

# Board of Commissioners

Date | time 1/27/2025 6:00 PM | Location CMC Training Room

<p><b>Meeting called by</b> Jerry Kennedy</p> <p><b>Type of meeting</b> Regular Board meeting</p> <p><b>Note taker</b> Leha Neilsen, Administrative Office Manager</p> <p><b>Timekeeper</b> Leha Neilsen</p>	<p><b>Board Members:</b> Jerry Kennedy, Commissioner, and Board Chair   Commissioner Kris Hare, Commissioner and Board Secretary   Brad Parrish, Commissioner   Geary Oliver, Commissioner   Lee Seekins, Commissioner</p> <p><a href="#">Please Read</a> Previous meeting minutes pg. 3 -6</p>
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## Agenda Items

Topic	Presenter	Time allotted
<input type="checkbox"/> <b>Call to Order</b>	Jerry Kennedy	2 mins
<input type="checkbox"/> <b>Introductions and Announcements</b>	Jerry Kennedy	
<input type="checkbox"/> <b>Mission, Vision, and Values</b>	Board of Commissioners	5 mins
<input type="checkbox"/> <b>Presentation from RNEP</b>	Brenda Senger, PhD, MA, RN, RNEP	30 mins
<input type="checkbox"/> <b>Approve previous meeting minutes</b> <i>November 2024 Minutes</i> <i>Budget Hearing Minutes</i> <i>Special meeting 1.9.25</i>	<i>Motion requested</i>	2 mins
<input type="checkbox"/> <b>Public Comments</b>		5 mins
<input type="checkbox"/> <b>New Business</b>		

	<i>Elect 2025 officers</i>	Board of Commissioners	15 mins
	<i>Committee Assignments for 2025</i>		
<input type="checkbox"/>	<b>Chief Executive Officer report</b>	Kelly Hughes	10 mins
<input type="checkbox"/>	<b>Financial report</b>	Natalie Dennis	10 mins
<input type="checkbox"/>	<b>Resolutions</b>	<i>Motion Requested</i>	5 mins
	<i>Resolution 1307 – Charity Care November and December 2024</i>		
	<i>Resolution 1308 – Bad Debt November and December 2024</i>		
	<i>Resolution 1309 – Payment of Warrants November and December 2024</i>		
	<i>Resolution 1310 – Petty Cash amounts</i>		
<input type="checkbox"/>	<b>Chief of Staff Report</b>	Dr. Randolph	
<input type="checkbox"/>	<b>Board Committee Reports</b>	Board of Commissioners	5 mins
<input type="checkbox"/>	<b>Next Meeting date and time</b>	Board of Commissioners	5 mins
	<i>February 24<sup>th</sup> 2025</i>		
<input type="checkbox"/>	<b>Executive Session:</b>	Jerry Kennedy	TBD
	<i>RCW 42.30.110(1)(g)</i>		
<input type="checkbox"/>	<b>Credentialing</b>	<i>Motion requested</i>	3 mins
	<i>Approval of Credentialing</i>		
<input type="checkbox"/>	<b>Review Governance Policies</b>	Jerry Kennedy	15 mins
	<i>Revise Governance Policy 1.7 section 3 and 4</i>		
	<i>Revise Governance Policy 2.6 Code of Conduct and Board Commitment form</i>		
<input type="checkbox"/>	<b>Adjournment</b>	<i>Motion requested</i>	1 min

# 2025 Budget Hearing Meeting

## Minutes

NOVEMBER 25, 2024

5:30 PM

ZOOM

Meeting called by	Jerry Kennedy
Type of meeting	Special Board of Commissioners meeting
Facilitator	Natalie Dennis
Minutes	Leha Neilsen
Attendance	Commissioner Jerry Kennedy, Commissioner Kris Hare, Commissioner Geary Oliver, Commissioner Brad Parrish, Commissioner Lee Seekins, Kelly Hughes, Ramona Hicks, Shawn Groh, Natalie Dennis, Leha Neilsen

20 mins

MOTION CARRIED

ACTIONS Items	<ul style="list-style-type: none"> <li>Resolution 1301 - 2025 Budget was Adopted and Approved</li> </ul>	☑
Discussion	<ul style="list-style-type: none"> <li>Call to order: 5:30 pm</li> <li>Natalie Dennis presented the preliminary budget for 2025, draft documents were sent to the Board before the meeting for review.</li> <li>Commissioner Kris Hare moved to approve Resolution 1301 to adopt the 2025 budget. The motion was seconded by Lee Seekins. Motion Carried.</li> </ul>	
Adjournment	<ul style="list-style-type: none"> <li>Commissioner Lee Seekins made a motion to adjourn the meeting. The motion was seconded by Kris Hare. Motion Carried. The meeting was adjourned at 6:00 pm.</li> </ul>	

