AGENDA
Board of Directors Meeting
6:30 PM - Wednesday, August 26, 2026
Click link to join Zoom meeting
SPH Conference Rooms 1&2
Meeting ID: 878 0782 1015 Pwd: 931197
Phone Line: 669-900-9128 or 301-715-8592

Aaron Weisser, President		Jim Anderson		Matthew Bullard	
Preston Simmons Vice President		Ken Ciccoli		Kim Frost	
Mary E. "Beth" Wythe, Secretary		Edson Knapp, MD		Christopher Landess, MD	
Michael Dye, Treasurer		Bernadette Wilson			

Board Master Reports List

Mission: South Peninsula Hospital promotes community health and wellness by providing personalized, high quality, locally coordinated healthcare.
Vision: South Peninsula Hospital is the provider of choice with a dynamic team committed to service excellence.
Values: Compassion, Respect, Trust, Teamwork and Commitment

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1. CALL TO ORDER

2. ROLL CALL

3. REFLECT ON LIVING OUR VALUES

4. WELCOME GUESTS & PUBLIC / INTRODUCTIONS / ANNOUNCEMENTS

5 4.1. Rules for Participating in a Public Meeting
Rules for Participating in a Public Meeting

5. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER

6. APPROVAL OF THE AGENDA

7. APPROVAL OF THE CONSENT CALENDAR

8. PRESENTATIONS

9. UNFINISHED BUSINESS

10. NEW BUSINESS

11. REPORTS

11.2. Chief Executive Officer

32 - 33 11.3. BOD Committee: Finance & Pension
Policy for Initial Review: F-09 Capital Purchases
F-09 Capital Purchases, revised by Finance/Pension Committee

11.4. BOD Committee: Strategic Planning & Community Relations

34 - 37 11.5. BOD Committee: Governance
Policies for Initial Review: Q-01 & Q-02
Q-01, revised
Q-02, revised

11.6. BOD Committee: Quality

11.7. Chief of Staff

11.8. Board President Report (Executive Committee, Education Sessions & Generative Discussions)

11.9. Service Area Board Representative

12. DISCUSSION

13. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER

14. COMMENTS FROM THE BOARD

(Announcements/Congratulations)

14.1. Chief Executive Officer

14.2. Board Members

15. INFORMATIONAL ITEMS

16. ADJOURN TO EXECUTIVE SESSION (IF NEEDED)

17. ANNOUNCEMENTS AS A RESULT OF EXECUTIVE SESSION

17.1. Consideration to Approve Resolution 2026-19, Approving the Medical Staff Credentialing for August, 2026

18. ADJOURNMENT

South Peninsula Hospital

MEMO

Administration
4300 Bartlett Street
Homer, AK 99603
907-235-0325 ~ 907-235-0253, fax

To: Public Participants

From: Operating Board of Directors – South Peninsula Hospital

Re: Rules for Participating in a Public Meeting

The following has been adapted from the "Rules for Participating in a Public Meeting" used by Kenai Peninsula SAB of SPHI and reflects language from the Operating Agreement with the Kenai Peninsula Borough.

Each member of the public desiring to comment upon policies or proposed actions of the SPH Operating Board of Directors at tonight's meeting will be given an opportunity to speak within the following guidelines:

- *Comments are restricted to policies or proposed actions of the SPH Operating Board of Directors.*
- *Those who wish to speak will need to sign in on the sign in sheet being circulated. When the chair recognizes you to speak, you need to clearly give your name and the policy or proposed action you wish to address.*
- *Please be concise and courteous. There is a limit of 3 minutes per speaker; total time allotted for public comment is at the discretion of the chair.*
- *Please observe normal rules of decorum and avoid disparaging by name the reputation or character of any member of the Operating Board of directors, the administration or personnel of SPHI, or the public. You cannot mention or use names of individuals.*
- *The Operating Board Directors may ask you to respond to their questions following your comments. You could be asked to give further testimony in "Executive Session" if your comments are directly related to a member of personnel, or management of SPHI, or dealing with specific financial matters, either of which could be damaging to the character of an individual or the financial health of SPHI, however, you are under no obligation to answer any question put to you by the Operating Board Directors.*
- *If you have questions, you may direct them to the chair. Questions will not be addressed by the board during the public comment period, but may be addressed at a later time.*

These rules for participating in a public meeting were discussed and approved at the Board of Directors meeting on September 25, 2024.

MINUTES
Board of Directors Meeting

6:30 PM - Wednesday, July 29, 2026
Conference Rooms 1&2 and Zoom

The meeting of the Board of Directors of South Peninsula Hospital was called to order on Wednesday, July 29, 2026, at 6:30 PM, in the Conference Rooms 1&2 and via Zoom.

1. CALL TO ORDER

The board went into Executive Session to discuss personnel and financial matters prior to the start of the regular meeting. The board when into Executive Session at 5:30pm. President Aaron Weisser called the regular meeting to order at 6:30pm.

2. ROLL CALL

BOARD PRESENT:	**Aaron Weisser, Edson Knapp, Michael Dye, Bernadette Wilson, Beth Wythe, Preston Simmons, Matthew Bullard, Christopher Landess, Kim Frost, Jim Anderson, and Ken Ciccoli**
BOARD EXCUSED:	
ALSO PRESENT:	**Ryan Smith (CEO), Rachael Kincaid (COO), Amber Gall (CNO), Christy Tuomi (CMO), Derotha Ferraro (Marketing Director), Catriona Reynolds (Service Area Board), Maura Gibson (Exec Asst)**
	Public Commenters: Chris Story, Ashley Story, Guy Rosi, Melanie Cox, Rita Turner, Dr. Kira Bendixen, Zoe Story, Deborah Isaak, Dr. Christy Martinez, Adam Greenwald, Dr. Paul Raymond, Mariah Greenwald, Cassie Lawver, Vicky Nelson and Sarah Vance. ***Only meeting participants who comment, report or give presentations are noted in the minutes. Others may be present on the room or on the virtual meeting.***

A quorum was present.

3. REFLECT ON LIVING OUR VALUES

Amber Gall shared a “Living Our Values” story about two long-term care residents who, through a partnership with the Independent Living Center, were able to join a four-hour halibut fishing charter aboard the Spirit. Long-term care staff coordinated POA permissions, transportation in the new LTC van, and on-boat support to ensure safety and comfort; each resident caught two halibut. The fish were later processed and used for a special fish-and-chips meal back at the facility, where other residents enjoyed the catch, and one resident even saved some fish to give to family across the bay—allowing him to “provide for them” in a way he hadn’t been able to in years, illustrating dignity, community partnership, and person-centered care.

4. WELCOME GUESTS & PUBLIC / INTRODUCTIONS / ANNOUNCEMENTS

Aaron Weisser welcomed the members of the public and read excerpts from the Rules for Participating in a Public Meeting, which were provided in full on the website and printed copies were available in the room.

4.1. Rules for Participating in a Public Meeting

5. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER

1. Chris Story provided a copy of his mother's obituary to all board members, and read a letter from his father, **Norm Story**, describing how his wife of 57 years was transferred to Providence, then denied transfer back to SPH. The family chartered a self-paid Guardian Flight so she could be near home and family at the end of her life. On presenting at the SPH Emergency Room upon arrival in Homer, Norm reports being met with, *"Why did you bring her here?"* and describes the hospitalist as rude, dismissive, and focused on lack-of-insurance. Norm's letter asserts that across decades of living, working, and paying taxes in Homer, he never imagined his wife and family would be treated this way, and he urges the board to ensure changes so no other patient is treated similarly.

2. Chris Story said he was speaking about hospital policy and repeatedly posed the question, "What if it was you?" asking board members to imagine a dying spouse or family member whose last request is to go home, surrounded by four generations of family. He again described the ordeal of attempting to bring his mother back to Homer for end-of-life care, and reported rude and inappropriate behavior by the hospitalist physician. He concluded that no policy or billing explanation can justify the lack of compassion and empathy shown to his family, and asked the board to remove the physician from patient care and commission an independent, external review of hospital culture and leadership

3. Ashley Story spoke on behalf of her grandparents, Norm and Lynn Story. She emphasized her grandmother's lifelong selflessness and felt her treatment at South Peninsula Hospital did not live up to what she deserved. She emphasized that the board should not be more concerned about her father's public advocacy than about her grandmother's treatment.

4. Melanie Cox testified as a recently uninsured, self-pay patient who was initially told she would receive a 25% discount plus 10% prompt pay discount, and made care decisions accordingly. When paying her bills, she discovered the additional 10% for self-pay had been removed "to match policies" and extend a 25% discount to insured patients, leaving self-pay patients worse off and forcing her into multiple stressful calls to get the 10% honored for already scheduled visits. She urged the board to restore the 10% on top of the 25% for self-pay patients while also giving insured patients 25%, warning that otherwise people may seek care out of town where total costs (including travel) may be lower.

5. Guy Rosi argued that SPH keeps trying to expand while neglecting basic maintenance of existing facilities. He cited long-standing, unresolved requests for

items such as drainage/icing problems near the emergency department entrance, saying nothing substantial has been done. His core message was that the hospital should take care of what it already has before buying more properties or expanding further.

