

Board of Commissioners Meeting Minutes  
Thursday, February 26, 2026  
6:00 pm

Agenda	Discussion	Action Items
Call to Order	<p><b>Call to Order</b> The meeting of the board of commissioners meeting of WhidbeyHealth Medical Center was called to order at 6:00 pm by board president Marion Jouas.</p> <p><b>Commissioners present:</b> Marion Jouas, Kirk Gasper MD, Mark Borden MD, Katherine Nelson</p> <p><b>Present:</b> Nathan Staggs, CEO; Paul Rogers, CFO; Shanna Harney-Bates, Executive Director of Quality and Transformations; Tim Waldner, Executive Director of Ancillary Services; Robert Rookstool MD, Chief of Staff; John Gleason, Administrative Chief of Staff.</p>	
Consent Agenda	<p><b>Introduction of new commissioner Katherine Nelson</b></p> <ul style="list-style-type: none"> <li>• Commissioner Nelson was interviewed, selected and sworn in on Monday, Jan 23.</li> <li>• She has worked with government entities for many years and then transferred into healthcare.</li> <li>• She is thrilled to have the opportunity to join the organization as a commissioner.</li> </ul> <p><b>Approval of January 22, 2026 Board Meeting Minutes</b></p> <p><b>Approval of January 30 2026 Board Special Session Minutes</b></p>	<p>Approval of 1/22 Minutes Motedioned: Comm. Gasper Secoded: Comm. Borden Motion is approved</p> <p>Approval of 1/30 minutes Motedioned: Comm. Gasper Secoded: Comm. Borden Motion is approved</p>
Audit Update	<p><b>WhidbeyHealth Audit Update</b></p> <ul style="list-style-type: none"> <li>• The state conducts periodic audits of government organizations, and WhidbeyHealth was recently a part of a state audit.</li> <li>• Here to discuss is Serena Sall, Audit Lead; Scott Hylton, Audit Supervisor; and Deen Garza, Audit Manager; from the Washington State Auditors Office.</li> <li>• An accountability audit was conducted for Jan 1 2023 through Dec 31, 2024.</li> <li>• There was one management letter regarding credit cards and electronic funds transfers. This issue has been discussed in detail with Carl (Bredthauer, Director of Finance) and the Financial team.</li> <li>• A second management letter was submitted regarding patient billing.</li> <li>• Scott Hylton reviews different levels indicating financial health.</li> <li>• The audit cost included a one-time increase of \$5,800 due to additional items.</li> <li>• The next audit will be conducted in 2027.</li> <li>• The accounting team has drafted a management response that will be shared with the commissioners.</li> </ul>	

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<b>Public Comments</b>	<ul style="list-style-type: none"> <li>Community member Lindsay Hood - Ms. Hood shares her concern from the January board meeting. She thanks the medical staff and employees who showed up in support of CEO Nathan Staggs. She addressed Commissioner Borden directly and called for him to resign from his position as a commissioner due to his role in the firing of Nathan Staggs. She reiterates the danger that was posed to the 700+ employees as well as to those in the community who rely on WhidbeyHealth for their medical needs.</li> <li>Community member Trish Rose - Ms. Rose discusses concern she had watching the January board meeting and Commissioner Borden's actions in particular. Ms. Rose addresses Commissioner Borden's time as a doctor at WhidbeyHealth, and the events surrounding having his medical privileges removed during that time. She discussed Commissioner Borden's desire to be an advocate for the medical staff, stating that this is not his job as a commissioner.</li> <li>Both commenters stated that if Commissioner Borden chose not to resign, they would work to remove him as a commissioner through the recall process.</li> </ul>	

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<b>Medical Staff Report</b>	<p><b>Justin Williams, MD, Chief of Staff Elect</b> Dr. Williams presents the credentials report to the board.</p> <p><b>Initial Appointments</b></p> <ul style="list-style-type: none"> <li>Morgan McNutt PA-C, Primary Care-Cabot, Provisional Active</li> <li>Shasank Rijal MD, Cardiology, Provisional Tele-Medicine</li> <li>Maurice Yu MD, Radiology - Remote, Provisional Courtesy</li> </ul> <p><b>Advancements</b></p> <ul style="list-style-type: none"> <li>Sean Whalen, Radiology-Remote, Tele-Medicine</li> <li>Janice Yee, MD, Radiology-Remote, Tele-Medicine</li> </ul> <p><b>Reappointments</b> None</p> <p><b>Privilege Request Form - Pain Medicine Physician</b></p> <ul style="list-style-type: none"> <li>This is a new service line offered by the hospital.</li> <li>This is a new privilege set created in conjunction with preexisting sets.</li> <li>The new pain management specialist has a variety of modalities.</li> <li>Anytime we grant hospital privileges, we want to cover things that they do and do not do, but we also do not want to be too specific to this particular</li> </ul>	<p>Initial Appointments Motioned: Comm. Gasper Seconded: Comm. Nelson Motion is approved</p> <p>Advancements Motioned: Comm. Gasper Seconded: Comm. Nelson Motion is approved</p> <p>Pain Med Physician Motioned: Comm. Gasper Seconded: Comm. Borden Motion is approved</p>

