Blue Mountain Hospital District
170 Ford Road, John Day, OR 97845
BlueMountainHospital.org

BMHD BOARD OF DIRECTORS
SEPTEMBER 23, 2026

Board Members Present: Amy Kreger, Chair; Tim Unterwegner, Treasurer; Kris Tanory; Barb Oliver; Paul Smith

Administration/Staff Present: Misty Robertson, CEO; Mike Ellis, CFO; Debbie Morris, CNO; Lori Lane, Director of Compliance; Maisie Taylor, CHRO; Cynthia Lewis, Care Center AIT/DNS; Chris Wall, Director of IT; Dani Nodine, Quality; Kendel Margart, Chief of Staff; Jody Starbuck, Hospice/Home Care Manager; Carmen Gardner, Executive Assistant

Guests/Staff Present: Approximately 18 individuals attended in person, with additional attendees participating via Microsoft Teams. An attendance sheet was provided for those attending in person.

Call to Order

Kreger called the Blue Mountain Hospital Board of Directors meeting to order at 5:00 p.m.

Additions/Deletions

The following adjustments were made to the agenda.

- Additions:
  - Under Item VI, New Business;
    - E. Election of Board Treasurer
    - F. Appoint Board Member to the Finance Committee

Community Comment

Board Chair, Amy Kreger, addressed community reports on social media suggesting the District would close or merge, stating that the District was not closing its doors, that no merger discussions were underway, and that the District was working to continue services.

Francis Preston, community member, raised concerns regarding the District's financial and operational challenges, employee unionization, staff concerns about workplace culture and transparency, provider departures, access to care, continuation of labor and delivery/OB-GYN and emergency services, staffing and patient safety, and the Board's oversight of future union negotiations. Preston provided written comments to the Board.

Approval of Minutes

Kreger asked for approval of the minutes from the August 26, 2026, Board of Directors meeting.

Motion: Tanory moved to approve the minutes as presented. Unterwegner seconded, and the motion carried unanimously.

Old Business

A. Compliance Update
Lori Lane reported that the Centers for Medicare & Medicaid Services (CMS) issued a closure notice regarding the price transparency warning received in May. CMS reviewed the District's corrective actions in August and found no deficiencies. The District was reported to be in compliance, and no fines were assessed. Administration will continue working with Corro Health to monitor compliance and regulatory changes.

New Business

Financial Report

1. Treasurer Report
Unterwegner reported that the Finance Committee met earlier in the week and reviewed several items, including an update on the audit, and a report on clinic changes and performance metrics. The preliminary report from auditor Eide Bailly was expected to be distributed to the Board by October 16, with a presentation for Board consideration at the October 28 meeting.

2. CFO Report
Ellis presented the District's financial results for August, the second month of the fiscal year. The District had approximately 138 days cash on hand, which was expected to decrease somewhat following a Medicare-related payment but remain above 100 days. The District reported an operating loss of approximately $186,000 for the month. After non-operating revenue, primarily property tax income, the

net loss was approximately $58,000. Compared with the budgeted operating loss of $118,000, this represented an unfavorable variance of approximately $69,000. Lower volume and slightly higher expenses contributed to the variance.

In response to a question about the Medicare-related payment, the CFO stated that the amount was still being evaluated. The cost report was expected to be available by the next Board meeting, along with the audit.

Strawberry Wilderness Community Clinic (SWCC) Presentation

Ellis, Robertson and Taylor reviewed the clinic's financial and operational results, including a FY2026 net loss exceeding $1 million. The clinic averaged approximately 10.5 visits per provider per day, compared with a stated break-even target of 16 visits. Total daily visits averaged 31 in FY2025 and 32 in FY2026. The presentation addressed provider compensation benchmarks, staffing costs, rural recruitment and retention, challenges maintaining obstetric services, and efforts to increase clinic volume. The no-show rate had increased to approximately 13% over the prior three months. Administration planned to provide additional clinic information to the Board.

During discussion, staff emphasized that some historical visit data included providers who had not yet been credentialed with insurance payers, limiting the clinic's ability to bill for those visits. Administration clarified that commercial payer credentialing may take 90–120 days or longer, but Medicare credentialing is immediate. Discussion also addressed patient access and the effects of delayed insurance credentialing on patients, which was described as minimal.