6. Rita Turner spoke as a patient of SPH for many years, who has generally had excellent care, including lifesaving interventions, but described serious recent failures by one provider. She reports the provider refused further screening for a condition for which she had a high-risk family history. She asserted the provider's lack of follow-through likely led to permanent impacts and questioned whether the hospital's review of her care was genuine, though she still rates 99% of her historical SPH care as positive.

7. Dr. Kira Bendixen, a former SPH hospitalist, said she left SPH despite loving her job due to deviation from standard practice and an administration that seemed unwilling to pursue process and quality improvements. She recounted an event approximately six months ago, nearly a year after her departure from SPH, involving her 3-year-old's son emergency department visit and critical illness. She felt that the new hospitalist did not follow the standard of care in terms of admission criteria and stated that because she is a physician, she was she able to insist her son be transferred to a higher level of care. A few days after her son's transfer to Providence, he moved to the pediatric ICU with a life-threatening diagnosis. She concluded that medical staff are no longer empowered to set standards of care and that senior leadership priorities have overtaken SPH's historic culture of compassionate, high-quality care.

8. Zoe Story, Lynn and Norm's granddaughter, affirmed Chris and Ashley's accounts and added concerns about SPH's culture and leadership based on her own experiences. She described a prior ER encounter she experienced as misogynistic and body-shaming that led to a secondary injury. She also recounted witnessing the CEO, after a radio appearance, appear aggressive in a conversation with a local physician who appeared on the show with him. Zoe said she loves Homer and wants to trust and use SPH but currently does not trust hospital leadership, questioned the presence of surgeons/hospital staff on the operating board, and called for an elected board and governance reform.

9. Deborah Isaak positioned the Story case as symptomatic of deeper, "root cause" issues, particularly SPH's aggressive expansion and capital projects that she believes are driven more by revenue than by patient need. She criticized the 2024 bond proposal and proposed nuclear medicine clinic and stated that SPH's pricing is exorbitant. She described SPH's pervasive physical presence in town as "spooky" and alleged that bond promotion included misleading claims, and urged the board to recognize community concern about costs, expansion, and governance.

6. APPROVAL OF THE AGENDA

Beth Wythe made a motion to approve the agenda as presented. Preston Simmons seconded the motion. Motion Carried.

7. APPROVAL OF THE CONSENT CALENDAR

Beth Wythe read the consent calendar into the record.

7.1. Consideration to Approve the South Peninsula Hospital (SPH) Board of Directors meeting minutes for June 24, 2026

7.2. Consideration to Approve June FY2026 Financials to include the Balance Sheet, Income Statement and Cash Flow Statement

7.3. Consideration to Approve Revised Board Policy EMP-08 CEO Performance Evaluation as Recommended by the Governance Committee

Beth Wythe made a motion to approve the consent calendar as read. Jim Anderson seconded the motion. Motion Carried.

8. PRESENTATIONS

8.1. SPH Foundation: Rooted in Community Event

Derotha Ferraro and Beth Wythe gave a presentation on the upcoming SPH Foundation Fundraiser: Rooted in Community, on August 29th. All proceeds will support purchase of a new Siemens mammography unit (~$695,000) to replace an aging system, improve image quality and speed, and better support early breast cancer detection, consistent with CHNA data showing cancer as a leading cause of death. To date, approximately $445,000 has been raised via major gifts (Murdoch, Halle, Waterfall, Aurora, board members), plus about $77,000 in sponsorships, $5,000 in ticket sales, and a $100,000 community match, leaving roughly $67,000 to be raised in the room to fully fund the unit and free capital budget/tax dollars for other projects.

At the August board meeting, the Foundation board will join a pre-meeting education session to review Foundation history, the 2026 work plan, and the fundraiser. Derotha shared that more information and giving options are available at foundation.sphosp.org.

9. UNFINISHED BUSINESS

There was none.

10. NEW BUSINESS

There was none.

11. REPORTS

11.1. Balanced Scorecard

The new balanced scorecard data was presented by the CEO as part of his report (see below.)

11.2. Chief Executive Officer

The CEO, Ryan Smith, presented the quarterly balanced scorecard, covering clinical/service excellence, patient experience, workforce/IT, and financial health. He noted that SPH meets or exceeds many CMS and internal clinical targets (e.g., sepsis care above national/Alaska averages, excellent long-term care star rating), but highlighted areas needing improvement, including stroke door-to-CT timing, outpatient patient-experience percentiles, home health star ratings, and net days in A/R (still elevated post-Epic but improving month-over-month). He reviewed workforce metrics (turnover within targets but higher use of contract staff in specialties), high phishing-test pass rates, and stated that all financial health targets for the quarter were met except net days in A/R. He updated board members on ongoing Epic stabilization (stronger on inpatient than outpatient), efforts to improve clinic access and call handling via a new call center, and early impacts of the urgent care opening (shifting lower-acuity volume from the ED, with some increase in median ER time due to higher acuity of remaining ED cases).

11.3. BOD Committee: Finance & Pension

Michael Dye, committee chair, reported. The Finance Committee met prior to the board meeting and reviewed the preliminary June and year-end financial reports, noting these are not yet final; the final fiscal year year-end will be brought to the September board meeting after all reconciliations. Mr. Dye reported that days in accounts receivable and days cash on hand continue to improve, moving closer to established targets. He also noted that Anna Hermanson obtained national and state benchmarking reports and completed a comparative analysis of SPH against peers; this material is in the packet, and the intent is to have Ms. Hermanson present the benchmarking analysis at a future board meeting

11.4. BOD Committee: Strategic Planning & Community Relations

The Strategic Planning & Community Relations Committee received an in-depth update from Derotha Ferraro on the Community Health Needs Assessment work, focusing on how community and organizational priorities were identified and how they will drive the hospital's strategic initiatives for the next two years. The committee also discussed ongoing and future community relations efforts, including the live public Q&A session with Mr. Smith and Mr. Weisser, and development of a governance FAQ for the website to explain SPH's complex governance structure (public facility/private nonprofit). Finally, they reviewed recent advocacy and outreach activities and began framing the next phase of community messaging and engagement around hospital strategy and priorities

11.5. BOD Committee: Governance

Beth Wythe, committee chair, reported on board development and policy work. Ms. Wythe noted that the committee's primary current task is implementing the board peer evaluation system; surveys were sent out (due mid-August) and members were asked to complete them so results can inform training and priorities for the coming year. The committee is also preparing to launch a

board self-evaluation process on a similar timeline, and continues its routine policy review and revision responsibilities

11.6. BOD Committee: Quality

Preston Simmons, committee chair, reported on the Quality Committee meeting, which focused on laboratory services. Lab leadership (Holley Hightower and Vanessa Fuson) reviewed recent improvements, including enhancements to the lab waiting area (more seating, better ambiance) in response to patient feedback and workflow/process changes following the Epic implementation (a new tracking system to verify/review orders, in-progress build-out of reference labs in Epic, and planned blood bank software). They reported creation of a lab assistant position to support point-of-care testing on inpatient units (with plans to expand to outpatient clinics), described participation in the Rotary Health Fair, and outlined the lab's regulatory environment (CLIA and other accreditation standards) and a developing preceptor program to host UAA students and help address lab staffing/recruitment challenges

11.7. Chief of Staff

The Chief of Staff was providing patient care and was unable to attend the meeting.

11.8. Board President Report (Executive Committee, Education Sessions & Generative Discussions)

Aaron Weisser shared that the brief generative discussion prior to Executive Session surrounded the potential for connecting charity and philanthropy.

11.9. Service Area Board Representative: Catriona Reynolds

Service Area Board (SAB) member Catriona Reynolds reported that the SAB does not typically meet in June and July, but held a special meeting on June 4 to approve PREF funding for work at 324 West Fairview Avenue, as that project involves hospital property supported by service area tax dollars. She reminded the board that the SAB has nine elected members serving three-year terms, with seats D, E, and F up for election this fall and a candidate filing period of Aug. 16–31. She noted the next regular SAB meeting is August 13 in the same room (committee of the whole at 5:30 pm, regular meeting at 6:30 pm) and expressed that she sees increased community engagement—this board meeting and the upcoming public Q&A—as positive steps.

12. DISCUSSION

There was no further discussion.

13. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER

1. Dr. Christy Martinez, a family medicine physician and former acute care medical director/hospital medicine director at SPH, read from her March–April 2025 correspondence with the board explaining why she left after 8.5 years. She said

leadership decisions were interfering with her ability to provide safe, evidence-based inpatient care and that she had already raised concerns about standards of care and the CEO with the chief of staff, CMO, and physician board members while still on staff. After leaving SPH in the spring of 2025, she states that she declined the board's request to reroute her concerns back through the chief of staff and HR; she told the board she had done her duty by alerting those in authority and noted that when she declined to expand further on her concerns with written examples, the board responded in 2025 by stating no further action was necessary and the matter was "closed."

2. Adam Greenwald testified that his wife was turned away from the SPH ER three times within 48 hours while acutely ill, and was sent home despite obvious ongoing distress. He suspects the hospital only admitted her once the ER doctor realized he was retired military with more insurance than Medicare; she then spent seven days hospitalized for a significant condition that he believes was undertreated initially. Adam also described a later, non-standard procedure at SPH that caused a year-long ordeal and required definitive repair in Seattle, and, invoking his 20 years of military service, said hospital leadership has caused a "loss of confidence," calling for leadership/operational changes and an elected board with no hospital employees.