	<p>provider, because in theory we may have future pain management specialists who perform other functions.</p> <p><b>Privilege Request Form - Pediatrician/Newborn Physician</b></p> <ul style="list-style-type: none"> <li>We have current Pediatricians on the medical staff, but WhidbeyHealth has not employed a pediatrician.</li> <li>This privilege set was created to have hospital-based privileges as well as outpatient privileges.</li> </ul>	<p>Pediatrician Physician  Motedioned: Comm. Borden  Seconded: Comm. Gasper  Motion is approved</p>
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HealthTech Report	<p><b>Discussion</b></p> <ul style="list-style-type: none"> <li>There is no HealthTech report at this time.</li> </ul>	

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Staff and Status Reports	<p><b>Quality and Compliance Report - Shanna Harney-Bates, Executive Director of Quality and Compliance</b></p> <ul style="list-style-type: none"> <li>Shanna shares the February Quality report with the board.</li> <li>Crisis Prevention Training takes place March 11-12 with approx. 15 healthcare workers.</li> <li>A third CNA program starts in April.</li> <li>WhidbeyHealth had 20 more patient aggression events in 2025 than in 2024.</li> <li>The hospital continues to mask due to acute respiratory infections.</li> <li>WhidbeyHealth completed a successful Department of Health survey.</li> </ul> <p><b>Finance Report - Paul Rogers, Chief Financial Officer</b></p> <ul style="list-style-type: none"> <li>Our patient days numbers have fallen, and we currently are having issues with nurse staffing.</li> <li>Emergency room visits spiked in January.</li> <li>While we are seeing good clinic growth, we are seeing a deficit compared to the budget.</li> <li>The total net surplus is at \$551k for January.</li> <li>Assets show a decrease of over \$2 million.</li> <li>We had three payrolls in the month of January, which resulted in lower financial figures for the month than normal.</li> <li>We have seen increases in the cost of supplies and goods because of tariffs.</li> <li>Days cash on hand is at 13.1 days.</li> <li>We transferred billing from an outside vendor to in house staff in October and November. During that transition period, billing decreased significantly.</li> </ul>	

	<p>Billings to payers rose by millions of dollars in December and January.</p> <p><b>IT Report - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• No updates at this time.</li> </ul> <p><b>Facilities Report - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• We are installing a new CT machine.</li> </ul> <p><b>Operations and Outpatient Services - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• We have a new Cardiologist that started in March.</li> <li>• We are recruiting for an additional Orthopedic Surgeon as well as Pediatricians.</li> </ul> <p><b>Nursing Report - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• No updates at this time.</li> </ul> <p><b>Human Resources Report - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• No updates at this time.</li> </ul> <p><b>Administrator's Report - Nathan Staggs, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• We are quickly running out of clinic space and are working on solutions to that problem.</li> <li>• We have waiting lists at every clinic.</li> </ul>	
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Agenda	Discussion	Action Items
<b>General Board Items</b>	<p><b>Bid Approval - Trico Endoscopy</b></p> <ul style="list-style-type: none"> <li>• We recently finished an upgrade to our existing Operating Room. In that process we lost a negative air room.</li> <li>• We have identified a location to expand the OR to.</li> <li>• This will free up an OR room as well as give us an ability to perform C-sections.</li> <li>• We received 5 bids for this project and have selected Trico.</li> <li>• We are looking for board approval to award Trico the bid.</li> <li>• The plan is to move scopes to this room once it is built.</li> <li>• Construction costs will be around \$1,139,000. This would be funded with working capital.</li> <li>• This project includes the replacement of 3 end-of-life air handlers. The cost would be paid through 84 lease payments over 7 years totaling \$360k.</li> <li>• Surgical equipment will total \$383,581 also funded through leases.</li> <li>• The total for the project is \$1,883,000.</li> <li>• This project would also bring a scope cleaning room up to code.</li> <li>• Paul brings 4 additional items that are capital expenditures - patient beds are discussed.</li> </ul>	<p>Trico Endoscopy Bid Motion: Comm. Gasper Seconded: Comm. Nelson Motion is approved</p>