# Board of Commissioners Meeting

## Minutes

NOVEMBER 25, 2024

6:00 PM

VIA ZOOM

Meeting called by	Commissioner Jerry Kennedy
Type of meeting	Regular Board of Commissioners meeting
Facilitator	Commissioner Jerry Kennedy
Recorder	Leha Neilsen
Commissioners	Commissioner Jerry Kennedy, Commissioner Kris Hare, Commissioner Brad Parrish, Commissioner Geary Oliver, Commissioner Lee Seekins
Attendees	Dr. Randolph, Kelly Hughes, Ramona Hicks, Natalie Dennis Leha Neilsen, Shawn Groh, Ty Donn, Teresa Herdrick, Mesha Markwell, Heather McCleary, Dr. Hsieh, Dr. Randolph
call to order	Board of Commissioners Jerry Kennedy called the meeting to order at 6:00 p.m. A quorum was present.
announcements & introductions	N/A for this meeting
Mission & Vision	The dispensed this item at this meeting by Commissioner Kennedy

## Agenda topics

Action items	Person responsible	Motion carried
5 MINS	APPROVAL OF MINUTES	BOARD OF COMMISSIONERS
Discussion	The previous minutes were distributed before the meeting. October and Special meeting minutes	

Conclusions	Commissioner Geary Oliver moved for approval of the minutes that were presented. The motion was seconded by Commissioner Lee Seekins. Motion carried.	
Action items	Person responsible	Motion carried
Approved previous meeting minutes	Leha Neilsen	Unanimously
10MINS	PUBLIC COMMENTS	JERRY KENNEDY
Discussion	<ul style="list-style-type: none"> <li>No public comments at this time</li> </ul>	
0 MINS	NEW BUSINESS	
Discussion	<ul style="list-style-type: none"> <li>Q3 Mesriow reports were sent to the Board before the meeting.</li> </ul>	
Discussion		
10MINS	ADMINISTRATIVE UPDATES	KELLY HUGHES AND NATALIE DENNIS
Discussion	<ul style="list-style-type: none"> <li><b>CEO Report:</b> Kelly distributed the CEO report to the Board before the meeting; no questions were brought forward. <ul style="list-style-type: none"> <li>The Coulee City Clinic will be opening in December but won't be seeing patients until a survey by DOH is completed.</li> </ul> </li> <li><b>CFO report:</b> Natalie gave the CFO report.</li> <li>Natalie went over the CFO report <ul style="list-style-type: none"> <li>October 2024 Gain: \$83,557</li> <li>Year to Date (YTD) Loss: \$345,991</li> <li>Deposited from Operations: \$4,530,491</li> <li>Paid out for Operations: \$3,424,797</li> <li>Operational Cash Gain: \$1,105,694</li> <li>Month End Total Cash &amp; Investments: \$6,614,098</li> <li>Days in AR – 69</li> <li>Days Cash on Hand – 64</li> <li>Gross Pt. rev was below budget at \$5,573,067</li> <li>Total operating rev was above budget at \$3,887,584</li> <li>Total operating expense was above budget at \$3,614,013</li> <li>Medicaid: Liability Balance (\$55,112.84) <ul style="list-style-type: none"> <li>2022 Medicaid Payable \$471,304 (overpaid based on 2020 costs) (\$47,130.38/mo for 11 months)</li> </ul> </li> <li>Medicare: Liability Balance is \$0</li> <li>Safety Net Program (SNP): 2024 payable \$286,271, receivable \$930,246, total net \$643,975</li> <li>Received \$151,205.44 in payments in October, bringing the YTD total received to \$662,394.52</li> <li>WSHA informed us that Q4 2024 payments will be paid out by mid-December 2024.</li> <li>Miscellaneous: Received payment of \$827,918.09 from IHS for outstanding unpaid claims.</li> <li>Noridian/CMS desk audit is on-going for YE2020 Cost Report</li> <li>Pre-exit interview completed, additional information submitted.</li> </ul> </li> </ul>	
RESOLUTIONS	<ul style="list-style-type: none"> <li><b>Financial Resolutions:</b></li> </ul>	

	<ul style="list-style-type: none"> <li>o <b>Resolution 1302 – Charity Care –October 2024</b> - Commissioners of the District wish to authorize the write-off of certain Charity Care cases for \$45,921.33 identified in the listings for October 2024.</li> <li>o <b>Resolution 1303 – Bad Debt October 2024</b>– Commissioners were given Bad Debts for \$65,497.42 for October 2024.</li> <li>o <b>Resolution 1304 – Payment of Warrants October 2024</b>– Accounts Payable Warrants # 606117053 through # 606117432 totaling \$1,938,198.52 and Payroll Warrants totaling \$1,060,031.74 for October 2024.</li> <li>o <b>Budget Amendment 1305 – Laundry truck</b> - authorizing an additional \$19,000 to the 2024 Budget for an emergency purchase for the environmental services department.</li> <li>o <b>Budget Amendment 1306- Stretcher Chair</b> – authorizing an additional \$7,000 to the 2024 budget to provide a safe room in the ER.</li> </ul>
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CONCLUSIONS	<ul style="list-style-type: none"> <li>• Commissioner Geary Oliver moved for approval of all financial resolutions. The motion was seconded by Commissioner Lee Seekins motion carried.</li> </ul>
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ACTION ITEMS	PERSON RESPONSIBLE	MOTION CARRIED
Financial Resolutions	Leha Neilsen	<input checked="" type="checkbox"/>

10 MINS NEXT MEETING DATE AND TIME KRIS HARE

DISCUSSION	<ul style="list-style-type: none"> <li>• Lee made a motion to cancel the December meeting. Motion was seconded by Kris Hare.</li> </ul>
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CONCLUSIONS	
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ACTION ITEMS	PERSON RESPONSIBLE	MOTION CARRIED
		<input type="checkbox"/>