3. Dr. Paul Raymond, a longtime local physician, said he has been a "critic" of SPH's leadership not because he hates the hospital, which he says he loves, but because he believes it is run in a predatory, non-collaborative way that marginalizes independent providers. He described non–hospital-employed physicians as treated like second-class citizens, noted that when he dropped his privileges 10 years ago no one followed up except a former CEO in a narrow context, and cited the 62% community rejection of the hospital bond contrasted with immediate purchase of an $800,000 building as evidence the board does not listen. He said he has personally heard multiple recent end-of-life stories very similar to the Story case (different staff, same pattern of being turned away and needing outside intervention) and urged the board to reflect on why so many in the community see SPH as "all about the money."

4. Chris Story highlighted that on June 4, the same day his family was struggling to have his dying mother admitted to SPH, the hospital and Service Area Board held a special meeting to secure $175,000 in PREF funds to demolish the "Walls home" at 324 West Fairview, which SPH had purchased for $500,000. He contrasted the willingness to rapidly secure taxpayer money to tear down a building, despite asbestos concerns and potential private buyers, with the reluctance and conditionality his family encountered in seeking basic end of life care,

5. Mariah Greenwald described two events that left her feeling abandoned by her community hospital. First, when her husband suffered a head injury, he received appropriate care in the ER but was then abruptly discharged after "another crisis came in." Ms. Greenwald says she was left alone to manage a confused, half-dressed husband, had to chase someone down for ill-fitting clothes, and walked him barefoot through the parking lot in October with no escort. About a month later, she herself was repeatedly turned away when acutely ill, as her husband previously shared tonight.

On her third visit to the ER, Ms. Greenwald recalls sitting in the car asking God to take her life due to pain and despair at being turned away. She said these experiences have broken her trust in SPH despite her deep lifelong connection to the hospital and community; this includes her father serving on the operating board.

6. Guy Rosi gave a brief second comment, reiterating that many more people are likely to come forward because “we are not being heard,” and criticized SPH for buying up the town and pushing out other operators. His core message remained that the hospital’s current trajectory. The expansion, acquisitions, and perceived crowd-out of others should cease.

7. Cassie Lawver questioned SPH’s financial priorities, noting that the hospital is fundraising from the community for a mammography unit while simultaneously purchasing a house slated for demolition and entering long-term leases on multiple houses. She argued that if SPH can afford extensive real estate acquisitions and housing projects, it should be able to buy critical clinical equipment without leaning on a high cost of living community for philanthropy. She said she intends to scrutinize hospital finances and urged more transparency about where money is going.

8. Vicky Nelson’s brief testimony focused on communication direction and priorities. She noted that the board had spoken about “bringing its concerns to the community,” and responded that the process should be reversed, with the community bringing concerns to the hospital board.

9. Rita Turner spoke again and raised concerns relayed from geologist Ed Berg about hospital housing being built on potentially unstable bluff areas with landslide/tsunami risk.

10. Representative Sarah Vance spoke both as a state legislator and as a community member who hears from constituents. She described a close friend who delayed care at SPH due to feeling poorly treated and later required urgent, major treatment in Anchorage. She also detailed an earlier case in which Russian Old Believer parents brought 3-month-old twins to SPH and felt the children were quickly taken into OCS custody without clear communication or advocacy, leading much of that community to avoid SPH entirely, including a subsequent pregnancy that went largely without prenatal care. She emphasized that they had not been told they were entitled to a cultural/linguistic advocate. Vance contrasted these experiences with compassionate care her friend received at Central Peninsula Hospital and urged SPH to rebuild trust, dignity, and culturally sensitive communication, especially for vulnerable populations.

14. COMMENTS FROM THE BOARD

(Announcements/Congratulations)

14.1. Chief Executive Officer

The CEO had no comment.

14.2. Board Members

Beth Wythe thanked community members for coming and acknowledged how hard it is to share these stories publicly. She said the board will route what was heard into the committe process and explained that while the board meetings are not set up for questions and answers, there is a public Q&A session scheduled for the next day via Zoom, which is an appropriate venue for direct questions and answers.

Dr. Edson Knapp expressed appreciation for everyone's presence and the courage it took to speak. He said it was important for the board to hear the pain, frustration, and emotion, and that he was grateful for the testimony shared

Jim Anderson spoke about being both a Story family in-law and a board member, acknowledging deep grief and the impossibility of "fixing" that after the fact. He emphasized the need for accountability, transparency, more community engagement, and asking hard questions, while expressing confidence that the board and administration can have a positive impact if the community continues to participate. He urged ongoing, not crisis-only, involvement from the public and said he personally joined the board to help improve communication and trust.

Ken Ciccoli thanked everyone for sharing their experiences, including stories he had and hadn't heard before. He said he was proud to serve as a conduit for these conversations, and noted that "compassion" was a recurring word he would take home. He also suggested that board rounding should include a formal mechanism to document what board members see and hear so it can feed into committee and board discussions.

Dr. Christopher Landess thanked commenters for their courage and said he was sorry for what they had gone through. He affirmed that no one with a conscience would wish such experiences on anyone and said he looked forward to helping improve things going forward.

Michael Dye offered condolences to Norm and the Story family and thanked all who participated. He said he was certain everyone had been heard and answered Chris's "What if it were you?" by saying that everyone should feel compassion and empathy at their community hospital.

Matt Bullard noted that he and Mike had just completed a six-month Center for Rural Health Leadership training focused on how to be a good board member, and said it had been eye-opening. He appreciated the opportunity to apply that learning and implied it would inform how the board responds to what it heard.

Bernadette Wilson expressed sorrow for what people had experienced at the hospital and thanked them for sharing. She stressed that the board values community feedback and that members are interested in hearing concerns to support needed change.

Preston Simmons thanked the public for coming and acknowledged how hard it is to tell such stories in this forum, especially the end-of-life accounts. He said he believes the board and leadership team want to do what is right and that the testimony would be a catalyst for improvement. He also mentioned the creation of a Patient & Family Advisory Committee (PFAC) and encouraged interested community members to consider serving on it as another conduit for ongoing input.

Aaron Weisser acknowledged the hurt in the room. He emphasized that the board and hospital can only act effectively when they have detailed, written information about patient experiences. He urged anyone who spoke—or knows of others with negative experiences—to submit written accounts with specifics (dates, details, individuals involved), either via the hospital's patient feedback form, the board email, or directly to him, noting that all such correspondence is reviewed at multiple levels, both for the specific incident and for any pattern. He reiterated the board's commitment to improving care quality and culture, stressed that they will continue living in, and working with, the same community as neighbors and collaborators, and closed by stating the board is highly committed to using this information to drive improvements.

15. INFORMATIONAL ITEMS

There were no additional informational items.

16. ADJOURN TO EXECUTIVE SESSION (IF NEEDED)

There was no additional Executive Session.

17. ANNOUNCEMENTS AS A RESULT OF EXECUTIVE SESSION

17.1. Consideration to Approve Resolution 2026-16, Approving the Medical Staff Credentialing for July 2026

Beth Wythe made a motion to approve SPH Resolution 2026-16, Approving the Medical Staff Credentialing for July 2026, to include the reappointment of the following providers with an effective date of July 31, 2026:

Gregory Aird, MD	*Radiology*	*Active*
Ruxandra Costa, MD	*Neurology*	*TeleStroke-Providence*
Robert Joodi, MD	*Radiology*	*TeleRad-vRad*
David Krakowski, MD	*Radiology*	*TeleRad-vRad*
Richard Mitchell, MD	*Radiology*	*TeleRad-vRad*
Lien Nguyen, DO	*Neurology*	*TeleStroke-Providence*
Darragh O'Mahony, MD	*CC & Pulmonology*	*TeleICU-Providence*
Ty Ovella, MD	*Radiology*	*TeleRad-vRad*
Meghan Romba, MD	*Neurology*	*TeleStroke-Providence*
John VanTassel, MD	*Radiology*	*TeleRad-vRad*
Renda Knapp, MD	*OB/Gyn*	*Active*

And the initial appointment of the following providers with an effective date of July 31, 2026:

Christian McCartney, MD	*Orthopeadics*	*Part-Time Active*
Gregory McCormick, MD	*Emergency Medicine*	*Part-Time Active*
Jeffrey Roger, MD	*Emergency Medicine*	*Part-Time Active*

Jim Anderson seconded the motion. A roll call vote was held:
Jim Anderson – Yes
Matthew Bullard – Yes
Ken Ciccoli – Yes
Michael Dye – Yes
Kim Frost – Yes
Edson Knapp – Recused due to conflict of interest
Christopher Landess – Yes
Bernadette Wilson – Yes
Beth Wythe – Yes
Aaron Weisser – Yes

Motion Carried.

18. ADJOURNMENT

The meeting adjourned at 9:07pm.

