

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

- I) Call to Order
- II) Additions or Corrections to the Agenda
- III) Approval of Minutes-Regular Board Meeting Minutes May 28th, 2026
- IV) Consent Agenda
 - i) DON Report
 - ii) HR Report
 - iii) Quality Report (Quarterly)
- V) Medical Staff Report
- VI) CEO Report
- VII) Committee Reports
 - i) Finance Committee
 - (1) Financials – May
 - (2) Approval of Check Voucher
 - ii) Policies
 - (1) AI Meeting Recordings
- VIII) Old Business
- IX) New Business
- X) Public Comment
- XI) Executive Session
 - i) Medical Staff Credentialing
 - ii) RCW 42.30.110 (i): Discussion with legal counsel
- XII) Next Board Meeting Thursday, July 23rd, 2026, at 6:00 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

May 28, 2026

PRESENT:	Eric Walker	Board Chair
	Riley Hille	Vice Chair
	Dan Duff	Commissioner
	John Kragt	Commissioner
	Todd Nida	CEO
	Viola Babcock via Teams	CFO
	Dallas Killian	COO

ABSENT: Matt Kubik

There were approximately five community members present.

Board Chair, Eric Walker called the meeting to order at 6:00 p.m.

INTRODUCTIONS-None

ADDITIONS AND CORRECTIONS

Board Chair, Eric Walker added under new business, EAP Consulting agreement.

APPROVAL OF MINUTES

Vice Chair, Hille made a motion to approve the April 23rd regular board meeting minutes as presented. Commissioner John Kragt abstained from voting since he was not present. 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.

CEO REPORT-

Todd Nida shared the highlights for May. We continue to turn the corner financially, and we are working towards what our future looks like and put those strategies into place. We are looking at some infrastructure needs. Finance will speak about grant opportunities and other avenues that we are exploring to deal with these concerns. Work continues with our creditors on the outstanding debt, and we continue to have creditors enroll in MOU agreements. On clinic operations, we have secured one halftime PA provider, and we will have two contracted ARNPs through our transition time. We are still hoping to ensure a provider is available for a minimum of four days per week. We are working to secure a permanent ARNP for the clinic. Agreement should be signed later this week, hopefully tomorrow. Walk-in clinic is now open seven days a week. The hours of operation are eight AM to six thirty PM.

We have secured a full-time director of nursing services, who has scheduled to start June first once permission is given to sign her contract today. This is a much-needed position to provide relief for our

nursing staff. She holds an RN license in Washington, Oregon, and California. She has extensive background as a CNO and DNS, with over nine years as a nurse educator with a strong focus on building and running programs. I would like to thank Nicole Wolf for her willingness to serve as our interim through this time as DNS. Our hope is the new DNS will continue to mentor Nicole and help put solid policies and procedures in place. We have selected Azalea Health for our new EMR, which we will talk about more shortly. We are working with legal to finalize the master services agreement and the scope of work agreements. Azalea is a national leader in providing EMR services for rural emergency hospitals. They are currently servicing the majority of the fifty-one nationwide rural emergency hospital facilities. Live onsite demos went very well. We are also working to finalize an agreement with IIRC to manage all revenue cycle and billing needs as a sole source provider. They will tie in with Azalea and will be part of the implementation of the new system. Once agreements are finalized, we will bring them to the board for final approvals, which we are going to talk about today. And once again, a huge thank you to our community who continue to trust and support our efforts. And thank you again to our employees and our board, for their continued support through all the changes.

COMMITTEE REPORTS

FINANCE COMMITTEE

CFO REPORT – See attached.

We are going to briefly talk about April, and then we are going to talk about May, which is just a much better month. April was hard; we knew March and April would be. We ended up in April with twenty-seven thousand in the bank after the board reserve of four hundred grand. We had minimal revenue and cash. Year to date, we are now at the end of April, at a negative sixty-seven thousand. So not in the black, but close. We continue to control our costs and increase our revenue. So, let us talk about May, which is almost over. As of this morning, we had one point eight million in cash. AP paid out this month was one point one million. We only have fifty-six thousand in accounts payable post MOU agreements. So, everything from February one has been not only paid for the current but is paid period. We received one million in distress funds, two hundred and ninety-five, on our first REH payment has arrived. So, our rural health payment from Medicare that comes monthly has happened. They are two behind, but we got our first one, so the processes happened. That is the biggest thing. Seventy-five thousand in SNAP money, which is the Washington support and six hundred and forty thousand in tax monies received in May. So, we have had quite a bit of revenue coming in at one million, which is good. We think for the REH, we anticipated about nine hundred thousand, for revenue in May. But some of that is makeup for what did not happen in April. We are short of about five hundred thousand and part of it is we are now at ninety days of not being able to get our Medicare claims post REH. We have five hundred and fifty thousand of that gross, it will net about three hundred thousand in the bank when those claims are processed. They are prepared, they are ready to go, and we cannot get the electronic clearinghouse to accept the new REH. We are working with the clearinghouse and Medicare as we have been for ninety days. It has been a real struggle, but we did a test today; one of them went through. So, in the morning, we will start mass batches and do those. That means that those funds will arrive in late June. Commissioner Kragt asked if there was another plan if the claims do not go through. Viola replied that she has a definite plan B. If these, if all the batches do not go, but we got one to go through today. The right way and I do have a workaround with another firm. If that does not go through tomorrow, I will not wait any longer. We must get the claims in. We have three hundred and sixty-five days of Medicare, so like other insurance payers, Medicare is not going to time out. That is not an issue; it is just a cash flow issue, right?

Also, an update for the community, mostly and our employees: Cigna is our insurance for our employees and for people in the community. We have had a great deal of trouble since we implemented them as our employer health care on January one, making them not bill everybody as out of network. We went back