5 MINS BOARD COMMITTEES BOARD OF COMMISSIONERS

DISCUSSION	<ul style="list-style-type: none"> <li>• Geary and Lee volunteered to have a subcommittee to review the code of conduct – 2.5 and decided to hold a special board meeting in January MCN, access and to get the Governance Policies.</li> <li>• 2.8 – HR policy correction, committee meets quarterly not monthly.</li> <li>• A special meeting was call from 9-12 on January 9<sup>th</sup> to work on Board Governance Policy.</li> </ul>
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CONCLUSIONS	
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5 MINS EXECUTIVE SESSION BOARD OF COMMISSIONERS

DISCUSSION	<ul style="list-style-type: none"> <li>• Commissioner Jerry Kennedy closed the open meeting to go into an executive session regarding RCW 42.30.110(1)(g) for 20 minutes at 6:22 pm. The open session was reconvened at 6:42 pm</li> </ul>
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ACTION ITEMS	PERSON RESPONSIBLE	MOTION CARRIED

2 MINS

CREDENTIALING

BOARD OF COMMISSIONERS

DISCUSSION	<ul style="list-style-type: none"> <li>A motion was made by Commissioner Kris Hare to approve the credentialing as presented. The motion was seconded by Commissioner Lee Seekins. Motion Carried.</li> </ul>		
CONCLUSIONS	<ul style="list-style-type: none"> <li>Credentialing privileges were approved for the following providers</li> <li>Brian Lee, CRNA</li> <li>Eric Aronsohn, PA</li> <li>Kathleen Cohen, DO</li> <li>Mindal Bhanushali, MD</li> <li>Soo Young Kwon, MD</li> </ul>		
ACTION ITEMS	PERSON RESPONSIBLE	MOTION CARRIED	
Approval of Credentialing	Credentialing Specialist	<input checked="" type="checkbox"/>	
Adjournment	Lee Seekins made a motion to adjourn the meeting, the motion was seconded by Brad Parrish. The meeting was adjourned at 6:40 PM		

# Special Board Meeting

## Minutes

JANUARY 9, 2025

9:00 AM

ZOOM

Meeting called by	Jerry Kennedy
Type of meeting	Special Board of Commissioners meeting
Facilitator	Jerry Kennedy
Minutes	Leha Neilsen
Attendance	Commissioner Jerry Kennedy, Commissioner Kris Hare, Commissioner Geary Oliver, Commissioner Brad Parrish, Commissioner Lee Seekins, Kelly Hughes, Natalie Dennis, Ramona Hicks, Leha Neilsen

3 hours

MOTION CARRIED

ACTIONS Items	<input type="checkbox"/>
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Statement of Confidentiality: Quality Assurance data, records, and knowledge, including minutes, collected for or by individuals or committees, or committees assigned peer/professional review functions are confidential, not public records, and not available for court subpoena in accordance with RCW sections 70.41.200, 43.70.510, 4.24.250, 74.42.640, 18.20.390, 70.56.020, and 70.56.040

Discussion	<ul style="list-style-type: none"> <li>• Call to order: 1:00 pm</li> <li>• The recently compile Community Health Needs Assessment was reviewed by the Board.             <ul style="list-style-type: none"> <li>◦ A motion was made by Commissioner Lee Seekins to approve the CHNA as presented, the motion was seconded by Commissioner Kris Hare. Motion Carried.</li> </ul> </li> <li>• The remainder of the meeting was utilized to review and revise the Governance Policies of the Board.             <ul style="list-style-type: none"> <li>◦ The Board appointed Commissioner Seekins and Commissioner Oliver to the Governance Policy Committee. They will work on revising the commitment and code of conduct forms and present their revisions at the regular January meeting.</li> <li>◦ The Board unanimously agreed to use MCN as their Policy platform and will upload the finalized Governance Policies to MCN for the year.</li> <li>◦ Commissioner Geary Oliver motioned to suspend Policy 1, Sections 3 and 4, until revisions can be made. The motion was seconded by C.7mmissioner Brad Parrish. The motion carried.</li> <li>◦ Commissioner Lee Seekins motioned to amend the language in Policy 2.2 for clarification of the statements. The motion was seconded by Commissioner Geary Oliver.</li> <li>◦ Commissioner Kris Hare motioned to remove line #6 in Policy 2.7. The motion was seconded by Commissioner Lee Seekins. The motion carried.</li> <li>◦ The Board agreed to revisit Policies 2.3 and 2.4 at a future meeting. Commissioner Brad Parrish motioned to amend the language in policy 2.9, changing it from a specific dollar amount to the amount approved during the budget hearing for setting the Board Budget. Additionally, he proposed deleting sections A–C in policy 2.9. The motion was seconded by Commissioner Lee Seekins.</li> </ul> </li> </ul>	
Adjournment	<ul style="list-style-type: none"> <li>• This meeting was adjourned at 12:00 pm</li> </ul>	

Respectfully Submitted by:

Approved by:

Leha Neilsen

Kris Hare

Administrative Office Manager/EA to the CEO

Secretary, Board of Commissioners



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## Agenda topics

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### Board Member Participation in CMC Committees