Respectfully Submitted,

Maura Gibson, Executive Assistant

Accepted:

Aaron Weisser, President

Minutes Approved:

Mary E. Wythe, Secretary

DRAFT-UNAUDITED

South Peninsula Hospital

Statement of Cash Flows
As of July 31, 2026

		2027
Cash Flows from (for) Operating Activities		
Receipts from patients and users	$	14,915,439
Payments to suppliers	$	(3,775,937)
Payments to employees	$	(9,636,224)
Other receipts	$	(174,920)
Net cash flows from operating activities	$	1,328,358
Cash Flows from Non-Capital Financing Activities		
Receipts from property taxes	$	(2,804,590)
Grant and other non-operating revenues (expenses)	$	23,137
Increase in Advances from Govermental Payers	$	(1)
Net cash flows from non-capital financing activities	$	(2,781,454)
Cash Flows for Capital and Related Financing Activities		
Purchase of capital assets	$	780,929
Bond principal paid	$	-
Payments on leases	$	(842,492)
Payments on subscription IT assets	$	(103,317)
Interest paid on capital debt	$	(32,360)
(Decrease) increase in advances from primary government	$	-
Note proceeds	$	-
Proceeds from sale of capital assets	$	(75,873)
Net cash flows for capital and related financing activities	$	(273,113)
Cash Flows for Investing Activities		
Increase (decrease) in restricted assets - unspent bond proceeds and other	$	-
Increase (decrease) in assets whose use is limited	$	(12)
Interest and dividends received	$	93,755
Net cash flows from investing activities	$	93,743
Net increase (decrease) in cash and cash equivalents	$	(1,632,466)
Cash, Cash Equivalents and Equity in Central Treasury, beginning of year	$	43,734,568
Cash, Cash Equivalents and Equity in Central Treasury, end of year	$	42,102,102

South Peninsula Hospital

INCOME STATEMENT
As of July 31, 2026
DRAFT-UNAUDITED

		Month Ending 07/31/2026			Month Ending 07/31/2025	Year To Date 07/31/2026			Prior Year To Date 07/31/2025
		Actual	Budget FY26	Var B (W)	Actual	Actual	Budget FY26	Var B (W)	Actual
	PATIENT SERVICE REVENUE								
1	INPATIENT REVENUE	3,109,843	4,022,814	-22.7%	3,381,825	3,109,843	4,022,814	-22.7%	3,381,825
2	OUTPATIENT REVENUE	23,688,800	22,292,604	6.3%	21,098,593	23,688,800	22,292,604	6.3%	21,098,593
3	LONG TERM CARE	1,521,713	1,605,857	-5.2%	1,492,501	1,521,713	1,605,857	-5.2%	1,492,501
4	TOTAL PATIENT SERVICE REVENUE	28,320,356	27,921,275	1.4%	25,972,919	28,320,356	27,921,275	1.4%	25,972,919
	DEDUCTIONS FROM REVENUE								
5	MEDICARE	7,588,534	6,623,994	14.6%	6,008,003	7,588,534	6,623,994	14.6%	6,008,003
6	MEDICAID	3,189,522	2,988,872	6.7%	3,000,478	3,189,522	2,988,872	6.7%	3,000,478
7	CHARITY CARE	409,618	466,285	-12.2%	467,699	409,618	466,285	-12.2%	467,699
8	COMMERICAL AND ADMIN	2,509,146	2,539,520	-1.2%	2,490,337	2,509,146	2,539,520	-1.2%	2,490,337
9	BAD DEBT	741,043	434,941	70.4%	480,226	741,043	434,941	70.4%	480,226
10	TOTAL DEDUCTIONS	14,437,863	13,053,612	10.6%	12,446,743	14,437,863	13,053,612	10.6%	12,446,743
11	NET PATIENT SERVICES	13,882,493	14,867,663	-6.6%	13,526,176	13,882,493	14,867,663	-6.6%	13,526,176
12	USAC AND OTHER REVENUE	130,774	170,266	-23.2%	105,919	130,774	170,266	-23.2%	105,919
13	TOTAL OPERATING REVENUE	14,013,267	15,037,929	-6.8%	13,632,095	14,013,267	15,037,929	-6.8%	13,632,095
	TOTAL OPERATING EXPENSES								
14	SALARIES AND WAGES	6,511,586	6,616,542	-1.6%	5,954,161	6,511,586	6,616,542	-1.6%	5,954,161
15	EMPLOYEE BENEFITS	3,279,686	3,098,559	5.9%	3,546,776	3,279,686	3,098,559	5.9%	3,546,776
16	SUPPLIES AND DRUGS	1,945,441	1,852,658	5.0%	1,772,098	1,945,441	1,852,658	5.0%	1,772,098
17	CONTRACT STAFFING	601,311	143,610	318.7%	481,135	601,311	143,610	318.7%	481,135
18	PROFESSIONAL FEES	697,756	606,319	15.1%	727,745	697,756	606,319	15.1%	727,745
19	UTILITIES AND TELEPHONE	216,542	208,015	4.1%	186,674	216,542	208,015	4.1%	186,674
20	INSURANCE	145,328	123,526	17.7%	108,447	145,328	123,526	17.7%	108,447
21	DUES, BOOKS, AND SUBSCRIPTIONS	18,790	23,571	-20.3%	18,443	18,790	23,571	-20.3%	18,443
22	SOFTWARE MAINT/SUPPORT	220,161	282,725	-22.1%	206,095	220,161	282,725	-22.1%	206,095
23	TRAVEL, MEETINGS AND EDUCATION	75,419	62,533	20.6%	31,719	75,419	62,533	20.6%	31,719
24	REPAIRS AND MAINTENANCE	192,715	196,021	-1.7%	237,532	192,715	196,021	-1.7%	237,532
25	LEASES AND RENTALS	122,299	65,356	87.1%	63,417	122,299	65,356	87.1%	63,417
26	OTHER (RECRUIT, ADVERT, ETC.)	185,059	188,716	-1.9%	180,350	185,059	188,716	-1.9%	180,350
27	DEPRECIATION AND AMORTIZATION	585,283	606,750	-3.5%	428,178	585,283	606,750	-3.5%	428,178
28	TOTAL OPERATING EXPENSES	14,797,376	14,074,901	5.1%	13,942,770	14,797,376	14,074,901	5.1%	13,942,770
29	GAIN (LOSS) FROM OPERATIONS	(784,109)	963,028	-181.4%	(310,675)	(784,109)	963,028	-181.4%	(310,675)
	NON-OPERATING REVENUE								
30	GENERAL PROPERTY TAXES	676,875	735,512	-8.0%	609,263	676,875	735,512	-8.0%	609,263
31	INVESTMENT INCOME	93,755	105,378	-11.0%	106,006	93,755	105,378	-11.0%	106,006
32	GOVERNMENTAL SUBSIDIES	0	0	0.0%	0	0	0	0.0%	0
33	OTHER NON-OPERATING REVENUE	0	1,522	-100.0%	2,043	0	1,522	-100.0%	2,043
34	GIFTS AND CONTRIBUTIONS	0	0	0.0%	0	0	0	0.0%	0
35	GAIN LOSS ON DISPOSAL	0	0	0.0%	0	0	0	0.0%	0
36	SPH AUXILIARY	753	799	-5.9%	454	753	799	-5.9%	454
37	TOTAL NON-OPERATING REVENUE	771,383	843,211	-8.5%	717,766	771,383	843,211	-8.5%	717,766
	NON-OPERATING EXPENSES								
38									
39	SERVICE AREA BOARD	0	0	0.0%	0	0	0	0.0%	0
40	OTHER DIRECT EXPENSE	116	9,634	-98.8%	750	116	9,634	-98.8%	750
41	ADMINISTRATIVE NON-RECURRING	0	0	0.0%	0	0	0	0.0%	0
42	INTEREST EXPENSE	56,277	72,033	-21.9%	63,301	56,277	72,033	-21.9%	63,301
43	TOTAL NON-OPERATING EXPENSES	56,393	81,667	-31.0%	64,051	56,393	81,667	-31.0%	64,051
	GRANTS								
44	GRANT REVENUE	22,500	513,750	-95.6%	82,620	22,500	513,750	-95.6%	82,620
45	GRANT EXPENSE	0	921	-100.0%	6,280	0	921	-100.0%	6,280
46	TOTAL NON-OPERATING GRANTS, NET	22,500	512,829	-95.6%	76,340	22,500	512,829	-95.6%	76,340
47	TOTAL INCOME (LOSS) BEFORE TRANSFERS	(46,619)	2,237,401	-102.1%	419,380	(46,619)	4,868,147	-101.0%	9,639,836
48	OPERATING TRANSFERS	0	0	0.0%	0	0	0	0.0%	0
49	**NET INCOME**	**(46,619)**	**2,237,401**	**-102.1%**	**419,380**	**(46,619)**	**2,237,401**	**-102.1%**	**419,380**

Operating EBITDA Disclosure (Non-GAAP)							
GAIN (LOSS) FROM OPERATIONS	**(784,109)**	**963,028**		**(310,675)**	**(784,109)**	**963,028**	**(310,675)**
DEPRECIATION AND AMORTIZATION	585,283	606,750		428,178	585,283	606,750	428,178
OPERATING EBITDA	**(198,826)**	**1,569,778**		**117,503**	**(198,826)**	**1,569,778**	**117,503**