through them again this week, and again, we believe for the third time that we have everything resolved yet another problem has arisen. So, I need the public to know not to do anything. Cigna is going to go back and pull all the claims from January one that were flagged as out of network and reprocess them correctly. They will do that automatically. So, if anybody asks, they do not have to do anything with their claims, it will happen. And, then you will get a new EOB in two to three weeks. That should give you a true picture of what is owed or not owed. So, I beg everybody's patience with that. It has been difficult. So, the good news was they came with a health care plan for employees that is good and we could afford. That is the good news. The bad news is they are a real booger at paying the claims, so there is always plus or minus. Commissioner Hille asked if that information could be shared to patients by registration, so we are proactive. Viola said we just got the news today so we will ensure it gets communicated. As you know, you are not going to have your audit today. We were going to have, let me just check quickly, Joe prepared a statement to let the board know that it is pretty much done. It is going to their internal review, which takes two weeks. So, we are going to ask tonight if the board can set up a special meeting on June fifteenth. They have committed to presenting both the cost report and the audit on that day. I do have preliminary results. I do not believe these numbers are going to change. We lost one point nine million in 2025, and the cost report is going to come out as owing fifty-five thousand. Todd asked Viola if she could clarify so that everyone understands with the one point nine million in loss, but owing in cost report, would you explain to the group why that has happened because of our change in designation. We thought it would come in as payment to us, but with the change in the designation. But mostly because we filed an interim cost report and set our rates. They set the rates a little bit high in September, and we had enough volume in the next four months to have an influence on the overall cost report for 2025. So, it is going to come out with just fifty-five thousand owing. So, it came out close. The one point nine million is still lost. Commissioner Hille asked if the goal of the cost report is to come as close to zero as possible or do we want money coming in from that every year? Viola said no, it is exactly like you are paying your taxes. You do not want them to have your money, and you do not want them to be holding yours as a savings account. You want it to come close to zero. It is the best management of cash that you have, so we came out close this year. So good news April's up, we did not put ourselves any further in the hole, and May is looking strong. And the REH payments have started, so we have a couple of wins. I shifted the cost report results which happened about an hour before this meeting, so the cash flows. But I did want to bring up two things. On the top section, WSIA holds our unemployment and our workers' comp. We contract them rather than through the state; we get better rates. We had three rounds, as you know of layoffs, so they have temporarily assessed us one hundred and seventy-five in the third and fourth quarters of 2026. We have asked for that to be reviewed along with our workers' comp because with the reduction of employees from one hundred and twenty-four to seventy, those overall rates of what we have been paying for workers' comp and unemployment should come down. So, I think that should change. But it is here as it stands right now. I am just telling you we filed an appeal. And we also in June, we have the final commitment to the excise tax. Tax that has been going on since October, the excise tax that was not filed, and they paid only estimates during 2023 and 2024. And the numbers that were submitted were too high, reporting revenue that we really did not have. So, all of that has been refiled and corrected, and the state is doing a review. They owed us about forty thousand right now. And then we did not offset that with not paying for some months. So, now it is close to coming out, but they are going to certify that in June, and we should be done with that project. So, we do not have a lot of financial risk. It is just getting to be square with the Department of Revenue and excise tax. So that has been a big project and a cleanup for 2023, 2024 and now 2025 into 2026. So that is coming to a head. What you will see on your cash flow at the bottom. We have put in what the board voted on last month, which is the fifty thousand dollars with the seventy-five twenty-five split. So, the board reserve will grow from four hundred to seven hundred and four by the end of the year, and the funded depreciation will end the year at ninety-six thousand.

And your cash flow now reflects both of those. I also want to do at the very bottom, go through some things that are not in the cash flow. So, the two missing R E H payments will assuredly happen in 2026. We hear from other hospitals that they have gone live; they are slow, but they do catch up in somewhere

between five and six months. So, those are not in the cash flow; it is five hundred and ninety. I am going to take up the two hundred thousand. Sorry about that; that is not going to happen now. Automation controls whether the board approves the purchase of that and we move forward; that is self-funded and set aside for the trust. We are going to have minimal funding. We originally had made a forecast for 2026 through 2031, showing that we would end the year with a profit in seven hundred thousand range 2026. That was before, that was a very stripped-down version. That was before the community really wanted a clinic, which is not a moneymaker for us. And keeping PT and expanding the walk-in clinic to seven days. So that is all being redone, and I think your 2026 is going to come out in the black, but it is not going to be very robust. So right now, I am only estimating about forty thousand will go into this MOU trust. Be twenty percent of what we are going to make. We are not going to make a lot of money in 2026. We are still refining how that goes. We still need to get our visits up in the clinic. PT's been doing good. They consistently, for the last couple of months, have put sixty thousand dollars of gross revenue on the bottom line, so they are coming along and then we have a house, a cafe, and a mobile clinic to pay for. If we can just get one of those sold and Dallas, we will talk about that in just a little bit. And then grants. For the funded ambulance, we should be able to get grant for those. We will go over grants in just a little bit. It is quite a robust project I have taken on. I got about fourteen of them. I am working and we should be able to put three hundred thousand in the bank for that as well. So, we have about eight hundred and fifty thousand that is not on this captured on the cash flow. I will continue to track that and keep that, but I do not put them in the cash flow until we are absolute. Chair Walker asked about a grant for a board retreat. There was discussion regarding when to do the board report. There was a consensus that the board did not want to spend money or go out of town and would prefer to do it in November. The board asked to get a speaker. Todd, Viola, and Dallas will find a speaker for the retreat.

CHECKS & VOUCHERS

Commissioner Duff presented the following warrants for approval Accounts Payable Checks #100530-#100617 int the amount of \$521,739.43. Commissioner Kragt made a motion to approve the checks as presented. The motion passed.

Viola presented a spreadsheet for the grants. Waters Meet has declined us for the loan for the EMR. We have shifted that to USDA. FEMA will possibly get us an ambulance, and they have up to a combined total of \$1million available so we are looking at building upgrades. We are working with Better Health Together on a grant for a new transport van. Through the big, beautiful bill funds through WSHA will be used for the chiller and air handler. The nurse monitoring system is complete and has been paid for, we just have to draw down the funds. There is a Cybersecurity grant through the State of Washington that is going to help us with laptops, fortified switches, and hardware for the new EMR. Our state representatives are going to be asking for \$1 million for ambulance and equipment purchases. Viola shared that she has applied for a grant through the Innovia fund called "The longest table" which would provide \$2500 to put on a community thank you event. She should have an answer by next week. It is tentatively scheduled for Saturday, August 22nd. There was discussion about partnering with the school's end of summer event to do our community thank you. Dallas will reach out to the schools and try and coordinate.

Viola presented a new policy for patient refunds and insurance. Commissioner Kragt made a motion to approve the policy. The motion passed. Viola said the policy will be updated on the website.

Viola gave a brief update on the prebankruptcy status. We have a few vendors that are still not signing the MOUs. We will be sending out one final letter on June 15th and they will have until July 15th to respond.

NEW BUSINESS

Commissioner Kragt read aloud Resolution 26-06 to approve the sole source addendum for Sawtooth EV Sales. Commissioner Kragt made a motion. The motion passed.

Commissioner Kragt read aloud the contract agreement for Sawtooth EV Sales. Commissioner Hille made a motion to approve the Sawtooth EV Sales contract. The motion passed.

Commissioner Hille made a motion to approve the Rural Health Staffing Services contract for the DNS. The motion passed.

There was a discussion regarding the sale of the mobile clinic. There is a facility that is interested in purchasing the mobile clinic and has sent a letter of intent. Commissioner Hille made a motion to approve Todd to sign the letter of intent. The motion passed.