#### 2024 Officers:

Jerry Kennedy – Board Chair

Kris Hare – Board Secretary

#### Committees

- Human Resources (meets quarterly)
- Building and Grounds (meets quarterly)
- Med Staff (meets monthly)
- Finance (meets monthly)
- Compliance (meets quarterly)
- Quality Oversight (meets monthly)
- Credentialing (meets monthly)
- Environment of Care (meets monthly)

#### Previous assignments

- HR – Jerry and Kris
- Building and Grounds - Brad and Geary
- Med Staff - Jerry
- Finance - Geary and Lee
- Compliance - Brad and Geary
- Quality Oversight- Kris and Lee
- Credentialing - Jerry
- EOC - Brad and Lee

#### 2025 proposed assignments:

- HR – Jerry and Kris
- Building and Grounds - Brad and Geary
- Med Staff - Lee
- Finance - Geary and Jerry
- Compliance - Brad and Jerry
- Quality Oversight- Kris and Lee
- Credentialing - Lee
- EOC - Brad and Jerry

## **CMC Board Governance Policy**

### **Policy 1.7**

**Policy Type:** EXECUTIVE LIMITATIONS

**Policy Title:** *COMPENSATION AND BENEFITS*

**Approved:** 4/2/2018

**Last Reviewed:** 08/19/24

**Last Reviewed by the Board:** 1/9/25

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With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the CEO will not cause or allow jeopardy to fiscal integrity or to public image.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I will ensure adherence, and will adhere to, all HR policies and procedures related to compensation and benefits throughout the facility. A quarterly independent retirement benefit report will be reviewed and presented to the board. The CEO consults on all salary increases and the benefits packages. These are reviewed, discussed and recommended at: Senior Leadership level, HR Committee, and Finance Committee. The final packet is presented as part of the budget to the Board of Commissioners.

REPORT: In compliance

The CEO will not

1. Change the CEO's own compensation or the compensation of members of senior leadership and benefits, except as his or her benefits are consistent with a package for all other employees.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I will adhere to all HR policies and procedures related to compensation and benefits for myself or members of Senior Leadership (which is comprised of: Executives, RHC Senior Director, Revenue Cycle Director, HR Senior Director, Quality Senior Director, IT Senior Director, ) as consistent with the policy of all CMC employees. The CEO does not have access to the system to change salary or benefits. Any changes in compensation for Executive Leadership will be researched for Fair Market Value in conjunction with HR, discussed with legal counsel if needed to ensure it is within Fair Market Value, and that it is financially prudent. Changes in Executive Leadership will only be considered in times when all staff are being considered. Senior Leadership level compensation is evaluated through recognized, available data.

REPORT: In compliance

2. Promise or imply permanent or guaranteed employment.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I cannot hire anyone without following HR established policies and procedures. HR will be surveyed annually for CEO Compliance and may report instances of non-compliance as they occur to the Finance Committee and/or directly to the Board.

REPORT: In compliance

3. Enter into contract employment with executives without consulting the Board.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I will not contract with providers or executives without board approval to negotiate, and following HR established policies and procedures. HR will be surveyed annually for CEO Compliance and may report instances of non-compliance as they occur to the Finance Committee and/or directly to the Board.

REPORT: In compliance

4. Establish or authorize bonus or incentive programs to other executives without consulting the Board.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I will not establish bonus or incentive programs for non-provider contracts without board approval. Retention and recruitment bonuses will be within the allowed dollar amount for the CEO per contract. HR can be surveyed at any time questions arise for CEO Compliance and instances of non-compliance will be reported, should they occur, to the Finance Committee and/or directly to the Board.

REPORT: In compliance

5. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that I will ensure that compensation and benefits will be identified in conjunction with senior leadership and using professional fair market data or services such as Milliman and/or MGMA. HR will be surveyed annually or as part of the budget process for CEO Compliance and may report instances of non-compliance as they occur to the Finance Committee and/or directly to the Board.

REPORT: In compliance

6. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.

*CEO/Superintendent CLARIFICATION:*

As this is a compensation and benefits policy and not Financial (which is addressed elsewhere) I understand this to mean that obligations related to employment, that exceed the above, will not be entered into by the CEO without board approval. As Provider and Executive contracts are generally 2-3 years in length, contracts will have both, For Cause and Without Cause, out-clauses.

REPORT: In compliance

7. Establish or change retirement benefits so as to cause unpredictable or inequitable situations, including those that:
  - A. Incur unfunded liabilities.
  - B. Provide less than some basic level of benefits to all benefit eligible employees, though differential benefits to encourage longevity are not prohibited.
  - C. Allow any employee to lose benefits already accrued from any foregoing plan.
  - D. Treat the CEO differently from other key employees.

*CEO/Superintendent CLARIFICATION:*

I understand this to mean that all retirement benefit changes will be reviewed by Executive and Senior leadership and legal counsel and in conjunction with the Finance Committee before any changes are made.

REPORT: In compliance

## **CMC Board Governance Policy**

### **Policy 2.6**

**Policy Type:** GOVERNANCE PROCESS

**Policy Title:** *BOARD MEMBERS' CODE OF CONDUCT*

**Approved:** 4/2/2018

**Last Reviewed:**

**Last Reviewed by the Board:** 1/27/25

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#### **Introduction**

This Board of Commissioners Code of Ethics (this "Code") has been adopted by the Board of Commissioners (the "Board") of Douglas, Grant, Lincoln, Okanogan Counties PHD #6, Washington (the "District") to promote honest and ethical conduct and compliance with applicable laws, rules and regulations by the members of the Board (the "Commissioners").

