



AGENDA
CCMC AUTHORITY BOARD OF DIRECTORS
ZOOM MEETING OR TELECONFERENCE
January 27, 2022 at 6:00PM

AT CCMC, WE BELIEVE THAT HEALTHY PEOPLE CREATE A HEALTHY COMMUNITY.

Board of Directors

Linnea Ronnegard	exp. 3/24
Greg Meyer	exp. 3/22
Liz Senear	exp. 3/24
Kelsey Hayden	exp. 3/23
Janice Warga	exp. 3/22

CEO

Hannah Sanders, M.D.

OPENING: Call to Order

Roll Call – Linnea Ronnegard, Greg Meyer, Kelsey Hayden, Liz Senear, and Janice Warga.

Establishment of a Quorum

A. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

(Speaker must give name and agenda item)

1. Audience Comments
2. Guest Speaker

B. BOARD DEVELOPMENT

C. CONFLICT OF INTEREST

D. APPROVAL OF AGENDA

E. APPROVAL OF MINUTES

1. December 16, 2021 Special Meeting Minutes Pgs 1-3

F. REPORTS OF OFFICERS OR ADVISORS - None

1. Board Chair Report
2. CEO Report Pgs 4-9
3. CFO Report Pgs 10-15
4. Quality and Infection Control Quarterly Report Pg 16
5. Ancillary Services Quarterly report Pg 17
6. Nursing Department Quarterly Report Pg 18
7. Sound Alternatives Quarterly Report Pg 19

G. DISCUSSION ITEMS

H. ACTION ITEMS

1. QAPI Plan Approval Pgs 20-30
2. Deferred Compensation Plan Approval Pgs 31-32
3. Dingus Zarecor & Associates, PLLC Engagement Letter Approval Pgs 33-43

I. AUDIENCE PARTICIPATION (limited to 3 minutes per speaker) Members of the public are given the opportunity to comment on matters which are within the subject matter jurisdiction of the Board and are appropriate for discussion in an open session.

J. BOARD MEMBERS COMMENTS

K. EXECUTIVE SESSION

1. Hannah Sanders, CEO Incentive Compensation

L. ADJOURNMENT

Due to COVID-19, we ask that you not come to CCMC to attend Board meetings in person.

This Board of Directors meeting will be held via ZOOM:

<https://us02web.zoom.us/j/4675701050?pwd=TXEvSFVHOHhIL1JvOGNua1RUUjdQUT09>

Meeting ID: 467 570 1050; Passcode: 379187

To call in: 1-253-215-8782

Meeting ID: 467 570 1050; Passcode: 379187

For a full packet, go to www.cityofcordova.net/government/boards-commissions/health-services-board

*Executive Session: Subjects that may be considered in executive session are: 1) Matters, immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity; 2) Subjects that tend to prejudice the reputation and character of any person, provided that the person may request a public discussion; 3) Matters which by law, municipal charter, or ordinance are required to be confidential; 4) Matters involving consideration of governmental records that by law are not subject to public disclosure; 5) Direction to an attorney or labor negotiator regarding the handling of specific legal matters or labor negotiations.

Minutes
CCMC Authority – Board of Directors
Via ZOOM Meeting or Teleconference
December 16, 2021 at 6:00pm
Special Meeting

CALL TO ORDER AND ROLL CALL –

Greg Meyer called the Board Meeting to order at 6:03pm.

Board members present: **Greg Meyer, Janice Warga, Kelsey Hayden, and Liz Senear.**

Quorum was established.

CCMC staff present: Dr. Hannah Sanders, Tamara Russin, Barb Jewell, Denna Stavig, Eric Price, and Faith Wheeler-Jeppson.

A. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Comments ~ None

2. Guest Speaker ~ None

B. BOARD DEVELOPMENT

1. Understanding and Addressing Social Determinants of Health.

Dr. Sanders included this for Board Development, a lot of times we're focusing on financial things and there is always the question of what the Board can get involved with and help support some of the community health things that we're working on. We're always working hard to be ready and address the pandemic and doing preventative care. We also work very hard to address community health, and over the last 10 years this has become a buzz word of awareness of how to address other things before we're able to address the individual's health. We received a grant for a Case Manager, and we currently have an offer out for that. Dr. Gloe is starting a Community Weight Loss Program called Kick the 19 in January. Another thing that we're starting to work on, that is still in its early phases is realizing the huge social burden that the pandemic has taken on our youth.

Barb Jewell stated that The Cordova Safe Housing program was an attempt to address some of those very basic social determinants of health. The Help & Hope support group and looking at way to expand that and we're hoping to restart the Lunch Bunch group at the elementary school.

Barb Jewell also reported that CCMC has a clinician, he is temporary at the moment though he has expressed interest in more long term. We are picking up new clients, we're averaging 1-3 people.

Janice Warga asked whether there has been any updates on working with the Cordova Family Resource Center. **Barb Jewell** responded that they will have a call with Mike Walsh from the Foraker Group tomorrow to talk to him to put together a proposal, basically a feasibility study. Nicole has the Rasmussen Foundation lined up to help with funding the feasibility study once we get to that point.

C. CONFLICT OF INTEREST ~ None

D. APPROVAL OF AGENDA

M/Warga S/Senear "I move to approve the Agenda."

Meyer – yea, Senear- yea, Hayden – yea, and Warga – yea.
4 yeas, 0 nay, 1 absent; Motion passed 4-0.

E. APPROVAL OF MINUTES

1. November 23, 2021 Meeting Minutes

M/Hayden S/Warga "I move to approve the November 23, 2021 Meeting Minutes.

Hayden – yea, Meyer – yea, Warga – yea, and Senear - yea.
4 yeas, 0 nay; 1 absent; Motion passed 4-0.

F. REPORTS OF OFFICERS and ADVISORS

1. **Board Chair report – Greg Meyer** has nothing to report.

2. **CEO Report – Dr. Sanders** reported that there are no significant changes from a few weeks ago when we met. We continue to have challenges with staffing, the rates for travel staffing are through the roof right now because of the pandemic with surges in cases. Our staff keeps on stepping up to the challenge and working overtime to keep the doors open. Rather than going through Staffing Agencies, we are building a "pool" of professionals that we're in direct contract with which is saving us a lot of money.

3. **CFO Report – Eric Price** reported that we are not doing the financials this meeting we will be reviewing the 2022 Budget. This year's budget for 2022, we want to look at the Revenue first we have the audited revenue for 2020. In 2021 we had a favorable year and our forecast had us ending the year at about \$16m, which is a significant increase over 2020. We have some growth that has happened both because of the PP funding and grant revenues. We believe that in 2022 we can increase by another \$1.1m. We should expect a favorable rate increase, I expect about \$650k to true up our growth and operational improvements. In 2024 or 2025 we should look at a new EHR, maybe as a CIP.

A copy of the 2022 CCMC Budget is in the packet and available on the City website to view.

G. DISCUSSION ITEMS ~ None

H. ACTION ITEMS

1. **Approval of the CCMC 2022 Budget**

M/Senear S/Hayden ""I move that the CCMC Authority Board of Directors approve the Cordova Community Medical Center 2022 budget."