Todd presented a contract renewal for EAP Consulting. Commissioner Kragt made a motion to approve. The motion passed.

PUBLIC COMMENT

Dan Crisp recognized the board for not wanting to pay for a retreat. Dan explained to the board that the lab and radiology departments have seen a decrease in patient volumes due to the reduction of providers in the clinic. Dan shared his appreciation for the professionalism of the board meetings.

Barry Boyer was thankful for the shared comments in the meeting minutes.

EXECUTIVE SESSION

The board went into executive session at 7:02 p.m. for RCW 42.30.110(i) Discussion with legal counsel and Medical Staff Credentialing. The estimated length was 20 minutes. The board came out of executive session at 7:22 p.m. and extended for an additional 10 minutes. The board then came out of executive session at 7:32 p.m.

Commissioner Hille made a motion to approve Todd to exceed \$30k for Barry Davidson's as an attorney. The motion passed.

Commissioner Kragt made a motion to approve Todd to sign the Azalea Health and HRC agreements. The motion passed.

Commissioner Kragt made a motion to approve all the providers presented for credentialing. The motion passed.

Commissioner Kragt made a motion to adjourn the meeting. The motion passed.

The meeting adjourned at 7:38 p.m.

Respectfully submitted,
Kylie Lasen, Executive Assistant

Board Report – Clinical Operations from Connie Barnes, Interim Director of Nursing

- This is my third week on duty; I'm orienting and developing relationships and asking many questions; I am very grateful to be here and to have the opportunity to serve this community
- Conducting analysis of roles and responsibilities that manage clinical operations. I have developed a new job description for the Nurse Manager role to include all elements to national standards of healthcare and to support the Emergency Department in this rural setting. Nicole Wolf has accepted this position. It has been some years since Nicole has accepted a patient care assignment, so I am working with another hospital to provide a precepted experience for her to increase her confidence as she supports the daily operations in the Emergency Department. Nicole and I are sharing the "backup call" for the unit during weekends and off hours.
- Recruitment and Retention: Analysis of staffing has led to posting of per diem positions for RN's (2) and nursing assistants (2). I have visited 1:1 with most staff - still have a few night shift people to see. We will have a staff meeting next week. I'm working to be a visible presence on all shifts and demonstrating transparency in communications.
- Committees – I am evaluating committees for clinical operations and revitalizing them with scheduled meetings. I have developed a draft for a formal Infection Prevention Program and am working with the Lab Manager, Dan Crisp to present that to the reorganized Infection Prevention Committee. I am also scheduling the QAPI meeting, utilizing the format developed by the previous Director of Clinical Operations.
- Provider Relations- I have met with the Medical Director Dr Reena Ramakrishnan and we plan to have a provider meeting in July. I've reached out to Docs Who Care to establish contact with administrative representatives to foster good working relationships
- EMS- I have met with this team and am so appreciative of their commitment to serving the community. They attended the Combine Derby last weekend and are planning to be present at more community events in the months ahead. Approval has been granted for critical care training for 3 paramedics to help support patients that are very acutely ill. I have initiated a weekly debrief with this team to stay abreast of patient care and any issues that need to be addressed.
- Plans for the next 2-3 months include continuing to develop relationships, use Lean methods to study workflows and reduce "wastes"; analyze further training needs to

promote ongoing clinical competence in staff and plan for increased visibility in the community through events and community visits.

- Growing affiliations: I have met with a member of the Midwest QIN-QIO, which is a CMS organization that partners with hospitals to improve quality (the name is misleading; they are responsible for a number of states, Washington state being one of many). It is a free service for us. Affiliation with them will provide experts in areas of emergency management planning, patient safety, behavioral health resources and many other resources that we can take advantage of for process improvement for patient care...for free!

Job Openings

Department	Job Opening	Date Open	Status	Notes
Administration	Chief Financial Officer	06/10/2025	On-Hold	Contracted CFO
Administration	Director of Nursing	04/17/2026	Closed	Contracted DON started, on-site, 06/01/2026
Nursing	Nurse Manager	05/29/2026	Open/Closed	opened for applicants 05/29/26, hired 06/11/2026
Business Office	Patient Financial Services Manager	04/02/2026	Closed	Hired 05/13/2026
EMS	Per diem EMTs	04/15/2026	on-going	hired 2 05/13/2026, hired 2 more 6/11/2026

CEO Board Report

Date: June 25, 2026

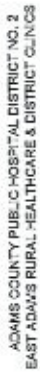
Message from the CEO

Here are the highlights for June:

- We are closely monitoring the finances and working towards what our future can look like. Viola is diligently working on grant funding to support infrastructure and other urgent needs. She is also heading up the projects funded by The Rural Collaborative.
- WSHA has released the RHTP fund awards for all Washington hospitals and we have been awarded \$742,767.00 for the current cycle. These funds are for specific infrastructure needs, not operations, and must be fully spent by September 30th. The Administration team is working to ensure we meet that deadline.
- Work continues with our creditors on our outstanding debt, and we continue to have creditors enroll in the MOU agreements.
- On clinic operations, we have hired Anita Warner, ARNP for our main clinic provider, Anita will begin on August 3rd and will be here Monday, Tuesday and Thursday 8:00am to 6:30pm weekly. We are also continuing with "walk in" clinic 7 days a week, hours are 8:00am to 6:30pm.
- Our new Director of Nursing Services "Connie" started June 1st and has hit the ground running and has already identified a multitude of areas to improve patient care and processes. We accepted Nicole Wolf's application for the role of Nursing Supervisor, and she will oversee the ER clinical staff.
- Work continues with our new EMR provider, Azalea Health and HRC for revenue cycle and billing. Teams are now on weekly calls to keep the implementation moving forward. Thanks to all participants for engaging in this process.
- We held an employee barbeque on June 17th for all employees. It was very well attended and there was lots of great food! Thanks to everyone who brought a dish or support in some way. It was a great team effort for a fun lunch. Two award pins were given for employee years of service, Kylie Lasen – 15years and myself - 5 years.
- A huge Thank You to our community who continue to trust and support our efforts and to our dedicated employees and board for their continued hard work and support!