#### **Applicability**

This Code applies to each Commissioner.

#### **How to Use the Code**

This Code is a general guide to the Board's standards of conduct and regulatory compliance. This Code is not intended to cover every issue or situation Commissioners may face in their official capacity. This Code does not replace other more detailed policies and procedures adopted by the District, including but not limited to the District's Bylaws, and specific directives adopted from time to time by the Board.

It is essential that Commissioners thoroughly review this Code and make a commitment to uphold its requirements. Failure to read and/or acknowledge this Code does not exempt a Commissioner from his or her responsibility to comply with this Code, applicable laws, rules and regulations, and District policies and procedures.

None of the principles and practices outlined in the Code is intended to restrict any Commissioner from exercising their constitutional rights of free speech and should not be so construed. Furthermore, the exercise of such rights shall not subject any Commissioner to any sanctions under this Code, even if such exercise is otherwise inconsistent with a stated principle or practice of appropriate ethical conduct.

The Board does not intend to adopt any rule in this Code that violates existing law. If, as a result of changes in the law or otherwise, any provision of the Code is subsequently determined to violate applicable law, such provision shall be construed in such a way as to eliminate such violation and, if no such construction of the applicable provision is possible, the provision shall be void.

### **Fundamental Responsibilities of Commissioners**

The fundamental responsibility of each Commissioner is to promote the best interests of the public by overseeing the management of the District's business and community operations. In doing so, each Commissioner shall act in accordance with this Code, the District's other policies and procedures, and applicable laws, rules and regulations, including, but not limited to, Washington state law and the District's Bylaws. The Commissioners acknowledge that the purpose of Chapter 70.44 RCW, pursuant to which the District was formed, is to authorize the establishment of public hospital districts to own and operate hospitals and other health care facilities and to provide hospital and other health care services for the residents of such districts and other persons. The discharge of this responsibility requires the District to operate its hospital and other health care facilities in a competitive manner. Were it not to do so, the District could not compete with other private and public health care providers for patients, medical staff, executives and other critical operational support and would cease to be an economically viable entity notwithstanding the public support provided through tax levies against real property located within the District's boundaries.

### **Principles and Practices**

In the performance of their official duties, Commissioners shall act ethically, in good faith, with integrity, with care, and in a manner they reasonably believe to be in the best interests of the public that is served by the District.

Commissioners shall not allow outside activities or personal financial or other interests to influence or appear to influence their ability to make objective decisions with respect to the District.

Commissioners shall conduct their official and personal affairs in such a manner as to give the clear impression that they cannot be improperly influenced in the performance of their official duties.

Commissioners in discharging their duties to the District shall use their best efforts to comply with all applicable laws, rules and regulations of federal, state and local governments and other regulatory agencies.

Commissioners shall not be beneficially interested, directly or indirectly, in any contract or transaction which may be made by, through or under the supervision of such Commissioner, in whole or in part, or which may be made for the benefit of their office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract or transaction from any other person beneficially interested therein, except to the extent permitted under

applicable law. Should a Commissioner have a beneficial interest in any contract or transaction proposed for the District, such beneficial interest shall be disclosed to the Board, before the Board authorizes the District to enter into such contract or transaction. The existence of such conflict of interest shall be reflected in the official minutes of the Board. Any Commissioner having such a conflict of interest shall not vote when the matter is presented to the Board for approval. Moreover, such Commissioner shall not influence or attempt to influence any other Commissioner to enter into a contract or transaction in which such Commissioner has a beneficial interest.

At the time of a Commissioner's election, a Commissioner shall disclose in writing to the Board all personal or professional relationships that create, or have the appearance of creating, a conflict of interest with the District. Should any such personal or professional relationships arise in the future, the Commissioner shall promptly disclose such relationships to the Board.

Commissioners shall not use their position to secure special privileges or exemptions for themselves or others.

Commissioners may not, directly or indirectly, give or receive or agree to give or receive any compensation, gift, reward, or gratuity from a third party for the Commissioners' services to the District or as to any contract or transaction between the District and any other party.

Commissioners shall not receive any compensation, remuneration, payments or distributions from the District for their services as Commissioners, except as and only to the extent permitted by applicable law.

Commissioners shall not accept employment or engage in any business or professional activity that could reasonably be expected to place them in a conflict of interest with the District or require or induce them, by reason of their new employment or engagement, to disclose confidential information acquired by the Commissioners by the reason of their office.

To the extent Commissioners obtain confidential information by reason of their office, they will not disclose such confidential information to others unless authorized to do so by the Board. For purposes of this paragraph "confidential information" means information that the Commissioners are required to treat as confidential under applicable law (whether such law is derived from statutes, regulations, case law, the District's charter documents, or otherwise). Information regarding the District not deemed confidential under applicable law may be shared by the Commissioners with others.

