



**EASTERN PLUMAS HEALTH CARE DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
MINUTES**

Thursday, July 24, 2025 at 4:00 p.m.

1. Call to Order

Meeting was called to order at 4:01 p.m.

2. Roll Call

Augustine Corcoran, Board Chair; Gail McGrath, Board Member; Paul Swanson, M.D., Board Member; Linda Satchwell; Board Member; Marcia Hughes, Board Member (absent).

Staff in attendance: Katherine Pairish, CFO; Megan McCrorey, Director of Ancillary Services; Tracy Studer, Director of Clinics; Max Barroso, Director of Rehabilitation, and Joanna Garneau, Program Manager

3. Board Comments

Discussion was held on evaluating options for electronic recording of Board meetings to use for the preparation of Board minutes.

4. Public Comment

None

5. Consent Calendar

- **Approval of Minutes** – Approval of the minutes from the June 26, 2025 Board of Directors Meeting and the agenda for the July 24, 2025 meeting.
- **ACTION** – Motion was made by Director Swanson, seconded by Director McGrath to approve the minutes as presented
 - Roll Call Vote** – AYES: Directors Satchwell, McGrath, Corcoran, and Swanson
 - Nays: None
- **Public Comment:** None

6. Auxiliary Report

Gail McGrath

No current report provided. Auxiliary Board meeting to be held August 12, 2025.

7. Staff Reports

A. Chief Nursing Officer Report

Penny Holland

Results of the recent hospital re-certification survey were provided. Census continues to remain consistent for both the hospital and ED. Endoscopy services have been re-initiated beginning in July.

B. SNF Director of Nursing

Lorraine Noble

Results of the recent re-certification SNF survey were discussed. Census continues to remain at budget (62) and the CNA class will be graduating in the second week of August.

C. Director of Clinics

Tracy Studer

Dr. Lilligraven should be arriving in the Loyalton area on August 2nd. Start date is being finalized pending completion of his relocation. Dan Coll, PA has signed an agreement and is in process of credentialing. A new registration clerk will be starting next week, and our current part-time dental hygienist will be moving to full-time September 2nd. The contract with Carelon has been received and will cover behavioral health patients beginning August 1st. A

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licensed marriage and family therapist has been interviewed and accepted a full time offer beginning in September. The new cardiac treadmill for GMC arrived and a grant request for funding was approved by Partnership to cover the cost of the equipment.

D. Program Manager

Joanna Garneau

See attached report

E. Chief Financial Officer

Katherine Pairish

See June BOD report.

Summary

This report will cover the fiscal year ended June 30, 2025. As always, these financials are in DRAFT form until the annual audit is complete.

Net Patient Revenues were lower than budget by \$2,583,091. Total Operating Revenue was higher than budget by \$5,242,693 due mainly to a reduction in contractual adjustments and IGT's coming in higher by \$4,485,936. Total Operating Expenses were higher than budget by \$1,236,402. Our bottom line was over budget by \$4,093,981.

Revenues (Year-to-Date Current Year Compared to Year-to-Date Budget)

Total Inpatient Revenues were lower by \$1,195,255, with Skilled Nursing Revenues posting higher by \$675,082. Pro Fees were lower by \$439,679. Total Outpatient Revenues were lower by \$3,496,049 and Clinic Revenues were lower by \$254,143.

Expenses (Year-to-Date Current Year Compared to Year-to-Date Budget)

Salaries and Benefits: Combined Salaries and Benefits were lower by \$133,053.

Purchased Services: Purchased Services - Medical were higher by \$996,203. Purchased Services – Other were higher by \$193,541

Professional Fees: Professional Fees were higher by \$13,365.

Repairs & Maintenance: Repairs & Maintenance were higher by \$27,804.

Utilities: Utilities were higher by \$67,686.

Supplies: Supplies were lower by \$38,709.

Depreciation Expense: Depreciation Expense was higher by \$127,924.

Other Expenses: Other Expenses were lower by \$108,392. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of June 30, 2025 was \$7.2 million. This is a 37.1% decrease from last year. AR days as of June 30, 2025 was 54.

Balance Sheet

Total Cash increased 17.15%. Net AR decreased 23.85% and Net Fixed Assets decreased 1.03%. Total Liabilities decreased 10.47%. Our Fund Balance increased by \$2,362,647 or 7.57%.

Additional Information

Days cash on hand on June 30 2025, was 196. June 30, 2024, days cash on hand was 175. Days cash on hand increased by 21 days over last year.

We plan to present the budget for the 2025/2026 fiscal year at the August Board meeting.