Thank you

Todd Nida, CEO



INCLUDES FORGIVENESS OF DEBT, REH FUNDING BY MAY, \$2M OF OLD AR COLLECTED BY YEAR END
DOES NOT INCLUDE LOAN OR EXPENSES FOR NEW ELECTRONIC HEALTH RECORD

	Actual Jan 26	Actual Feb 26	Actual Mar 26	Actual Apr 26	Actual May 26	Projected Jun 26	Projected Jul 26	Projected Aug 26	Projected Sep 26	Projected Oct 26	Projected Nov 26	Projected Dec 26	Projected
CASH RECEIVED													
Payer and Patient Payments	940,482	928,242.00	1,008,897.00	795,123.00	482,336.00	900,000.00	800,000.00	1,000,000.00	800,000.00	800,000.00	800,000.00	800,000.00	9,830,854.00
Hospital Tax Receipts	-	-	72,500	-	230,300	11,612	-	-	-	375,000	-	-	889,423.78
Dialysis Receipts	-	-	221,515	-	221,515	-	-	-	-	213,401	-	-	475,002.00
EMS Tax Receipts	-	-	41,106	-	189,252	-	-	-	-	225,000	-	-	494,558.00
N/A Discontinued Funds	-	-	-	-	1,003,550	-	-	-	-	-	-	-	1,003,556.32
Grants	-	11,075	8,361	-	-	187,000	-	75,000	14,000	-	75,000	-	221,026.00
SNAP	-	100,388	-	-	-	-	15,000	214,476	-	-	-	-	333,368.00
GEMT	-	-	28,202	10,801	-	42,289	295,051	268,051	295,351	295,051	295,051	-	2,350,408.00
REH monthly spend	194,188	-	-	-	264,051	295,051	295,051	-	-	-	-	-	2,350,408.00
Gain Loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare Cost Report Settlements	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Received	1,112,650	1,072,617	1,81,944	1,289,123	2,468,015	1,135,856	1,187,051	1,584,527	1,093,351	1,095,452	1,095,051	1,170,051	13,345,305
CASH PAID OUT													
Salaries	488,172	593,560	450,801	478,455	417,605	415,430	450,000	450,000	450,000	450,000	450,000	450,000	5,512,850.72
Benefits	-89,112	203,642	228,474	91,313	122,154	116,320	128,000	126,000	-28,000	128,000	126,000	126,000	1,705,315.32
Supplies	83,345	51,574	-	28,382	40,344	30,300	30,300	30,300	30,300	30,300	30,300	30,300	381,845.00
Professional Services	-92,691	-	-	-68,135	176,189	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,114,822.00
Professional Fees	-58,291	81,866	-	38,128	40,344	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,030,658.00
All Other Expenses	167,845	-	-	98,204	260,772	160,300	150,000	150,000	160,000	150,000	150,000	150,000	1,889,714.00
Does Who Care	110,852	89,532	67,392	67,392	126,688	109,813	95,200	95,000	68,000	95,000	95,000	95,000	1,189,150.00
Nulicare Go Forward	-	82,424	81,895	82,419	81,982	85,300	78,200	78,000	78,000	78,200	45,000	45,000	789,291.00
Health Carecare	-	84,322	63,089	34,959	37,187	89,300	18,300	18,000	-18,000	18,300	18,000	18,000	402,854.17
Capita Purchasing	-	-	35,285	-	498,000	-	-	-	-	-	-	-	35,285.00
Hollistic Pain	-	-	-	-	-	-	-	-	-	-	-	-	-
PHC - WSHA for unemployment	-	-	124,857	-	-	-	175,000	-	-	175,000	-	-	474,857.00
SNAP Quarterly Payments	-	-	26,152	-	-	-	-	-	-	-	-	-	-
2023 Cost Report Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation for Aalasia & HRC	-	-	-	-	-	-	-	-	-	-	-	-	-
30% of Net Income to Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
Long Term Bond Debt Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Used	1,319,224	1,187,049	987,578	1,464,603	1,816,628	1,317,886	1,322,000	1,187,000	1,179,000	1,648,125	1,348,300	1,204,300	15,289,352
Net Change in Cash													
	(206,574)	(124,132)	184,366	(176,080)	(489,825)	(181,790)	(154,949)	(417,527)	(65,648)	280,327	(253,849)	(33,846)	
Beginning Cash													
	733,695	569,561	435,228	599,585	423,215	923,043	741,253	589,304	1,303,832	936,883	1,260,210	948,251	
Ending Cash													
	527,121	445,429	629,596	423,505	923,043	741,253	589,304	1,003,832	936,883	1,200,210	948,251	512,312	
Board Reserve													
	-	-	-	430,000	487,500	475,600	513,600	551,500	569,500	627,600	665,500	703,500	
Board Reserve Funded Depreciation													
	-	-	-	-	19,500	24,500	49,500	69,500	99,500	129,500	159,500	189,500	
Available Cash													
	-	-	23,278	241,253	473,043	241,253	36,304	403,832	269,283	500,219	668,291	1,231,312	

East Adams Rural Healthcare
Adams County Public Hospital District No. 2
Statement of CHANGE IN NET ASSETS
Beginning January 1, 2026- May 31, 2026

	PROFORMA Month Ending 1/31/2026 Actual	PROFORMA Month Ending 2/28/2026 Actual	PROFORMA Month Ending 3/31/2026 Actual	PROFORMA Month Ending 4/30/2026 Actual	PROFORMA Month Ending 5/31/2026 Actual	PROFORMA Year To Date 5/31/2026 YTD Actual
Patient Service Revenue						
Total Gross Patient Revenue	1,092,814	1,409,261	1,358,360	872,734	1,152,651	5,885,820
Deductions from Revenue	339,832	450,253	(166,944)	(90,420)	289,817	822,539
Net Patient Service Revenue	752,983	959,008	1,525,303	963,154	862,834	5,063,282
Other Operating Revenue	16,070	133,884	18,643	4,107	1,015,235	1,187,920
Total Operating Revenue	769,053	1,092,892	1,543,947	967,261	1,878,069	6,251,201
Expenses						
Salary and Wages	466,172	538,695	450,901	478,485	417,905	2,352,158
Employee Benefits	189,112	203,642	272,217	91,313	122,154	878,438
Purchased Service	132,491	187,711	71,553	150,197	123,882	665,834
Professional Fees	159,291	236,607	263,700	136,520	176,196	972,315
Supplies	65,363	51,574	2,006	27,320	40,344	186,607
Repairs and Maintenance	4,438	7,400	13,342	6,950	6,010	38,140
Utilities	18,155	27,777	26,082	21,112	8,402	101,527
Advertising and Marketing	594	424	668	418	624	2,728
Depreciation	52,666	103,997	155,328	103,997	106,329	522,316
Insurance	81,486	5,419	31,877	14,497	22,706	155,984
Education/Travel/Dues	48,343	31,308	17,394	(5,043)	33,438	125,441
Interest Expense	30,490	28,786	29,276	27,773	29,775	146,100
Taxes & Licenses	0	3,983	0	9,311	4,317	17,611
Rent & Leases Expense	14,591	20,442	6,646	14,843	11,749	68,271
Bad Debt Expense	90,629	30,461	(425,896)	148,874	162,968	7,034
Other Expenses	28,354	96,633	89,050	(56,738)	48,738	206,037
Total Operating Expenses	1,382,175	1,574,858	1,004,142	1,169,829	1,315,536	6,446,540
Net Operating Income (Loss)	(613,122)	(481,966)	539,805	(202,568)	562,533	(195,338)
Noncapital Subsidies						
Net Operating Income (Loss) & Noncapital Subsidies	0	0	0	0	295,052	295,052
Other Non-Operating Income						
Net Income	94,554	256,900	178,259	160,802	129,694	820,208
	(518,569)	(225,086)	718,064	(41,766)	987,279	919,921