If Commissioners receive frequent inquiries from individuals or other persons requesting the disclosure of confidential information, Commissioners shall bring that information to the attention of the other Commissioners to allow the Board to determine if it wishes to adopt preventive measures to further protect the Board and District's legitimate interest in controlling access to its confidential information.

Commissioners shall not simultaneously hold any other incompatible office or position, including, but not limited to, another office or position (i) whose functions are inconsistent with the functions of a Commissioner for the District, or (ii) where the occupation of such other office or position is detrimental to the public interest.

Commissioners shall comply with all of the District's policies and procedures, including those applicable to District employees and medical staff generally, to the extent applicable to their services as Commissioners.



The Superintendent is, by statute, the District's chief administrative officer and, in such capacity, is responsible for the administration of the District. Accordingly, if Commissioners receive questions or concerns from employees, from members of the medical staff, or from the public concerning District operations, they shall promptly notify the Superintendent and it shall be the responsibility of the Superintendent (or the Superintendent's designee) to respond on behalf of the District. Similarly, if third parties, such as third party payors, employee groups, real estate developers, or others, communicate with Commissioners regarding existing or proposed business or other relationships with the District, such matters shall promptly be referred to the Superintendent to take whatever action the Superintendent deems appropriate. The Superintendent shall be accountable to the full Board for follow-up on such items.

Commissioners shall fully cooperate with government investigators as required by applicable law. If a Commissioner encounters an investigator, or receives a subpoena, search warrant or other similar document, related to an investigation of the District, the Commissioner shall promptly give notice of such investigation to the Board.

Commissioners shall not destroy or alter any information or documents in anticipation of, or in response to, a request for documents by any applicable governmental agency or from a court of competent jurisdiction.

The Commissioners are expected to prepare for, participate in, and attend all Board meetings. They should commit the time necessary to review all Board materials. The same level of participation is expected with respect to all Board committees, if any, to which the Commissioners are assigned. For purposes of the foregoing, "attend" shall mean that the Commissioner arrives at the Board meeting (or, if applicable, the Board committee meeting) on time and stays until the conclusion of the meeting.

Commissioners are expected to engage in robust, active discussions of the issues submitted to the Board for consideration in order to arrive at the most carefully considered decisions for the District. With this in mind, Commissioners must study all relevant information (including materials in Board packages), articulate clearly their personal views, be prepared to argue for and support their positions, and, when appropriate, question and challenge the views of others. Such deliberations should be conducted in a respectful manner in line with customary standards of civility and decorum.

Commissioners, when discussing District business, whether at Board meetings or elsewhere, are urged to adhere to the following standards: Commissioners should (i) be respectful of the views of other Commissioners and executives, even if such views are contrary to the Commissioners' personal opinions; (ii) not divulge confidential information regarding the District's affairs; (iii) not purport to represent the views of the Board, unless authorized to do so by the Board; and (iv) not intentionally misrepresent, demean or belittle positions taken by other Commissioners or District executives and, where appropriate, take all reasonable steps to ensure that a balanced presentation of competing points of view is given so as to promote common understanding of (rather than to foster a spirit of divisiveness with respect to) the issues before the Board and the various competing points of view taken by other Commissioners and District executives. Nothing in this Code is intended to limit any Commissioner's constitutionally-protected rights of free speech, nor is this Code to be construed so as to impair the ability of Commissioners to participate in ceremonial, representational or informational functions in the pursuit of their official duties.

Commissioners are publicly-elected officials. As a consequence, if incumbent Commissioners choose to run for re-election, they will of necessity be involved in campaign-related activities during the tenure of their service on the Board. Nothing in this Code of Ethics is intended to deprive such individuals

of, or to inhibit or limit the lawful exercise of, the right to engage in customary re-election activities, including but not limited to seeking and securing endorsements, soliciting campaign contributions, distributing voter pamphlets and other campaign related materials, or making public appearances. They may solicit financial or other support for the community at large, hospital employees, medical staff members, nurses, and others, provided that the support comes from such persons when acting in their personal capacities, and not as representatives or employees of the District. All such support must be voluntary and may not be given or received with the expectation or understanding that the contributing individual will receive any consideration, privilege or benefit, directly or indirectly, from the District. Commissioners may not, claim, suggest or create the impression that their re-election is supported or endorsed by the District itself, nor may they use or gain access to the District financial resources to support their re-election campaign. They may however fully discharge their duties and responsibilities as Commissioners during the re-election campaign (as indeed they are obligated to do), and such activities are not wrongful.

Commissioners shall refrain from any illegal, unethical, or inappropriate conduct, whether or not specifically identified in this Code.

### **General Standards of Conduct**

Commissioners' compliance with the principles and practices of this Code will be subject to the following guidelines:

**A.** Commissioners will not be considered in violation of the ethical guidelines of the Code as long as they have acted in good faith, and in a manner they believed to be consistent with their obligations under Code.

To the extent that Commissioners receive advice from the District's legal counsel (consisting of in-house counsel or legal counsel engaged by the District), Commissioners may rely upon such advice in discharging their duties to the District. If Commissioners have in good faith relied upon such advice in conducting the District's business, such reliance will constitute a defense to charges that actions based upon such reliance violated the provisions of the Code.

Absent evidence of bad faith, inadvertent violations of the Code that do not adversely affect the District in a material way and that do not create private benefits in favor of the Commissioner or related parties will not constitute grounds for disciplining a Commissioner.