	<ul style="list-style-type: none"> <li>Because the items were not listed on the agenda, the decision is made to table these items to the next board meeting once the commissioners have had more opportunities to review.</li> </ul> <p><b>Board Committee Assignments</b></p> <ul style="list-style-type: none"> <li>Commissioner Jouas has appointed new Commissioner Katherine Nelson to join the Compliance and Ethics Committee as well as the Medical Staff Meeting.</li> <li>Commissioner Nelson shares no other preference and is happy to slot in as needed.</li> </ul> <p><b>Board Position 3 Nomination and Timeline</b></p> <ul style="list-style-type: none"> <li>The board has one more vacant position to fill, position 3.</li> <li>The person selected will be appointed in March and will be in place by the March board meeting.</li> <li>This person will serve until the 2027 election.</li> <li>The board will nominate a candidate on 3/26</li> <li>The 15-day application window will end on Mon, 3/16 at 5:00 pm.</li> <li>March 19 - Special session to narrow the applicant field if there are more than 4 candidates.</li> <li>March 23 - Special session board meeting to interview applicants.</li> <li>The board chooses to continue with 4 candidates. Candidates who were already interviewed for position 2 may choose not to interview a second time.</li> </ul>	<p><b>Committee Assignments</b>  Moted: Comm. Gasper  Secoded: Comm. Borden  Motion is approved</p>
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Agenda	Discussion	Action Items
<b>Commissioner Candidate Nomination</b>	<p><b>Discussion</b></p> <ul style="list-style-type: none"> <li>Commissioner Gasper nominates Henry Veldman as the board's nominee to potentially fill position 3.</li> <li>We had 4 highly qualified candidates.</li> <li>Mr. Veldman has strong experience as a hospital CEO, and Commissioner Gasper was impressed with his desire to serve on the Finance Committee, a recognized weakness of the current board members.</li> </ul>	<p>Henry Veldman Nomination  Moted: Comm. Gasper  Secoded: Comm. Borden  Motion is approved</p>

Agenda	Discussion	Action Items
<b>Executive Session</b>	<p><b>Executive Session</b></p> <ul style="list-style-type: none"> <li>The board will move to Executive Session for a total length of 30 minutes to discuss the hospital's relationship with HealthTech per RCW 42.30.110(i) to discuss legal risks expected to result in adverse legal or financial consequences.</li> <li>We will have legal representation on the call.</li> <li>No decisions will be made, and no votes will be taken.</li> </ul>	<p>Time out of regular session: 7:18 pm   Time into Executive Session: 7:20 pm   Time out of Executive Session: 7:45 pm</p>

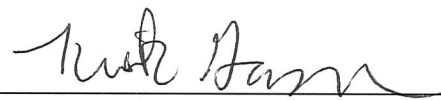
			Return to Open Board Meeting: 7:48 pm
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Agenda		Discussion	Action Items
<b>Executive Session</b>	<b>Executive Session</b>	<ul style="list-style-type: none"> <li>The board will move to Executive Session for a total length of 15 minutes to evaluate the qualifications of an applicant for public employment per RCW 42.30.110(g).</li> <li>No legal representation will be on the call.</li> <li>No decisions will be made, and no votes will be taken.</li> <li>Any decisions and actions will take place in an open session.</li> </ul>	Time out of regular session: 7:49 pm  Time into Executive Session: 7:49 pm  Time out of Executive Session: 8:04 pm  Return to Open Board Meeting: 8:05 pm

Agenda		Discussion	Action Items
<b>Commissioner Comments</b>		<ul style="list-style-type: none"> <li>Commissioner Gasper shares appreciation for participation from the community as well as support shown from the hospital staff towards CEO Nathan Staggs. He looks forward to continuing the work of building trust between the board, the hospital and the community.</li> </ul>	

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<b>Adjournment</b>		<ul style="list-style-type: none"> <li>The next regular board meeting will take place on Thursday, March 26 at 6:00 pm.</li> <li>The board meeting is adjourned at 8:07 pm</li> <li>Minutes are taken by John Gleason</li> </ul>	Motion to adjourn: Comm. Nelson Seconded: Comm. Gasper Motion is approved

  
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President of the Commission, Marion Jouas

  
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Commissioner, Kirk Gasper, MD

  
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Commissioner, Mark Borden, MD

  
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Commissioner, Katherine Nelson

