



Board of Directors Meeting Minutes
September 25, 2025, 5:30PM Lake District Hospital
Lake Health District

Board Attendance: Jane O’Keeffe, Chair; John Shine, Treasurer; Greg Larson, Secretary; Kelsie Bostwick, Member; Shannon Theall, Member

LHD Managers in Attendance:

Landon Dybdal, CEO; Kyle Byers, COO; Dr. Scott Graham, CMO; TeddiAnne Damuth, Interim CNO; Dala Pardue, Clinics Director; Stacey Van Nes, Clinics Manager; Kim Wright, HR Director; Tyson Lane, EMS Director; Judy Clarke, Public Health Director; Robert Sebring, Diagnostic Imaging Director; Alena Acklin, Process & Quality Improvement Coordinator; Steven Vance, IT Director

Others in Attendance: Karen McLain

Jane O’Keeffe, Chairperson, called the meeting to order in open session at 5:00PM and led the Pledge of Allegiance.

Consent Agenda Item Approval:

John Shine made the motion to approve the consent agenda items, which included:

- The August 28, 2025, meeting minutes
- Revised July 24, 2025 meeting minutes
- October 2025 check signing calendar

Greg Larson seconded the motion. The motion was presented, all members voted, and the motion passed unanimously.

Financial Reports: Kelly Johnston, CFO

August 2025 LHD Financial Report

- Cash on Hand: dipped down just under 20 days – goal: 90-120 days
- Days in Accounts Receivable (AR): just over 100 – goal 55 days
- Contribution Margin: (406,061) for July. YTD Actual: (636,966)
- Revenue: 5,177,288

Kelly reported that CMS did not process all Method 2 billing claims for professional fees as expected, resulting in delayed receipt of Method 2 payments until the beginning of last week. As a result, revenue for July and August had to be reserved. Larger contractual adjustments will appear on the financial statements but will be corrected as collections resume in September and October.

Additional delays were experienced with Medicare, including a significant sequestration adjustment tied to the interim rate review for the year-to-date cost report. The finance team is nearing completion of the prior year’s cost report, which should allow for improved cash flow once finalized. These impacts are reflected in the contractual adjustments shown on the current financial statements.

If the impacts of the Method 2 billing delays, Medicare sequestration, and credentialing-related changes were excluded, the organization’s financial performance would reflect a positive bottom line.



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Shannon Theall made a motion to approve the August 2025 financials as presented. Kelsie Bostwick seconded the motion. The motion was presented, all members present voted, and the motion was passed unanimously.

Budget Resolution: *Kelly Johnston, CFO*

Greg Larson made a motion to approve the Budget Resolution as presented. John Shine seconded the motion. The motion was presented, all members present voted, and the motion was passed unanimously.

Medical Staff Report: *Dr. Scott Graham, CMO*

Privileging – N/A

Quality Measures: *Alena Acklin, Process & Control Quality Improvement Coordinator*

August 2025 QI Scores:

- o Clinic: 88.4%
- o Acute & Emergency Department: 88%
- o Total Quality Score (LHD): 91.5%

Alena reported that the clinic and acute/ED improved last month, and we had good feedback from patients.

Kelsie Bostwick made a motion to approve the Quality Measures. John Shine seconded the motion. The motion was presented, all members present voted, and the motion was passed unanimously.

Manager Report: *Steven Vance, IT Director*

Staffing: 2 IT Technicians | 1 Network Administrator

Key Focus Areas:

- Infrastructure modernization
- Oracle Health support and AI optimization
- Network reliability and performance
- End-user and remote worker support
- Cybersecurity controls and monitoring

Highlights & Accomplishments:

Infrastructure:

- Replaced 20+ year-old network switches (MDF and IDF).
- Upgraded 96% of all workstations to Windows 11.
- Supported setup of the new Outback Strong facility (transitioning support over next 3 months).
- Maintained strong cybersecurity foundation through upgraded firewall systems.