### **Enforcement of Code**

The Board is the body vested with the exclusive authority to enforce the provisions of the Code and to take disciplinary action against Commissioners for violations. As provided in Article VIII, the Board may, under certain circumstances, enlist the support of others to assist with fact finding and to make recommendations.

While members of the public may give the Board notice of alleged violations of the Code, they may not, except as qualified below, bring legal actions against Commissioners for alleged violations, whether such actions seek specific performance, damages or other forms of judicial relief. The Commissioners are not liable to members of the public for damages resulting for Code violations.

Notwithstanding the foregoing, if a Commissioner's misconduct constitutes official misconduct as to which a legal action may be brought by a

member of the public, separate and apart from its constituting a violation of the Code, members of the public may pursue such matters, at law or in equity, in the same manner as they might otherwise have pursued such matters under then-existing law. Hence, as relates to members of the public, the Code does not, and is not intended to create, a basis for making claims or pursuing remedies that would not otherwise be available under existing law.

### **Reporting Procedures and Process**

**A.** Any individual may advise the Board of an alleged violation of the Code by a Commissioner. To the extent feasible, any such notice should be given in writing and specify in reasonable detail the alleged misconduct.

**B.** The District will not take retribution or disciplinary action against any District employee who raises concerns or reports potential violations of the Code by a Commissioner, whether or not it is subsequently determined that there is a legal or factual basis to support such allegations. On the other hand, should members of the public allege official misconduct by Commissioners, and should such allegations not be supported either for factual or legal reasons, Commissioners may pursue such remedies as are available, at law or in equity, including but not limited to claims for libel or slander, against the parties wrongfully accusing the Commissioners of misconduct.

**C.** The Board shall review promptly, and in a prudent manner, allegations of Commissioner misconduct to determine whether there have been violations of the Code and what disciplinary action, if any, is appropriate. The processing of such allegations shall be under the direction of the Board's President, acting with the advice of counsel, and being subject to the other guidelines provided for in this Article VIII. If the Board's President is the subject of alleged misconduct, the responsibilities vested in the Board's President under the Code will pass to the next ranking officer (or, if none, the senior most member) of the Board who is not accused of the alleged Code violations.

**D.** The Board shall, from time to time, adopt procedures for investigating, handling, and resolving allegations of misconduct, subject to adopting reasonable procedures for:

- (i) gathering information regarding the alleged misconduct, including but not limited to, accepting written submissions, hearing testimony, conducting hearings, undertaking fact finding, and soliciting information from experts;
- (ii) the right of the accused to respond to the allegations and to be represented by counsel;
- (iii) the screening out of frivolous complaints; and
- (iv) the right of the public to observe such proceedings under the Open Public Meeting Act ("OPMA").

**E.** If the Board determines that a Commissioner has violated one or more of the provisions of the Code, the Board may give written or oral warnings, issue formal reprimands, or publicly censure the Commissioner for violating the Code. Such disciplinary action shall be recorded in the minutes of the Board's meetings and, as directed by the Board, be published in local newspapers, the District's communications with residents, or through other media. In those instances, where the misconduct is of a serious nature, the Board may, after receiving legal advice from counsel, initiate legal action in a

court of competent jurisdiction to remove such Commissioner from office.

F. Subject to the following guidelines, the Board may appoint one or more individuals to assist in fact-finding and/or making recommendations to the Board regarding allegations of Commissioner misconduct:

(i) It will be left to the discretion of the Board to determine whether such a panel should be convened and to determine the scope of the responsibility given to such panel. The Board shall consider all facts and circumstances in making such determinations, including but not limited to the seriousness of the allegations, the history of the alleged misconduct – whether constituting an isolated incident or pattern of misconduct, the publicity surrounding the activities, the level of public interest, and whether and to what extent the public's interest might be advanced by enlisting the support of others outside of the Board. The Board's determinations regarding such matters will be final and binding. It is not expected that such panels would be convened to handle frivolous complaints or allegations regarding inadvertent or minor violations of the Code.

(ii) If the Board elects to solicit outside support in processing allegations of Code violations, the Board's President, acting with the advice of legal counsel, shall appoint, on such basis as the Board's President deems appropriate, the individuals to serve on the advisory panel, which participants may be drawn from public officials or members of the local business community (such as members of the chambers of commerce) from those municipalities whose geographic boundaries fall primarily within the boundaries of the District. The size of the panel will be determined by the Board's President.

(iii) The Board or, absent specific direction from the Board, the Board's President will establish the specific fact-finding and advisory responsibilities of the panel.

(iv) If such a panel is constituted, the panel's activities will be subject to the public access requirements of the OPMA, to the extent required by OPMA.

(v) The Board will, however, in all instances, retain ultimate decision making regarding whether the alleged misconduct constitutes a violation of the Code and whether and to what extent to take disciplinary action against any Commissioner found to be in violation of the Code.

G. To the extent that alleged misconduct constitutes a violation of law, separate and apart from a violation of the Code, such misconduct may be referred to the county prosecuting attorney for action.