8. Acceptance of Draft Financials as Presented Augustine Corcoran

ACTION: Motion was made by Director Swanson, seconded by Director Satchwell to approve the draft financials as presented.

Roll Call Vote: AYES: Directors Corcoran, Satchwell, Swanson, McGrath

Nays: None

Public Comment: None

9. Chief Executive Officer Report

Doug McCoy

OPERATIONAL OVERVIEW:

The BBB Act (Big Beautiful Bill) was signed into law by President Trump on July 4th. The bill contains over 1 trillion dollars in MediCaid funding reductions over the next 10 years to include a reduction in funding to California estimated between 66 and 128 billion dollars. Both the California Hospital Association and the District Leadership Forum are continuing their analysis on the impact to rural hospitals across the state. While we anticipate this will take several more weeks to complete, the initial impacts to the various supplemental payment programs currently in place are as follows (reductions per year are calculated against the CY 2025 anticipated payments):

- A 152-million-dollar reduction for CY 2026
- A 238-million-dollar reduction for CY 2027
- A 376-million-dollar reduction for CY 2028
- A 406-million-dollar reduction for CY 2029+

The impact of these reductions to California hospitals does not include potential changes to the MediCal base rates, Medicare sequestration, increases in uncompensated care, or other MediCal programmatic changes. In addition, there is a potential that the MCO tax approved through proposition 35 last year will not receive CMS approval based on the moratorium on supplemental programs contained within the BBB Act.

Government forecasting currently predicts that of the 15.3 million MediCal recipients currently covered in California, 1.8 million will lose coverage under the new law. Governor Newsom reported that this figure is 3.4 million based on State analysis with an additional 2 million enrollees dropping off the ACA exchange.

Both CHA and AHA continue to advocate for reconsiderations to the hospital funding plan. EPHC has been contacted by news agencies and community members requesting information on the impact of these funding reductions to the District. While we have estimated the reduction from the changes in supplemental reimbursement, the additional impact from the increase in uncompensated care is unknown. EPHC has improved the fund balance annually for the past 8 years and has continuously reduced long term debt while increasing revenues and utilization of grant programs. We feel that this has placed the organization in a strong position to manage these cuts without an impact to services utilizing strategic initiatives that were implemented during the fiscal year.

Because of the complexity of the analysis by our various associations continues through July, the 2025/26 fiscal year budget, capital plan, and 5-year forecast will be presented at the August Board meeting.

PATIENT EXPERIENCE:

Through the first half of 2025 we have received 480 patient feedback surveys across 8 service lines. Service excellence continues to be our primary goal, and the following are mid-year results:

- Clinics – All four performance indicators are over the national average including a 95% top box provider rating.
- Emergency Department – All four indicators are over the national average
- Acute – 100% recommendation rating
- Swing – 100% recommendation rating
- SNF – 6 of 7 indicators over the national average
- Rehabilitation – 97.6 top box recommendation rating
- Radiology – 100% recommendation rating
- Lab – 92.3% recommendation rating

10. Policies

Public Comment: None.

ACTION: Motion was made by Director Corcoran, seconded by Director McGrath to approve the policies this month with the exception of the interfacility transfer policy.

Roll Call Vote: AYES: Directors Corcoran, Satchwell, Swanson, McGrath

Nays: None

11. Committee Reports

Board Members

A. Finance Committee

Director Swanson commented that EPHC remains in a strong cash position and with the HR.1 bill approved, it is beneficial to maintain cash on hand with a goal of exceeding 200 days for FY 25/26.

12. Public Comment

None.

13. Board Closing Remarks

None

Open Session recessed at 5:04 p.m.

14. Closed Session

A. Pursuant Hearing (Health and Safety Code 32155)

Subject Matter: Staff Privileges

Clinic

- **Lillegraven, John M.D. - 1 Year Appointment**

Pathology

- **Blankenberg, Tikoes M.D. - 1 Year Appointment**
- **Morris, Allen M.D. – 1 Year Appointment**

- **Pitman, Sean M.D. – 1 Year Appointment**
- **Wang, George M.D. – 1 Year Appointment**

B. Public Employee Performance Evaluation (Government Code Section 54957) Subject Matter: *CEO*

15. Open Session Report of Actions Taken in Closed Session

The Board returned at approximately 5:05 p.m.

A: ACTION- The Board unanimously approved a motion to provide staff privileges to all persons listed on agenda item 14.A

B: No Action taken 14.B

16. Adjournment

Meeting adjourned at 5:21 p.m.