East Adams Rural Healthcare
Adams County Public Hospital District No. 2
Statement of CHANGE IN NET ASSETS
Beginning January 1, 2026- May 31, 2026

	PROFORMA Month Ending 1/31/2026 Actual	PROFORMA Month Ending 2/28/2026 Actual	PROFORMA Month Ending 3/31/2026 Actual	PROFORMA Month Ending 4/30/2026 Actual	PROFORMA Month Ending 5/31/2026 Actual	PROFORMA Year To Date 5/31/2026 YTD Actual
Patient Service Revenue						
Total Gross Patient Revenue	1,092,814	1,409,261	1,358,360	872,734	1,152,651	5,885,820
Deductions from Revenue	339,832	450,253	(166,944)	(90,420)	289,817	822,539
Net Patient Service Revenue	752,983	959,008	1,525,303	963,154	862,834	5,063,282
Other Operating Revenue	16,070	133,864	18,643	4,107	1,015,235	1,187,920
Total Operating Revenue	769,053	1,092,872	1,543,947	967,261	1,878,069	6,251,201
Expenses						
Salary and Wages	466,172	538,695	450,901	478,485	417,905	2,352,158
Employee Benefits	189,112	203,642	272,217	91,313	122,154	878,438
Purchased Service	132,491	187,711	71,553	150,197	123,882	665,834
Professional Fees	159,291	236,607	263,700	136,520	176,196	972,315
Supplies	65,363	51,574	2,006	27,320	40,344	186,607
Repairs and Maintenance	4,438	7,400	13,342	6,950	6,010	38,140
Utilities	18,155	27,777	26,082	21,112	8,402	101,527
Advertising and Marketing	594	424	668	418	624	2,728
Depreciation	52,666	103,997	155,328	103,997	106,329	522,316
Insurance	81,486	5,419	31,877	14,497	22,706	155,984
Education/Travel/Dues	48,343	31,308	17,394	(5,043)	33,438	125,441
Interest Expense	30,490	28,786	29,276	27,773	29,775	146,100
Taxes & Licenses	0	3,983	0	9,311	4,317	17,611
Rent & Leases Expense	14,591	20,442	6,646	14,843	11,749	68,271
Bad Debt Expense	90,629	30,461	(425,898)	148,874	162,968	7,034
Other Expenses	28,354	96,633	89,050	(56,738)	48,738	206,037
Total Operating Expenses	1,382,175	1,574,858	1,004,142	1,169,829	1,315,536	6,446,540
Net Operating Income (Loss)	(613,122)	(481,986)	539,805	(202,568)	562,533	(195,338)
Noncapital Subsidies						
Net Operating Income (Loss) & Noncapital Subsidies	0	0	0	0	295,052	295,052
Other Non-Operating Income						
Net Income	94,554	256,900	178,259	160,802	129,694	820,208
	(518,569)	(225,086)	718,064	(41,766)	987,279	919,921

Date	Vendor	Check Number	Amount	Description
5/19/2026	V01094--Physicians Insurance Risk Retention Group	100618	\$ 10,000.00	Deductible
5/19/2026	V01050--Washington State Department of Revenue	100619	\$ 13,293.93	Excise Taxes
5/19/2026	V00563--WASHINGTON STATE SUPPORT REGISTRY	100620	\$ 350.00	Garnishment
5/20/2026	V00563--WASHINGTON STATE SUPPORT REGISTRY	100621	\$ 350.00	Garnishment
5/27/2026	V00889--1st Class Office Solutions, LLC	100622	\$ 1,776.00	Postage Machine
5/27/2026	V00012--Access Information Protected	100623	\$ 774.23	Shred bins
5/27/2026	V00027--AFLAC	100624	\$ 246.74	Employee Benefits
5/27/2026	V01090--Airgas USA	100625	\$ 904.62	Oxygen & Gases
5/27/2026	V00040--ALSCO	100626	\$ 870.64	Linens
5/27/2026	V00743--Amazon Capital Services	100627	\$ 1,085.19	Supplies/Food for Breakroom
5/27/2026	V00077--AVISTA UTILITIES	100628	\$ 8,124.47	Utilities
5/27/2026	V00677--Best Western - Bronco Inn	100629	\$ 270.58	Docs Who Care provider
5/27/2026	V00911--Brown, Nathan	100630	\$ 1,600.00	EMS Rental
5/27/2026	V01093--Budd Bay Law P.S.	100631	\$ 7,757.50	Attorney Fees
5/27/2026	V00123--CAREFUSION	100632	\$ 6,624.36	Pyxis Machines
5/27/2026	V00857--Carrier Corporation	100633	\$ 1,447.73	Repairs/Maintenance
5/27/2026	V00139--COBRA Management Services, LLC	100634	\$ 208.00	Employee Benefits
5/27/2026	V00855--Comcast Business	100635	\$ 2,256.30	Internet
5/27/2026	V00847--DTMicro	100636	\$ 1,155.00	Internet Access
5/27/2026	V00203--EMPLOYEE FUND	100637	\$ 67.00	Employee Group
5/27/2026	V00904--Everon	100638	\$ 88.18	Fire Inspection
5/27/2026	V00220--FIRST CHOICE HEALTH	100639	\$ 118.49	Employee Benefits
5/27/2026	V00221--FISHER HEALTHCARE	100640	\$ 833.76	Lab Supplies
5/27/2026	V01099--Foster Garvey	100641	\$ 3,559.50	Attorney Fees
5/27/2026	V01108--GEHOFT, LLC	100642	\$ 1,200.00	Provider Rental
5/27/2026	V00240--Health Care Authority	100643	\$ 25,622.75	SNAP Payment
5/27/2026	V00595--Health Carousel	100644	\$ 47,684.58	Contract Nursing
5/27/2026	V00345--Heritage Imaging	100645	\$ 6,121.26	MRI Service
5/27/2026	V01105--Herman, Herman & Jolley PS	100646	\$ 3,747.46	Attorney Fees
5/27/2026	V00788--Inovalon Provider, Inc	100647	\$ 50.49	Claims Management
5/27/2026	V00718--Intermax Networks	100648	\$ 1,645.21	Voice IP
5/27/2026	V00968--Intrinium/TorchLight	100649	\$ 15,549.75	Microsoft 365
5/27/2026	V00297--Laboratory Corporation of America Holdings	100650	\$ 2,099.31	Lab Testing