South Peninsula Hospital

DRAFT-UNAUDITED

BALANCE SHEET
As of July 31, 2026

	Month Ending 07/31/2026	Month Ending 07/31/2025	Month Ending 06/30/2026	Change From Prior Year
CURRENT ASSETS				
CASH				
CASH AND CASH EQUIVALENTS	33,189,171	30,525,710	35,269,407	2,663,460
EQUITY IN CENTRAL TREASURY	8,912,931	9,346,265	8,465,161	(433,334)
TOTAL CASH	42,102,102	39,871,975	43,734,568	2,230,126
NET PATIENT ACCOUNTS RECEIVABLE				
PATIENT RECEIVABLES	60,014,821	47,283,717	60,584,686	12,731,105
LESS ALLOWANCES AND ADJUSTMENTS	(30,412,801)	(21,580,769)	(29,949,721)	(8,832,033)
TOTAL NET PATIENT ACCOUNTS RECEIVABLE	29,602,020	25,702,948	30,634,965	3,899,072
NET PROPERTY TAXES RECEIVABLE - KPB				
PROPERTY TAX RECEIVABLE	3,650,894	1,785,932	159,824	1,864,963
LESS ALLOWANCE PROPERTY TAX - KPB	(13,771)	(9,447)	(4,166)	4,323
TOTAL NET PROPERTY TAXES RECEIVABLE - KPB	3,637,123	1,776,485	155,658	1,860,640
OTHER RECEIVABLES	498,340	318,551	212,241	179,788
INVENTORY	2,863,870	2,679,204	2,860,069	184,668
NET PENSION ASSET	534,985	534,985	534,985	0
PREPAID EXPENSE	1,757,053	1,134,454	1,260,755	622,598
TOTAL CURRENT ASSETS	80,995,493	72,018,602	79,393,241	8,976,892
ASSETS WHOSE USE IS LIMITED				
PREF UNOBLIGATED	4,648,322	6,297,770	4,648,323	(1,649,448)
PREF OBLIGATED	285,090	982,687	285,090	(697,596)
OTHER RESTRICTED FUNDS	37,382	866,263	37,369	(828,882)
TOTAL ASSETS WHOSE USE IS LIMITED	4,970,794	8,146,720	4,970,782	(3,175,926)
PROPERTY AND EQUIPMENT				
LAND AND IMPROVEMENTS	4,936,411	4,345,607	4,936,411	590,804
BUILDING	70,168,605	67,754,319	70,168,605	2,414,286
EQUIPMENT	25,264,987	28,626,920	25,264,987	(3,361,933)
BUILDINGS INTANGIBLE ASSETS	3,482,363	4,257,905	3,482,363	(775,542)
EQUIPMENT INTANGIBLE ASSETS	1,911,211	1,750,896	1,911,211	160,315
SPH INTANGIBLE SOFTWARE ASSETS	7,969,004	0	7,969,004	7,969,004
SOFTWARE INTANGIBLE ASSETS	3,930,467	890,140	3,930,467	3,040,327
IMPROVEMENTS OTHER THAN BUILDINGS	1,750,004	1,521,513	1,750,004	228,491
CONSTRUCTION IN PROGRESS	2,084,003	8,018,701	2,016,031	(5,934,698)
LESS ACCUMULATED DEPRECIATION FOR FIXED ASSETS	(61,745,826)	(62,410,754)	(61,337,994)	664,928
LESS ACCUMULATED AMORTIZATION FOR LEASED ASSETS	(4,776,475)	(2,933,228)	(4,599,024)	(1,843,248)
NET CAPITAL ASSETS	54,974,754	51,822,019	55,492,065	3,152,734
GOODWILL	0	0	0	0
TOTAL ASSETS	140,941,041	131,987,341	139,856,088	8,953,700
DEFERRED OUTFLOW OF RESOURCES				
PENSION RELATED (GASB 68)	2,795,524	5,637,473	2,939,283	(2,841,948)
UNAMORTIZED DEFERRED CHARGE ON REFUNDING	96,656	157,702	101,743	(61,046)
TOTAL DEFERRED OUTFLOW OF RESOURCES	2,892,180	5,795,175	3,041,026	(2,902,994)
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**143,833,221**	**137,782,516**	**142,897,114**	**6,050,706**
TOTAL LIABILITIES AND FUND BALANCE				
CURRENT LIABILITIES				
ACCOUNTS AND CONTRACTS PAYABLE	3,010,911	2,224,471	3,421,131	786,439
ACCRUED LIABILITIES	10,205,718	9,182,177	8,650,515	1,023,542
DEFERRED CREDITS	497,018	903,173	516,613	(406,154)
CURRENT PORTION OF LEASE PAYABLE	942,878	1,014,193	916,273	(71,316)
CURRENT PORTION OF SOFTWARE INTANGIBLE PAYABLE	1,184,904	199,887	1,180,551	985,017
CURRENT PORTION OF NOTES DUE	918,507	279,960	918,507	638,547
CURRENT PORTION OF BOND PAYABLE	1,315,000	1,250,000	1,315,000	65,000
BOND INTEREST PAYABLE	148,917	89,167	124,111	59,750
DUE TO/FROM THIRD PARTY PAYERS	1,078,871	1,076,864	1,078,870	2,006
COMPENSATED ABSENCES CURRENT	7,122,020	6,563,306	7,117,555	558,715
TOTAL CURRENT LIABILITIES	26,424,744	22,783,198	25,239,126	3,641,546
LONG-TERM LIABILITIES				
NOTES PAYABLE	2,960,842	3,536,868	2,960,843	(576,026)
COMPENSATED ABSENCES NET OF CURRENT	3,355,941	3,376,299	3,349,117	(20,357)
BONDS PAYABLE NET OF CURRENT PORTION	2,855,000	4,170,000	2,855,000	(1,315,000)
PREMIUM ON BONDS PAYABLE	103,337	175,064	109,314	(71,728)
CAPITAL LEASE, NET OF CURRENT PORTION	2,580,530	3,789,496	2,676,599	(1,208,966)
SOFTWARE INTANGIBLE LEASE, NET OF CURRENT PORTION	922,409	22,791	1,030,079	899,618
TOTAL NONCURRENT LIABILITIES	12,778,059	15,070,518	12,980,952	(2,292,459)
TOTAL LIABILITIES	39,202,803	37,853,716	38,220,078	1,349,087
PROPERTY TAXES RECEIVED IN ADVANCE	0	140,616	0	(140,616)
INVESTED IN CAPITAL ASSETS	55,071,410	51,979,721	55,593,808	3,091,688
RESTRICTED	572,367	1,401,248	572,354	(828,882)
UNRESTRICTED FUND BALANCE SPH	49,033,260	46,128,451	49,376,914	3,045,426
CHANGE IN FUND BALANCE	(46,619)	419,380	(866,039)	(465,998)
TOTAL UNRESTRICTED FUND BALANCE SPH	104,630,418	99,928,800	104,677,037	4,842,234
TOTAL LIABILITIES AND FUND BALANCE	**143,833,221**	**137,782,516**	**142,897,114**	**6,050,706**

South Peninsula Hospital	**SUBJECT:** Medical Staff Credentialing Privileges	**POLICY #:** MS-01 **Page 1** of **1**
Scope: Medical Staff **Approved by:** Board of Directors		**Original Date:** 9/24/03 **Effective:** 10/23/24
Revised: 8/28/19; 10/27/21; 10/23/24 **Reviewed:** 1/24/24		**Revision Responsibility:** Board of Directors

PURPOSE:
Outlining Board responsibilities for the appointment of medical staff.

DEFINITION(S):
N/A

POLICY:
The Board of Directors will appoint members to the Medical Staff in accordance with organizational values, the Bylaws of South Peninsula Hospital, Inc. and the Bylaws of the Medical Staff as approved by the Board.

PROCEDURE:
1. The Credentialing Committee, which includes at least one Board Representative, will investigate, and evaluate applications for membership and/or clinical privileges, and make a recommendation to the Medical Executive Committee.
2. Specific written recommendations regarding membership and/or clinical privileges will be forwarded by the Medical Executive Committee to the Board with appropriate supporting documentation that will allow the Board to take informed action.
3. The Board will make decisions on membership of the Medical Staff and/or clinical privileges that members may exercise after consideration of the recommendations of the Medical Staff and examination of supporting documentation.
4. The applicant shall receive written notice of final credentialing decisions. Written notice of appointment includes the staff category to which the applicant is appointed, the clinical privileges s/he may exercise, the timeframe of the appointment, and any special conditions attached to the appointment.
5. Any denials of medical staff appointment or reappointment will be handled according to the Medical Staff Bylaws.

ADDITIONAL CONSIDERATION(S):
N/A

REFERENCE(S):
1. South Peninsula Hospital's Values & Behaviors as adopted by the Board of Directors
2. Medical Staff Bylaws
3. Medical Staff Rules, and Regulations
4. Governing Body Bylaws
5. *Formerly Q-01 – 1/24/24; Renumbered MS-01 – 10/23/24*

CONTRIBUTOR(S):
Board of Directors; Chief Medical Officer and Medical Staff Office Coordinator

South Peninsula Hospital	**SUBJECT:** Peer Review	**POLICY #:** MS-02 **Page 1** of **1**
Scope: Medical Staff **Approved by:** Board of Directors		**Original Date:** 9/24/3 **Effective:** 10/23/24
Revised: 8/28/19; 12/1/21; 10/23/24 **Reviewed:** 1/25/23; 5/16/24		**Revision Responsibility:** Board of Directors

PURPOSE:
Guidelines for the evaluation Medical Staff performance to promote continuous improvement of the quality of care.

