10,000.00	Consulting Services
2/19/2026	V00221--FISHER HEALTHCARE	100327	\$ 22,175.52	Lab Supplies

2/19/2026	V01099--Foster Garvey	100328	\$	622.00	Attorney Fees
2/19/2026	V00595--Health Carousel	100329	\$	60,000.00	Contracted Nurses/Lab Tech
2/19/2026	V00747--Healthcare Consulting Services	100330	\$	5,200.00	Consulting Services
2/19/2026	V01102--IMA-Parker Smith & Feek Insurance LLC	100331	\$	12,664.74	Excess Cyber Security Insurance
2/19/2026	V00788--Inovalon Provider, Inc	100332	\$	3,391.27	Claims Management
2/19/2026	V01104--Lee & Hayes PC	100333	\$	19,960.00	Attorney Fees
2/19/2026	V00695--MultiCare Health System	100334	\$	77,331.69	EMR, Revenue Cycle
2/19/2026	V00430--RICOH USA INC	100335	\$	3,754.63	Leased Copier and Supplies
2/19/2026	V01095--Ritzville Earthworks, LLC	100336	\$	10,127.82	Plant Operations Repairs
2/19/2026	V01026--Roach & Bishop LLP	100337	\$	6,883.77	Attorney Fees
2/19/2026	V00742--SaltBridge Medical Laboratory	100338	\$	2,760.80	Lab Consultant
2/19/2026	V00464--SANOFI PASTEUR INC	100339	\$	6,433.41	Vaccines
2/19/2026	V00487--STAPLES	100340	\$	3,801.53	Office Supplies
2/19/2026	V01063--Thermo Fisher Financial Services Inc.	100341	\$	1,956.34	Leased Lab Analyzer
2/19/2026	V01101--Williams Kastner & Gibbs	100342	\$	12,623.77	Attorney Fees
2/19/2026	V01070--YS CREDENTIALING PLLC	100343	\$	2,812.50	Contracted Provider Credentialing
			\$	582,237.21	