5/27/2026	V00298--LANDAUER INC.	100651	\$	232.93	Dosimetry Service
5/27/2026	V00326--MCKESSON	100652	\$	1,944.20	ER Supplies
5/27/2026	V00334--MEDLINE INDUSTRIES, INC.	100653	\$	257.78	ER Supplies
5/27/2026	V01089--Nihon Kohden America	100654	\$	195,868.41	Nurse Monitoring System
5/27/2026	V00379--Otis Elevator Company	100655	\$	189.00	Elevator Repairs/Maintenance
5/27/2026	V00382--OXARC	100656	\$	25.39	Oxygen & Gases
5/27/2026	V00619--Pacific Office Automation	100657	\$	88.54	Leased Printers
5/27/2026	V00383--Pacific Office Automation INC	100658	\$	3,506.79	Leased Printers
5/27/2026	V01107--Peak One Administration	100659	\$	58.31	Employee Benefits
5/27/2026	V00402--PHD WORKERS COMPENSATION	100660	\$	6,681.00	Employee Benefits
5/27/2026	V00403--PHYSICIAN INSURANCE	100661	\$	10,308.00	Provider Insurance
5/27/2026	V00422--Quadient Finance USA, Inc	100662	\$	961.00	Postage Machine
5/27/2026	V00631--Quadient Leasing USA, Inc	100663	\$	1,293.51	Postage Machine
5/27/2026	V00599--Ricoch	100664	\$	257.97	Leased Copier
5/27/2026	V00439--RITZVILLE HARDWARE	100665	\$	202.69	Maintenance Supplies
5/27/2026	V00443--RITZVILLE PARTS HOUSE INC	100666	\$	325.30	Vehicle Maintenance Supplies
5/27/2026	V00446--RITZVILLE, CITY OF	100667	\$	1,595.44	Utilities
5/27/2026	V00447--RLDatix	100668	\$	271.73	Polycystat
5/27/2026	V00742--SaltBridge Medical Laboratory	100669	\$	1,777.00	Lab Consultant
5/27/2026	V00468--SENSKE	100670	\$	151.99	Pest Control
5/27/2026	V00487--STAPLES	100671	\$	1,219.06	Office Supplies
5/27/2026	V00870--Stericycle, Inc	100672	\$	91.53	Medical Waste
5/27/2026	V01063--Thermo Fisher Financial Services Inc.	100673	\$	1,999.84	Leased Lab Machine
5/27/2026	V01115--UPS	100674	\$	180.47	Postage
5/27/2026	V00542--Vitalant	100675	\$	937.68	Blood Supplies
5/27/2026	V01050--Washington State Department of Revenue	100676	\$	4,316.81	Excise Taxes
5/27/2026	V00571--Waystar, Inc	100677	\$	52.59	Billing Services
5/27/2026	V00573--Werfen USA LLC	100678	\$	368.18	Vaccines
5/28/2026	V00649--KnowBe4, Inc	100679	\$	3,268.94	Security Awareness Subscription
6/1/2026	V01047--Kubik, Tia	100680	\$	1,500.00	DON Rental
6/2/2026	V00563--WASHINGTON STATE SUPPORT REGISTRY	100681	\$	350.00	Garnishment
6/4/2026	V01090--Airgas USA	100682	\$	697.13	Oxygen & Gases
6/4/2026	V00040--ALSCO	100683	\$	625.98	Linens
6/4/2026	V01035--Avel eCare	100684	\$	6,250.65	Provider Consultations

6/4/2026	V01117--Balcer Ambulance Sales Corp	100685	\$	311,055.00	Ambulance
6/4/2026	V00677--Best Western - Bronco Inn	100686	\$	127.71	Docs Who Care provider
6/4/2026	V00131--CENTURYLINK	100687	\$	1,881.11	Phone
6/4/2026	V00137--Clearwater Springs	100688	\$	241.50	H2O
6/4/2026	V00149--Connell Oil	100689	\$	5,327.81	Fuel
6/4/2026	V01113--Cranberry Peak Corp	100690	\$	10,000.00	Price Transparency
6/4/2026	V00183--DINGUS, ZARECOR & ASSOCIATES PLLC	100691	\$	21,000.00	Auditors
6/4/2026	V01116--DNR/STATE DEPT OF NATURAL RESOURCES	100692	\$	177.34	EMS Supplies
6/4/2026	V00186--Docs Who Care Northwest, Inc	100693	\$	109,813.25	Contracted Providers
6/4/2026	V00194--EAP Consulting L.L.C.	100694	\$	1,200.00	IT Manager
6/4/2026	V00221--FISHER HEALTHCARE	100695	\$	808.76	Lab Supplies
6/4/2026	V01079--Flex Financial - Stryker	100696	\$	7,759.94	EMS Equipment
6/4/2026	V00848--Free Press Publishing, Inc	100697	\$	45.00	Board Notice
6/4/2026	V00747--Healthcare Consulting Services	100698	\$	1,300.00	Contracted Payer Consultant
6/4/2026	V00345--Heritage Imaging	100699	\$	3,461.61	MRI Service
6/4/2026	V00253--Hospital Services Corporation	100700	\$	1,635.47	Credentialing Verifications
6/4/2026	V00264--Inland Imaging Business Associates, LLC	100701	\$	1,368.45	Radiology Reads
6/4/2026	V00968--Intrinium/TorchLight	100702	\$	12,457.74	Microsoft 365
6/4/2026	V01104--Lee & Hayes PC	100703	\$	7,120.00	Attorney Fees
6/4/2026	V00326--MCKESSON	100704	\$	1,430.07	ER/Clinic Supplies
6/4/2026	V00332--MEDICATION REVIEW	100705	\$	5,903.72	Pharmacy Staff
6/4/2026	V01114--Pacific Northwest Networks / Eltopia Communications, LLC	100706	\$	20.00	Internet-EMS
6/4/2026	V00383--Pacific Office Automation INC	100707	\$	270.97	Leased Printers
6/4/2026	V01111--QuidelOrtho Sales/Ortho-Clinical Diagnostics, Inc.	100708	\$	9,990.00	Lab Contract
6/4/2026	V00886--Rogers Machinery Company, Inc	100709	\$	1,950.45	Repairs/Maintenance
6/4/2026	V00487--STAPLES	100710	\$	659.03	Office Supplies
6/4/2026	V00518--Travelers CL Remittance Center	100711	\$	6,762.90	Vehicle Insurance
6/4/2026	V00536--US Foods	100712	\$	1,000.00	Dietary Supplies
6/4/2026	V00542--Vitalant	100713	\$	937.68	Blood Supplies
6/4/2026	V01070--YS CREDENTIALING PLLC	100714	\$	2,050.00	Contracted Credentialing
6/10/2026	V00012--Access Information Protected	100715	\$	2,040.40	Shred bins
6/10/2026	V00022--ADAMS COUNTY SHERIFFS OFFICE	100745	\$	20,704.60	Dispatch Services
6/10/2026	V00038--Allied Fire and Security	100716	\$	247.76	Fire System Testing
6/10/2026	V00040--ALSCO	100717	\$	181.30	Linens