DEFINITION(S):
N/A

POLICY:
A. The Medical Staff, through the Credentials Committee and the Peer Review Committee, will assess the performance of individuals granted clinical privileges at South Peninsula Hospital.
B. The Peer Review Committee is a multi-specialty approach to evaluate and improve practitioner performance and help create a systems approach culture related to performance improvement and peer review thus improving quality of care provided.
C. The Credentials and Peer Review Committees will report to the Medical Executive Committee (MEC). The MEC is responsible for reporting the overall quality and efficiency of professional patient care services provided by individuals with clinical privileges to the Board of Directors.
D. Information generated through this process will be treated with the maximum confidentiality and privilege protections under applicable Federal and State laws.
E. The Medical Staff will use the organizational values and expected behaviors and the process detailed in the Medical Staff Bylaws, Medical Staff Rules and Regulations and policy Medical Staff Peer Review, MSO-008 to accomplish the peer review.

PROCEDURE:
N/A

ADDITIONAL CONSIDERATION(S):
N/A

REFERENCE(S):
1. South Peninsula Hospital's Values & Behaviors as adopted by the Board of Directors
2. Medical Staff Bylaws
3. Rules and Regulations
4. Medical Staff Peer Review, MSO-008
5. SPH Quality Plan
6. Alaska Statute AS 18.23.030, AS 18.23.070 (5) and the Healthcare Quality Improvement Act of 1986/42 USC 11101 60.10
7. *Formerly Q-03 – 1/24/24; Renumbered MS-02 – 10/23/24*

CONTRIBUTOR(S):
Board of Directors; Quality Management Director; Medical Staff Office Coordinator

South Peninsula Hospital	**SUBJECT:** Professional Liability Insurance	**POLICY #:** MS-03 **Page 1** of **1**
Scope: Medical Staff **Approved by:** Board of Directors		**Original Date:** 9/24/03 **Effective:** 5/22/24
Revised: 8/28/19 **Reviewed:** 10/27/21; 1/24/24; 5/22/24		**Revision Responsibility:** Board of Directors

PURPOSE:
Requirements for Medical Staff professional liability insurance coverage.

DEFINITION(S):
N/A

POLICY:
A. All members of the Medical Staff with clinical privileges will maintain professional liability insurance, through their own practice or through accommodations made with South Peninsula Hospital, at the minimum of $1,000,000 per incident and $3,000,000 cumulative per year. Staff members may substitute a bond in the same amounts.
B. South Peninsula Hospital will provide professional liability insurance coverage for medical staff members who are employed by SPH in the required amounts.

PROCEDURE:
1. Non-employed physicians, dentists and Advanced Practice Professionals requesting clinical privileges shall provide proof of professional liability insurance coverage, adding the hospital as an additional insured, or make arrangements through Hospital Administration to receive coverage. Coverage shall be with a professional insurance carrier licensed or approved as a surplus lines' carrier by the State of Alaska or with a bonding company acceptable to the Board.

ADDITIONAL CONSIDERATION(S):
N/A

REFERENCE(S):
1. Operating Agreement
2. Medical Staff Bylaws
3. Rules and Regulations of the Medical Staff
4. *Formerly Q-03 – 1/24/24; Renumbered MS-03 – 5/22/24*

CONTRIBUTOR(S):
Board of Directors, SPH Administration, Medical Staff Office

Introduced by: Administration
Date:
Action:
Vote: Yes-; No-; Exc.

SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2026-17

A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS AUTHORIZING THE OBLIGATION OF $230,793 FROM THE PLANT REPLACEMENT AND EXPANSION FUND FOR THE GENERATOR REPLACEMENT PROJECT AT SOUTH PENINSULA HOSPITAL

WHEREAS, South Peninsula Hospital, Inc. ("SPH") operates South Peninsula Hospital and other medical facilities pursuant to an Operating Agreement with the Kenai Peninsula Borough ("KPB") to ensure the continued availability of health care services to service area residents; and

WHEREAS, Ordinance 2024-19-34 appropriated $5,000,000 in Congressionally Directed Spending Grant funds, through the Department of Health and Social Services, for replacement of the failing emergency power plant and associated support infrastructure at South Peninsula Hospital; and

WHEREAS, a design has been completed for the project that replaces outdated emergency power support infrastructure and addresses the hospital's emergency power needs for the foreseeable future; and

WHEREAS, after applying all practical project cost-cutting measures, the current project estimate identifies a funding deficit of $230,793; and

WHEREAS, funds are available in the South Peninsula Hospital Plant Replacement and Expansion Fund ("PREF") to provide the additional funding necessary to ensure successful completion of this critical infrastructure project; and

WHEREAS, the current balance of the Plant Replacement and Expansion Fund is $4,679,682.56; and

WHEREAS, approval by the South Peninsula Hospital Board is required prior to the Kenai Peninsula Borough appropriating supplemental funds from the PREF for the project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, THAT:

1. The Operating Board approves the obligation of Two Hundred Thirty Thousand Seven Hundred Ninety-Three Dollars ($230,793) from the Plant Replacement and Expansion Fund for the generator replacement project and associated emergency power plant support infrastructure at South Peninsula Hospital.
2. The additional funding is authorized to address the current project funding deficit and support successful completion of the emergency power infrastructure replacement project.
3. Hospital administration is authorized to take all actions necessary to implement this resolution and coordinate with the Kenai Peninsula Borough regarding the supplemental appropriation, project funding, and execution of the project.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, INC. AT ITS MEETING HELD ON THIS 26th DAY OF AUGUST, 2026.

ATTEST:

Aaron Weisser, Board President

Mary E. Wythe, Board Secretary

Introduced by: Administration
Date:
Action:
Vote: Yes-; No-; Exc.

SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION 2026-18

A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS APPROVING AMENDMENTS AND CYCLE 2 RESTATEMENTS OF THE SOUTH PENINSULA HOSPITAL, INC. 403(b) UNION, 403(b) NON-UNION, AND 403(b) VOLUNTARY RETIREMENT PLANS

WHEREAS, South Peninsula Hospital, Inc. ("SPH") sponsors three Internal Revenue Code Section 403(b) retirement plans for eligible employees, consisting of the 403(b) Union Plan, the 403(b) Non-Union Plan, and the 403(b) Voluntary Plan (collectively, the "Plans"); and

WHEREAS, the Plans are maintained using pre-approved 403(b) plan documents provided by the Plans' retirement plan provider; and

WHEREAS, the Internal Revenue Service ("IRS") maintains a recurring remedial amendment cycle for pre-approved 403(b) retirement plans under which plan providers update their pre-approved plan documents to reflect changes in federal tax law and applicable IRS requirements; and

WHEREAS, the IRS established the second remedial amendment cycle ("Cycle 2") for pre-approved 403(b) plans and requires employers intending to maintain a Cycle 2 pre-approved 403(b) plan to adopt the updated plan document no later than December 31, 2026; and

WHEREAS, the Cycle 2 restatements incorporate changes necessary to maintain the Plans' compliance with applicable provisions of Internal Revenue Code Section 403(b), related Treasury regulations, and IRS requirements; and

WHEREAS, the Cycle 2 restatements replace the Plans' prior Cycle 1 plan documents with updated documents prepared by Ascensus, the current plan document provider, and include changes to provisions relating to definitions and hours of service, automatic deferrals, matching and nonelective contributions, allocation conditions, vesting, distributions, required minimum distributions, in-service distributions, joint and survivor annuity requirements, Roth provisions, distribution thresholds, and investment exchanges; and

WHEREAS, among other changes, the Cycle 2 documents establish an actual-hours method for determining service, update requirements for discretionary matching contributions, apply allocation conditions on a Plan Year basis, modify certain post-severance and in-service distribution provisions, update Roth rollover provisions, and limit investment exchanges to approved vendors eligible to accept current contributions; and

WHEREAS, the Cycle 2 restatements are intended to ensure that the Plans remain current with applicable IRS requirements and preserve the benefits of maintaining the Plans as pre-approved 403(b) plans; and

WHEREAS, the IRS provides that an employer adopting a pre-approved 403(b) plan generally has assurance that the form of the plan document complies with Internal Revenue Code Section 403(b), subject to the applicable terms and conditions of the pre-approved plan program; and

WHEREAS, the Board has reviewed the proposed Cycle 2 restatements and associated amendments to the 403(b) Union, 403(b) Non-Union, and 403(b) Voluntary Plans and finds it in the best interest of SPH and its employees to approve the updated plan documents;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, THAT:

1. The Operating Board approves the Cycle 2 restatements and amendments to the South Peninsula Hospital, Inc. 403(b) Union Plan, 403(b) Non-Union Plan, and 403(b) Voluntary Plan, substantially in the form presented to the Operating Board.
2. The approved Cycle 2 restatements shall replace the Plans' existing Cycle 1 plan documents and shall be effective as specified in the applicable plan documents and adoption agreements.
3. Hospital administration is authorized to execute the applicable adoption agreements, plan documents, amendments, and other documents necessary to implement the Cycle 2 restatements and maintain the Plans in compliance with applicable IRS requirements.
4. Hospital administration is further authorized to take all actions necessary to administer and maintain the Plans in accordance with the updated Cycle 2 plan documents and to make any ministerial or administrative changes required by the plan provider or applicable law.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, INC. AT ITS MEETING HELD ON THIS 26th DAY OF AUGUST, 2026.