## Waiver

If a Commissioner believes that it is inappropriate to apply any of the provisions of this Code to such Commissioner, such Commissioner may submit to the Board a written request for a waiver from such provision. Such written request must be accompanied by a statement setting forth the reasons why the waiver should be granted under the circumstances. Such waiver shall be effective if approved by a majority vote of the Commissioners (excluding the requesting Commissioner). Furthermore, such waiver may be granted only if supported by legal advice from the District's in-house or outside legal advisors.

## **Review**

The Board shall review this Code annually to ensure compliance with all applicable laws, rules and regulations, and to ensure that the Commissioners are held to the highest standards of conduct and ethics. In connection with such review, the Board should discuss what, if any, amendments or revisions are necessary to improve the effectiveness of this Code.

## **Amendments**

This Code may be amended from time to time by the Board, if approved by a majority vote of all Commissioners, and any amendment must be disclosed as required by and in accordance with applicable laws, rules and regulations.

## **Affirmation**

Each Commissioner is responsible for reviewing, understanding, acknowledging and personally upholding this Code, and for familiarizing him or herself with the applicable detailed elements of the District's Corporate Compliance Plan and other policies and procedures. Each of the Commissioners shall certify that he or she has read, understands, is in compliance with and is not aware of any violations of this Code at the beginning of each year. Each such certification shall be made by the execution of the Receipt and Acknowledgement attached hereto as **Board Commitment Form**.

## COULEE MEDICAL CENTER

### Board Member Commitment Form

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By signing this document, I acknowledge that I have read and understand Board Policy 2.6 “Board Members’ Code of Conduct” (hereinafter “Policy 2.6”), that I am in compliance with Policy 2.6, and that I am not aware of any violation of Policy 2.6 at the time of signing this commitment form.

#### Duties of Care

As a Board member I understand that I have duties of care, loyalty, and obedience to the organization.

- The duty of care is the duty to pay attention to the organization—to monitor its activities, see that its mission is being accomplished, and guard its financial resources.
- The duty of loyalty is the duty to avoid conflicts of interest, and
- The duty of obedience is to carry out the purposes, policies, and guidelines of the organization and to comply with the law.

#### Additionally, as a Board Member, I agree to:

- Attend at least 75% of all Board meetings by phone or in person (Board Policy 2.1)
- Review the agenda and supporting materials prior to Board and committee meetings (Board Policy 2.6).
- Serve on committees and take on special assignments as needed (Board Policy 2.6).
- Remain informed about Coulee Medical Center’s mission, services, and policies and promote Coulee Medical Center (Bylaws).
- Provide support and advice to the staff but avoid interfering in management activities Board Policy 2.1).
- Suggest nominees and participate in board recruitment (Board Policy 2.6).

Support the organization by representing the organization in the community and with funders (Board Policy 2.6).

- Act with honesty and integrity (Board Policy 2.6)
- Support, in a positive manner, all actions taken by the Board of Commissioners even when I am in a minority position on such actions. I recognize that decisions of the Board can be made only by a majority vote at a Board meeting and respect the majority decisions of the Board, while retaining the right to seek changes through ethical and constructive channels; (Board Policy 2.1, Board Policy 2.6)
- Participate in (1) the annual strategic planning retreat, (2) board self-evaluation programs, and (3) board development workshops, seminars, and other educational events that enhance my skills as a Board member (Board Policy 2.1).
- Keep confidential information confidential (Board Policy 2.6).
- Exercise my authority as a Board member only when acting in a meeting with the full Board or when appointed by the Board (Board Policy 2.6).
- Work with and respect the opinions of my peers who serve this Board, and leave my personal prejudices out of all Board discussions (Board Policy 2.6).
- Always act for the good of the organization and represent the interests of all people served by the organization (Board Policy 2.0).
- Represent this organization in a positive and supportive manner at all times.
- Observe the parliamentary procedures and display courteous conduct in all Board and committee meetings.
- Accept my responsibility for providing oversight of the financial condition of the organization (Board Policy 2.0).
- Avoid acting in a way that represents a conflict of interest between my position as a Board member and my personal or professional life, even if those actions appear to provide a benefit for the organization. This includes using my position for the advantage of my friends and business associates. If such a conflict does arise, I will declare that conflict before the Board and refrain from voting on matters in which I have conflict (Board Policy 2.6).

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**Signature**

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**Date**

## COULEE MEDICAL CENTER

DOUGLAS, GRANT, LINCOLN, & OKANOGAN COUNTIES PUBLIC HOSPITAL DISTRICT #6

### Vision

To be an organization where all people are equal and where the complete well-being of those we serve is our ultimate objective.

### Mission

To inspire excellence, as we care for our patients, honor our profession and serve our community.

INSPIRE • CARE • HONOR • SERVE

### Values

#### ❖ Integrity

We serve with integrity by doing what is right, regardless of the difficulty encountered.

#### ❖ Compassion

We offer comfort and security to our patients, families and community by providing hope through heartfelt concern.

#### ❖ Respect

We respect all cultures, beliefs and opinions. We uphold a positive attitude of respect and courtesy.

#### ❖ Competence

We strive to be life-long seekers of wisdom and clinical expertise to ensure our patients receive the highest quality of care. We encourage and support education and the professional growth of staff.

#### ❖ Professionalism

We practice the art of professionalism that embodies appearance, action, communication, competence and respect.

#### ❖ Financial Viability

We strive for balance in providing efficient, innovative, quality care by being responsible stewards of our resources.