6/10/2026	V00066--Association of Washington Public Hospitals	100718	\$	5,000.00	Dues
6/10/2026	V01119--Azalea Health Innovation, Inc.	100746	\$	150,000.00	EMR
6/10/2026	V01117--Balcer Ambulance Sales Corp	100719	\$	2,166.00	Tax for Ambulance
6/10/2026	V00095--BIORAD	100720	\$	1,441.98	Lab Supplies
6/10/2026	V01093--Budd Bay Law P.S.	100721	\$	11,440.50	Attorney Fees
6/10/2026	V00116--Canon Medical Systems	100722	\$	11,170.34	CT Machine Maintenance Contract
6/10/2026	V00139--COBRA Management Services, LLC	100723	\$	204.00	Employee Benefits
6/10/2026	V00855--Comcast Business	100724	\$	2,257.44	Internet
6/10/2026	V01113--Cranberry Peak Corp	100725	\$	5,000.00	Price Transparency
6/10/2026	V00183--DINGUS, ZARECOR & ASSOCIATES PLLC	100726	\$	7,000.00	Auditors
6/10/2026	V00203--EMPLOYEE FUND	100727	\$	68.00	Employee Group
6/10/2026	V00904--Everon	100728	\$	358.47	Fire Inspection
6/10/2026	V00220--FIRST CHOICE HEALTH	100729	\$	64.00	Employee Benefits
6/10/2026	V00221--FISHER HEALTHCARE	100730	\$	828.13	Lab Supplies
6/10/2026	V00848--Free Press Publishing, Inc	100731	\$	600.00	Advertising
6/10/2026	V00595--Health Carousel	100747	\$	15,962.57	Contracted Nursing
6/10/2026	V00718--Intermax Networks	100732	\$	1,546.57	Voice IP
6/10/2026	V00297--Laboratory Corporation of America Holdings	100733	\$	5,151.40	Lab Testing
6/10/2026	V01120--Majority Strategies, LLC	100734	\$	2,271.00	Levy Communications
6/10/2026	V00334--MEDLINE INDUSTRIES, INC.	100748	\$	16,143.54	ER/Clinic Supplies
6/10/2026	V00382--OXARC	100735	\$	26.19	Oxygen & Gases
6/10/2026	V00400--PETTY CASH - C	100736	\$	107.38	Replenish Petty Cash
6/10/2026	V00599--Ricoh	100737	\$	255.66	Leased Copier
6/10/2026	V00439--RITZVILLE HARDWARE	100738	\$	261.18	Maintenance Supplies
6/10/2026	V00447--RLDatix	100739	\$	271.73	Polycystat
6/10/2026	V01118--Rural Staffing Services	100740	\$	3,000.00	DON Contract
6/10/2026	V00742--SaltBridge Medical Laboratory	100741	\$	1,777.00	Lab Consultant
6/10/2026	V01063--Thermo Fisher Financial Services Inc.	100742	\$	1,866.13	Leased Lab Machine
6/10/2026	V01050--Washington State Department of Revenue	100743	\$	3,790.08	Excise Taxes
6/10/2026	V00571--Waystar, Inc	100744	\$	43.89	Billing Services
6/18/2026	V00012--Access Information Protected	100749	\$	659.04	Shred bins
6/18/2026	V01090--Airgas USA	100750	\$	522.12	Oxygen & Gases
6/18/2026	V00040--ALSCO	100751	\$	582.40	Linens
6/18/2026	V00743--Amazon Capital Services	100752	\$	1,706.60	Supplies/Food for Breakroom

6/18/2026	V00077--AVISTA UTILITIES	100753	\$	4,825.47	Utilities
6/18/2026	V00677--Best Western - Bronco Inn	100754	\$	127.71	Docs Who Care provider
6/18/2026	V00928--Capitol Path Consulting FKA Culton Consulting	100755	\$	10,000.00	Consulting Services
6/18/2026	V00904--Everon	100756	\$	1,112.05	Fire Inspection
6/18/2026	V00220--FIRST CHOICE HEALTH	100757	\$	140.27	Employee Benefits
6/18/2026	V00221--FISHER HEALTHCARE	100758	\$	33.48	Lab Supplies
6/18/2026	V00848--Free Press Publishing, Inc	100759	\$	35.00	Board Notice
6/18/2026	V00243--Health Physics Northwest	100760	\$	3,078.45	CT Reporting
6/18/2026	V00968--Intrinium/TorchLight	100761	\$	1,211.07	Microsoft 365
6/18/2026	V00326--MCKESSON	100762	\$	692.05	ER/Clinic Supplies
6/18/2026	V00334--MEDLINE INDUSTRIES, INC.	100763	\$	554.38	EMS Supplies
6/18/2026	V00347--MultiMedical Systems, LLC	100764	\$	151.34	Lab Consultant
6/18/2026	V01122--Office Ally, Inc	100765	\$	388.72	Billing Services
6/18/2026	V00619--Pacific Office Automation	100766	\$	60.38	Leased Printers
6/18/2026	V01107--Peak One Administration	100767	\$	68.31	Employee Benefits
6/18/2026	V00401--PHD UNEMPLOYMENT COMPENSATION	100768	\$	1,026.00	Employee Benefits
6/18/2026	V00402--PHD WORKERS COMPENSATION	100769	\$	15,698.00	Employee Benefits
6/18/2026	V01094--Physicians Insurance Risk Retention Group	100770	\$	1,315.50	Deductible
6/18/2026	V00430--RICOH USA INC	100771	\$	139.65	Leased Copier
6/18/2026	V00443--RITZVILLE PARTS HOUSE INC	100772	\$	62.65	Vehicle Maintenance Supplies
6/18/2026	V00446--RITZVILLE, CITY OF	100773	\$	711.07	Utilities
6/18/2026	V00487--STAPLES	100774	\$	347.54	Office Supplies
6/18/2026	V00870--Stericycle, Inc	100775	\$	76.11	Medical Waste
6/18/2026	V00500--Stryker Sales LLC	100776	\$	266.45	EMS Supplies
6/18/2026	V01115--UPS	100777	\$	7.24	Postage
6/18/2026	V00539--Velocity EHS	100778	\$	3,890.52	Chemical Management (Annual)
6/18/2026	V00563--WASHINGTON STATE SUPPORT REGISTRY	100779	\$	350.00	Garnishment
6/18/2026	V00571--Waystar, Inc	100780	\$	67.42	Billing Services
			\$	1,242,364.78	

POLICY

AI Meeting Recording and Documentation

DEFINITIONS

Artificial Intelligence (AI) Meeting Recording Tool – Any software application or service that uses artificial intelligence to record, transcribe, summarize, analyze, or generate notes from meetings, conversations, telephone calls, virtual meetings, or other communications.