Oracle Health & AI Integration

- Cerner Clinical AI Agent (CAA) adoption growing rapidly:
 - o June: 20% → September: 85% usage
- Implemented 11 Dragon Medical One dictation licenses.
- Continued Oracle Health Cerner optimization and Athena data migration project.



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Network Performance

- 468 computers/laptops, 96% upgraded to Windows 11.
- 4 downtime incidents in the past year, significantly reduced duration.
- Help Desk: FY24 – 1,282 tickets (99% resolved); FY25 YTD – 977 tickets (94% closed).
- Network uptime: 98.5%

Cybersecurity Readiness

- 24/7/365 monitoring via Managed SIEM with Level Blue & STN.
- 661 potential security events addressed YTD (low, medium, and high priority).
- Comprehensive endpoint protection (SentinelOne, NinjaRMM, and automated patching).
- Continuous improvements in cybersecurity infrastructure and staff awareness.

Current Initiatives & Challenges:

- Upgrade aging Wi-Fi infrastructure to support clinical workflows (~\$60K).
- Plan for server replacements reaching five-year lifecycle.
- Strengthen internet reliability as cloud dependency increases.
- Maintain proactive stance on cybersecurity amid rising healthcare threats statewide.

Overall Summary:

The IT department continues to strengthen Lake Health District's technology foundation through infrastructure upgrades, expanding Oracle Health capabilities, and advancing cybersecurity readiness. Continued investment in network infrastructure and server modernization will be key priorities moving forward.

Geothermal Well:

No action – table until next month.

Lake Health District has been in discussions with the interim town manager regarding the potential assumption of the geothermal well debt currently held by the town. Further details are needed to fully understand the terms of such a transfer. Landon plans to have a more in-depth conversation to clarify information previously provided.

The Barry Well loan is a 40-year note, initiated around 15 years ago, with annual payments of \$125,000 made to the USDA. Historically, 10% of payments made by the hospital and school district to the town were intended for a maintenance fund, but the monies have not been set aside. Current monthly payments are approximately \$12,000 from the hospital and \$9,000 from the school district. The well requires re-casing at an estimated cost of \$250,000. Oversight of the well by the town is currently unclear, and while the well was re-drilled last year (initially improving performance), efficiency has since declined.

At present, discussions with the town have focused on the loan transfer rather than the operational condition of the well. Landon supports moving forward with assuming the loan, but the board will await Kelly's proforma analysis before any decision.



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Additional notes:

- The town missed its annual June payment but obtained an extension until December. The town remains responsible for this payment, funded by their local contracts.
- The board inquired whether the LHD maintenance team could inspect well operations. This is feasible but would require an agreement with the town.

CEO Report: *Landon Dybdal, CEO*

Landon reported that an onsite interview was conducted with a surgeon from Tennessee, which went very well. An offer is scheduled to be extended tomorrow.

A current resident completed their rotation today. Discussions are underway to obtain an unrestricted license, which would allow residents to return and continue working within the residency program, including the opportunity to moonlight during their second and third years.

Dr. Jacob Rogers is onsite through tomorrow and has expressed interest in a potential future position. He has been in active discussions with Dr. Graham and Dala regarding opportunities.

Another third-year resident is scheduled to visit in November, with three to four additional residents planned for rotations throughout the spring. Landon noted that the residents are highly computer proficient, which supports the organization's ongoing technology and documentation initiatives.

Auditors were onsite last week to finalize the books and move certain expenses to the prior fiscal year, as appropriate. These adjustments result in a 1% profit margin for FYE 2025.

This summer, hospital volumes were high, though volumes have decreased this month, with the current census at 5.

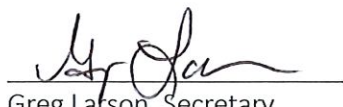
Negotiations with ONA are ongoing, and Landon reported that progress is being made and the parties are getting closer to an agreement.

Public Comment: N/A

Adjournment:

At 6:24PM, Chair Jane O'Keeffe adjourned the open session and convened an executive session pursuant to ORS 192.660(2). The executive session began at 6:34PM and was adjourned at 8:01PM.

Respectfully submitted,


Greg Larson, Secretary



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