ATTEST:

_____
Aaron Weisser, Board President

_____
Mary E. Wythe, Board Secretary

South Peninsula Hospital
Hospital Board of Directors Balanced Scorecard Report
4th Quarter FY 2026 *(April, May, June)*

Overall Indicators	Q4 FY26	Target	Note
Care Compare Overall Hospital Star Rating	N/A	5	Mortality, Safety of Care, Readmission, Patient Experience, Timely & Effective Care
Care Compare Overall Nursing Home Star Rating	5	5	Staffing, Health Inspections, Quality Measures
Care Compare Home Health Quality Rating	2.5	4	Activities of Daily Living, Symptoms, Harm, Hospitalization, Value of Care

Clinical & Service Excellence

Using evidence-based practices, South Peninsula Hospital is dedicated to achieving consistent and demonstrated excellence in clinical quality and safety.

Quality of Care / Patient Safety	Q4 FY26	Target	Note
Severe Sepsis & Septic Shock Care	75%	100%	***CMS Hospital Compare: 73% (7/1/24-6/30/25) Nat. Avg: 64% AK Avg: 59%***
Percentage of patients who received appropriate care for SEVERE sepsis and/or septic shock.			Passed 9 of 12 cases
Stroke Care	50%	100%	***CMS Hospital Compare: 82% (7/1/24-6/30/25) Nat. Avg: 69% AK Avg: 66%***
Percentage of patients who receive CT/MRI within 45 minutes of arrival to ED w/stroke symptoms.			2 CMS reportable strokes; 6 excluded cases
Median Emergency Room Time	128	<129	***CMS Hospital Compare: 139min (7/1/24-6/30/25) Nat. Avg: 129min AK Avg: 136min***
Average minutes spent in department before leaving the Emergency Department including patients transferred to another facility and psychiatric care/mental health patients.			
Colonoscopy Follow-up	100%	100%	***CMS Hospital Compare: 100% (1/1/24-12/31/24) Nat. Avg: 93% AK Avg: 87%***
Percentage of patients receiving appropriate recommendation for follow-up screening colonoscopy.			
Patient Fall Rate (AC)	1.028	< 5	**# of patient falls / # patient days x 1000**
Measures the number of patient falls per 1,000 patient days.			1 Fall, no injury
Medication Errors	4	≤6	
Number of medication errors that reach the patient. *(Level C on the NCC MERP Index)*			

NQF's Serious Reportable Events	**0**	**0**	
A patient safety event that is serious, harmful and preventable.			
UTI rate (LTC)	**0.44%**	**< 1.6%**	***CMS Hospital Compare: 0% (1/1/25-12/31/25)*** ***Nat. Avg: 1.6% AK Avg: 3%***
Percentage of long-stay residents with a urinary tract infection			
Independent Oral Medication (HH)	**58.5%**	**> 75%**	***CMS Care Compare: 72.6% (10/1/24-9/30/25)*** ***Nat. Avg: 88.1% AK Avg: 82.1% Goal reflects patient population served by SPH HH***
Percentage of home health patients demonstrating improvement with ability to take oral medications more independently			N=41; 100% improved or unchanged
Primary Care MIPS Pathways	**74%**	**> 75%**	
CMS Merit-Based Incentive Payment System *(MIPS)* for outpatient clinics.			Special focuses: cervical cancer screening, specialist referrals, high blood pressure, hemoglobin A1c, medication reconciliation, fall risk

Patient & Resident Experience

Patient Satisfaction Through Press Ganey (PG)	**Q4 FY26**	**Target**	
Inpatient Percentile	**81st**	**75th**	9 or 10 best hospital mean score: 78.57; Survey Responses: 28 CMS Hospital Compare: N/A (7/1/24-6/30/25)
Measures the overall satisfaction of inpatient pts. respondents.			Q3 FY26 71st; Q2 FY26 99th; Q1 FY26 94th; Q4 FY25 56th
Ambulatory Surgery (AS) Percentile	**9th**	**75th**	9 or 10 best hospital mean score: 81.08; Survey Responses: 74
Measures the overall satisfaction of AS pts. respondents.			Q3 FY26 15th:; Q2 FY26 10th; Q1 FY26 94th; Q4 FY25 25th
Home Health (HH) Percentile	**62nd**	**75th**	9 or 10 best hospital mean score: 91.3; Survey Responses: 46
Measures the overall satisfaction of HH pts. respondents.			Q3 FY26 72nd; Q2 FY26 67th; Q1 FY26 64th; Q4 FY25 71st
Outpatient Percentile	**29th**	**75th**	Mean Score: 94.37 Survey Responses: 517
Measures the overall satisfaction of outpatient pts. respondents.			Q3 FY26 46th; Q2 FY26 27th; Q1 FY26 7th; Q4 FY25 34th
Emergency Department Percentile	**86th**	**75th**	Mean Score: 92.73 Survey Responses: 107
Measures the overall satisfaction of emergency pts. respondents.			Q3 FY26 90th; Q2 FY26 86th; Q1 FY26 79th; Q4 FY25 92nd
Medical Practice Percentile	**38th**	**75th**	Mean Score: 94.01 Survey Responses: 506
Measures the overall satisfaction of pts. respondents at SPH Clinics.			Q3 FY26 35th; Q2 FY26 37th; Q1 FY26 51st; Q4 FY25 59th

Medical Staff Alignment

South Peninsula Hospital desires to be an employer and/or provider of choice for medical staff practitioners by fostering an atmosphere of continuous collaboration.

Provider Alignment	2026	Target	Note
Provider Satisfaction Percentile	**44th**	**75th**	
Measures the satisfaction of physician respondents as indicated by Press Ganey physician survey results. Measured as a percentile.			Result of provider survey 2026

Employee Engagement

South Peninsula Hospital desires to be an employer of choice that offers our staff an opportunity to make positive impact in our community.

Staff Alignment	2026	Target	Note
Employee Satisfaction Percentile	**41st**	**75th**	
Measures the satisfaction of staff respondents as indicated in Press Ganey staff survey results. Measured as a percentile.			Result of employee survey 2026

Workforce	Q4 FY26	Target	Note
Turnover: All Employees	**4.86%**	**< 5%**	
Percentage of all employees separated from the hospital for any reason			34 Terminations / 699 Total Employees
Turnover: Voluntary All Employees	**4.15%**	**< 4.75%**	
Measures the percentage of voluntary staff separations from the hospital			29 Voluntary Terminations / 699 Total Employees
First Year Total Turnover	**5.13%**	**< 7%**	
Measures the percentage of staff hired in the last 12 months and who separated from the hospital for any reason during the quarter.			8 New Staff Terminated 156 Total New Hires from 06/30/2025-06/30/2026
Contract Utilization	**29**	**< 20**	
Measure average number of contract staff utilized.			MLT, MRI, RAD, PT, SLP, RN, CNA, MA

Information System Solutions	Q4 FY26	Target	Note
Phishing Test Pass Rate	**98.5%**	**> 95%**	
% of Phishing test emails that were not failed.			3397 Test phishing emails sent; 49 fails

Financial Health*

SPH is financially positioned to support our dedication to the Mission, Vision and Values, and our continued investment in our employees, medical staff, physical plant and equipment.

Financial Health	Q4 FY26	Target	Note
Outpatient Revenue Growth	**18%**	**-2%**	
Measures percentage increase (decrease) in outpatient revenue for the quarter, compared to the same period in the prior year.			Target is based on budgeted outpatient revenue for the period compared to outpatient revenue for the same period prior year.
Operating Margin	**-9.4%**	**-2%**	
Measures the surplus (deficit) of operating income over operating expenses as a percentage of net patient service revenue for the quarter.			Target is based on budgeted operating margin for the period.
Adjusted Patient Discharges	**977**	**943**	**Total Discharges: # 123 *(Acute, OB, Swing, ICU)***
Measures the number of patient discharges adjusted by inpatient revenues for the quarter, divided by (inpatient + outpatient revenues).			LTC Revenue & discharges not included, Target is same Q Prior Year Target Discharges: 137
Net Revenue Growth	**15%**	**-2%**	
Measures the percentage increase *(decrease)* in net patient revenue for the quarter compared to the same period in the prior year.			Target is based on budgeted net patient service revenue for the period compared to net patient service revenue for the same period in prior year.
FTE vs Budget	**617**	**621**	
FTE is calculated based on hours paid + Contract FTE			Actual FTE + Contract FTE based on hours paid compared to budgeted FTE for the quarter.
Net Days in Accounts Receivable	**69**	**55**	
Measures the rate of speed with which the hospital is paid for health care services.			Target is based on industry target.
Cash on Hand	**92**	**90**	**72 Total Days Cash on Hand, Operating +Unobligated PREF**
Measure the actual unrestricted cash on hand (including Unobligated PREF and excluding Service Area) that the hospital has to meet daily operating expenses.			Cash available for operations based on average daily operating expenses during the quarter less depreciation for the quarter.

Uncompensated Care as a Percentage of Gross Revenue	**6.4%**	**4-7%**	
Measures bad debt & charity write offs as a percentage of gross patient service revenue			Target is based on industry standards & SPH Payer Mix Budgeted total is 2.4% Expected range of 2-3%
Surgical Case Growth	**3%**	**1%**	
Measures the increase *(decrease)* in surgical cases for the quarter compared to the same period in the prior year.			Target is based on budgeted surgeries above actual from same quarter prior yr.
Average Age of Plant	**8.4**	**10.0**	
Measures the financial age of the fixed assets of the hospital calculated by dividing accumlated depreciation by annualized depreciation for the year.			Target is based on hospital optimal age of plant for a critical access hospital.