Hayden – yea, Meyer – yea, Warga – yea, and Senear - yea.
4 yeas, 0 nay; 1 absent; Motion passed 4-0.

I. AUDIENCE PARTICIPATION

Tamara Russin – Like to wish everyone a Happy Holiday, I am looking forward to a good new year.

Denna Stavig – Glad the budget went well, it was good working with Eric on it.

Barb Jewell – Happy Holidays, thanks for all your hard work.

J. BOARD MEMBERS COMMENTS

Senear ~ It's looking good, and thank you for all of your hard work and I hope everyone has great holidays.

Warga ~ I agree with the Board Comments on the report, and Happy Holidays everybody.

Hayden ~ Thank you guys for all of your hard work, and I'm really looking forward to all of the good things happening at the hospital in 2022.

Meyer ~ Good job on the budget and good job explaining it, hopefully everyone is getting a feel for what's going on over the last few years in the midst of everything else, it's really an accomplishment. Something to be proud of, good job.

K. EXECUTIVE SESSION ~ None

L. ADJOURNMENT

M/Hayden S/Warga "I move to adjourn"

Greg Meyer declared the meeting adjourned at 7:15pm.

Prepared by: **Faith Wheeler-Jeppson**

CEO Report Board Meeting January 2022

While we continue to grow and improve our revenue cycle, we do anticipate bumps in the road but overall see a path to solvency for our hospital. The Centers for Medicare and Medicaid Services and Alaska DHSS continue to evaluate payment structure to curb rising medical costs. The impacts of these changes are unknown at this time.

Covid19

We continue to follow changes to our business operations and regulatory requirements. We have fully implemented CMS rules to require Covid-19 vaccination for all staff and contractors, with few exceptions. We continue to monitor variants, state and federal guidance and ensure infection control practices are being followed.

Services:

LTC: We have a full census for our LTC beds. Over the last month we have focused on improving our restorative nursing program for our residents. This program is designed to ensure each resident will maintain his or her maximum functional capacity and maintain the functional gains made in physical and occupational therapy.

ER/ Hospital/SWING: Like many hospitals and businesses CCMC has had many resignations. Shortages in our ER nursing staff been difficult to fill. Nationwide staffing shortages and hospital surges have driven the cost of traveler staff to astronomical rates. It is hard to predict when and how this issue will resolve. We are lucky to have the team we do in Cordova – this team is helping us to squeak by with our staffing levels. Our nurse administrators have stepped up to the plate to work the floor to fill schedule gaps. We are very grateful for Kadee and Daniella.

Clinic: The Primary Care Clinic continues to lead our vaccination effort and much of our covid testing effort. Volumes are returning to pre covid levels. Clinical staff also support specialist visits with Orthopedic surgeon, Dr. Gray, coming to clinic this month.

Sound Alternatives: We have worked to respond to the increase substance abuse in our community. Sound Alternatives has been instrumental in our response. Michelle Maxwell is doing an excellent job developing the Peer Support specialist program. In this program she helps support recovery while modeling and teaching healthy lifestyle and recovery choices. We have also hired a community Case Manager, Rebekah Cushing, who will support individuals throughout the community, connecting resources throughout Cordova while supporting and improving social determinants of health.

Rehabilitation Services: We have expanded our Rehab Services and are seeing increased utilization due to the expansion. The move to get Rehab Services on the main floor will be completed in the next week. CCMC plans to hold an open house to invite community members to see our rehab space and meet the many new faces that have joined CCMC's team this last year.

Administrative: Our office is in transition while we support the final push for Rehab Services on the main floor of the hospital. The Finance team is working on year end close and preparing for the 2021 audit.

Quality: Our Quality program is a regulatory requirement and an important part of CCMC. QAPI combines two approaches - Quality Assurance (QA) and Performance Improvement (PI). QA is a process used to ensure services are meeting quality standards and assuring care reaches a certain level. PI is a pro-active approach that continuously studies and improves processes with the goal to prevent or decrease the likelihood of problems. We have updated our quality plan for 2022, it is attached to the packet.

Cordova Community Medical Center Statistics

	31	28	31	30	31	30
	Jan	Feb	Mar	Apr	May	Jun
Hosp Acute+SWB Avg. Census		29				
FY 2019	3.5	1.6	1.2	1.4	1.2	1.1
FY 2020	3.3	2.1	2.4	2.7	1.7	1.1
FY 2021	1.3	3.2	2.2	1.7	2.2	1.6
Acute Admits						
FY 2019	6	0	2	4	2	1
FY 2020	2	0	1	3	0	2
FY 2021	2	6	4	1	8	7
Acute Patient Days						
FY 2019	33	0	6	12	7	4
FY 2020	4	0	4	14	4	4
FY 2021	4	13	8	2	17	11
SWB Admits						
FY 2019	2	0	0	0	0	0
FY 2020	1	1	1	1	0	0
FY 2021	2	2	0	1	1	0
SWB Patient Days						
FY 2019	75	44	31	30	31	30
FY 2020	99	61	70	67	49	30
FY 2021	37	77	60	49	50	36
CCMC LTC Admits						
FY 2019	2	0	1	0	0	0
FY 2020	0	1	0	0	1	0
FY 2021	0	0	0	0	0	0
CCMC LTC Resident Days						
FY 2019	299	278	308	300	310	300
FY 2020	310	289	310	293	296	300
FY 2021	300	300	298	300	310	299
CCMC LTC Avg. Census						
FY 2019	10	9	10	10	10	10
FY 2020	10	10	10	10	10	10
FY 2021	10	10	10	10	10	10
ER Visits						
FY 2019	31	41	47	54	60	55
FY 2020	35	38	34	23	52	51
FY 2021	38	42	35	44	77	61
PT Procedures						
FY 2019	443	423	438	440	381	358
FY 2020	404	409	314	218	285	279
FY 2021	327	494	646	372	352	444
OT Procedures						
FY 2019	0	0	0	0	0	0
FY 2020	0	0	0	0	0	0

FY 2021	25	223	183	49	36	115
Lab Tests						
FY 2019	330	356	255	361	423	244
FY 2020	277	295	233	355	657	1,441
FY 2021	885	1,010	1,004	805	682	637
X-Ray Procedures						
FY 2019	46	48	83	0	0	98
FY 2020	46	49	55	42	52	62
FY 2021	48	50	49	64	64	70
CT Procedures						
FY 2019	19	12	13	15	26	11
FY 2020	12	14	13	18	20	23
FY 2021	24	27	26	20	27	32
CCMC Clinic Visits						
FY 2019	162	161	144	178	250	205
FY 2020	184	193	141	112	121	151
FY 2021	125	134	161	157	188	224
Behavioral Hlth Visits						
FY 2019	62	98	69	60	89	86
FY 2020		138	138	124	113	126
FY 2021	85	62	65	74	90	96