Board Meeting Dates

The Board reviewed the meeting calendar and discussed holiday scheduling. The existing 2026 schedule will remain in place. For 2027, the Board discussed skipping the November meeting and moving the December meeting to December 15. For 2028, the Board discussed holding the November meeting on November 29 and skipping the December meeting. Board members present reached consensus on the proposed changes; no formal action was taken.

Board Member Resignation

The Board received a resignation letter from Unterwegner, effective immediately following the September 23, 2026, meeting, due to his family's move to Boise. The letter expressed appreciation for the District and its staff and confidence in the District's progress. Letter of resignation included with the minutes.

Motion: Tanory moved to accept Unterwegner's resignation. Oliver seconded, and the motion carried unanimously.

Board Member Recommendation Committee

The Board discussed filling two Board vacancies and agreed to close applications on October 16, 2026. Jena Knowles will update the District website to indicate that two Board members were being sought. Tanory, Smith, and Oliver were appointed to serve on the recommendation committee. The committee will review applications, select a representative to present its recommendation to the Board at the October meeting, and notify applicants who are not selected.

Elect Board Treasurer

Motion: Oliver moved to nominate Tanory as Board Treasurer. Smith seconded, and the motion carried unanimously.

Finance Committee Board Member Appointment

The Board discussed adding a member to the Finance Committee and appointed Smith to serve on the committee.

Medical Staff Report

Dr. Margart reported on the September 1, 2026, Medical Staff meeting, noting continued improvement in ED callback processes for culture results and access to follow-up appointments. The following appointments and reappointments were recommended for approval:

Appointment

- Holly Calderon, DO – Courtesy Medical Staff
- Dawn Marten, APRN, NP, CNM – Allied Health Staff, Independent

Reappointment

- Brant Wommack, MD, CORA – Courtesy Medical Staff
- Daymen Tuscano, MD, CORA – Courtesy Medical Staff
- Gillian Seton, MD – Courtesy Medical Staff

Motion: Unterwegner moved to approve the appointments and reappointments as presented. Oliver seconded, and the motion carried unanimously.

Administrative & Department Reports (see reports)

CEO Report

Robertson provided updates on the Cascades High Value Network, a proposed network of 11 independent Oregon hospitals working toward value-based contracts and quality improvement. The network remained in the state approval process. The District also joined the Medicare Shared Savings Program through Wellvana, with quality-measure collection expected to begin in January and estimated shared-savings revenue of $200,000–$300,000 anticipated in 2028.

Robertson reported that the District was transitioning Care Center medical services from Daiya, a virtual provider, to internal coverage under Dr. Zickgraf, with the transition expected to be completed within approximately 60 days. She also reported that Dr. Robert Yee submitted his 90-day resignation and plans to return to Bend for family reasons. Locum coverage is being arranged to maintain maternity and

C-section services until Dr. Nina Ruckhaus is expected to join in August 2027. Additional provider updates included Dr. Oglesby's anticipated support of the nurse midwives, Dr. Calderon's start as general surgeon on September 1, and continued recruitment for an additional certified nurse midwife.

Blue Mountain Care Center Report

Lewis highlighted the transition to an internal medical director and expressed anticipation for having local medical oversight.

CNO Report

Morris reported on maternal-health training conducted with the Oregon Perinatal Collaborative from OHSU. The training included simulations for postpartum hemorrhage and shoulder dystocia with Dr. Mumford, Dawn Marten, nursing staff, and OR staff. Morris also reported that a "Meet the Midwife" event was being planned and noted ongoing efforts to develop the Quality Department and improve the patient experience.

Nodine provided an update on the patient experience program, highlighting current efforts, patient feedback, changes implemented in response to that feedback, and plans for future improvement.

Human Resources Report

Taylor reported that employees reaching service milestones of 5, 10, 15, 20, 25, and 40 years were recognized at celebrations held at the Care Center and hospital. She also reported that the Employment Relations Board determined the wall-to-wall bargaining unit was appropriate. The District is working with its legal team on next steps and anticipates receiving a demand to bargain so negotiations can be scheduled.