Meeting Recording – The capture of audio, video, screen content, transcripts, notes, summaries, action items, or other information from a meeting through an AI-enabled system.

Protected Health Information (PHI) – Individually identifiable health information that is protected under applicable federal and state privacy laws, including the Health Insurance Portability and Accountability Act (HIPAA).

Confidential Information – Information related to patients, employees, medical staff, business operations, finances, strategic planning, legal matters, or other information designated as confidential by EARH.

Authorized User – An employee, provider, contractor, volunteer, or other individual approved by EARH to utilize AI meeting recording technology.

BASIC PRINCIPLES

EARH is committed to utilizing technology in a manner that improves operational efficiency, communication, documentation, and collaboration while protecting patient privacy, employee confidentiality, and organizational information.

AI meeting recording tools may provide valuable support for meeting documentation, note-taking, action item tracking, and administrative efficiency when used appropriately.

The use of AI meeting recording tools must comply with all applicable federal and state laws, HIPAA requirements, organizational privacy and security policies, and contractual obligations.

Patient confidentiality and the protection of PHI shall be the paramount considerations when determining whether AI meeting recording technology may be utilized.

Only AI meeting recording solutions that have been reviewed and approved by EARH leadership, Information Technology, and Compliance shall be used for organizational business.

No employee, provider, contractor, volunteer, or other representative of EARH may utilize unapproved AI recording applications, personal AI accounts, or consumer-grade recording tools to record or process organizational meetings.

AI-generated transcripts, summaries, notes, and action items are intended to support meeting participants and shall not be considered an official legal record unless specifically designated as such by EARH.

Responsibility of Executive Leadership

Executive Leadership shall establish oversight for the selection, approval, and governance of AI meeting recording technologies.

Executive Leadership shall ensure that approved AI meeting recording tools align with organizational goals, privacy requirements, security standards, and applicable regulations.

Executive Leadership shall determine which categories of meetings may be recorded using AI technology and establish any additional restrictions deemed necessary.

Responsibility of Information Technology and Compliance

Information Technology and Compliance shall evaluate AI meeting recording tools for security, privacy, HIPAA compliance, data retention, and contractual requirements prior to implementation.

Information Technology shall maintain appropriate security controls, user access management, and system monitoring for approved AI meeting recording solutions.

Compliance shall provide guidance regarding appropriate use, privacy obligations, and regulatory requirements related to AI meeting recording.

Information Technology and Compliance shall periodically review approved AI tools to ensure continued compliance with organizational standards and applicable laws.

Responsibility of Meeting Organizers

Meeting organizers shall determine whether AI recording is appropriate for a specific meeting based on the nature of the information being discussed.

Meeting organizers shall notify all participants before initiating any AI recording, transcription, or summarization function.

Meeting organizers shall ensure that required participant consent is obtained when applicable by law or organizational policy.

Meetings involving sensitive personnel matters, legal discussions, peer review activities, credentialing matters, protected investigations, or other confidential topics may be restricted from AI recording as determined by EARH.

Responsibility of EARH Employees and Other Participants

Authorized users shall use AI meeting recording tools only for legitimate organizational purposes.

Employees shall not upload, record, transcribe, or process confidential information using unapproved AI applications or services.

Employees shall review AI-generated transcripts and summaries for accuracy before relying upon them for operational, clinical, or administrative purposes.

Employees who become aware of inappropriate use, unauthorized recording, privacy concerns, or potential security incidents involving AI meeting recording technology shall immediately report the matter to their supervisor, Information Technology, or Compliance.

USE OF AI MEETING RECORDING

AI meeting recording may be utilized for administrative, operational, educational, quality improvement, project management, committee, and other approved organizational meetings.

AI meeting recording shall only be conducted using approved systems and authorized accounts.

The collection, storage, transmission, and retention of recordings, transcripts, summaries, and related data shall comply with EARH records retention requirements and applicable privacy regulations.

Recordings containing PHI shall only be created when there is a legitimate business need and appropriate safeguards are in place.

Access to recordings, transcripts, and AI-generated summaries shall be limited to individuals with a legitimate business need to know.

AI-generated content shall be considered a draft work product and may require human review, correction, and validation.

PROHIBITED USES

The following activities are prohibited unless specifically authorized by Executive Leadership and Compliance:

Recording meetings using personal AI applications or accounts;

Uploading PHI, confidential organizational information, or employee information into unapproved AI systems;

Sharing recordings, transcripts, or AI-generated summaries with unauthorized individuals;

Using AI meeting recording technology in a manner that violates privacy laws, security policies, employment policies, or contractual obligations;

Representing AI-generated transcripts or summaries as complete and error-free without appropriate review.

RETENTION AND DELETION

Recordings, transcripts, summaries, and related documentation shall be retained according to EARH records retention requirements and any applicable legal or regulatory obligations.

When retention is no longer required, recordings and related data shall be securely deleted in accordance with established organizational procedures.

AUDIT AND COMPLIANCE

EARH reserves the right to audit the use of AI meeting recording technologies to ensure compliance with this policy and applicable regulations.

Violations of this policy may result in corrective action, suspension of access privileges, disciplinary action, termination of employment or contractual relationship, and any other remedies permitted by law or organizational policy.

REVIEW

This policy shall be reviewed periodically and revised as necessary to address changes in technology, regulatory requirements, organizational needs, and industry best practices.



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

CHECKS 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 CHECKS INCLUDED IN THE ATTACHED LIST AND FURTHER DESCRIBED AS ACCOUNTS PAYABLE CHECKS #100618-#100780 IN THE AMOUNT OF \$1,242,364.78 AND AN ADDITIONAL \$193,078.62 IN ACH PAYMENTS.

SIGNED THIS 25TH DAY OF JUNE 2026.

ERIC WALKER, CHAIRMAN

JOHN KRAGT, COMMISSIONER

MATT KUBIK, SECRETARY/COMMISSIONER

RILEY HILLE, VICE CHAIR

DAN DUFF, COMMISSIONER