31 Jul	31 Aug	30 Sep	31 Oct	30 Nov	31 Dec	Cumulative Monthly	
						Total	Average
2.4	3.3	3.3	3.2	4.0	4.3		2.5
1.0	0.3	0.7	1.0	1.8	1.0		1.6
2.1	2.4	3.3	5.6	4.3	1.4		2.6
3	6	4	2	3	3	36	3.0
7	5	4	1	6	2	33	2.8
4	4	4	3	1	2	46	3.8
13	10	12	3	10	11	121	10.1
17	9	8	3	36	6	109	9.1
9	14	15	18	13	2	126	10.5
3	0	0	2	1	1	9	0.8
0	0	1	1	0	1	7	0.6
2	2	4	3	1	0	18	1.5
61	93	86	95	109	121	806	67.2
14	0	13	29	19	24	475	39.6
55	60	85	155	117	40	821	68.4
0	0	0	0	1	0	4	0.3
2	0	0	0	3	0	7	0.6
2	0	0	0	1	1	4	0.3
280	310	300	310	300	303	3,598	299.8
301	310	300	309	277	310	3,605	300.4
298	310	300	310	298	309	3,632	302.7
9	10	10	10	10	10		9.8
10	10	10	10	9	10		9.8
10	10	10	10	10	10		9.9
68	81	64	43	22	28	594	49.5
49	47	35	35	29	38	466	38.8
74	78	67	34	32	40	622	51.8
305	352	294	295	321	311	4,361	363.4
201	242	322	363	320	338	3,695	307.9
471	337	413	602	493	310	5,261	438.4
0	0	0	0	0	0	0	0.0
0	0	0	0	0	0	0	0.0

174	118	161	350	309	120	1,863	0.0
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404	473	378	310	392	406	4,332	361.0
2,229	1,895	1,319	1,084	1,263	1,165	12,213	1,017.8
1,261	1,115	853	605	614	549	10,020	835.0

94	79	77	59	59	46	689	57.4
62	58	63	44	47	39	619	51.6
79	86	88	68	53	72	791	65.9

24	35	21	6	12	19	213	17.8
19	23	22	20	20	20	224	18.7
28	38	25	16	12	22	297	24.8

247	252	207	360	183	173	2,522	210.1
150	150	152	138	128	127	1,747	145.6
265	277	296	452	303	275	2,857	238.1

82	94	101	148	112	108	1,109	92.4
98	104	102	115	123	116	1,297	117.9
60	97	50	35	63	76	853	71.1

CORDOVA COMMUNITY MEDICAL CENTER
OPERATING/INCOME STATEMENT
FOR THE 11 MONTHS ENDING 11/30/21

12/22/21 09:05 AM

	----- S I N G L E -----				----- Y E A R T O -----			
	ACTUAL	BUDGET	\$ VARIANCE	% VAR	ACTUAL	BUDGET	\$ VARIANCE	% VAR
REVENUE								
ACUTE	88,169	37,650	50,519	134	643,363	420,500	222,863	52
SWING BED	350,909	102,900	248,009	241	2,193,006	1,143,950	1,049,056	91
LONG TERM CARE	384,609	415,700	(31,090)	(7)	4,300,350	4,628,500	(328,149)	(7)
CLINIC	55,564	53,600	1,964	3	701,879	597,000	104,879	17
ANCILLARY DEPTS	211,926	174,500	37,426	21	2,440,310	1,944,100	496,210	25
EMERGENCY DEPART	72,515	138,400	(65,884)	(47)	2,182,318	1,541,000	641,318	41
BEHAVIORAL HEALT	11,947	30,900	(18,952)	(61)	193,037	344,300	(151,262)	(43)
RETAIL PHARMACY	110,020	103,600	6,420	6	1,190,480	1,153,300	37,180	3
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PATIENT SERVIC	1,285,662	1,057,250	228,412	21	13,844,747	11,772,650	2,072,097	17
DEDUCTIONS								
CHARITY	900	9,800	8,899	90	68,529	109,800	41,270	37
CONTRACTUAL ADJU	224,154	163,500	(60,654)	(37)	2,289,381	1,813,700	(475,681)	(26)
ADMINISTRATIVE A	9,161	10,800	1,638	15	363,773	158,400	(205,373)	(129)
BAD DEBT	0	45,800	45,800	100	0	504,100	504,100	100
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DEDUCTIONS TOT	234,216	229,900	(4,316)	(1)	2,721,684	2,586,000	(135,684)	(5)
COST RECOVERIES								
GRANTS	75,929	86,200	(10,270)	(11)	482,182	1,003,100	(520,917)	(51)
PPP GRANT	0	0	0	0	1,113,148	0	1,113,148	0
IN-KIND CONTRIBU	35,962	19,300	16,662	86	194,437	212,300	(17,862)	(8)
OTHER REVENUE	32,290	8,400	23,890	284	511,292	92,000	419,292	455
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COST RECOVERIE	144,182	113,900	30,282	26	2,301,059	1,307,400	993,659	76
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TOTAL REVENUES	1,195,628	941,250	254,378	27	13,424,123	10,494,050	2,930,073	27
EXPENSES								
WAGES	488,330	373,700	(114,630)	(30)	4,604,602	4,297,500	(307,102)	(7)
TAXES & BENEFITS	266,668	184,600	(82,068)	(44)	2,417,397	2,118,350	(299,047)	(14)
PROFESSIONAL SER	105,052	123,500	18,447	14	1,627,635	1,474,300	(153,335)	(10)
SUPPLIES	153,047	94,600	(58,447)	(61)	1,373,609	1,052,400	(321,209)	(30)
MINOR EQUIPMENT	577	2,400	1,822	75	34,688	50,300	15,611	31
REPAIRS & MAINT	10,482	28,000	17,517	62	225,467	321,800	96,332	29
RENTS & LEASES	13,682	9,200	(4,482)	(48)	116,410	116,800	389	0
UTILITIES	61,180	38,700	(22,480)	(58)	476,082	431,600	(44,482)	(10)
TRAVEL & TRAININ	18,123	1,400	(16,723)	(1194)	51,090	15,300	(35,790)	(233)
INSURANCES	15,920	15,700	(220)	(1)	183,000	182,300	(700)	(0)
RECRUIT & RELOCA	5,196	4,600	(596)	(12)	46,356	55,100	8,743	15
DEPRECIATION	55,851	59,300	3,448	5	522,348	617,500	95,151	15
OTHER EXPENSES	27,954	30,300	2,345	7	281,608	337,000	55,391	16
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TOTAL EXPENSES	1,222,069	966,000	(256,069)	(26)	11,960,299	11,070,250	(890,049)	(8)
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OPERATING INCO	(26,440)	(24,750)	(1,690)	(6)	1,463,823	(576,200)	2,040,023	354
NET INCOME	(26,440)	(24,750)	(1,690)	(6)	1,463,823	(576,200)	2,040,023	354
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12/22/21 09:05 AM

CORDOVA COMMUNITY MEDICAL CENTER
BALANCE SHEET
FOR THE MONTH ENDING: 11/30/21

	Current Year	Prior Year	Net Change
ASSETS			
CURRENT ASSETS			
CASH	1,533,215	3,383,317	(1,850,101)
NET ACCOUNT RECEIVABLE	2,444,864	727,696	1,717,167
THIRD PARTY RECEIVABLE	5,556	5,756	(200)
CLEARING ACCOUNTS	71,726	(4,051)	75,778
PREPAID EXPENSES	181,147	136,471	44,675
INVENTORY	541,572	405,581	135,990
	-----	-----	-----
TOTAL CURRENT ASSETS	4,778,082	4,654,771	123,311
PROPERTY PLANT & EQUIPMENT			
LAND	122,010	122,010	
BUILDINGS	7,664,341	7,664,341	
EQUIPMENT	9,349,782	8,736,636	613,146
CONSTRUCTION IN PROGRESS	821,967		821,967
	-----	-----	-----
SUBTOTAL PP&E	17,958,101	16,522,987	1,435,113
LESS ACCUMULATED DEPRECIATION	(13,396,606)	(12,841,796)	(554,810)
	-----	-----	-----
TOTAL PROPERTY & EQUIPMENT	4,561,495	3,681,191	880,303
OTHER ASSETS			
GOODWILL - PHARMACY	150,000	150,000	
GOODWILL - PHARMACY	(58,750)	(43,750)	(15,000)
PERS DEFERRED OUTFLOW	1,149,806	832,470	317,336
TOTAL OTHER ASSETS	1,241,056	938,720	302,336
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TOTAL ASSETS	10,580,634	9,274,683	1,305,950
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12/22/21 09:05 AM

CORDOVA COMMUNITY MEDICAL CENTER
BALANCE SHEET
FOR THE MONTH ENDING: 11/30/21

	Current Year	Prior Year	Net Change
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	312,951	117,851	195,100
PAYROLL & RELATED LIABILITIES	841,254	498,529	342,724
PPP LOAN	41,372	1,113,148	(1,071,776)
UNEARNED REVENUE	2,655,587	3,621,785	(966,198)
INTEREST & OTHER PAYABLES	1,024	(17,937)	18,961
LONG TERM DEBT - CITY	5,466,458	5,466,458	
OTHER CURRENT LONG TERM DEBT	198,162	337,117	(138,955)
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TOTAL CURRENT LIABILITIES	9,516,809	11,136,953	(1,620,143)
LONG TERM LIABILITIES			
2015 NET PENSION LIABILITY	6,428,846	5,963,724	465,122
TOTAL LONG TERM LIABILITIES	6,428,846	5,963,724	465,122
DEFERRED INFLOWS OF RESOURCES			
PENSION DEFERRED INFLOW	43,715	514,539	(470,824)
TOTAL DEFERRED INFLOWS	43,715	514,539	(470,824)
TOTAL LIABILITIES	15,989,370	17,615,216	(1,625,845)
NET POSITION (EQUITY)			
UNRESTRICTED FUND BALANCE	(6,891,073)	(6,215,920)	(675,152)
TEMPORARY RESTRICTED FUND BALANCE	18,513	18,513	
CURRENT YEAR NET INCOME	1,463,823	(2,143,125)	3,606,948
	-----	-----	-----
TOTAL NET POSITION	(5,408,735)	(8,340,532)	2,931,796
TOTAL LIABILITIES & NET POSITION	10,580,634	9,274,683	1,305,950
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CORDOVA COMMUNITY MEDICAL CENTER
OPERATING/INCOME STATEMENT
FOR THE 12 MONTHS ENDING 12/31/21

01/21/22 02:43 PM

	----- S I N G L E M O N T H -----				----- Y E A R T O D A T E -----			
	ACTUAL	BUDGET	\$ VARIANCE	% VAR	ACTUAL	BUDGET	\$ VARIANCE	% VAR
REVENUE								
ACUTE	52,668	39,100	13,568	34	696,032	459,600	236,432	51
SWING BED	106,796	106,050	746	0	2,299,803	1,250,000	1,049,803	83
LONG TERM CARE	401,487	429,600	(28,112)	(6)	4,701,837	5,058,100	(356,262)	(7)
CLINIC	49,712	55,400	(5,687)	(10)	751,592	652,400	99,192	15
ANCILLARY DEPTS	258,781	180,500	78,281	43	2,699,092	2,124,600	574,492	27
EMERGENCY DEPART	150,244	143,100	7,144	4	2,332,563	1,684,100	648,463	38
BEHAVIORAL HEALT	49,804	32,000	17,804	55	242,842	376,300	(133,457)	(35)
RETAIL PHARMACY	100,720	107,000	(6,279)	(5)	1,291,200	1,260,300	30,900	2
	-----	-----	-----		-----	-----	-----	
PATIENT SERVIC	1,170,216	1,092,750	77,466	7	15,014,964	12,865,400	2,149,564	16
DEDUCTIONS								
CHARITY	8,024	10,200	2,175	21	76,553	120,000	43,446	36
CONTRACTUAL ADJU	(5,194)	167,200	172,394	103	2,284,187	1,980,900	(303,287)	(15)
ADMINISTRATIVE A	39,489	11,000	(28,489)	(258)	403,263	169,400	(233,863)	(138)
BAD DEBT	0	45,900	45,900	100	0	550,000	550,000	100
	-----	-----	-----		-----	-----	-----	
DEDUCTIONS TOT	42,320	234,300	191,979	81	2,764,004	2,820,300	56,295	1
COST RECOVERIES								
GRANTS	138,955	87,800	51,155	58	621,138	1,090,900	(469,761)	(43)
PPP GRANT	0	0	0	0	1,113,148	0	1,113,148	0
IN-KIND CONTRIBU	2,756	19,300	(16,543)	(85)	197,194	231,600	(34,405)	(14)
OTHER REVENUE	1,146,448	8,400	1,138,048	13548	1,657,740	100,400	1,557,340	1551
	-----	-----	-----		-----	-----	-----	
COST RECOVERIE	1,288,161	115,500	1,172,661	1015	3,589,221	1,422,900	2,166,321	152
	-----	-----	-----		-----	-----	-----	
TOTAL REVENUES	2,416,058	973,950	1,442,108	148	15,840,181	11,468,000	4,372,181	38
EXPENSES								
WAGES	481,567	560,300	78,732	14	5,086,169	4,857,800	(228,369)	(4)
TAXES & BENEFITS	322,725	272,250	(50,475)	(18)	2,740,122	2,390,600	(349,522)	(14)
PROFESSIONAL SER	133,088	125,700	(7,388)	(5)	1,760,723	1,600,000	(160,723)	(10)
SUPPLIES	158,065	97,600	(60,465)	(61)	1,609,942	1,150,000	(459,942)	(39)
MINOR EQUIPMENT	436	2,700	2,263	83	35,125	53,000	17,874	33
REPAIRS & MAINT	25,116	28,200	3,083	10	250,584	350,000	99,415	28
RENTS & LEASES	6,074	9,200	3,125	33	122,484	126,000	3,515	2
UTILITIES	44,898	40,200	(4,698)	(11)	520,980	471,800	(49,180)	(10)
TRAVEL & TRAININ	4,957	1,400	(3,557)	(254)	56,048	16,700	(39,348)	(235)
INSURANCES	15,827	15,700	(127)	(0)	198,828	198,000	(828)	(0)
RECRUIT & RELOCA	3,871	4,900	1,028	20	50,228	60,000	9,771	16
DEPRECIATION	51,114	59,300	8,185	13	573,463	676,800	103,336	15
OTHER EXPENSES	19,493	31,200	11,706	37	301,102	368,200	67,097	18
	-----	-----	-----		-----	-----	-----	
TOTAL EXPENSES	1,267,237	1,248,650	(18,587)	(1)	13,305,805	12,318,900	(986,905)	(8)
	-----	-----	-----		-----	-----	-----	
OPERATING INCO	1,148,820	(274,700)	1,423,520	518	2,534,376	(850,900)	3,385,276	397
NET INCOME	1,148,820	(274,700)	1,423,520	518	2,534,376	(850,900)	3,385,276	397
	=====	=====	=====		=====	=====	=====	

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CORDOVA COMMUNITY MEDICAL CENTER
BALANCE SHEET
FOR THE MONTH ENDING: 12/31/21

	Current Year	Prior Year	Net Change
ASSETS			
CURRENT ASSETS			
CASH	1,487,393	1,976,866	(489,472)
NET ACCOUNT RECEIVABLE	1,975,257	1,061,150	914,106
THIRD PARTY RECEIVABLE	920,890	700,090	220,800
CLEARING ACCOUNTS	79,980		79,980
PREPAID EXPENSES	170,548	142,333	28,214
INVENTORY	445,949	407,339	38,610
	-----	-----	-----
TOTAL CURRENT ASSETS	5,080,018	4,287,780	792,238
PROPERTY PLANT & EQUIPMENT			
LAND	122,010	122,010	
BUILDINGS	7,664,341	7,664,341	
EQUIPMENT	9,425,081	8,542,223	882,857
CONSTRUCTION IN PROGRESS	748,702	893,443	(144,741)
	-----	-----	-----
SUBTOTAL PP&E	17,960,134	17,222,017	738,116
LESS ACCUMULATED DEPRECIATION	(13,446,471)	(12,888,008)	(558,463)
	-----	-----	-----
TOTAL PROPERTY & EQUIPMENT	4,513,663	4,334,009	179,653
OTHER ASSETS			
GOODWILL - PHARMACY	150,000	150,000	
GOODWILL - PHARMACY	(60,000)	(45,000)	(15,000)
PERS DEFERRED OUTFLOW	1,149,806	1,149,806	
TOTAL OTHER ASSETS	1,239,806	1,254,806	(15,000)
	-----	-----	-----
TOTAL ASSETS	10,833,488	9,876,596	956,892
	=====	=====	=====

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CORDOVA COMMUNITY MEDICAL CENTER
BALANCE SHEET
FOR THE MONTH ENDING: 12/31/21

	Current Year	Prior Year	Net Change
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	321,703	266,886	54,816
PAYROLL & RELATED LIABILITIES	698,063	529,068	168,994
PPP LOAN	41,372	1,154,520	(1,113,148)
UNEARNED REVENUE	1,982,217	2,571,080	(588,863)
INTEREST & OTHER PAYABLES	1,024	(17,996)	19,020
LONG TERM DEBT - CITY	5,466,458	5,466,458	
OTHER CURRENT LONG TERM DEBT	188,273	306,577	(118,304)
	-----	-----	-----
TOTAL CURRENT LIABILITIES	8,699,111	10,276,595	(1,577,484)
LONG TERM LIABILITIES			
2015 NET PENSION LIABILITY	6,428,846	6,428,846	
TOTAL LONG TERM LIABILITIES	6,428,846	6,428,846	
DEFERRED INFLOWS OF RESOURCES			
PENSION DEFERRED INFLOW	43,715	43,715	
TOTAL DEFERRED INFLOWS	43,715	43,715	
TOTAL LIABILITIES	15,171,672	16,749,156	(1,577,484)
NET POSITION (EQUITY)			
UNRESTRICTED FUND BALANCE	(6,891,073)	(6,891,073)	
TEMPORARY RESTRICTED FUND BALANCE	18,513	18,513	
CURRENT YEAR NET INCOME	2,534,376		2,534,376
	-----	-----	-----
TOTAL NET POSITION	(4,338,183)	(6,872,559)	2,534,376
TOTAL LIABILITIES & NET POSITION	10,833,488	9,876,596	956,892
	=====	=====	=====

To: CCMC Authority Board of Directors
From: Kelly Kedzierski, RN
RE: January 2022 Quality Improvement Report

Quality Improvement

The CCMC team is continuously and consistently working hard to build a healthcare system that focuses on keeping our community healthy, provides appropriate and timely access to excellent healthcare, and provides the right care, at the right time, in the right place, all the while promoting focused improvement.

Currently we are meeting on a monthly basis. The last Quality meeting was held on December 09th, 2021.

- Activities ongoing:
 - We will be presenting the QAPI plan for 2022 for approval in the board packet for the Board meeting.
 - Environmental services are actively and aggressively cleaning floors, walls door handles, and all high touch surface areas throughout the entire building.
 - Environment of care rounds are ongoing.
 - Maintenance has been completing work orders from the Environment of care rounds.
 - Nursing daily chart audits have been successful in viewing proper charges and documentation and are ongoing.

CCMC Authority Board of Director's Quarterly Report
January 20, 2022
Clinic & Ancillary Services
Tamara Russin

Clinic

Clinic patient ebb and flow seems to be back to pre-covid times: patients coming in as usual for acute and chronic problems, quieter over the holidays and the first few weeks of January, getting into the regular flu/cold season after the new year. The Clinic continues to do weekly covid vaccines: Pfizer on Wednesdays, Moderna on Thursdays, and Pediatric Pfizer on Fridays. Booster requests are slowing down so that schedule might become every other week soon.

Dr Gray from Alaska Orthopedic Specialists returns to Cordova January 21. Dr. Kaufman from Anchorage Foot and Ankle is scheduled for February 7. Registration and scheduling for these providers is done through their Anchorage offices.

Dr. MacNeil will be seeing pediatric patients February 22. She is part of Alaska Neonatology Associates and that group will continue providing services through our Clinic quarterly.

Lab/Radiology/Rehab Services

Radiology is staffed by a traveler with Jeff Bailey helping provide weekends off. Both Dr. Gray and Dr. Kaufman keep the department busy in the week leading up to their onsite appointments as well as ongoing image orders post-accident/surgery.

Lab services remain consistent throughout the winter. Covid testing has decreased with widespread vaccination and boosters. It has further decreased with home test kits widely available

Rehab Services is in the process of moving to the main floor of the hospital and the space is looking great. Kathryn Froning, OT, has joined the team as expected and all four therapists are excited to be working out of the new area. An open house is being planned in a few weeks to give the community an opportunity to come in and meet the rehab services team.

To: CCMC Board of Director's
From: Kadee Goss BSN
Date: January 17, 2022
RE: Quarterly Nursing Dept. Report

Nursing Leadership

We continue to focus on patient safety and promote teamwork here at CCMC.

Nurse Staffing

We continue to seek out permanent nursing staff to join the CCMC nursing team. We currently have five full-time permanent nurses and three travel nurses. We have added an as-needed pool with two nurses that reside in Cordova. We are currently seeking an RN or LPN for LTC, and an ER nurse.

Nursing Department Education Plan

The nursing staff has a monthly staff meeting, during this time an in-service is held for topics that the nursing staff want to refocus on or would like to expand their knowledge. Over this last quarter in-services and education included oxygen therapy, covering the use of ventilators and high flow machines. An Infection Control assessment was completed through a grant program that will continue through the year. This program will cover Infection Control topics such as COVID 19, for all clinical staff through modules online. CCMC nursing staff is looking forward to teaming with the Cordova EMS team for regular combined trainings for trauma education.

Nursing Department Plan

We currently have 10 Long-Term Care residents. The Director of Nursing has been working closely with the Occupational Therapist to create a restorative program tailored to each resident's needs, and to promote the highest level of function for each resident. We have two swing-bed patients and are continuing to reach out to surrounding hospitals letting them know about the rehabilitation that we provide, and that we have beds available to patients that are in need.

Thank you!

Kadee Goss BSN
CNO

January 2022 Board Report

Sound Alternatives Behavioral Health and Developmental Disabilities Services

Barb Jewell-Director of Community Services

Behavioral Health

We served 40 individual clients over the last quarter, an increase of 30% from previous quarter. The increase is due to having a full time Licensed Clinician, and a part time Master level clinician. The full Time LCSW, Raphael Martins was hired as a temporary clinician through a staffing agency, but has just agreed to join us as a direct employee. Liz King who was our Clinical Case Manager completed her degree and has moved into a Part Time Clinician position. We have also hired a Full time Peer Support Specialist to support our Substance Use Disorder services and a Case Manager who will serve Sound Alternatives clients 20 hours a week and act as a Community Case Manager for individuals not enrolled in Behavioral Health services for 20 hours per week.

We have seen a small increase in adults seeking substance use disorder services and an increase in services requested for children.

Developmental Disabilities

We continue to provide some limited support for individuals with developmental disabilities but are hampered by lack of staff and a very small number of participants (2).

Community Programs

We received a continuation grant for the Cordova Safe Housing Program , and in collaboration with CFRC we provided short term shelter and case management services to 3 individuals (two households). Total number of shelter nights provided was 50 nights.

Our Community Case Manger started last week and as she completes orientation and training will start to work on informing the community about her work and looking at ways to address gaps in services.

Senior Services

Over the last quarter the Senior Services program provided 2725 home delivered meals and 489 rides. The past year has seen a significant increase in home delivered meals due to not providing meals at the facility. It is a significant increase in work for our team and they have stepped up like champs! Additionally the Ride has ben providing significantly more transportation. This is probably attributable to better advertising and a consistent and useful schedule.

We are beginning to explore reopening for congregate meals. We are surveying participants and speaking to Dr. Sanders about when and how to reopen safely.



Memorandum

To: CCMC Authority Board of Directors

Subject: Quality Assurance and Performance Improvement (QAPI) Plan

Date: 1/13/2022

Quality Assurance and Performance Improvement (QAPI) is a data driven and proactive approach to quality improvement. It combines two approaches - Quality Assurance (QA) and Performance Improvement (PI). QA is a process used to ensure services are meeting quality standards and assuring care reaches a certain level.

Suggested Motion: "I move that the CCMC Authority Board of Directors approve the 2022 CCMC Quality Assurance and Performance Improvement (QAPI) Plan.

**QAPI Plan
CCMC CAH & Long-Term
Care QAPI Plan 2022
Cordova Community
Medical Center, Cordova,
AK
Effective Date:
JANUARY 1, 2022**

Design & Scope

Statements and Guiding Principles:

Our Mission: As a partner in our community, Cordova Community Medical Center provides personalized service to support the health and well-being of all people through their journeys in life.

Our Values: Respect, Integrity, Stewardship, Compassion and Excellence

CCMC is dedicated to the highest level of professional and ethical standards in our service to the community. Staff and Administration work in partnership with one another, visiting specialists and their staffs, and other community providers, based on respect and the highest professional standards. Employees comply with all applicable federal and state laws and regulations in the course of carrying out CCMC's mission, act honestly and with integrity at all times, and provide the best possible care to all patients in a friendly, helpful and compassionate manner.

Types of Care and Services:

Skilled Nursing

Long-Term Care

Emergency & Acute Care

Post-acute care

Pharmacy

Dietary

Dining

Dietician

Housekeeping

Laundry

Janitorial

Maintenance

Building

Landscaping/Groundskeeping

Therapy

Outpatient

Inpatient

Skilled Rehabilitation

Occupational

Equipment

Health Information Services

EHR/EMR

MDS

Social Services

Activities

Care Coordination

Behavioral Health

Staff Education

On-boarding and Orientation

Internal Continuing Education

External Continuing Education

(Conferences, Symposiums, etc.)

Business Office

Staffing

Billing

Human Resources

Addressing Care and Services:

CCMC Long Term Care QAPI Plan Effective date: January 1, 2022

The QAPI program will aim for safety and high quality with all clinical interventions and service delivery while emphasizing autonomy, choice, and quality of daily life for patients, residents and family by ensuring our data collection tools and monitoring systems are in place and are consistent for proactive analysis, system failure analysis, and corrective action.

We will utilize the best available evidence including data, national benchmarks, published best practices, and clinical guidelines to define and measure our goals.

The scope of the QAPI program encompasses all types and segments of care and services that impact clinical care, quality of life, resident choice, and care transitions. These include, but are not limited to, customer service, care management, patient safety, credentialing, provider relations, human resources, finance, and information technology.

Aspects of service and care are measured against established performance goals. Key measures are monitored and trended on a quarterly and/or annual basis.

Defining and Measuring Goals:

The organization will use national benchmarks provided by national associations, clinical organizations, and federal and state provided databases (e.g. CMS Quality Measures, Five-Star Quality Rating System, survey data) to establish baselines for organizational practices and goal-setting. The organization will continue to monitor progress toward goals by comparing its results to these benchmarks and its historical performance.

Governance & Leadership

Administrative Leaders:

Name Role:

Hannah Sanders, MD	Chief Executive Officer/Administrator
Linnea Ronnegard	Board Chairperson
Greg Meyer	Board Vice Chairperson
Liz Senear	Board Secretary/Treasurer
Kelsey Hayden	Board Member
Janice Varga	Board Member

Direction of QAPI Activities:

CCMC CAH & Long-Term Care QAPI Plan Effective date: January 1, 2022

The Governing Body and Quality Improvement Committee of the hospital and nursing center develop a culture that involves leadership-seeking input from staff, patients, residents, their families, and other stakeholders.

The Governing Body is responsible for the development and implementation of the QAPI program. The Governing Body is responsible for:

- 1) Identifying and prioritizing problems based on performance indicator data.
- 2) Incorporating resident and staff input that reflects organizational processes, functions, and services provided to residents.
- 3) Ensuring that corrective actions address gaps in the system and are evaluated for effectiveness.
- 4) Setting clear expectations for safety, quality, rights, choice, and respect.
- 5) Ensuring adequate resources exist to conduct QAPI efforts.

The Quality Improvement Committee reports to the executive leadership and Governing Body and is responsible for:

- 1) Meeting, at minimum, on a quarterly basis; more frequently, if necessary.
- 2) Coordinating and evaluating QAPI program activities.
- 3) Developing and implementing appropriate plans of action to correct identified quality deficiencies.

- 4) Regularly reviewing and analyzing data collected under the QAPI program and data resulting from drug regimen review and acting on available data to make improvements.
- 5) Determining areas for PIPs and Plan-Do-Study-Act (PDSA) rapid cycle improvement projects.
- 6) Analyzing the QAPI program performance to identify and follow up on areas of concern and/or opportunities for improvement.

Staff QAPI Adoption:

The QAPI program will be structured to incorporate input, participation, and responsibility at all levels. The Governing Body and Quality Improvement Committee of the hospital and nursing center will develop a culture that involves leadership-seeking input from staff, patients, residents, their families, and other stakeholders; encourages and requires staff participation in QAPI initiatives when necessary; and holds staff accountable for taking ownership and responsibility of assigned QAPI activities and duties.

QAA/QI/QAPI Committee

QAA/QI/QAPI Committee Members:

Medical Director/Designee: Paul Gloe, MD

Administrator/Owner/Board Member/Other Leader:

Hannah Sanders, MD

Chief Nursing Officer over Nursing Services: Kadee Goss, RN

Infection Prevention & Control Officer: Kathleen Castellano

Additional Committee Members:

Name Role

Daniella Rossi, RN LTC-DON

Kelly Kedzierski, RN Quality Improvement Nurse

Paul Gloe, MD Medical Director

Adam Woelk, MD Chief of Staff

Laura Henneker FNP

Eric Price, Chief Financial Officer

Faith Wheeler-Jeppson, Corporate Compliance

Kim Wilson, Human Resources

Holly Rikkola, Health Information Management (HIM)

Heidi Voss, PharmD Pharmacist

Tim Hokanson, PharmD Pharmacist

Vivian Knop, Materials Manager

Brian Rezek, Facility Manager

Monica Shaw, Dietary Manager

Renee Legan, Registered Dietician

Barbara Jewell, Sound Alternatives Program Manager

Carmen Nourie, Medical Laboratory Technologist

Vanessa Stocks, Radiology Technologist:

Charles Hurst, Physical Therapist

Erin Brennen, Occupational Therapist

Feedback, Data Systems & Monitoring

Monitoring Process:

The system to monitor care and services will continuously draw data from multiple sources. These feedback systems will actively incorporate input from staff, patients, residents, families, and others, as appropriate. Performance indicators will be used to monitor a wide range of processes and outcomes and will include a review of findings against benchmarks and/or targets that have been established to identify potential opportunities for improvement and corrective action. The system also maintains a system that will track and monitor adverse events that will be investigated every time they occur.

Action plans will be implemented to prevent recurrence.

CCMC will take a systematic approach to evaluating potential problems and opportunities for improvement through continuous cycles of data gathering and analysis. This is accomplished through a variety of assessments such as patients, resident, family, and staff interviews; resident observations; medical record reviews; in-depth clinical reviews; facility level process reviews; and MDS data analysis.

Monitored Data Sources:

Assessments

QAPI Assessments

Resident-Level Investigations

Patient-Level Investigations

Facility-Level Investigations

Resident Satisfaction

Patient Satisfaction

Family Satisfaction

CMS

Comparative Survey Data

Survey Data

Five Star Quality Rating System

CMS Quality Measures

State Survey Reports

Industry Associations

AHCA/NCAL Trend Tracker

Internal Systems

Resident/Patient/Family Complaints

Resident/Patient/Family Suggestions

Staff Complaints

Staff Suggestions

MDS

EMR/EHR

Additional Systems:

Adverse/Never Event Tracking System:

Medication Errors, Falls with Injuries, Infections, Elopement

Method of Monitoring Multiple Data Sources:

Information will be collected on a routine basis from the previously identified sources and the data will be analyzed against the appropriate benchmarks and target goals for the organization.

Performance Improvement Projects (PIPs)

Overall PIP Plan:

Performance Improvement Projects will be a concentrated effort on a particular problem in one area of the nursing center or on a facility-wide basis. They will involve gathering information systematically to clarify issues or problems and intervening for improvements. CCMC will conduct PIPs to examine and improve care or services in areas identified as needing attention.

PIP Determination Process:

Areas for improvement are identified by routinely and systematically assessing quality of care and service, and include high risk, high volume, and problem prone areas. Consideration will be given to the incidence, prevalence, and severity of problems, especially those that affect health outcomes, resident or patient safety, autonomy, choice, quality of life, and care coordination. All staff are responsible for assisting in the identification of opportunities for improvement and are subject to selection for participation in PIPs.

Assigning Team Members:

When a performance improvement opportunity is identified as a priority, the Quality Improvement Committee will initiate the process to charter a PIP team. This charter describes the scope and objectives of the improvement project so the team working on it has a clear understanding of what they are being asked to accomplish. Team members will be identified from internal and external sources by the Quality Improvement Committee or designated project manager, and with relationship to their skills, service provision, job function, and/or area of expertise to address the performance improvement topic.

Managing PIP Teams:

The PIP project director or manager will manage the day-to-day operations of the PIP and will report directly to the Quality Improvement Committee.

Documenting PIPs:

PIPs will be documented continuously during execution. The documentation will include the overall goals for the project and will identify team members, define appropriate measures, root cause analysis findings, interventions, PDSA cycle findings, meeting minutes, target dates, and overall conclusions.

Systematic Analysis & Systemic Action

Recognizing Problems and Improvement Opportunities:

We will use a thorough and highly organized/structured root cause analysis approach (e.g. Failure Mode and Effects Analysis, Flow Charting, Five Whys, Fishbone Diagrams, etc.) to determine if and how identified problems may be caused or exacerbated by the way care and services are organized or delivered. This systematic approach will help to determine when in-depth analysis is needed to fully understand the problem, its causes, and implications of a change.

These systemic actions will look comprehensively across all involved systems to prevent future events and promote sustained improvement. The focus will be on continuous learning and improvement.

Identifying Change as an Improvement:

CCMC CAH & Long-Term Care QAPI Plan

Changes will be implemented using an organized and systematic process. The process will depend on the nature of the change to be implemented, but will always include clear communication of the structure, purpose, and goals of the change to all involved parties. Measures will be established that will monitor progress and change during PDSA cycles for PIPs and widespread improvement activities.

Communications & Evaluation

Internal and External QAPI Communication:

Regular reports and updates will be provided to the Board of Directors, management, staff, resident/family council, external partners, and other stakeholders. This will be accomplished through multiple communications channels and media such as staff meetings, new hire orientation, staff training sessions, e-mail updates and memos, storyboards, resident and family councils, newsletter articles, administration reports, local media, and social media.

Identifying a Working QAPI Plan:

On at least an annual basis, or as needed, the QAPI Self-Assessment will be conducted. This will be completed with the input from the entire QAPI team and organizational leadership. The results of this assessment will direct us to areas we need to work on in order to establish and improve QAPI programs and processes in our organization.

We will also conduct an annual facility assessment to identify gaps in care and service delivery in order to provide necessary services. These items will be considered in the development and implementation of the QAPI plan.

Assessment results over time.

Revising our QAPI Plan:

The Quality Improvement Committee will review and submit proposed revisions to the Governing Body for approval on an annual and/or as needed basis.

Record of Plan Review:

Board Chair Signature

Date

This document is intended to contain information, reports, statements, or memoranda that are subject to the "medical peer review" privilege or comparable state statute. This document is confidential and is meant for the intended recipient only. It is prepared as an integral part of Quality Assurance and Performance Improvement (QAPI) and it is used by the QAPI Committee to help identify, assess, and evaluate, through self-critical analysis, quality and performance issues. Further, it is used to develop initiatives to improve quality of care and quality of life for residents. If you have received this document in error, please delete it from your records.

CCMC Long Term Care QAPI Plan Effective date: January 1, 2022



Memorandum

To: CCMC Authority Board of Directors

From: Dr. Hannah Sanders, CEO

Subject: Public Employee's Deferred Compensation Program of Alaska

Date: 1/06/2022

Suggested Motion: "I move that the CCMC Authority Board of Directors approve Resolution 2022-001, a Resolution by the Cordova Community Medical Center Authority Board of Directors authorizing the participation of its employees in the Public Employees' Deferred Compensation Plan of Alaska and the payment of the required contributions, pursuant to as 39.45 et. seq."

RESOLUTION 2022-001

A RESOLUTION BY THE CORDOVA COMMUNITY MEDICAL CENTER AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE PARTICIPATION OF ITS EMPLOYEES IN THE PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN OF ALASKA AND THE PAYMENT OF THE REQUIRED CONTRIBUTIONS, PURSUANT TO AS 39.45 ET. SEQ.

WHEREAS, the Cordova Community Medical Center, located in Cordova, Alaska, wishes to increase the fringe benefits of its employees by adoption of a deferred compensation program
NOW THEREFORE BE IT RESOLVED by the CCMC Authority Board of Directors that

1. Pursuant to AS 39.45.010 et. seq., the CCMC Authority Board of Directors of the Cordova Community Medical Center requests permission to become a participating employer of the Public Employees' Deferred Compensation Program of Alaska.
2. All regular full-time employees of the Cordova Community Medical Center shall be participating members of the Public Employees' Deferred Compensation Program of Alaska.
3. All regular part-time employees of the Cordova Community Medical Center shall be participating members of the Public Employees' Deferred Compensation Program of Alaska.
4. The following employee groups are excluded from participation: (List any excluded groups) .
5. The Cordova Community Medical Center acknowledges the Public Employees' Deferred Compensation Program of Alaska is a voluntary plan which accepts employee contributions on either a pre-tax or post-tax basis through payroll deduction. No employer contributions may be made to the program.
6. The Cordova Community Medical Center further requests that participation in the Public Employee's Deferred Compensation Program of Alaska be made effective March 1st, 2022.
7. The Cordova Community Medical Center authorizes and directs Hannah J. Sanders, Chief Executive Officer to:
 - a. take any and all steps necessary to enroll the Cordova Community Medical Center and its employees in the Public Employee's Deferred Compensation Program;
 - b. initiate a Participation Agreement between the Cordova Community Medical Center and the State of Alaska; Department of Administration PASSED,
APPROVED AND ADOPTED BY THE CCMC Authority Board of Directors this _____ day of _____, 2022



Memorandum

To: CCMC Authority Board of Directors
From: Dr. Hannah Sanders, CEO
Subject: Dingus, Zarecor and Associates, PLLC
Date: 12/29/2021

Suggested Motion: "I move that the CCMC Authority Board of Directors approve the Engagement letter from Dingus, Zarecor & Associates for the 2021 audit."

December 28, 2021

Health Services Board
and Dr. Hannah Sanders, CEO
Cordova Community Medical Center
602 Chase Ave
Cordova, AK 99574

We are pleased to confirm our understanding of the services we are to provide Cordova Community Medical Center (the Hospital) for the year ending December 31, 2021.

Audit Scope and Objectives

We will audit the financial statements of the Hospital, which comprise the statement of net position as of December 31, 2021, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the disclosures. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Hospital's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Hospital's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis.
- Schedule of Proportionate Share of Net Pension Liability
- Schedule of the Hospital's Contributions - Defined Benefit Pension Plan
- Schedule of Proportionate Share of Net Other Postemployment Benefits Liability
- Schedule of the Hospital's Contributions - OPEB Plan

We have also been engaged to report on supplementary information other than RSI that accompanies the Hospital's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditors' report on the financial statements:

- Schedule of expenditures of federal awards.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles (GAAP) and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements. The objective also includes reporting on —

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our single audit. Our reports will be addressed to the governing board of the Hospital.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a single audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable amount of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures — Internal Control

We will obtain an understanding of the entity and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures — Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Hospital's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Hospital's major programs. The purpose of these procedures will be to express an opinion on the Hospital's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

The auditors' procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid antifraud and abuse. It is the responsibility of management of the entity, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provision of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements. Therefore, management's responsibilities for compliance with laws and regulations applicable to its operations, include, but are not limited to, those related to Medicare and Medicaid antifraud and abuse statutes.

With respect to cost reports that may be filed with a third party (such as federal and state regulatory agencies), the auditors have not been engaged to test in any way, or render any form of assurance on, the propriety or allowability of the specific costs to be claimed on, or charges to be reported in, a cost report. Management is responsible for the accuracy and propriety of all cost reports filed with Medicare, Medicaid, or other third parties.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Hospital in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement, schedule of expenditures of federal awards, and related notes previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information, including information from outside of general and subsidiary ledgers. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as: records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review at the beginning of audit fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes, and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

HIPAA Business Associate Agreement

You agree that you are solely responsible for the accuracy, completeness, and reliability of all data and information you provide us for our engagement. You agree to provide any requested information on or before the date we commence performance of the services. To protect the privacy and provide for the security of any protected health information, as such is defined by the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, and the regulations and policy guidances thereunder ("HIPAA"), we shall enter into a HIPAA Business Associate Agreement ("BAA").

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the Hospital; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Dingus, Zarecor & Associates PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the regulatory agency, cognizant or oversight agency for the audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dingus, Zarecor & Associates PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulatory agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in approximately March 2022 and to issue our reports no later than June 2022. Shaun Johnson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (shipping and travel) except that we agree that our gross fee, excluding expenses, will be as follows:

Audit	\$28,000
Uniform Guidance Single Audit	\$7,500
State of Alaska Single Audit, if necessary	\$7,500

The fee is based on one major program. Our fee for the Uniform Guidance Single Audit includes one major program to be audited. Each additional major program will increase our fee by \$2,500.

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2019 peer review report accompanies this letter.

Reporting

We will issue a written report upon completion of our audit of Cordova Community Medical Center's financial statements. Our report will be addressed to management and those charged with governance of Cordova Community Medical Center. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to Cordova Community Medical Center and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please print and sign a copy and return to us.

DINGUS, ZARECOR & ASSOCIATES PLLC



Shaun Johnson, CPA
Owner

RESPONSE:

This letter correctly sets forth the understanding of Cordova Community Medical Center.

Management signature: _____

Title: _____

Date: _____

Governance signature:

Title:

Date:

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

July 14, 2020

To the Owners of
Dingus, Zarecor & Associates, PLLC
and the Peer Review Committee of the Washington Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Dingus, Zarecor & Associates, PLLC (the firm), in effect for the year ended November 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Dingus, Zarecor & Associates, PLLC, in effect for the year ended November 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Dingus, Zarecor & Associates, PLLC, has received a peer review rating of *pass*.

ARNETT CARBIS TOOTHMAN LLP