IT Report

No additional updates were provided beyond the written report.

Hospice/Home Care Report

Starbuck reported that four Starlink units had arrived for District vehicles; two were installed, with the remaining installations expected the following week to improve connectivity for staff traveling throughout the county. She also highlighted a $2,000 technical assistance grant from the Ford Family Foundation that supported the hospice biller's attendance at the American Medical Billing Association Conference in Las Vegas on September 9–10.

Employee Participation

Employees were invited to provide comments. Sami Norland provided additional context regarding the Strawberry Wilderness Community Clinic presentation, explaining that historical visit totals included periods when providers were not yet credentialed with insurance payers, which limited the clinic's ability to bill for those visits.

Andrew Copenhaver raised concerns about employees and community members receiving follow-up to questions and asked about emergency department patient surveys and overnight obstetric nursing coverage. Discussion followed regarding communication channels, the public comment process, and a proposed written comment/question card to direct inquiries to the appropriate person for follow-up.

Sutton George addressed clinic performance metrics, no-show rates, provider recruitment and retention, workplace culture, and the importance of transparent information when evaluating clinic performance. Discussion also addressed delays in insurance credentialing and their effects on patient access and medication costs, as well as the confidentiality of exit interviews.

Meeting Feedback

The Board discussed improving communication with employees and community members. A proposal was raised to use a brief comment/question card to capture the topic, name, and contact information, allowing questions to be directed to the appropriate source for follow-up rather than handled as an extended exchange during public comment. Smith was asked to provide a draft for Board review.

Smith also emphasized the importance of cooperation among the District, community, and local public services, and encouraged a solution-oriented approach to sustaining and improving local healthcare services.

Items for Future Board Meetings

- Board Member Recommendations
- Audit
- CAH/RHC Annual Reports

Executive Session

Kreger stated that no decisions would be made following executive session and requested a motion to enter executive session under **ORS 192.660(2)(f)**, to consider information or records exempt from public inspection; **ORS 192.355(1)**, advisory communications; **ORS 192.355(4)** confidential information submitted to a public body; and **ORS 192.345(2),** trade secrets.

Motion: At 6:30 p.m., Oliver moved to enter executive session as listed. Smith seconded, and the motion carried unanimously.

6:40 p.m. – Following a brief break, Kreger called the executive session to order.

Present: Kreger, Unterwegner, Smith, Tanory, Oliver, Robertson, Ellis, and Lane.

6:55 p.m. – Lane exited the executive session.

7:15 p.m. – Motion: Oliver moved to adjourn executive session and return to open session. Unterwegner seconded, and the motion carried unanimously.

7:15 p.m. – Return to Open Session: The doors were opened, and community member Francis Preston returned. The Board thanked Unterwegner for his dedication to Blue Mountain Hospital District and expressed that he would be missed. He was presented with a basket of Blue Mountain Hospital items as a token of appreciation.

Adjournment

At 7:18 p.m., with no further business to discuss, Kreger called for a motion to adjourn the meeting.

Motion: Unterwegner moved to adjourn the meeting. Smith seconded, and the motion carried unanimously.

Minutes Submitted by:
Carmen Gardner
Executive Assistant

Amy Kreger, Board Chair — Date 10-28-26

Shawna Clark, Board Secretary — Date 10.28.26

Misty Robertson

Chief Executive Officer

Blue Mountain Hospital District

Dear Misty,

It is with a heavy heart that I send this letter notifying you of my resignation from the Board of Directors of the Blue Mountain Hospital District, effective immediately after the September 23, 2026 meeting. I would have liked to honor my commitment by serving through the end of my term, but with my family's move to Boise, I can no longer serve on the Board. In my family's 32+ years of living in Grant County, we have all received excellent medical care by the District.

The last three years have been a tremendous learning experience for me and I have the utmost respect and admiration for the current Board of Directors, the administrative and leadership teams at the hospital, care center, clinic, home health, hospice, and the entire District staff. I sincerely believe the District has set itself up to be financially viable and has made significant progress toward recruiting the staff needed to continue to provide quality healthcare for Grant County and the surrounding area.

Sincerely,

Tim Unterwegner

CC: Amy Kreger