**Financial data is not finalized until the fiscal year is closed - Q4 numbers are draft*

South Peninsula Hospital	**SUBJECT:** Capital Purchases	**POLICY #:** F-09 **Page 1** of **2**
Scope: Finance **Approved by:** Board of Directors		**Original Date:** 10/22/03 **Effective:** 9/25/24
Revised: 4/07; 12/07; 6/08; 8/08; 9/14; 9/15; 6/17; 2/20; 6/28/23; 9/25/24 **Reviewed:** 1/25/23; 1/24/24		**Revision Responsibility:** Board of Directors

PURPOSE:
Guidelines for the management of capital purchase requests.

DEFINITION(S):
N/A

POLICY:
A. South Peninsula Hospital (SPH) purchases will be made with the commitment to being a good steward of resources.
B. Purchases will comply in all respects with the Kenai Peninsula Borough (KPB) Purchasing Code as specified in the Operating Agreement, including, but not limited to, applicable requirements for competitive bidding and nondiscrimination.
C. Capital equipment purchases or construction projects in excess of the financial threshold requiring a Certificate of Need (CON) will not be approved by the Board until a CON is obtained.

PROCEDURE:
A. Approval Levels
1. Board or Borough approval of purchases is required as follows:

Approver	SPH Operating Cash Funds	Plant Replacement/Service Area Funds
CEO	<=$200,000	
BOD	>$200,000 <$499,999	
BOD & SAB & KPB	>$500,000	>$5,000

2. Purchases will be made through the hospital's approved Group Purchasing Organizations (GPO) to the maximum extent possible. When used, GPO contact numbers will be noted on purchasing requisitions. When the GPO is not used, documentation of compliance with the KPB Purchasing Code will be provided.

B. Capital Purchase Items
1. Capital purchases are defined as individual items which are greater than or equal to $5,000 and with a useful life greater than 1 year.
2. Requisitions for capital items which require KPB funding and are not on the KPB approved list must be accompanied by written authorization citing KPB approval.
3. Additionally, the CFO or CEO must approve the requisition before it is submitted to the SPH Purchasing Department.
4. All items on the KPB-approved capital list will be acquired by the SPH Purchasing Department except for specific construction projects or construction-related expenses. Purchases related to construction projects will be coordinated by the Support Services Division working with the KPB Public Works Department.
5. Approval Guidelines for items not available through GPO:
   a) Purchases below $5,000 do not require bids; however, bids may be obtained whenever it is advantageous to SPH.
   b) Purchases between $5,000 and $40,000 require informal bids.
   c) Purchases projected to be in excess of $40,000 require formal bids and should have specifications drawn and appropriate advertising done.
6. SPH will budget for operational and capital expenses through the annual budget process except for those items that may become necessary to purchase during the year to facilitate patient safety, cost savings, or to meet a need that would be unnecessarily delayed by the budget process. Unbudgeted capital expenditures may be made from operating funds in accordance with the provisions of the

Operating Agreement and the Borough Purchasing Code for budgeted capital.

7. All unbudgeted capital expenditures from KPB funds will require KPB approval. Substitutions for items on the approved budget may not be made without KPB approval. Substitutions for line-item appropriations on the approved capital budget require Borough Assembly action for reappropriation.

C. Capital Leases and Property Leases
1. Capital equipment leases in excess of one year and $200,000 will require Board of Directors approval.
2. Real property leases intended for use as Medical facilities, and which are greater than $100,000 annually, will require approval by the SPH Board and the KPB.
   a) Medical Facilities leases (in total) may not exceed the annual cap (currently $~~650~~800,000) without first approving an amendment to the SPH Operating Agreement
3. Employee housing and Administrative ~~office~~ spaces leases will require CEO approval up to $200,000 annually (when unbudgeted), and SPH Board of Directors approval in excess of $200,000 annually (when unbudgeted).

D. Disposal of Capital
Disposal of Capital items acquired with KPB funding will be made in accordance with the Borough Code requirements for disposal of surplus property.

E. Proprietary Procurement (Sole Source)
Contracts for supplies, services, professional services or construction may be awarded by the Director of Material Management without competition under the following conditions:
1. Where it is determined by the Director of Material Management that SPH's requirements reasonably limit the procurement to a sole source. The determination will be based on a written justification provided by the requesting Manager or Director and;
2. Where it is determined by the CEO that it is in the best interest of the SPH to standardize the procurement in order to maintain compatibility with existing SPH requirements.
3. Purchases without competition costing more than $100,000 must first be approved by the BOD by resolution.

ADDITIONAL CONSIDERATION(S):
N/A

REFERENCE(S):
1. South Peninsula Hospital Board Resolution 2023-20 – 6/28/23
2. South Peninsula Hospital Values & Behaviors as adopted by the Board of Directors
3. Operating Agreement Kenai Peninsula Borough and South Peninsula Hospital, 2020
4. Alaska Statutes 18.07.021 and 18.07.111
5. Alaska Regulation 7 AAC 07
6. Hospital policy HW-092 Purchasing Authority

CONTRIBUTOR(S):
Chief Financial Officer; Board Finance Committee

South Peninsula Hospital	**SUBJECT:** Consent for Treatment	**POLICY #:** Q-01 **Page 1** of **1**
Scope: Hospital-Wide **Approved by:** Board of Directors		**Original Date:** 9/23/03 **Effective:** 10/23/24
Revised: 8/28/19; 10/27/21; 10/23/24; 5/13/26 **Reviewed:** 1/24/24		**Revision Responsibility:** Board of Directors

PURPOSE:
Requirements for Medical Staff to provide risks and benefits of treatment(s) to patients and residents in order to obtain informed consent.

DEFINITION(S):
N/A

POLICY:
1. The process of informed consent occurs when communication between a patient and physician/APP results in the patient's authorization or agreement to undergo a specific medical intervention. In seeking a patient's informed consent (or the consent of the patient's surrogate if the patient lacks decision-making capacity or declines to participate in making decisions), physician/APP should:
    a. Assess the patient's ability to understand relevant medical information and the implications of treatment alternatives and to make an independent, voluntary decision
    ~~a.~~b. Offer, as needed, interpreter services and/or appropriate auxiliary aids to support patient understanding and informed decision-making.
    ~~b.~~c. Present relevant information accurately and sensitively, in keeping with the patient's preferences for receiving medical information. The physician should include information about:
        i. the diagnosis (when known)
        ii. the nature and purpose of recommended interventions
        iii. the burdens, risks, and expected benefits of all options, including forgoing treatment
2. The Chief Executive Officer (CEO) will establish and maintain policies and procedures to ensure compliance with this policy. (*See SPH Hospital policies~~y~~ HW-036 Consent for Treatment, HW-163 Auxiliary Aides and Services for Persons with Disabilities, HW-041 Interpretive Language Services*)

PROCEDURE:
N/A

ADDITIONAL CONSIDERATIONS:
For additional information regarding consents, including emergency consents and for patients who are minors, refer to HW-036 Consent for Treatment.

REFERENCE(S):
1. HW-036 Consent for Treatment
2. HW-068: Patient and Resident Rights
3. AMA Code of Medical Ethics
4. *Formerly Q-04 – 1/24/24; Renumbered Q-01 – 10/23/24*

CONTRIBUTORS:
Board of Directors, Quality Management Director and Risk Management/Privacy Officer

South Peninsula Hospital	**SUBJECT:** Quality Monitoring	**POLICY #:** Q-02 **Page 1** of **1**
Scope: Quality **Approved by:** Board of Directors		**Original Date:** 9/24/03 **Effective:** 10/23/24
Revised: 8/28/19; 10/27/21;10/23/24 **Reviewed:** 1/25/23		**Revision Responsibility:** Board of Directors

PURPOSE:
Guidelines for data monitoring to ensure continued quality of care.

DEFINITION(S):
N/A

POLICY:
A. The Board will ensure the quality of care provided in and by the organization by reviewing a variety of reports and records determined to be appropriate indicators of quality of care and will ensure adherence to established organizational values and expected behaviors.
B. On a quarterly basis, the Board will monitor and assess the Hospital Board of Trustees Balanced Scorecard (BSC) report and associated Plan-Do-Study-Act (PDSA) reports, and the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) as appropriate to the operation of the facility.

PROCEDURE:
1. The Board, with the assistance of the Board Quality Committee, will periodically review employee and Medical Staff satisfaction rates; and the accomplishments of the South Peninsula Hospital (SPH) Quality Program as documented in the annual Critical Access Hospital (CAH) Quality Assessment and Performance Improvement Evaluation.
2. The hospital will participate in Quality-of-Care initiatives as indicated on the Balanced Scorecard including publicly reported data found on Care Compare through the Centers of Medicare and Medicaid Services for services provided by South Peninsula Hospital. The results of these focused studies will be reported as the data is available.
3. The Board, with the assistance of the Board Quality Committee, will review and approve the Quality Plan on an annual basis.

ADDITIONAL CONSIDERATIONS:
N/A

REFERENCE(S):
1. South Peninsula Hospital Values & Behaviors as adopted by the Board of Directors
2. SPH Quality Plan
3. *Formerly Q-06 – 1/24/24; Renumbered Q-02 – 10/23/24*

CONTRIBUTORS: