



SoHum Health

Southern Humboldt Community Healthcare District

GOVERNING BOARD MEETING

March 28, 2024
1:30 p.m.

***(In person and Via Webex
Conferencing)***

**Sprowel Creek Campus, Rm 106
286 Sprowel Creek Road
Garberville, CA 95542**

MEETING NOTICE

Governing Board

A regular meeting of the Board of Directors of the Southern Humboldt Community Healthcare District will be held on March 28, 2024, at 1:30 p.m., by teleconference and in-person. Members of the public may participate virtually via Webex or telephone, or appear in person at the Sprowel Creek Campus at 286 Sprowel Creek Road, Garberville, California 95542.

Call-In Information:

Tap to join from a mobile device (attendees only) [+1-415-655-0001](tel:+1-415-655-0001), [25961264606##](tel:+1-415-655-0001) US Toll

Join by phone +1-415-655-0001 US Toll

Webex Link: <https://shchd.webex.com/shchd/j.php?MTID=m65c1024281b4ef67076bbe032ec5f0d9>

Written comments may also be sent to boardcomments@shchd.org. Comments received no later than two hours prior to the start of the meeting will be provided to the Board or may be read aloud or summarized during the meeting. Members of the public may also comment in real time during the meeting by attending in person or via Webex or phone.

Agenda

| Page | Item |
|------|--|
| | A. Call to Order |
| | B. Approval of the Teleconferencing of a Board Member |
| | C. Approval of the Agenda |
| | D. Public Comment on Non-Agendized Items See below for Public Comment Guidelines |
| | E. Board Member Comments Board members are invited to address issues not on the agenda and to submit items within the subject jurisdiction of the Board for future consideration. Please limit individual comments to three minutes. |
| | F. Announcements |
| | G. Approval of Consent Agenda – <ol style="list-style-type: none">Approval of Previous Minutes<ol style="list-style-type: none">Governing Board Meeting Minutes, February 29, 2024 |

- b. Special Governing Board Meeting Minutes, February 29, 2024
 - 2. Quarterly Quality Assurance Performance Improvement Committee Report – (Feb, May, Aug, Nov) - None
 - 3. Quarterly Reports - (Feb, May, Aug, Nov)
 - a. Quality and Risk Management – Kristen Rees, Chief Quality and Compliance Officer and Risk Manager – None
 - b. Human Resources – Rachel Wells, HR Director - None
 - c. Foundation – Chelsea Brown, Outreach Manager – None
 - H. Correspondence, Suggestions, or Written Comments to the Board
 - I. Last Action Items for Discussion
 - 1. Hiring Doctors/Practitioners Update – Matt Rees
 - 2. Advocacy/Legislation Conferences
 - J. Administrator’s Report – Matt Rees, CEO
 - 1. Department Updates
 - a. Modern Capital Presentation
 - b. Milestones
 - c. Monthly Department Highlight
 - d. Financial Reports – Paul Eves, CFO -See Report
 - e. Nursing – Adela Yanez, CNO – See Report
 - f. Quality and Risk Management – Kristen Rees, CQO
 - g. Family Resource Center – Amy Terrones – Mar and Oct
 - 2. Strategic Plan
 - K. Old Business
 - 1. Strategic Items for Discussion
 - a. Future Facilities Planning - Kent
 - b. Services
 - L. New Business
 - 1. Strategic Items for Discussion
 - a. Future Facilities Planning
 - b. Services
 - 2. Approval of Resolution 24:05, Debt Insurance and Management Policy
 - 3. Approval of Resolution 24:06, Reimbursement
 - 4. Approval of Resolution 24:07, Policy and Procedure
 - 5. Policy Approval Process
 - 6. Committee Assignments

M. Parking Lot

1. Sprowel Creek Campus parking

N. Meeting Evaluation

O. New Action Items

P. Next Meetings

1. Medical Staff Committee – Policy Development – Wednesday, April 10, 2024, at 3:30.
2. QAPI Meeting – Wednesday, April 10, 2024, at 10:00 a.m.
3. Finance Committee – Friday, April 19, 2024, at 10:00 a.m.
4. Governing Board Meeting – Thursday, April 25, 2024, at 1:30 p.m.

Q. Adjourn to Closed Session

1. Closed Session
2. Reports of Quality Assurance Committees [**H&S Code § 32155**]
3. Compliance and Risk - Kristen Rees, CQO
4. Quarterly Reports - Adela Yanez, CNO
 - a. Clinic – Jan., Apr., July, Oct. - None
 - b. Patient Safety – Mar., June, Sept., Dec. – See Report
 - c. Medication Error – Feb., May, Aug., Dec. – See Report
5. Annual Infection Prevention Report – See Report
6. Approval of Medical Staff Appointments/Reappointments [**H&S Code § 32155**]
 - a. Dr. Gregory Orth, MD, Associate Status, Diagnostic Radiology privileges, April 1, 2024, to March 31, 2026
 - b. Dr. Atul Patel, MD, Associate Status, Diagnostic Radiology privileges, April 1, 2024, to March 31, 2026
 - c. Dr. Huma Qureshi, MD, Associate Status, Diagnostic Radiology privileges, April 1, 2024, to March 31, 2026
 - d. Dr. Samuel Salen, MD, Associate Status, Diagnostic Radiology privileges, April 1, 2024, to March 31, 2026
 - e. Dr. Alix Vincent, MD, Associate Status, Diagnostic Radiology privileges, April 1, 2024, to March 31, 2026
7. Personnel matter –Evaluation § 54957
 - a. CQO Kristen Rees
8. Conference with Labor Negotiators § 54957.6

R. Adjourn Closed Session; Report on Any Action Taken, If Needed

S. Resume Open Session

T. Adjourn

Abbreviations

| | | | |
|-------------|--|--------------|--|
| <i>ACHD</i> | Association of California Healthcare Districts | <i>ACLS</i> | Advanced Cardiac Life Support Certification |
| <i>AR</i> | Accounts Receivable | <i>BLS</i> | Basic Life Support Certification |
| <i>CAIR</i> | California Immunization Registry | <i>CEO</i> | Chief Executive Officer |
| <i>CFO</i> | Chief Financial Officer | <i>CMS</i> | Centers for Medicare and Medicaid Services |
| <i>CNO</i> | Chief Nursing Officer | <i>COO</i> | Chief Operating Officer |
| <i>CPHQ</i> | Certified Professional in Healthcare Quality | <i>COO</i> | Chief Quality and Compliance Officer |
| <i>EMR</i> | Electronic medical record | <i>ER</i> | Emergency Room |
| <i>FTE</i> | Full Time Equivalent/Full Time Employee | <i>HIM</i> | Health Information Management |
| <i>HRG</i> | Healthcare Resource Group | <i>HVAC</i> | Heating, Ventilation and Air Conditioning system |
| <i>IGT</i> | Intergovernmental transfer | <i>IT</i> | Information Technology |
| <i>JPCH</i> | Jerold Phelps Community Hospital | <i>LCSW</i> | Licensed Clinical Social Worker |
| <i>LVN</i> | Licensed Vocational Nurse | <i>MPH</i> | Master of Public Health |
| <i>OBS</i> | Observation | <i>PALS</i> | Pediatric Advanced Life Support Certification |
| <i>PFS</i> | Patient Financial Services | <i>QAPI</i> | Quality Assurance Performance Improvement |
| <i>OIP</i> | Quality Improvement Project/Program | <i>RN</i> | Registered Nurse |
| <i>SHCC</i> | Southern Humboldt Community Clinic | <i>SHCHD</i> | Southern Humboldt Community Healthcare District |
| <i>SNF</i> | Skilled Nursing Facility | <i>SWG</i> | Swing beds |
| <i>DO</i> | Doctor of Osteopathic Medicine | | |

PUBLIC COMMENT ON MATTERS NOT ON THE MEETING AGENDA: Members of the public are welcome to address the Board on items not listed on the agenda and within the jurisdiction of the Board of Directors. The Board is prohibited by law from taking action on matters not on the agenda, but may ask questions to clarify the speaker’s comment and/or briefly answer questions. The Board limits testimony on matters not on the agenda to three minutes per person and not more than ten minutes for a particular subject, at the discretion of the Chair of the Board.

PUBLIC COMMENT ON MATTERS THAT ARE ON THE AGENDA: Individuals wishing to address the Board regarding items on the agenda may do so after the Board has completed their initial discussion of the item and before the matter is voted on, so that the Board may have the benefit of these comments before making their decision. Please remember that it is the Board’s responsibility to discuss matters thoroughly amongst themselves and that, because of Brown Act constraints, the Board meeting is their only opportunity to do so. Comments are limited to three minutes per person per agenda item, at the discretion of the Chair of the Board.

OTHER OPPORTUNITIES FOR PUBLIC COMMENT: Members of the public are encouraged to submit written comments to the Board at any time by writing to SHCHD Board of Directors, 733 Cedar Street, Garberville, CA 95542. Writers who identify themselves may, at their discretion, ask that their comments be shared publicly. All other comments shall be kept confidential to the Board and appropriate staff.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, if you require special accommodations to participate in a District meeting, please contact the District Clerk at 707-923-3921, ext. 1276 at least 48 hours prior to the meeting.”

**Times are estimated*

COPIES OF OPEN SESSION AGENDA ITEMS: Members of the public are welcome to see and obtain copies of the open session regular meeting documents by contacting SHCHD Administration at (707) 923-3921 ext. 1276 or stopping by 291 Sprowel Creek Rd, Garberville, CA 95542 during regular business hours. Copies may also be obtained on the District's website, sohumhealth.org.

Posted Monday, March 25, 2024

Governing Board

Date: Thursday, February 29, 2024
Time: 1:30 p.m.
Location: Sprowel Creek Campus and Via Webex Conferencing
Facilitator: Board President, Corinne Stromstad

Minutes

The following people attended at Sprowel Creek Campus and via Webex

Governing Board: Corinne Stromstad, Barbara Truitt, Galen Latsko, Kevin Church, and Jay Sooter, all in-person

Not Present: None

Also in person: CEO Matt Rees, CFO Paul Eves, HR Manager Season Bradley-Koskinen, HIM Manager Remy Quinn, EVS Worker Ariel Rayco, Accounting Controller Cherie' Hurt, Pharmacy Technician Lozi Gibbs, Medical Staff Coordinator Karen Johnson, and Administrative Assistant Darrin Guerra

Also via Webex: COO Kent Scown, Outreach Manager Chelsea Brown, Medical Director Carl Hsu, and CQO Kristen Rees (Joined in-person at 2:55 p.m.).

A. Call to Order – Board president Corinne Stromstad called the meeting to order.

B. Approval of the Teleconferencing of a Board Member – None

C. Approval of the Agenda

Motion: Barbara Truitt motioned to approve the agenda.
Second: Galen Latsko
Ayes: Corinne Stromstad, Kevin Church, Jay Sooter, Galen Latsko, and Barbara Truitt
Noes: None
Not Present: None
Motion Carried

D. Public Comment on Non-Agendized Items - None

E. Board Member Comments – None

F. Announcements

1. Staff Introductions – Matt Rees

- a. Matt Rees Introduced three employees who exemplify the District’s core values to the Governing Board: EVS Worker Ariel Rayco, Accounting Controller Cherie’ Hurt, and Pharmacy Technician Lozi Gibbs

G. Consent Agenda

1. Approval of Previous Minutes

- a. Governing Board Meeting Minutes, January 25, 2024
- b. Special Governing Board Meeting Minutes, February 23, 2024

2. Approval of Quarterly Quality Assurance Performance Improvement Committee Report (Feb, May, Aug, Nov) - None

3. Quarterly Reports – (Feb., May., Aug., Nov) - None

- a. Quality and Risk Management – Kristen Rees, Chief Quality and Compliance Officer and Risk Manager
- b. Human Resources – Rachel Wells, Interim HR Manager - See Report
- c. Foundation – Chelsea Brown - See Report

Motion: Kevin Church motioned to approve the Consent Agenda with changes to the January 25th Governing Board Meeting Minutes.

Second: Barbara Truitt

Ayes: Corinne Stromstad, Jay Sooter, Kevin Church, Galen Latsko, and Barbara Truitt

Noes: None

Not Present: None

Motion Carried

H. Correspondence Suggestions or Written Comments to the Board – None

I. Action Items for Discussion

1. Senior Life Solutions

- a. Matt Rees and Remy Quinn gave a brief update on SLS.
- b. We expect to have SLS operational within six months.

2. Hiring doctors/Practitioners update

- a. Two of the District’s physicians have resigned.

J. Administrator’s Report – Matt Rees, CEO

Matt Rees introduced Items 1-2 and presented his staff report.

1. Department Updates
 - a. Milestones – None
 - b. Monthly Department Highlight - None
 - c. Financial Reports – Paul Eves, CFO
 - i. Paul Eves shared the February Financials with the public and the Governing Board.
 - ii. Board Discussion ensued between the Finance Committee and the Governing Board regarding IGTs and the current financial trends of the District.
 - d. Nursing – Adela Yanez, CNO
 - e. Quality and Risk Management – Kristen Rees, CQO
 - f. Family Resource Center – Amy Terrones – (Mar and Oct) - None
2. Strategic Plan
 - a. Advocacy
 - i. Matt shared a list of the different conferences and legislative days for 2024 with the Governing Board.

K. Old Business

1. Strategic Items for Discussion
 - a. Future Facilities Planning
 - i. Kent Scown shared a brief update about the new hospital with the public and the Governing Board.
 - b. Services

L. New Business

1. Strategic Items for Discussion – None
 - a. Future Facilities Planning
 - b. Services
2. Approval of Resolution 24:03, RREDC Loan

Motion: Barbara Truitt made a motion to approve Resolution 24:03, RREDC Loan
Second: Kevin Church
Ayes: Corinne Stromstad, Jay Sooter, Kevin Church, Galen Latsko, and Barbara Truitt
Noes: None
Not Present: None
Motion Carried

3. Approval of Resolution 24:04, Policies and Procedure

Motion: Barbara Truitt made a motion to approve Resolution 24:04, Policies and Procedures.
Second: Kevin Church
Ayes: Corinne Stromstad, Jay Sooter, Galen Latsko, Kevin Church, and Barbara Truitt

Noes: None

Not Present: None

Motion Carried

4. Joint Conference Committee – Dr. Hsu

a. Dr. Hsu and Karen Johnson shared the idea of creating a joint conference committee including up to two members of the Governing Board and Med Staff with the Governing Board.

b. The decision to create this committee will be decided in a future Board meeting.

5. Approval of an increase of up to 8% to the salary and benefits budget for the current fiscal year.

a. Board and Administrative discussion ensued.

Motion: Kevin Church made a motion to approve an increase of up to 8% of the salaries and benefits budget for the current fiscal year.

Second: Galen Latsko

Ayes: Corinne Stromstad, Jay Sooter, Galen Latsko, Kevin Church, and Barbara Truitt

Noes: None

Not Present: None

Motion Carried

M. Parking Lot

N. Meeting Evaluation - Good

O. New Action Items - None

P. Next Meetings

1. Medical Staff Committee – Wednesday, March 13, 2024 at 3:30 pm
2. QAPI Meeting – Wednesday, March 13, at 10:00 am
3. Finance Committee – Friday, March 22, 2024, at 10:00 a.m.
4. Governing Board Meeting – Friday, March 28, 2024, at 1:30 p.m.

Q. Corinne Stromstad Adjourn to Closed Session

1. Closed Session Opened
2. Reports of Quality Assurance Committees [**H&S Code § 32155**]
3. Compliance and Risk - Kristen Rees, CQO
4. Quarterly Reports - Adela Yanez, CNO
 - a. Clinic – Jan., Apr., July, Oct.
 - b. Patient Safety – Mar., June, Sept., Dec.

- c. Medication Error – Feb., May, Aug., Nov
- 5. Approval of Medical Staff Appointments/Reappointments [**H&S Code § 32155**]
 - a. Dr. Joseph Rodgers, Reappointment as Active for Emergency Medicine, Inpatient and Clinic/Ambulatory privileges, March 1, 2024 to February 28, 2026.
- 6. Personnel matter –Evaluation § 54957
 - a. CEO Matt Rees

R. Corinne Stromstad Adjourned Closed Session

S. Corinne Stromstad Resumed Open Session

- 1. The following actions were taken in closed session.

Motion: Galen Latsko made a motion to approve Dr. Joseph Rodgers's Reappointment as Active for Emergency Medicine, Inpatient, and Clinic/Ambulatory privileges from March 1, 2024, to February 28, 2026

Second: Jay Sooter

Ayes: Corinne Stromstad, Jay Sooter, Galen Latsko, Kevin Church, and Barbara Truitt

Noes: None

Not Present: None

Motion Carried

T. Corinne Stromstad Adjourned Open Session

Submitted by Darrin Guerra

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Special Governing Board Meeting

Date: Tuesday, February 29, 2024
Time: 10:30 a.m.
Location: Sprowel Creek Campus and Via Webex Conferencing
Facilitator: Board President, Corinne Stromstad

Minutes

The following people attended at Sprowel Creek Campus and via Webex

Governing Board: Corinne Stromstad, Barbara Truitt, Kevin Church, and Jay Sooter in-person

Not Present: Galen Latsko

Also in person: None

Also via Webex: None

- A. Call to Order – Board president Corinne Stromstad called the meeting to order at 12:30 p.m.,
- B. Approval of the Teleconferencing of a Board Member – None
- C. Approval of the Agenda
- D. Public Comment on Non-Agendized Items - None
- E. Board Member Comments - None
- F. Announcements - None
- G. New Business - None
- H. Board president Corinne Stromstad Adjourned to Closed Session.
- I. Closed Session
 - 1. Personnel Matter –Evaluation § 54957
 - a. Matt Rees

J. Corinne Stromstad Adjourned Closed Session

K. Corrine Stromstad Resumed Open Session

1. No actions were taken in Closed Session

L. Corinne Stromstad Adjourned Open Session at 1:27 p.m.

Submitted by Darrin Guerra

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CNO Report March 2024

March 2024

Update

We continue working and moving forward with the ongoing projects. These include the new laboratory analyzer and the Senior Life Solutions (SLS) program, which is set to launch soon. We are also excited to welcome two new LCSWs to our team in the next few months. Moreover, a new doctor will join us in April to strengthen our clinic team.

Infection Prevention:

Dane, RN, the new infection prevention nurse, has been doing a great job. During the state survey we had for the SNF last week of February, there were no infection prevention deficiencies, thanks to Katherine and Dane, who have been working hard to keep all the patients and staff safe.

The department is always survey-ready, conducting regular hand hygiene surveillance, auditing individuals on transmission-based isolation precautions to ensure proper placement and documentation, and holding infection prevention committee (IPC) and antibiotic stewardship meetings.

ED/Acute:

We are thrilled to have Katherine, RN, as the new ED/Acute manager. Katherine is doing a great job working with the nursing team to ensure patients receive the highest and safest quality of care. Katherine is working hard with other team members to improve the onboarding process and ensure the new employees have good foundations and training to ensure standardized, high-quality, and safe care is being provided to all patients.

In February, our Emergency Department had 295 visits, four SWING patients, and four inpatients. Our team continues to work diligently to expand the SWING bed program and recruit more nurses to increase bed availability. We hold monthly nursing and daily UR (Utilization Review) meetings to facilitate communication and teamwork. Our team strives to improve patient care and satisfaction and promote a culture of excellence. We aim to provide the highest quality care to our patients and the community, focusing on compassion, kindness, and love. We strive to ensure that every visit to our hospital reflects this commitment to excellence.

Laboratory

The lab team continues to work hard on providing safe and excellent care to the community and on being survey ready. The team continues to have monthly meetings and is working hard on several projects that bring new services to SoHum. The lab team continues working with the SoHum team on ideas on how to help the community up north with the possibility of opening outpatient draw station services.

Skilled Nursing

The SNF had a CDPH survey, and we are still waiting for the surveyors' report. Our top priority at Skilled Nursing is to provide the residents with the highest quality and safe care. We currently have seven residents and expect one more to join us in March. Our residents gather daily for lunch and participate in various activities, such as movie nights and outings. Despite the challenges posed by the pandemic, we are proud to report that our facility has remained COVID-free, and none of our residents have reported any cases of COVID-19.

Clinic

The Clinic provided care to 595 patients in January and 436 in February. However, the Clinic is currently facing some staffing challenges due to some team members leaving the area and two employees being out on leave, one of whom is the clinic manager. The Clinic is actively working on hiring an interim clinic manager, MAs, referral and patient coordinator, and clinic nurse to address these challenges. Three applicants have applied for the interim manager position, and one MA has already accepted the job. Additionally, a traveler LVN will be joining the team shortly. Despite these challenges, the team is working hard to continue serving the community and is looking forward to growing and improving by adding new team members.

We look forward to having two Licensed Clinical Social Workers (LCSWs) join the team within the next few months. Despite these changes, the Clinic remains committed to serving the community through services such as the Visiting Nurse Program and the Mobile Clinic.

Radiology- February

In February, Radiology performed 203 X-ray exams, 95 CTs, 38 ultrasounds, and 30 mammograms.

Work on the X-ray room continues, with limited X-ray hours for outpatients.

In the next two weeks, we will submit images for our 3-year MQSA, FDA, and State mammography accreditation.

Adela Yanez, RN, BSN, CNO

Southern Humboldt Community Healthcare District

February 2024 – Centriq & Epic Combined



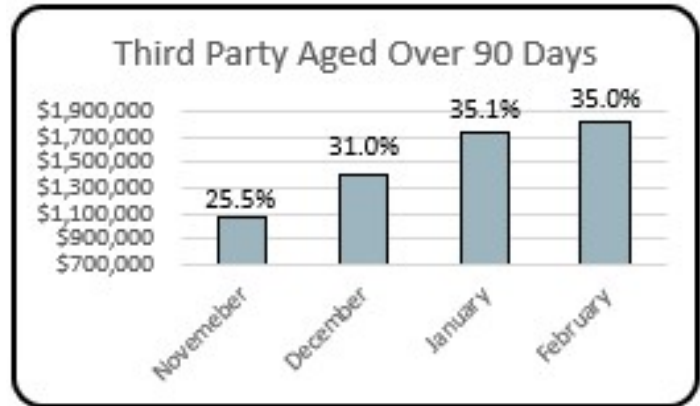
SoHum Health

Key Items

- ➔ Cash totaled \$1.4M, 106% of net revenue
- ➔ AR decreased to 87.5 days
- ➔ Third Party aging increased \$83K, remaining at 35%
- ➔ Unbilled AR decreased 9.0 days, ending at 13.8 days

Detailed Initiatives & Obstacles

- **Overall AR:** SoHum went live in Epic at the beginning of July, 2023. The figures calculated include both the legacy system (Centriq) and Epic figures combined. The month of February closed with \$7.0M in gross AR or 87.5 days. Revenue came in \$83K lower than what was reported in January ending at \$2.4M. Third Party AR saw an increase of 7.9 days ending at 47.4 days. Unbilled AR decreased 9.0 days ending at 13.8 AR days. Cash collections came in roughly \$252K higher than what was collected in January, well exceeding \$1M. Cash collections came in at \$1.4M or 106% of net revenue. HRG and SHCHD continue to have a 30 minute HB (hospital billing) claims call with OCHIN/Epic every Thursday to discuss current and potential claims issues that HRG discovers and continue to also have a PB (professional billing) claims related issues call every Thursday as well. These calls allow conversation and corrections to the build to ensure claims are going out clean to ensure quick processing and paid claims. With Epic still being quite new for SoHum, we still run into issues which causes delays in getting the claims out the door to the payers, causing a delay in cash and an increase in AR. Medi-Cal and Partnership Healthplan (PHC) have moved away from the local state codes and have moved to the national codes for the LTC billing only. They no longer are accepting the state specific codes that Medi-Cal and PHC previously required. This change is effective for claims with date of service on or after 2/1/24.
- **Self Pay:** Self Pay AR reduced 1.3 days since January. Self Pay collections came in at \$30K, which is \$8K less than what was collected in January. A bad debt file was sent over in November, however, a file was not sent in the month of December nor January due to an AB1020 requirement that were not met. Per AB1020 requirements, the financial assistance application (FAA) is required to be sent with the final Goodbye Letter—the FAA was not set up to be sent with this final Goodbye Letter. This issue has been corrected, and new Goodbye Letters with the FAA attached have been sent to patients who are eligible for bad debt. A new bad debt file was generated and sent in February. We continue to work with COCC to ensure accounts can be transferred to Bad Debt via Epic timely.
- **Third Party Aging:** February closed with \$1.8M in Third Party balances aged over 90 days, totaling 35%. Due to SoHum's EHR conversion, we are now in the wind down phase of Centriq—cleaning up all outstanding and aged balances. HRG staff are focused on rebilling/working denials timely as well as working follow up based on age and dollar amount of the claim. Medicare is sitting at \$509K aged over 90 days or 30.5%, this is an overall increase of \$56K from January. Medicaid increased by \$42K down to 32.3%. Commercial is up \$16K and is down to 46.7%, and Work Comp decreased \$32K to 42.9%. The third party aging includes balances that are out of billings control due to discharged not billed (DNB) errors which are preventing the claim from being billed. The more common DNB errors are Laboratory Review Needed, Lab Orders Not Resulted, Coding Not Complete, Radiology Review Needed etc.



If you have any questions, concerns, or points you wish to discuss after reviewing the enclosed information, please feel free to contact me.

Sydni Thomas | Revenue Cycle Supervisor

Healthcare Resource Group

Office 509-703-4920 | sythomas@hrgpros.com



**Southern Humboldt Community
Healthcare District
MONTH END FINANCE REPORT**



SoHum Health

February 2024

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| Denial Management..... | Page 8 |
| Claim Submit Efficiency..... | Page 9 |
| Admits & Unbilled..... | Page 10 |
| Executive Dashboard..... | Page 11 |

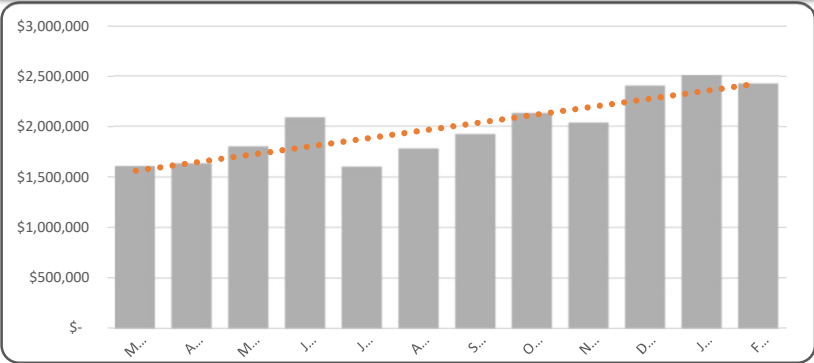
FINANCE DASHBOARD

| | Target | September-23 | October-23 | November-23 | December-23 | January-24 | February-24 | | | | | | |
|---|-------------------|--------------|-------------------|--------------|-------------------|--------------|---------------------|--------------|---------------------|--------------|---------------------|--------------|---------------------|
| Revenue Cycle Performance | | | | | | | | | | | | | |
| REVENUE | | | | | | | | | | | | | |
| Net Revenue | | \$1,079,978 | \$1,145,123 | \$1,000,216 | \$1,178,211 | \$1,313,381 | \$1,310,811 | | | | | | |
| Gross Revenue | | \$1,922,299 | \$2,130,187 | \$2,037,494 | \$2,402,068 | \$2,506,331 | \$2,422,995 | | | | | | |
| CASH | | | | | | | | | | | | | |
| Cash Collections as a % of Net Revenue | 100% | 52% | 105% | 84% | 121% | 97% | 106% | | | | | | |
| Cash Collections | | \$535,583 | \$1,131,808 | \$958,049 | \$1,214,685 | \$1,139,209 | \$1,391,162 | | | | | | |
| ACCOUNTS RECEIVABLE | | | | | | | | | | | | | |
| Net AR | | \$3,334,591 | \$3,318,523 | \$3,071,787 | \$3,409,568 | \$3,484,000 | \$3,723,159 | | | | | | |
| Gross AR | | \$5,850,618 | \$5,974,477 | \$6,060,571 | \$6,475,740 | \$6,787,249 | \$7,052,380 | | | | | | |
| Unbilled | 3 | 26.8 | 21.7 | 20.9 | 25.1 | 22.8 | 13.8 | | | | | | |
| Third Party | 26 | 44.5 | 43.5 | 41.5 | 36.7 | 39.5 | 47.4 | | | | | | |
| Self Pay | 16 | 33.5 | 32.1 | 30.2 | 29.0 | 27.6 | 26.3 | | | | | | |
| Total Days in AR | 45 | 104.8 | 97.3 | 92.6 | 90.7 | 89.9 | 87.5 | | | | | | |
| Days in AR - Credit Balances | < 1 | 1.94 | 1.75 | 1.78 | 2.19 | 3.85 | 3.83 | | | | | | |
| UNBILLED | | | | | | | | | | | | | |
| In-house | < 2 Days | 0.6 | 0.9 | 1.7 | 0.7 | 1.1 | 0.7 | | | | | | |
| DNFB | < 1 Day | 26.2 | 20.7 | 19.2 | 24.4 | 21.7 | 13.1 | | | | | | |
| Total Unbilled | <3 Days | 26.8 | 21.7 | 20.9 | 25.1 | 22.8 | 13.8 | | | | | | |
| Third Party | | | | | | | | | | | | | |
| AGING (excluding credits) | | | | | | | | | | | | | |
| Medicare Aging > 90 Days | 11% | 2.3% | \$ 28,992 | 12.6% | \$ 178,527 | 18.3% | \$ 251,559 | 23.3% | \$ 341,575 | 26.5% | \$ 452,974 | 30.5% | \$ 509,631 |
| Medicaid Aging > 90 Days | 12% | 12.4% | \$ 249,962 | 23.9% | \$ 425,283 | 26.3% | \$ 494,426 | 32.1% | \$ 656,471 | 33.8% | \$ 701,925 | 32.3% | \$ 744,284 |
| Commercial Aging > 90 Days | 20% | 20.8% | \$ 137,530 | 28.9% | \$ 215,261 | 32.1% | \$ 241,142 | 40.4% | \$ 372,247 | 48.5% | \$ 511,603 | 46.7% | \$ 528,055 |
| Work Comp Aging > 90 Days | 35% | 11.2% | \$ 11,804 | 52.8% | \$ 72,081 | 47.7% | \$ 75,722 | 34.1% | \$ 30,991 | 64.2% | \$ 66,629 | 42.9% | \$ 34,505 |
| Total Third Party Aging > 90 Days | 13% | 10.6% | \$ 428,288 | 21.9% | \$ 891,151 | 25.5% | \$ 1,062,849 | 31.0% | \$ 1,401,283 | 35.1% | \$ 1,733,132 | 35.0% | \$ 1,816,474 |
| CLAIM SUBMISSION EFFICIENCY | | | | | | | | | | | | | |
| Claims Submission | | 1,079 | \$ 1,867,928 | 2,100 | \$ 2,411,329 | 1,674 | \$ 2,241,921 | 1,560 | \$ 2,184,032 | 1,993 | \$ 2,676,735 | 1,727 | \$ 3,091,516 |
| Clean Claims | 85% | 97% | | 96% | | 98% | | 98% | | 97% | | 96% | |
| Denial Percent | 5% | 11% | | 18% | | 8% | | 3% | | 7% | | 0% | |
| Total Denial Rate | Count Amt | 108 | \$ 159,615 | 210 | \$ 344,840 | 215 | \$ 185,849 | 142 | \$ 62,881 | 270 | \$ 154,975 | 0 | \$ - |
| Late Charges | Count Amt | 12 | \$ 13,051 | 122 | \$ 16,253 | 13 | \$ 3,811 | 43 | \$ 14,541 | 67 | \$ 7,612 | 28 | \$ 7,746 |
| Communication Log Backlog | | 85 | \$ 86,724 | 85 | \$ 81,140 | 84 | \$ 81,109 | 83 | \$ 57,862 | 83 | \$ 86,122 | 21 | \$ 40,392 |
| Self Pay | | | | | | | | | | | | | |
| INVENTORY & QUALITY | | | | | | | | | | | | | |
| Total Inventory | | 2,772 | \$ 1,871,417 | 2,708 | \$ 1,973,313 | 2,527 | \$ 1,975,406 | 2,524 | \$ 2,068,907 | 2,528 | \$ 2,087,543 | 2,500 | \$ 2,122,365 |
| New | | 31 | \$ 11,604 | 8 | \$ 1,882 | 3 | \$ 4,428 | 8 | \$ 2,313 | 7 | \$ 4,842 | 5 | \$ 2,109 |
| Resolved | | 123 | \$ 16,210 | 161 | \$ 22,561 | 139 | \$ 15,241 | 66 | \$ 7,528 | 79 | \$ 66,023 | 117 | \$ 108,550 |
| Aged >180 days from Assignment | < 25% | 48.7% | \$ 910,447 | 49.0% | \$ 966,614 | 54.6% | \$ 1,079,326 | 58.4% | \$ 1,208,432 | 52.1% | \$ 1,088,207 | 48.6% | \$ 1,032,447 |
| Total Payment Plans over 120 days | | \$7,827 | | \$19,957 | | \$21,990 | | \$21,317 | | \$19,292 | | \$18,662 | |
| Average Speed to Answer | < 60 seconds | 23 | | 25 | | 0 | | 23 | | 7 | | 7 | |
| STATEMENTS & LETTERS | | | | | | | | | | | | | |
| Statements & Letters | | 763 | | 374 | | 594 | | 172 | | 102 | | 296 | |
| Charity Care Applications In Process | | 0 | \$ - | 5 | \$ 5,842 | 0 | \$ - | 0 | \$ - | 0 | \$ - | 26 | \$ 70,997 |
| Inbound and Outbound Calls | In Out | 123 | 192 | 145 | 204 | 3 | 230 | 135 | 259 | 129 | 152 | 136 | 209 |
| WRITE OFFS | | | | | | | | | | | | | |
| Bad Debt as a % of Gross Revenue | < 2% | 0.0% | \$ - | 0.0% | \$ - | 5.3% | \$ 108,610 | 0.0% | \$ - | 0.0% | \$ - | 2.2% | \$ 54,417 |
| Charity as a % of Gross Revenue | < 2% | 0.1% | \$ 1,705 | 0.2% | \$ 5,068 | 0.0% | \$ - | 0.0% | \$ - | 2.3% | \$ 56,527 | 0.4% | \$ 10,025 |

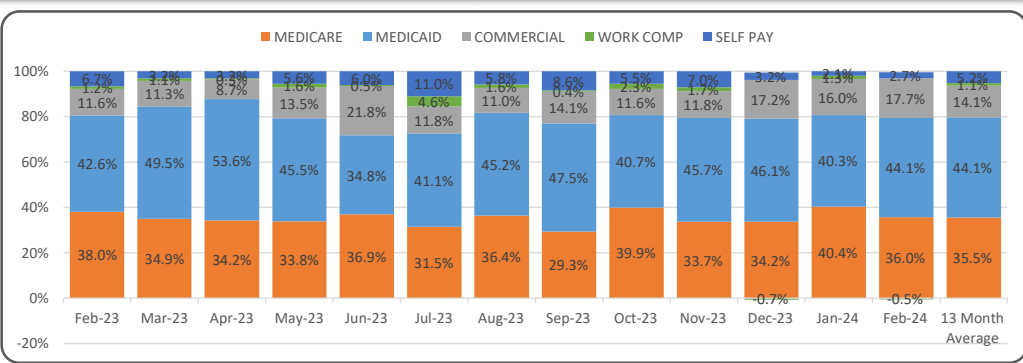
GROSS REVENUE

| PAYER | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| MEDICARE | \$ 584,209 | \$ 560,965 | \$ 557,768 | \$ 608,991 | \$ 770,520 | \$ 504,094 | \$ 648,555 | \$ 563,819 | \$ 849,853 | \$ 686,408 | \$ 820,695 | \$ 1,011,885 | \$ 873,176 | \$ 695,457 |
| MEDICAID | \$ 654,199 | \$ 794,626 | \$ 874,406 | \$ 819,312 | \$ 726,128 | \$ 658,441 | \$ 805,092 | \$ 913,825 | \$ 867,885 | \$ 930,946 | \$ 1,108,246 | \$ 1,008,861 | \$ 1,067,416 | \$ 863,799 |
| COMMERCIAL | \$ 178,568 | \$ 182,374 | \$ 142,791 | \$ 243,074 | \$ 454,637 | \$ 189,003 | \$ 196,363 | \$ 271,079 | \$ 247,190 | \$ 241,360 | \$ 413,697 | \$ 402,037 | \$ 429,688 | \$ 276,297 |
| WORK COMP | \$ 17,996 | \$ 18,086 | \$ 5,119 | \$ 29,663 | \$ 10,915 | \$ 73,141 | \$ 28,402 | \$ 8,619 | \$ 48,010 | \$ 35,245 | \$ (17,130) | \$ 32,033 | \$ (12,352) | \$ 21,365 |
| SELF PAY | \$ 102,332 | \$ 50,784 | \$ 52,413 | \$ 100,841 | \$ 126,294 | \$ 175,618 | \$ 102,746 | \$ 164,957 | \$ 117,250 | \$ 143,534 | \$ 76,560 | \$ 51,516 | \$ 65,067 | \$ 102,301 |
| TOTAL | \$ 1,537,305 | \$ 1,606,835 | \$ 1,632,497 | \$ 1,801,881 | \$ 2,088,494 | \$ 1,600,297 | \$ 1,781,158 | \$ 1,922,299 | \$ 2,130,187 | \$ 2,037,494 | \$ 2,402,068 | \$ 2,506,331 | \$ 2,422,995 | \$ 1,959,219 |
| AVERAGE DAILY REVENUE | \$ 52,705 | \$ 52,936 | \$ 53,670 | \$ 54,796 | \$ 60,691 | \$ 59,681 | \$ 58,817 | \$ 55,829 | \$ 61,407 | \$ 65,484 | \$ 71,410 | \$ 75,499 | \$ 80,565 | \$ 61,807 |

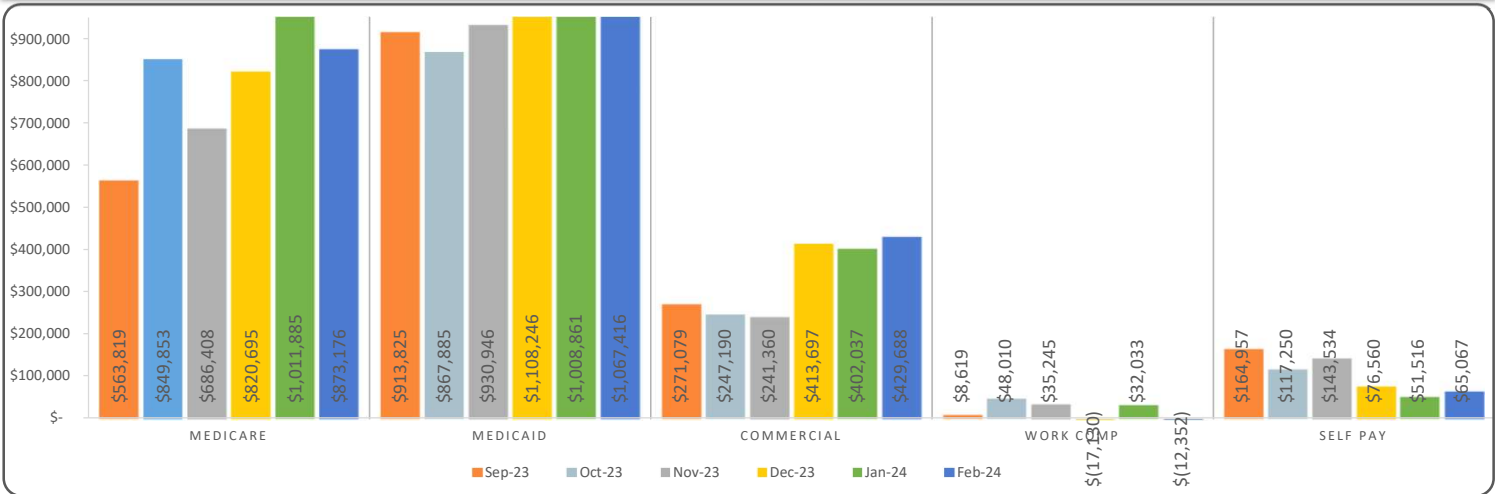
Gross Revenue



Payer Mix



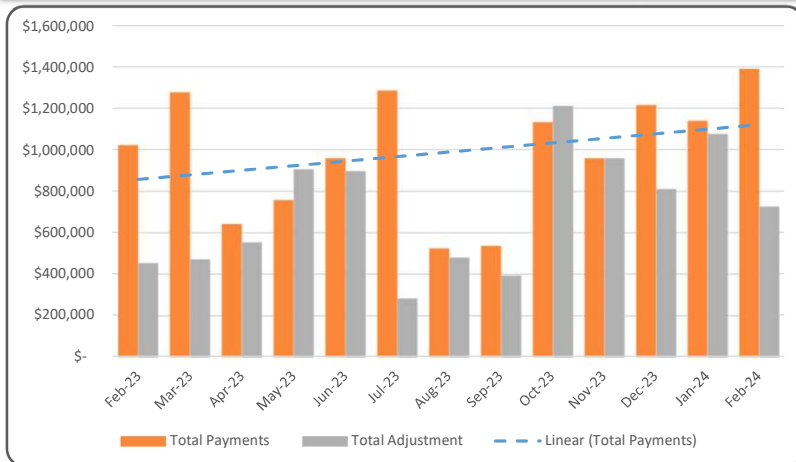
Revenue Trending By Payer



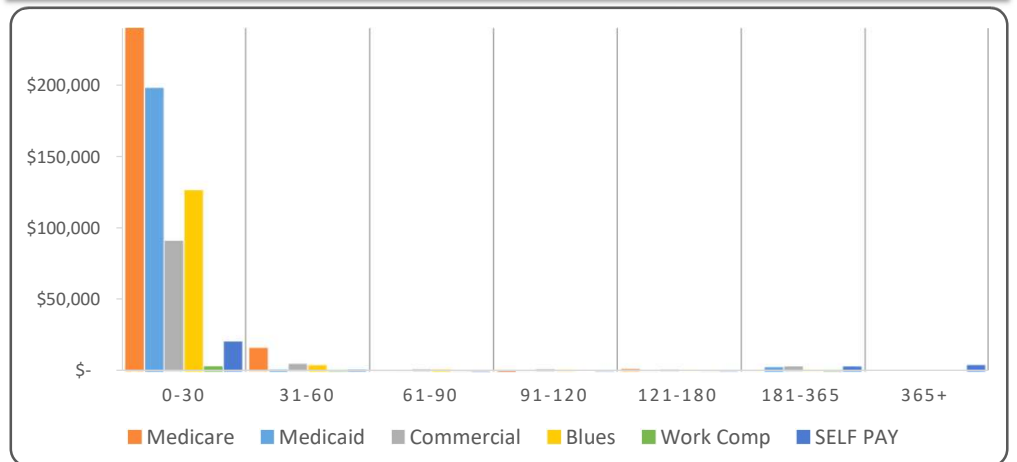
CASH DETAIL

| PAYER | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|----------------------|--------------|--------------|------------|------------|------------|--------------|------------|------------|--------------|------------|--------------|--------------|--------------|------------------|
| MEDICARE | | | | | | | | | | | | | | |
| Payments | \$ 592,859 | \$ 743,922 | \$ 310,558 | \$ 300,837 | \$ 380,113 | \$ 851,353 | \$ 273,732 | \$ 303,327 | \$ 572,057 | \$ 539,621 | \$ 656,043 | \$ 661,118 | \$ 918,553 | \$ 546,469 |
| Adjustments | \$ (99,709) | \$ (134,234) | \$ 106,519 | \$ 138,215 | \$ 166,800 | \$ (297,566) | \$ 14,075 | \$ 40,065 | \$ 133,024 | \$ 129,515 | \$ 2,826 | \$ 137,240 | \$ (178,481) | \$ 12,176 |
| Collection % | 120% | 122% | 74% | 69% | 70% | 154% | 95% | 88% | 81% | 81% | 100% | 83% | 124% | 97% |
| MEDICAID | | | | | | | | | | | | | | |
| Payments | \$ 255,109 | \$ 277,640 | \$ 193,806 | \$ 300,483 | \$ 275,555 | \$ 192,283 | \$ 90,923 | \$ 92,296 | \$ 313,889 | \$ 229,010 | \$ 310,938 | \$ 242,089 | \$ 202,951 | \$ 228,998 |
| Adjustments | \$ 449,945 | \$ 461,105 | \$ 361,576 | \$ 609,604 | \$ 571,141 | \$ 466,985 | \$ 399,800 | \$ 295,314 | \$ 971,132 | \$ 641,672 | \$ 700,680 | \$ 799,319 | \$ 712,729 | \$ 572,385 |
| Collection % | 36% | 38% | 35% | 33% | 33% | 29% | 19% | 24% | 24% | 26% | 31% | 23% | 22% | 29% |
| COMMERCIAL | | | | | | | | | | | | | | |
| Payments | \$ 73,731 | \$ 117,204 | \$ 36,603 | \$ 42,946 | \$ 90,936 | \$ 120,614 | \$ 46,506 | \$ 40,074 | \$ 66,438 | \$ 65,228 | \$ 55,591 | \$ 86,125 | \$ 102,537 | \$ 72,656 |
| Adjustments | \$ 27,065 | \$ 30,397 | \$ 24,802 | \$ 26,556 | \$ 66,876 | \$ 27,237 | \$ 17,350 | \$ 20,479 | \$ 29,216 | \$ 22,136 | \$ 14,629 | \$ 16,620 | \$ 38,483 | \$ 27,834 |
| Collection % | 73% | 79% | 60% | 62% | 58% | 82% | 73% | 66% | 69% | 75% | 79% | 84% | 73% | 72% |
| BLUES | | | | | | | | | | | | | | |
| Payments | \$ 63,385 | \$ 96,727 | \$ 54,673 | \$ 79,624 | \$ 162,086 | \$ 89,306 | \$ 55,087 | \$ 76,601 | \$ 120,414 | \$ 68,971 | \$ 137,865 | \$ 98,826 | \$ 132,852 | \$ 95,109 |
| Adjustments | \$ 43,122 | \$ 51,765 | \$ 30,285 | \$ 68,579 | \$ 62,281 | \$ 55,589 | \$ 28,987 | \$ 29,422 | \$ 43,963 | \$ 37,046 | \$ 59,992 | \$ 50,618 | \$ 74,352 | \$ 48,923 |
| Collection % | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 73% | 65% | 70% | 66% | 64% | 68% |
| WORK COMP | | | | | | | | | | | | | | |
| Payments | \$ 4,638 | \$ 7,853 | \$ 17,944 | \$ 4,105 | \$ 6,593 | \$ 11,971 | \$ 34,920 | \$ 2,990 | \$ 18,118 | \$ 7,910 | \$ 30,109 | \$ 13,561 | \$ 4,542 | \$ 12,712 |
| Adjustments | \$ 1,926 | \$ 8,982 | \$ 8,713 | \$ 9,697 | \$ 2,215 | \$ 7,288 | \$ 7,277 | \$ 2,489 | \$ 4,838 | \$ 739 | \$ 24,588 | \$ 5,401 | \$ 2,553 | \$ 6,670 |
| Collection % | 71% | 47% | 67% | 30% | 75% | 62% | 83% | 55% | 79% | 91% | 55% | 72% | 64% | 65% |
| SELF PAY | | | | | | | | | | | | | | |
| Payments | \$ 31,426 | \$ 33,213 | \$ 27,729 | \$ 28,466 | \$ 42,832 | \$ 19,754 | \$ 22,724 | \$ 20,294 | \$ 40,894 | \$ 47,308 | \$ 24,138 | \$ 37,492 | \$ 29,727 | \$ 31,231 |
| Bad Debt Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjustments | \$ 17,897 | \$ 30,789 | \$ 21,095 | \$ 31,837 | \$ 17,525 | \$ 14,103 | \$ 9,683 | \$ 5,797 | \$ 23,642 | \$ 19,912 | \$ 7,961 | \$ 9,710 | \$ 12,066 | \$ 17,078 |
| Charity Care | \$ 14,747 | \$ 23,556 | \$ 973 | \$ 21,551 | \$ 9,633 | \$ 10,549 | \$ 4,244 | \$ 1,705 | \$ 5,068 | \$ - | \$ - | \$ 56,527 | \$ 10,025 | \$ 12,198 |
| Bad Debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 108,610 | \$ - | \$ 54,417 | \$ 12,541 |
| Total SP Adjustments | \$ 32,644 | \$ 54,346 | \$ 22,067 | \$ 53,388 | \$ 27,157 | \$ 24,653 | \$ 13,927 | \$ 7,502 | \$ 28,710 | \$ 128,522 | \$ 7,961 | \$ 66,236 | \$ 76,509 | \$ 41,817 |
| Collection % | 49% | 38% | 56% | 35% | 61% | 44% | 62% | 73% | 59% | 27% | 75% | 36% | 28% | 49% |
| TOTAL | | | | | | | | | | | | | | |
| Total Payments | \$ 1,021,149 | \$ 1,276,559 | \$ 641,314 | \$ 756,460 | \$ 958,114 | \$ 1,285,280 | \$ 523,891 | \$ 535,583 | \$ 1,131,808 | \$ 958,049 | \$ 1,214,685 | \$ 1,139,209 | \$ 1,391,162 | \$ 987,174 |
| Total Adjustment | \$ 454,994 | \$ 472,360 | \$ 553,962 | \$ 906,039 | \$ 896,471 | \$ 284,186 | \$ 481,416 | \$ 395,270 | \$ 1,210,884 | \$ 959,630 | \$ 810,676 | \$ 1,075,435 | \$ 726,145 | \$ 667,989 |
| Total Collection % | 69% | 73% | 54% | 46% | 52% | 82% | 52% | 58% | 48% | 50% | 60% | 51% | 66% | 58% |

Cash & Adjustment Trending

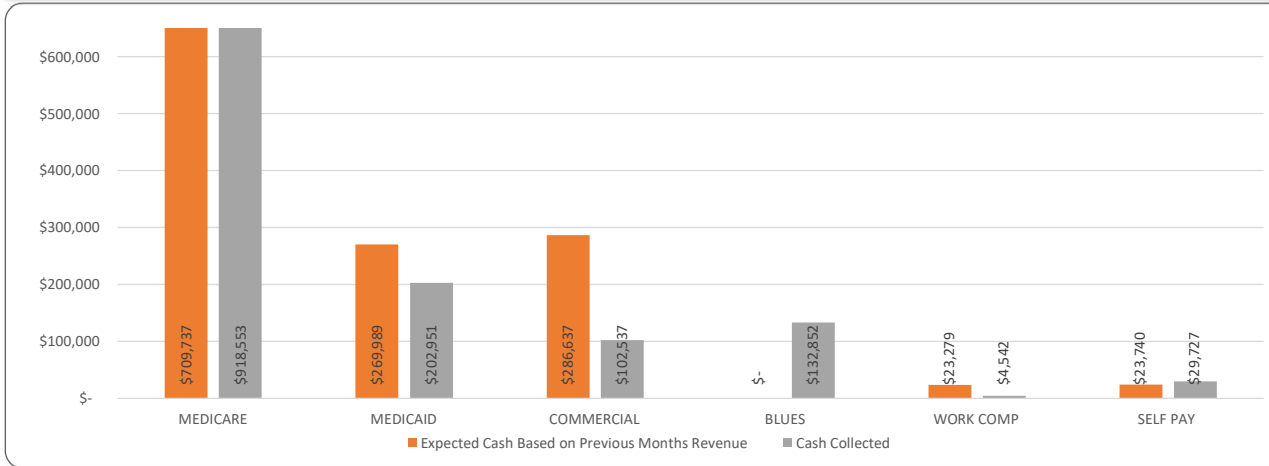


Cash Collections by Discharge Date

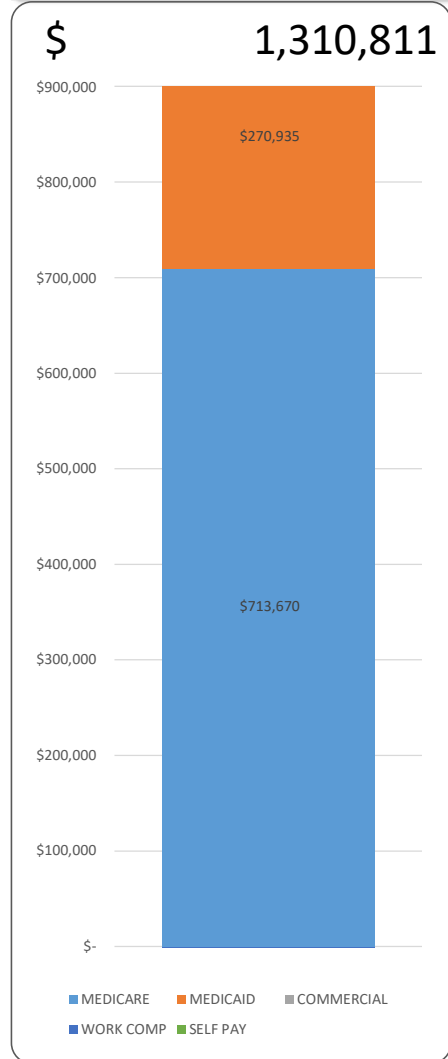


CASH FORECASTING

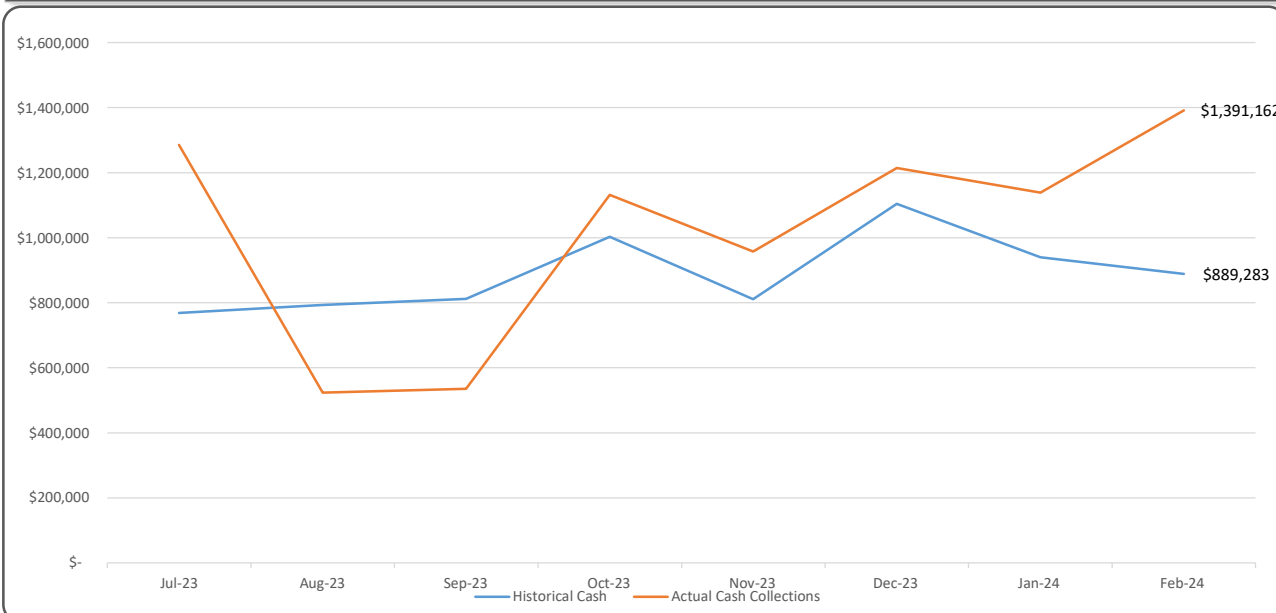
Expected Last Month vs Cash Collected (Based on Previous Months Revenue)



Cash Expected Next Month (Based on this Months Revenue)



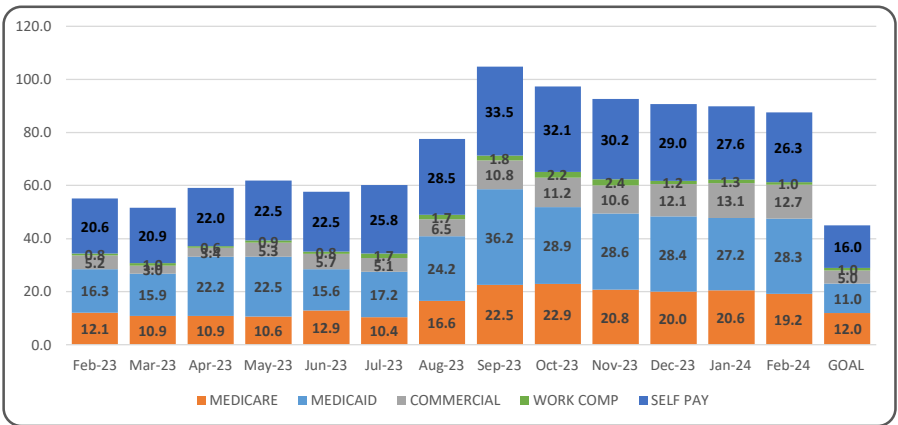
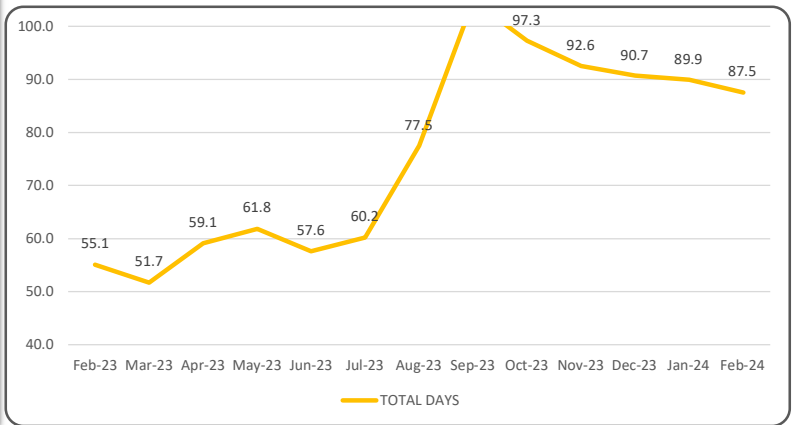
Actual Cash Based on Historical Collections



ACCOUNTS RECEIVABLE

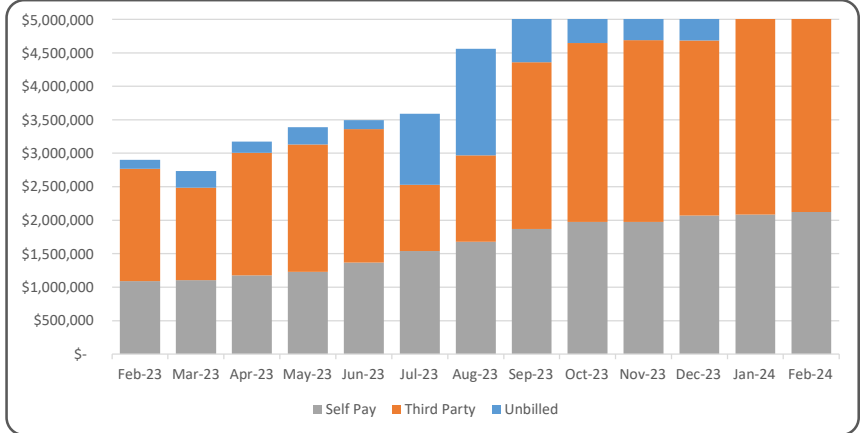
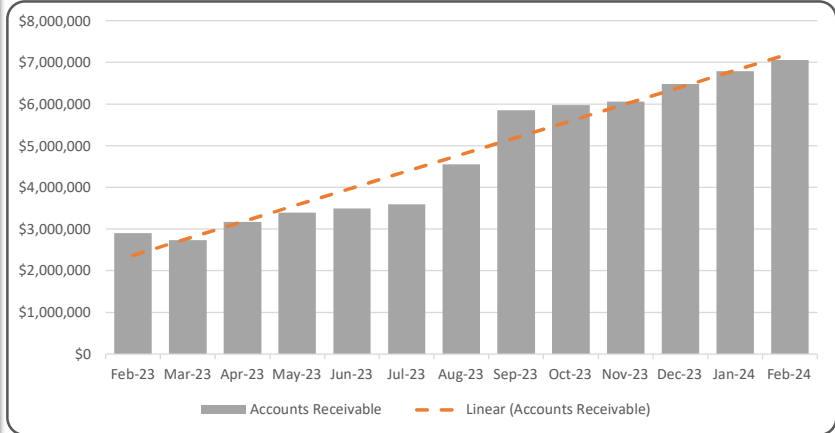
AR Days

| PAYER | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|------------------|
| MEDICARE | 12.1 | 10.9 | 10.9 | 10.6 | 12.9 | 10.4 | 16.6 | 22.5 | 22.9 | 20.8 | 20.0 | 20.6 | 19.2 | 16.2 |
| MEDICAID | 16.3 | 15.9 | 22.2 | 22.5 | 15.6 | 17.2 | 24.2 | 36.2 | 28.9 | 28.6 | 28.4 | 27.2 | 28.3 | 24.0 |
| COMMERCIAL | 5.2 | 3.0 | 3.4 | 5.3 | 5.7 | 5.1 | 6.5 | 10.8 | 11.2 | 10.6 | 12.1 | 13.1 | 12.7 | 8.1 |
| WORK COMP | 0.8 | 1.0 | 0.6 | 0.9 | 0.8 | 1.7 | 1.7 | 1.8 | 2.2 | 2.4 | 1.2 | 1.3 | 1.0 | 1.3 |
| SELF PAY | 20.6 | 20.9 | 22.0 | 22.5 | 22.5 | 25.8 | 28.5 | 33.5 | 32.1 | 30.2 | 29.0 | 27.6 | 26.3 | 26.3 |
| TOTAL DAYS | 55.1 | 51.7 | 59.1 | 61.8 | 57.6 | 60.2 | 77.5 | 104.8 | 97.3 | 92.6 | 90.7 | 89.9 | 87.5 | 75.8 |



AR Balance

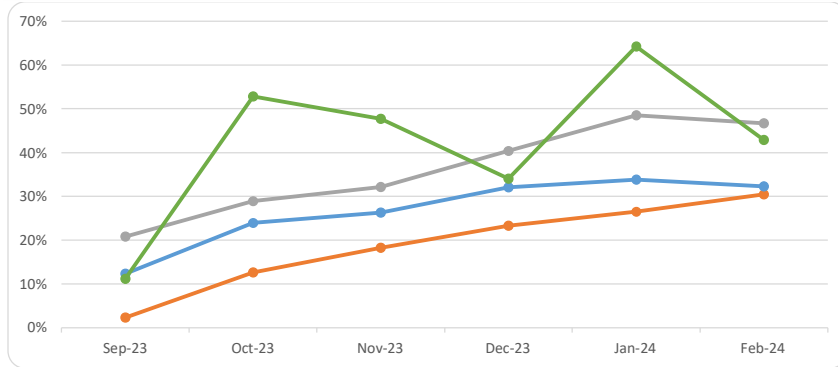
| PAYER | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| MEDICARE | \$ 640,281 | \$ 577,661 | \$ 586,779 | \$ 583,176 | \$ 783,065 | \$ 619,122 | \$ 977,025 | \$ 1,257,444 | \$ 1,408,379 | \$ 1,364,196 | \$ 1,430,057 | \$ 1,552,239 | \$ 1,546,696 | \$ 1,025,086 |
| MEDICAID | \$ 858,761 | \$ 841,757 | \$ 1,191,120 | \$ 1,231,780 | \$ 946,990 | \$ 1,024,807 | \$ 1,425,127 | \$ 2,019,041 | \$ 1,774,925 | \$ 1,873,656 | \$ 2,027,427 | \$ 2,056,249 | \$ 2,281,795 | \$ 1,504,110 |
| COMMERCIAL | \$ 275,168 | \$ 157,304 | \$ 184,884 | \$ 292,678 | \$ 348,563 | \$ 306,012 | \$ 380,817 | \$ 600,808 | \$ 684,736 | \$ 692,018 | \$ 861,736 | \$ 990,874 | \$ 1,024,848 | \$ 523,111 |
| WORK COMP | \$ 40,808 | \$ 55,187 | \$ 31,871 | \$ 48,923 | \$ 50,878 | \$ 97,414 | \$ 101,908 | \$ 133,125 | \$ 155,295 | \$ 87,612 | \$ 100,345 | \$ 100,345 | \$ 76,676 | \$ 83,262 |
| SELF PAY | \$ 1,088,045 | \$ 1,104,091 | \$ 1,178,370 | \$ 1,232,411 | \$ 1,367,447 | \$ 1,539,006 | \$ 1,678,055 | \$ 1,871,417 | \$ 1,973,313 | \$ 1,975,406 | \$ 2,068,907 | \$ 2,087,543 | \$ 2,122,365 | \$ 1,637,414 |
| TOTAL | \$ 2,903,063 | \$ 2,736,001 | \$ 3,173,025 | \$ 3,388,967 | \$ 3,496,943 | \$ 3,591,307 | \$ 4,558,438 | \$ 5,850,618 | \$ 5,974,477 | \$ 6,060,571 | \$ 6,475,740 | \$ 6,787,249 | \$ 7,052,380 | \$ 4,772,983 |



ACCOUNTS RECEIVABLE AGING

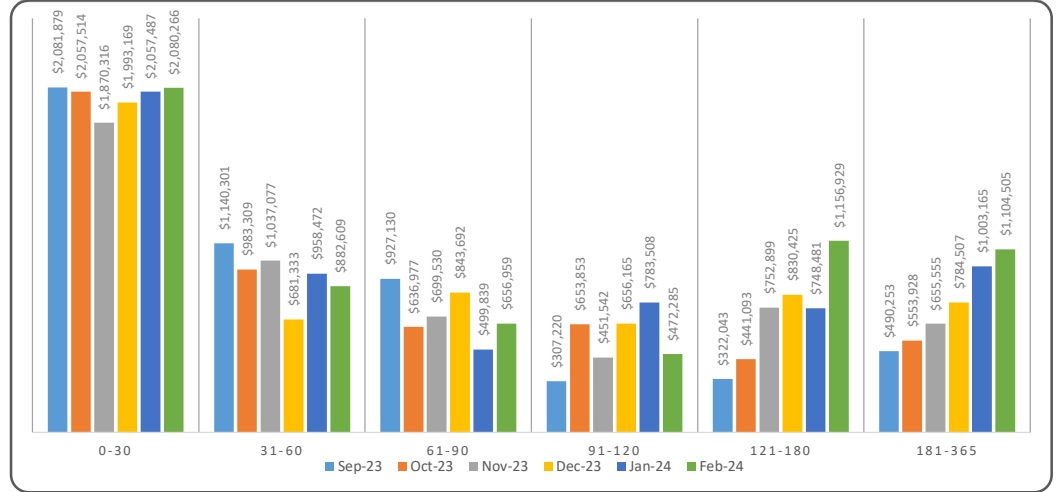
| | 0-30 Days | | 31-60 Days | | 61-90 Days | | 91-120 Days | | 121-180 Days | | 181-365 Days | | 366+ Days | | Grand Totals | |
|----------------------------|------------|---------------------|------------|-------------------|------------|-------------------|-------------|-------------------|--------------|---------------------|--------------|---------------------|-------------|--------------------|--------------|---------------------|
| | # Acts | \$ | # Acts | \$ | # Acts | \$ | # Acts | \$ | # Acts | \$ | # Acts | \$ | # Acts | \$ | # Acts | \$ |
| MEDICARE | | | | | | | | | | | | | | | | |
| Non-Credit | 270 | \$ 631,445 | 99 | \$ 351,795 | 48 | \$ 180,466 | 32 | \$ 140,005 | 66 | \$ 234,626 | 58 | \$ 109,571 | 11 | \$ 25,429 | 584 | \$ 1,673,337 |
| Credit | 2 | \$ (104,920) | 2 | \$ (329) | 1 | \$ (8,581) | 2 | \$ (7,978) | 0 | \$ - | 1 | \$ 70 | 9 | \$ (4,903) | 17 | \$ (126,641) |
| TOTAL | 272 | \$ 526,525 | 101 | \$ 351,466 | 49 | \$ 171,885 | 34 | \$ 132,027 | 66 | \$ 234,626 | 59 | \$ 109,641 | 20 | \$ 20,526 | 601 | \$ 1,546,696 |
| MEDICAID | | | | | | | | | | | | | | | | |
| Non-Credit | 254 | \$ 1,107,130 | 141 | \$ 223,152 | 116 | \$ 230,234 | 74 | \$ 182,303 | 109 | \$ 290,789 | 149 | \$ 220,569 | 71 | \$ 50,624 | 914 | \$ 2,304,800 |
| Credit | 0 | \$ - | 4 | \$ (1,808) | 3 | \$ (680) | 0 | \$ - | 3 | \$ (5,320) | 1 | \$ (10,296) | 15 | \$ (4,903) | 26 | \$ (23,006) |
| TOTAL | 254 | \$ 1,107,130 | 145 | \$ 221,344 | 119 | \$ 229,554 | 74 | \$ 182,303 | 112 | \$ 285,469 | 150 | \$ 210,273 | 86 | \$ 45,721 | 940 | \$ 2,281,795 |
| COMMERCIAL | | | | | | | | | | | | | | | | |
| Non-Credit | 156 | \$ 313,912 | 94 | \$ 173,031 | 59 | \$ 116,208 | 57 | \$ 75,075 | 107 | \$ 252,160 | 192 | \$ 168,533 | 65 | \$ 32,287 | 730 | \$ 1,131,206 |
| Credit | 0 | \$ - | 0 | \$ - | 3 | \$ (1,021) | 2 | \$ (3,247) | 5 | \$ (266) | 3 | \$ (4,204) | 388 | \$ (97,619) | 401 | \$ (106,357) |
| TOTAL | 156 | \$ 313,912 | 94 | \$ 173,031 | 62 | \$ 115,187 | 59 | \$ 71,828 | 112 | \$ 251,894 | 195 | \$ 164,328 | 453 | \$ (65,332) | 1131 | \$ 1,024,848 |
| WORK COMP | | | | | | | | | | | | | | | | |
| Non-Credit | 2 | \$ 12,070 | 5 | \$ 19,571 | 3 | \$ 14,288 | 1 | \$ 2,394 | 3 | \$ 3,677 | 11 | \$ 25,608 | 12 | \$ 2,826 | 37 | \$ 80,433 |
| Credit | 0 | \$ (136) | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 17 | \$ (3,620) | 17 | \$ (3,757) |
| TOTAL | 2 | \$ 11,933 | 5 | \$ 19,571 | 3 | \$ 14,288 | 1 | \$ 2,394 | 3 | \$ 3,677 | 11 | \$ 25,608 | 29 | \$ (795) | 54 | \$ 76,676 |
| SELF PAY | | | | | | | | | | | | | | | | |
| Non-Credit | 67 | \$ 123,437 | 96 | \$ 117,799 | 65 | \$ 126,918 | 68 | \$ 85,550 | 157 | \$ 385,836 | 645 | \$ 595,771 | 1071 | \$ 735,498 | 2169 | \$ 2,170,809 |
| Credit | 2 | \$ (2,671) | 0 | \$ (603) | 2 | \$ (872) | 2 | \$ (1,817) | 4 | \$ (4,572) | 3 | \$ (1,116) | 318 | \$ (36,792) | 331 | \$ (48,444) |
| TOTAL | 69 | \$ 120,765 | 96 | \$ 117,197 | 67 | \$ 126,046 | 70 | \$ 83,733 | 161 | \$ 381,264 | 648 | \$ 594,655 | 1389 | \$ 698,706 | 2500 | \$ 2,122,365 |
| ACCOUNTS RECEIVABLE | | | | | | | | | | | | | | | | |
| Non-Credit | 749 | \$ 2,187,993 | 435 | \$ 885,349 | 291 | \$ 668,113 | 232 | \$ 485,326 | 442 | \$ 1,167,087 | 1055 | \$ 1,120,052 | 1230 | \$ 846,663 | 4434 | \$ 7,360,585 |
| Credit | 4 | \$ (107,727) | 6 | \$ (2,740) | 9 | \$ (11,154) | 6 | \$ (13,042) | 12 | \$ (10,158) | 8 | \$ (15,547) | 747 | \$ (147,837) | 792 | \$ (308,205) |
| GRAND TOTAL | 753 | \$ 2,080,266 | 441 | \$ 882,609 | 300 | \$ 656,959 | 238 | \$ 472,285 | 454 | \$ 1,156,929 | 1063 | \$ 1,104,505 | 1977 | \$ 698,826 | 5226 | \$ 7,052,380 |

Aged Over 90 Days Trending (excluding Credits)



| | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 |
|------------|--------|--------|--------|--------|--------|--------|
| Medicare | 2.3% | 12.6% | 18.3% | 23.3% | 26.5% | 30.5% |
| Medicaid | 12.4% | 23.9% | 26.3% | 32.1% | 33.8% | 32.3% |
| Commercial | 20.8% | 28.9% | 32.1% | 40.4% | 48.5% | 46.7% |
| Work Comp | 11.2% | 52.8% | 47.7% | 34.1% | 64.2% | 42.9% |

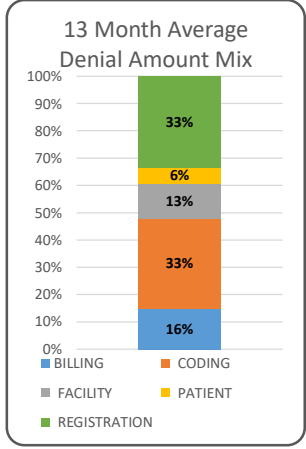
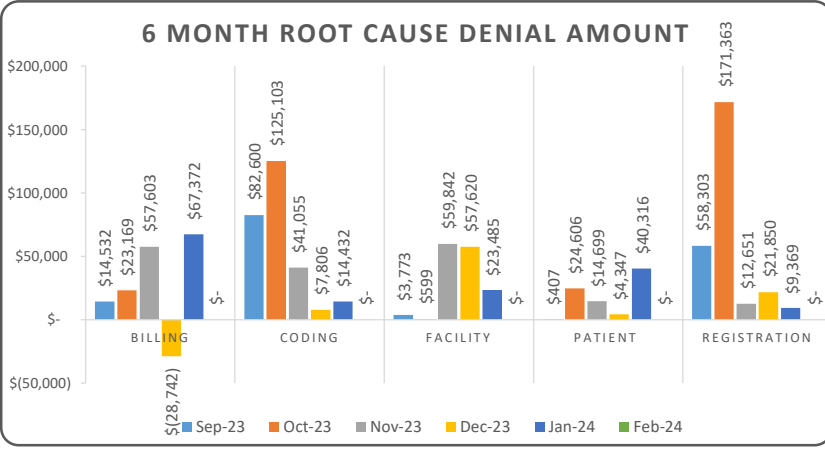
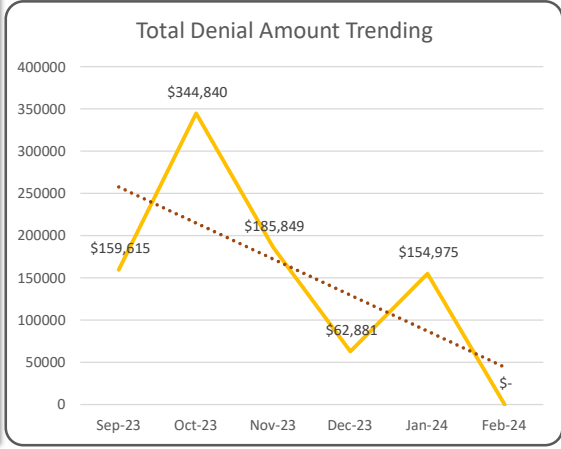
6 Month Aging



DENIAL MANAGEMENT

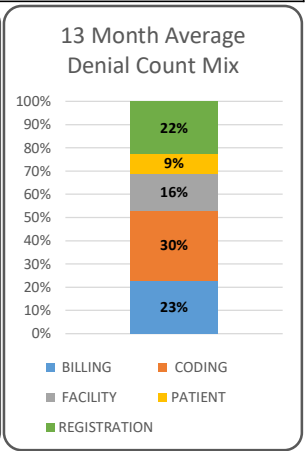
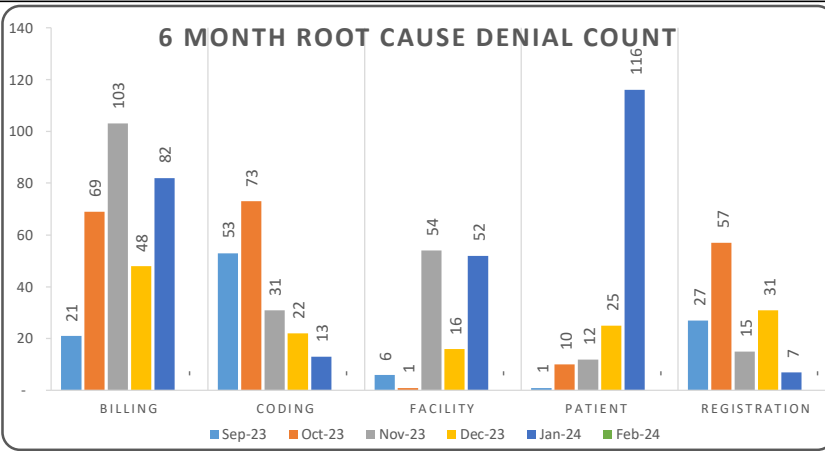
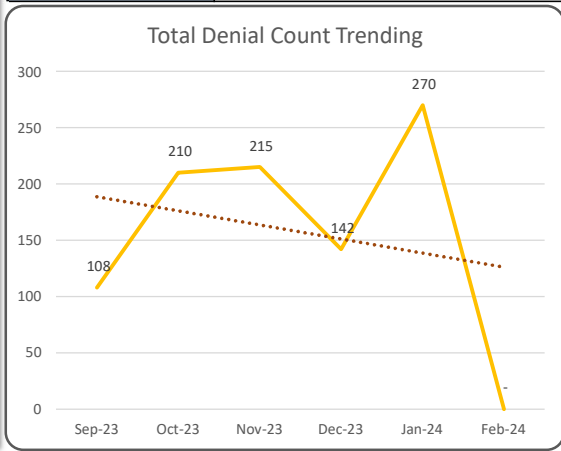
Denial Amount

| AMOUNT | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|---------------------|-----------|-----------|-----------|------------|------------|-----------|------------|------------|------------|------------|-------------|------------|--------|------------------|
| BILLING | \$ 15,559 | \$ 11,555 | \$ 16,802 | \$ 33,824 | \$ 20,119 | \$ 16,441 | \$ 4,186 | \$ 14,532 | \$ 23,169 | \$ 57,603 | \$ (28,742) | \$ 67,372 | \$ - | \$ 19,417 |
| CODING | \$ 30,929 | \$ 44,001 | \$ 24,264 | \$ 39,181 | \$ 20,027 | \$ 28,731 | \$ 69,786 | \$ 82,600 | \$ 125,103 | \$ 41,055 | \$ 7,806 | \$ 14,432 | \$ - | \$ 40,609 |
| FACILITY | \$ 17,826 | \$ 8,818 | \$ 7,016 | \$ 18,338 | \$ 5,061 | \$ 8,170 | \$ 2,617 | \$ 3,773 | \$ 599 | \$ 59,842 | \$ 57,620 | \$ 23,485 | \$ - | \$ 16,397 |
| PATIENT | \$ 35 | \$ - | \$ - | \$ - | \$ - | \$ 4,418 | \$ 4,468 | \$ 407 | \$ 24,606 | \$ 14,699 | \$ 4,347 | \$ 40,316 | \$ - | \$ 7,177 |
| REGISTRATION | \$ 22,693 | \$ 29,947 | \$ 44,238 | \$ 48,458 | \$ 59,497 | \$ 32,719 | \$ 24,061 | \$ 58,303 | \$ 171,363 | \$ 12,651 | \$ 21,850 | \$ 9,369 | \$ - | \$ 41,165 |
| TOTAL | \$ 87,041 | \$ 94,322 | \$ 92,321 | \$ 139,801 | \$ 104,704 | \$ 90,479 | \$ 105,119 | \$ 159,615 | \$ 344,840 | \$ 185,849 | \$ 62,881 | \$ 154,975 | \$ - | \$ 124,765 |



Denial Count

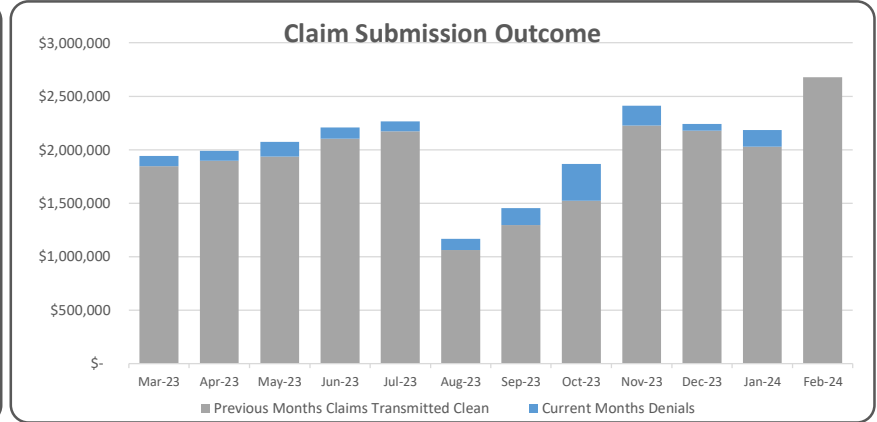
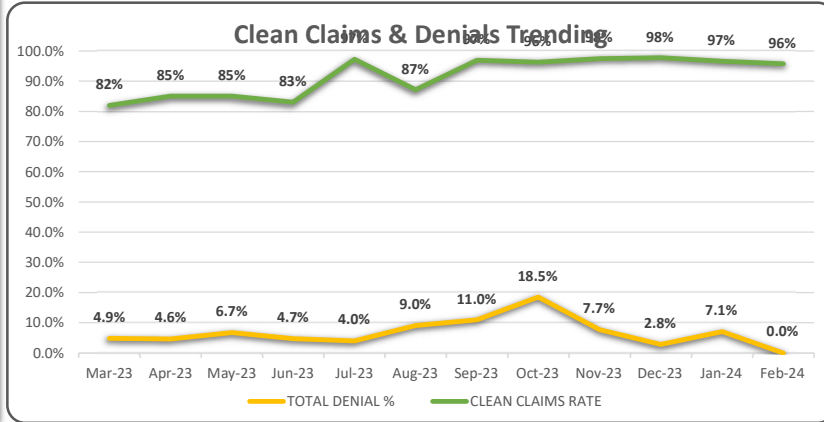
| COUNT | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------------|
| BILLING | 16 | 17 | 22 | 14 | 25 | 17 | 23 | 21 | 69 | 103 | 48 | 82 | - | 35 |
| CODING | 64 | 63 | 64 | 40 | 61 | 58 | 39 | 53 | 73 | 31 | 22 | 13 | - | 45 |
| FACILITY | 41 | 30 | 27 | 29 | 14 | 28 | 15 | 6 | 1 | 54 | 16 | 52 | - | 24 |
| PATIENT | 1 | - | - | - | - | 2 | 4 | 1 | 10 | 12 | 25 | 116 | - | 13 |
| REGISTRATION | 44 | 40 | 44 | 54 | 43 | 34 | 30 | 27 | 57 | 15 | 31 | 7 | - | 33 |
| TOTAL | 166 | 150 | 157 | 137 | 143 | 139 | 111 | 108 | 210 | 215 | 142 | 270 | - | 150 |



CLAIM SUBMIT EFFICIENCY & DENIAL RESOLUTION

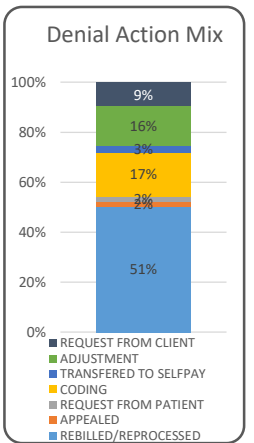
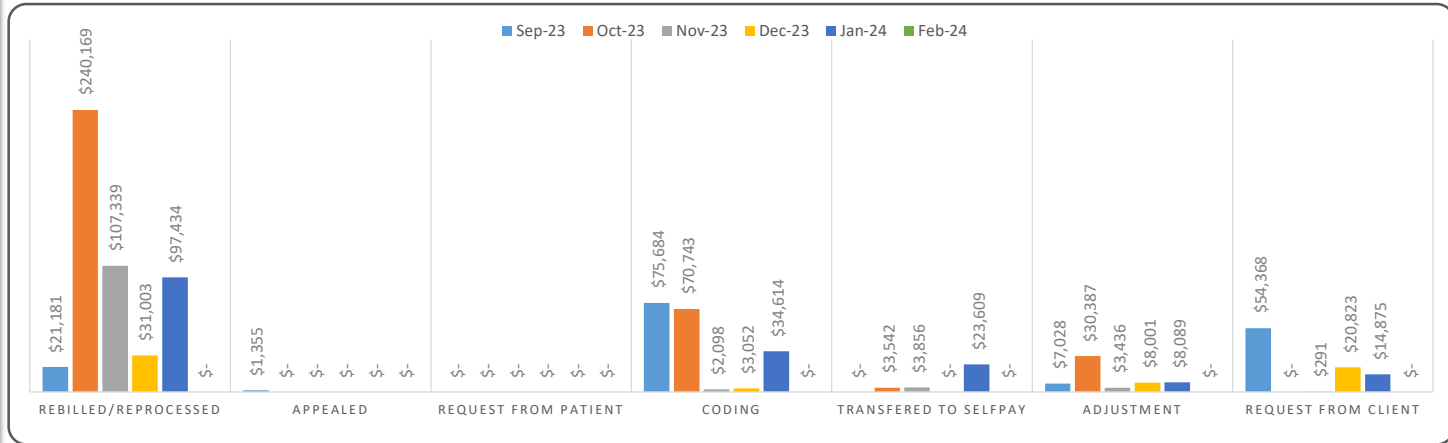
Denial & Clean Claim Trending

| | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| DENIAL AMOUNT | \$ 87,041 | \$ 94,322 | \$ 92,321 | \$ 139,801 | \$ 104,704 | \$ 90,479 | \$ 105,119 | \$ 159,615 | \$ 344,840 | \$ 185,849 | \$ 62,881 | \$ 154,975 | \$ - | \$ 124,765 |
| PREVIOUS MONTH'S TRANSMITTED CLAIMS | \$ 2,135,776 | \$ 1,941,893 | \$ 1,988,632 | \$ 2,074,118 | \$ 2,207,031 | \$ 2,264,169 | \$ 1,167,844 | \$ 1,454,165 | \$ 1,867,928 | \$ 2,411,329 | \$ 2,241,921 | \$ 2,184,032 | \$ 2,676,735 | \$ 2,047,352 |
| TOTAL DENIAL % | 4.1% | 4.9% | 4.6% | 6.7% | 4.7% | 4.0% | 9.0% | 11.0% | 18.5% | 7.7% | 2.8% | 7.1% | 0.0% | 6.5% |
| CLEAN CLAIMS RATE | 85% | 82% | 85% | 85% | 83% | 97% | 87% | 97% | 96% | 98% | 98% | 97% | 96% | 91% |



Action Taken on Denials

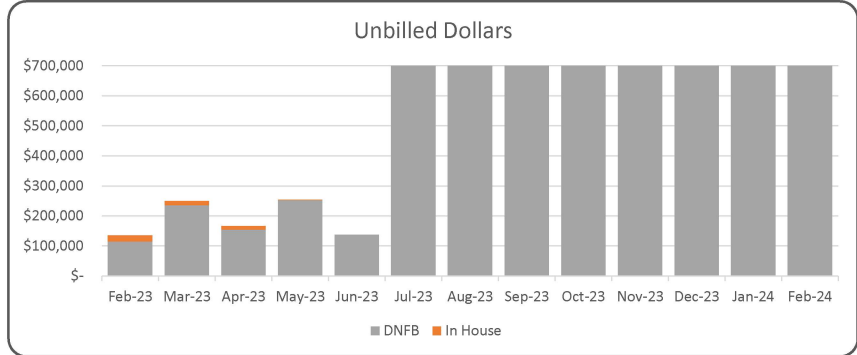
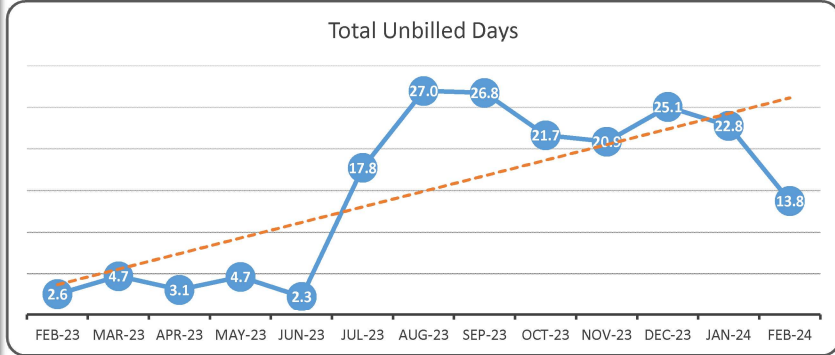
| DENIAL ACTION | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|-------------------------------|-----------|-----------|-----------|------------|------------|-----------|------------|------------|------------|------------|-----------|------------|--------|------------------|
| REBILLED/REPROCESSED | \$ 33,295 | \$ 55,495 | \$ 49,608 | \$ 73,330 | \$ 48,104 | \$ 35,311 | \$ 8,771 | \$ 21,181 | \$ 240,169 | \$ 107,339 | \$ 31,003 | \$ 97,434 | \$ - | \$ 61,618 |
| APPEALED | \$ 2,973 | \$ 2,164 | \$ 11,305 | \$ 3,102 | \$ 133 | \$ 4,051 | \$ 21 | \$ 1,355 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,931 |
| REQUEST FROM PATIENT | \$ 2,001 | \$ 1,293 | \$ 1,180 | \$ 3,499 | \$ 10,114 | \$ 13,047 | \$ 5,235 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,798 |
| CODING | \$ 4,149 | \$ 2,209 | \$ 2,394 | \$ 438 | \$ 4,991 | \$ 7,358 | \$ 67,848 | \$ 75,684 | \$ 70,743 | \$ 2,098 | \$ 3,052 | \$ 34,614 | \$ - | \$ 21,198 |
| TRANSFERRED TO SELFPAY | \$ 5,688 | \$ 2,222 | \$ 682 | \$ 1,244 | \$ 2,329 | \$ 555 | \$ 561 | \$ - | \$ 3,542 | \$ 3,856 | \$ - | \$ 23,609 | \$ - | \$ 3,407 |
| ADJUSTMENT | \$ 30,601 | \$ 28,772 | \$ 21,417 | \$ 40,951 | \$ 36,597 | \$ 25,659 | \$ 6,499 | \$ 7,028 | \$ 30,387 | \$ 3,436 | \$ 8,001 | \$ 8,089 | \$ - | \$ 19,034 |
| REQUEST FROM CLIENT | \$ 8,334 | \$ 2,166 | \$ 5,734 | \$ 17,237 | \$ 2,435 | \$ 4,499 | \$ 16,182 | \$ 54,368 | \$ - | \$ 291 | \$ 20,823 | \$ 14,875 | \$ - | \$ 11,303 |
| TOTAL | \$ 87,041 | \$ 94,322 | \$ 92,321 | \$ 139,801 | \$ 104,704 | \$ 90,479 | \$ 105,116 | \$ 159,615 | \$ 344,842 | \$ 117,020 | \$ 62,880 | \$ 178,621 | \$ - | \$ 121,289 |



UNBILLED & INVENTORY

Unbilled

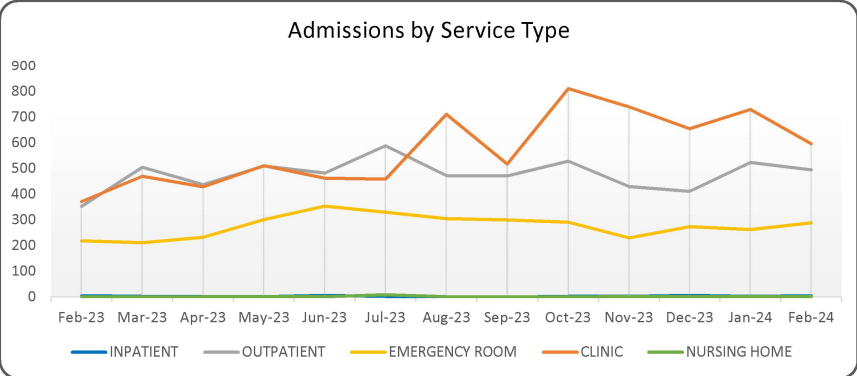
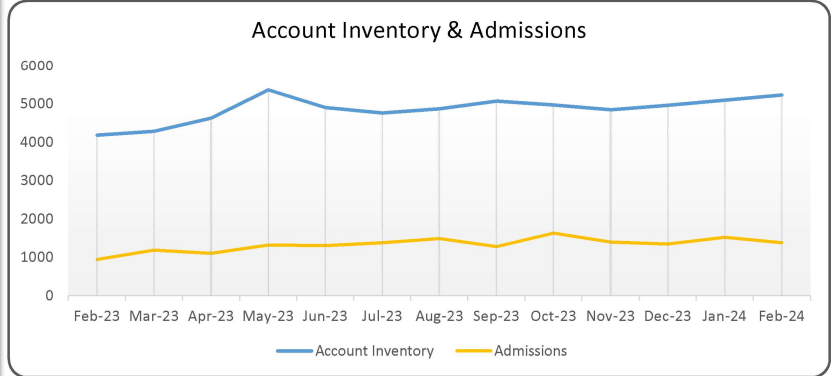
| | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| In House | \$ 21,812 | \$ 15,908 | \$ 13,120 | \$ 2,240 | \$ - | \$ 27,926 | \$ 59,290 | \$ 34,128 | \$ 58,121 | \$ 108,806 | \$ 49,158 | \$ 81,326 | \$ 57,589 | \$ 40,725 |
| DNFB | \$ 114,332 | \$ 234,498 | \$ 153,558 | \$ 252,579 | \$ 137,865 | \$ 1,032,055 | \$ 1,528,438 | \$ 1,460,193 | \$ 1,272,278 | \$ 1,259,714 | \$ 1,740,429 | \$ 1,639,771 | \$ 1,052,041 | \$ 913,673 |
| Total Unbilled | \$ 136,143 | \$ 250,407 | \$ 166,678 | \$ 254,819 | \$ 137,865 | \$ 1,059,981 | \$ 1,587,728 | \$ 1,494,321 | \$ 1,330,399 | \$ 1,368,520 | \$ 1,789,587 | \$ 1,721,097 | \$ 1,109,630 | \$ 954,398 |
| Unbilled Days | 2.6 | 4.7 | 3.1 | 4.7 | 2.3 | 17.8 | 27.0 | 26.8 | 21.7 | 20.9 | 25.1 | 22.8 | 13.8 | 14.9 |



Admissions & Account Inventory

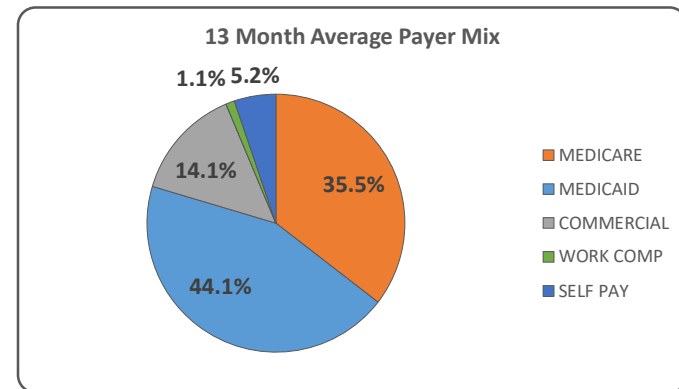
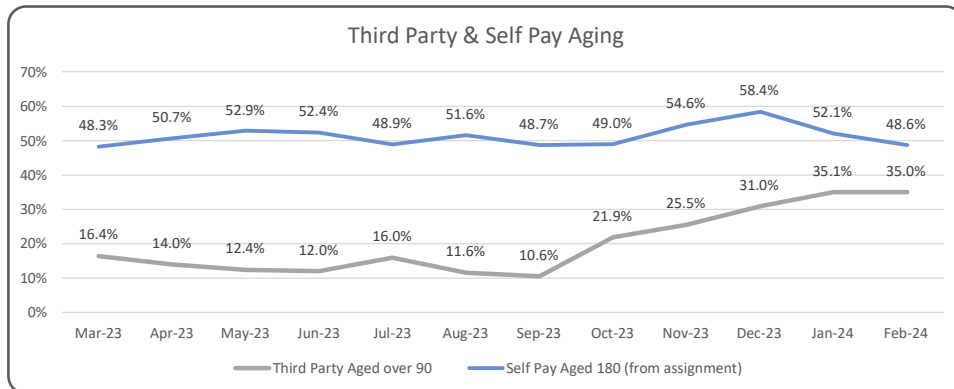
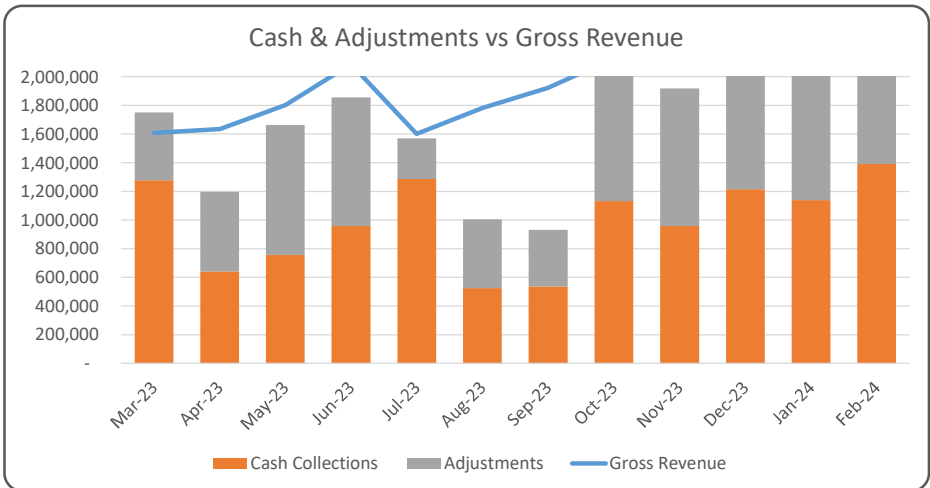
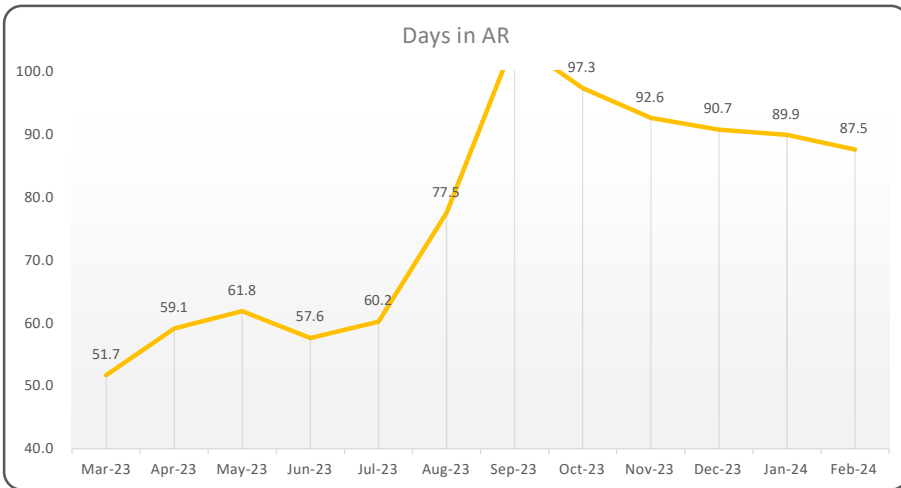
| ADMISSIONS | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|----------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| INPATIENT | 4 | 3 | 1 | 1 | 6 | 2 | 1 | 0 | 3 | 2 | 6 | 3 | 4 | 3 |
| SWINGBED | 4 | 4 | 4 | 0 | 4 | 2 | 7 | 1 | 4 | 1 | 5 | 2 | 2 | 3 |
| OUTPATIENT | 352 | 505 | 437 | 510 | 482 | 588 | 472 | 471 | 528 | 430 | 411 | 524 | 495 | 477 |
| EMERGENCY ROOM | 219 | 211 | 233 | 300 | 353 | 330 | 304 | 299 | 291 | 229 | 274 | 262 | 289 | 276 |
| CLINIC | 371 | 470 | 428 | 511 | 462 | 458 | 710 | 517 | 810 | 739 | 655 | 729 | 595 | 573 |
| NURSING HOME | 1 | 0 | 1 | 1 | 1 | 8 | 1 | 0 | 0 | 2 | 1 | 1 | 1 | 1 |
| TOTAL | 951 | 1,193 | 1,104 | 1,323 | 1,308 | 1,388 | 1,495 | 1,288 | 1,636 | 1,403 | 1,352 | 1,521 | 1,386 | 1334 |

| ACCOUNT INVENTORY | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | 13 Month Average |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------|
| MEDICARE | 417 | 438 | 494 | 547 | 485 | 387 | 519 | 598 | 579 | 556 | 633 | 583 | 601 | 526 |
| MEDICAID | 692 | 645 | 855 | 794 | 748 | 682 | 688 | 762 | 732 | 759 | 756 | 874 | 940 | 764 |
| COMMERCIAL | 814 | 857 | 903 | 914 | 997 | 862 | 838 | 887 | 897 | 942 | 997 | 1,052 | 1,131 | 930 |
| WORK COMP | 72 | 91 | 77 | 87 | 89 | 75 | 59 | 57 | 55 | 61 | 56 | 58 | 54 | 69 |
| SELF PAY | 2,191 | 2,260 | 2,303 | 2,461 | 2,584 | 2,752 | 2,767 | 2,772 | 2,708 | 2,527 | 2,524 | 2,528 | 2,500 | 2529 |
| TOTAL | 4186 | 4291 | 4632 | 5363 | 4903 | 4758 | 4871 | 5076 | 4971 | 4845 | 4966 | 5095 | 5226 | 4860 |



Southern Humboldt Community Healthcare District Executive Dashboard

| | TARGET | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 |
|-------------------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Days in AR | 45.0 | 51.7 | 59.1 | 61.8 | 57.6 | 60.2 | 77.5 | 104.8 | 97.3 | 92.6 | 90.7 | 89.9 | 87.5 |
| Gross AR | | 2,736,001 | 3,173,025 | 3,388,967 | 3,496,943 | 3,591,307 | 4,558,438 | 5,850,618 | 5,974,477 | 6,060,571 | 6,475,740 | 6,787,249 | 7,052,380 |
| Gross Revenue | | 1,606,835 | 1,632,497 | 1,801,881 | 2,088,494 | 1,600,297 | 1,781,158 | 1,922,299 | 2,130,187 | 2,037,494 | 2,402,068 | 2,506,331 | 2,422,995 |
| Cash Collections | | 1,276,559 | 641,314 | 756,460 | 958,114 | 1,285,280 | 523,891 | 535,583 | 1,131,808 | 958,049 | 1,214,685 | 1,139,209 | 1,391,162 |
| Adjustments | | 472,360 | 553,962 | 906,039 | 896,471 | 284,186 | 481,416 | 395,270 | 1,210,884 | 959,630 | 810,676 | 1,075,435 | 726,145 |
| Collection % | | 73.0% | 53.7% | 45.5% | 51.7% | 81.9% | 52.1% | 57.5% | 48.3% | 50.0% | 60.0% | 51.4% | 65.7% |
| Late Charges | 1% | 0.3% | 0.0% | 0.0% | 0.2% | 2.2% | 0.3% | 0.7% | 0.8% | 0.2% | 0.6% | 0.3% | 0.3% |
| Bad Debt | 3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 5.3% | 0.0% | 0.0% | 2.2% |
| Charity Care | 3% | 1.5% | 0.1% | 1.2% | 0.5% | 0.7% | 0.2% | 0.1% | 0.2% | 0.0% | 0.0% | 2.3% | 0.4% |
| Third Party Aged over 90 | 13% | 16.4% | 14.0% | 12.4% | 12.0% | 16.0% | 11.6% | 10.6% | 21.9% | 25.5% | 31.0% | 35.1% | 35.0% |
| Self Pay Aged 180 (from assignment) | 25% | 48.3% | 50.7% | 52.9% | 52.4% | 48.9% | 51.6% | 48.7% | 49.0% | 54.6% | 58.4% | 52.1% | 48.6% |





Southern Humboldt Community Healthcare District

GOVERNING BOARD RESOLUTION 24:05

APPROVAL OF DEBT ISSUANCE AND MANAGEMENT POLICY

A RESOLUTION OF SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT AUTHORIZING THE DEBT ISSUANCE AND MANAGEMENT POLICY

1. Introduction

On March 28, 2024, the Board of Directors of the Southern Humboldt Community Healthcare District (the “Board”) reviewed and considered this Debt Issuance and Management Policy (“Debt Policy”) of the Southern Humboldt Community Healthcare District and this Debt Policy was approved by action of the Board on March 28, 2024. This Debt Policy provides guidelines for debt issuance, management and post-issuance related policies and procedures for the Southern Humboldt Community Healthcare District. This Debt Policy may be amended by the Board as it deems appropriate from time-to-time in the prudent management of the debt and financing needs of the Southern Humboldt Community Healthcare District.

2. Purpose

The purpose of this Debt Policy is to establish guidelines and parameters for the effective governance, management and administration of debt and other financing obligations issued by the Southern Humboldt Community Healthcare District and its related entities (such as, but not exclusive to, any special districts and any entities for which the Board serves as the governing board or legislative body). This Debt Policy is intended to improve and direct decision making, assist with the structure of debt issuance, identify policy goals, and demonstrate a commitment to long-term financial planning, including the Southern Humboldt Community Healthcare District’s Capital Improvement Program (the “Capital Improvement Program”). Adherence to a debt policy helps to ensure the Southern Humboldt Community Healthcare District’s debt is issued and managed prudently in order to maintain a sound financial position and credit worthiness. When used in this Debt Policy, “debt” refers to all indebtedness and financing obligations of the Southern Humboldt Community Healthcare District and its related entities (together referred to as “District”).

3. Debt Policy Objective

This Debt Policy is intended to comply with the requirements of Senate Bill 1029 (SB 1029), codified as part of California Government Code Section 8855(i), effective on January 1, 2017 and shall govern all debt undertaken by the District. The primary objectives of the District’s debt and financing related activities are to:

- A. Maintain the District’s sound financial position;

B. Ensure the District has the flexibility to respond to possible changes in future service obligations, revenues, and operating expenses;

C. Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and residents/visitors within the boundaries of the District and its service areas;

D. Minimize debt service commitments through efficient planning and cash management;

E. Protect the District's credit worthiness and achieve the highest practical credit ratings, when applicable; and

F. Ensure the District is in compliance with all relevant State and Federal securities laws and other applicable laws and regulations.

4. Acceptable Uses of Debt Proceeds

The District will consider the use of debt financing primarily for assets and capital projects only if the term of debt shall not exceed the asset(s) or project's useful life or will otherwise comply with Federal tax law requirements. An exception to this long-term driven focus is the issuance of short-term instruments, such as tax and revenue anticipation notes, which are to be used for reasonable cash management purposes, as described below. Bonded debt should not be issued to finance normal operating expenses. Debt will not normally be issued to support ongoing operational costs unless such debt issuance achieves net operating cost savings and such savings are verified by independent analysis.

A. Long-Term Debt.

i. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and/or operated by the District. Long-term debt financings are appropriate when any of the following conditions exist:

- (1) When the project to be financed is necessary to provide basic municipal services;
- (2) When the project to be financed will provide benefit to the District's constituents over a duration of more than one year;
- (3) When the total debt financing would not impose an unreasonable burden on the District and its taxpayers and/or ratepayers, as applicable; or
- (4) When the debt is used to refinance outstanding debt in order to produce debt service savings or to benefit from debt restructuring.

ii. The District may use long-term debt financings subject to each of the following conditions:

- (1) The project to be financed has been or will be considered and approved by the Board;

- (2) The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%;
- (3) The District estimates that sufficient revenues will be available to service the debt through its maturity; and
- (4) The District determines that the issuance of the debt will comply with the applicable requirements of State and Federal law.

B. *Short-term Debt.* Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance the District's short-lived capital projects, such as undertaking lease-purchase financing for equipment.

C. *Financings on Behalf of Other Entities.* The District may also issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of the District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed, the financial solvency of any borrower, and that the issuance of such debt is consistent with the policies set forth herein.

5. Standards for Use of Debt Financing

The District recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, costs, and risks. The District will consider debt issuance only in those cases where public policy, equity and economic efficiency favor debt financing over cash funding. Prior to the issuance of debt or other financing obligations, the District will carefully consider the overall long-term affordability of the proposed debt issuance by conducting an objective analysis of the District's ability to support additional debt service payments. The District will consider its long-term revenue and expenditure trends, the impact on operational flexibility and the overall debt burden on the taxpayers/ratepayers. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and/or maintain debt levels consistent with its current operating and capital needs.

6. Types of Debt

In order to maximize the financial options available to benefit the public, it is the District's policy to allow the consideration of issuing all generally accepted types of debt, on a public or private placement basis, including, but not exclusive to the following:

A. *Joint Powers Authority (JPA) Lease Revenue Bonds/Certificates of Participation.* The District may obtain financing through the issuance of debt by a joint exercise of powers agency or through the execution and delivery of certificates of participation with such debt payable from amounts paid by the District under a lease, installment sale agreement, or contract of indebtedness.

B. *General Obligation (GO) Bonds.* GO Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. All GO bonds shall be authorized by the requisite number of voters in order to pass.

C. *Loans/Equipment Leases.* The District is authorized to enter into loans, leases, equipment leases, installment payment obligations, or other similar funding structures secured by a prudent source or sources of repayment.

D. *Other Local Health Care District Debt.* The District may issue any and all other types of debt and enter into any and all other types of financings permitted under The Local Health Care District Law (being Division 23 of the California Health and Safety Code).

E. *Short-Term Debt.* Short-term borrowing, such as commercial paper, Tax and Revenue Anticipation Notes (TRANS), and lines of credit, may be considered as an interim source of funding in anticipation of long-term borrowing and may be issued to generate funding for cash flow needs. The final maturity of the debt issued to finance the project shall be consistent with the useful life of the project. Short-term debt may also be used to finance short-lived capital projects such as lease-purchase financing for equipment.

F. *Refunding Bonds.* The District shall refinance debt pursuant to the authorization that is provided under California law, including but not limited to Articles 9, 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as market opportunities arise. Refundings may be undertaken in order:

- (1) To take advantage of lower interest rates and achieve debt service costs savings;
- (2) To eliminate restrictive or burdensome bond covenants; or
- (3) To restructure debt to lengthen the duration of repayment, relieve debt service spikes, reduce volatility in interest rates or free up reserve funds.

Generally, the District shall strive to achieve a minimum of 3% net present value savings. The net present value assessment shall factor in all costs, including issuance, escrow, and foregone interest earnings of any contributed funds on hand. Refundings which produce a net present value savings of less than 3% will be considered on a case-by-case basis. Upon the advice of the Chief Financial Officer and with the assistance of a financial advisor and bond counsel, the District will consider undertaking refundings for other than economic purposes based upon a finding that such a restructuring is in the District's overall best financial interest.

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in that circumstance.

7. Relationship to Capital Improvement Program and Operating Budget

The District intends to issue debt for the purposes stated in this Debt Policy and the decision to incur new indebtedness should be integrated with the Board-adopted annual Operating Budget and Capital Improvement Program Budget, if any. Prior to issuance of debt, a reliable revenue source shall be identified to secure repayment of the debt and the annual debt service payments shall be included in the Operating Budget.

The District shall integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

8. Policy Goals Related to Planning Goals and Objectives

This Debt Policy has been adopted to assist with the District's goal of financial sustainability and financial prudence. In following this Debt Policy, the District shall pursue the following policy goals:

- i. The District is committed to financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual Operating Budget;
- ii. It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings, if applicable, and the lowest practical borrowing costs;
- iii. It is a policy goal of the District to reduce the unfunded liabilities for employee pension and other post-employment benefits (OPEB);
- iv. The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges; and
- v. When refinancing debt, it shall be the policy goal of the District to achieve, whenever possible and subject to any overriding non-financial policy, minimum aggregate net present value debt service savings of at least 3% of the refunded principal amount.

9. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- i. Federal securities law, including any continuing disclosure undertakings under SEC Rule 15c2-12, as amended;
- ii. Any federal tax compliance requirements including without limitation arbitrage and rebate compliance, related to any prior bond issues;
- iii. The District's investment policies as they relate to the investment of bond proceeds; and
- iv. Government Code section 8855(k) and the annual reporting requirements therein.

The District shall be vigilant in using bond proceeds in accordance with the stated purpose at the time that such debt was issued. The Chief Executive Officer, the Chief Financial Officer or their designee will monitor the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued. Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the District will submit written requisitions for such proceeds. The District will submit a requisition only after obtaining the signature of Chief Executive Officer, the Chief Financial Officer or their designee.

10. Amendment and Waivers of Debt Policy

This Debt Policy will be reviewed and updated periodically as needed. Any amendments to this Debt Policy are subject to specific Board approval.

While adherence to this Debt Policy is required in all applicable circumstances, on rare occasions there might be circumstances when strict adherence to a provision of this Debt Policy is not possible or not in the best interest of the District. If the District staff has determined that a waiver of one or more provisions of this Debt Policy should be considered by the Board, it will prepare an analysis for the Board describing the rationale for the waiver and the impact of the waiver on the proposed debt issuance and on taxpayers, if applicable. Upon a majority vote of the Board, one or more provisions of this Debt Policy may be waived for a debt financing.

The failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the District in accordance with applicable laws.

11. SB 1029 Compliance

SB 1029, signed by the Governor on September 12, 2016, and enacted as Chapter 307, Statutes of 2016, requires issuers to adopt debt policies addressing each of the five items below:

A. *The purposes for which the debt proceeds may be used.* Section 4 (Acceptable Uses of Debt Proceeds) addresses the purposes for which debt proceeds may be used.

B. *The types of debt that may be issued.* Section 6 (Types of Debt) provides information regarding the types of debt that may be issued.

C. *The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.* Section 7 (Relationship to Capital Improvement Program and Operating Budget) provides information regarding the relationship between the District's debt and Capital Improvement Program and annual Operating Budget.

D. *Policy goals related to the issuer's planning goals and objectives.* Section 3 (Debt Policy Objective) and Section 8 (Policy Goals Related to Planning Goals and Objectives) address some of the District's policy goals and how this Debt Policy has implemented them.

E. *The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.* Section 9 (Internal Control Procedures) provides information regarding the District's internal control procedures designed to ensure that the proceeds of its debt issues are spent as intended.

This Debt Policy, as written, complies with and meets the requirements of SB 1029.

PASSED AND ADOPTED by the Board of Directors of SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT, this 28th day of March 2024, by the following vote:

Ayes: _____

Noes: _____

Abstain: _____

Absent: _____

Witnessed by: Corinne Stromstad, President

Witnessed by: Barbara Truitt, Vice-President/Secretary



SoHum Health

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Garberville, CA 95542
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shchd.org

Southern Humboldt Community Healthcare District

GOVERNING BOARD RESOLUTION

24:06

APPROVAL OF REIMBURSEMENT INTENTION

A RESOLUTION OF THE SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT REGARDING ITS INTENTION TO REIMBURSE CERTAIN COSTS FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS

WHEREAS, the Board of Directors of the Southern Humboldt Community Healthcare District (the “Issuer”) desires to finance the costs of acquiring and constructing certain public facilities and improvements, all as more fully described in Exhibit A attached hereto and incorporated herein (the “Project”).

WHEREAS, the Issuer intends to finance the Project or portions of the Project with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes in one or more phases (the “Obligations”).

WHEREAS, prior to the issuance of the Obligations the Issuer desires to incur certain expenditures with respect to the Project from available monies of the Issuer, which expenditures are desired to be reimbursed by the Issuer from a portion of the proceeds of the sale of the Obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT AS FOLLOWS:

SECTION 1. The Issuer hereby states its intention and reasonably expects to reimburse Project costs incurred by the Issuer prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit A describes either the general character, type, purpose, and function of the Project, or the fund or account from which Project costs are to be paid and the general functional purpose of the fund or account.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$3,600,000

SECTION 3. This resolution is being adopted not later than 60 days after the date (the “Expenditures Date or Dates”) that the Issuer will expend monies for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

SECTION 4. Except as described below, the expected date of issue of the Obligations will be within eighteen months of the later of the Expenditure Date or Dates and the date the Project is placed in service; provided, the reimbursement may not be made more than three years after the original expenditure is paid.

For Obligations subject to the small issuer exception of Section 148(f)(4)(D) of the Internal Revenue Code, the “eighteen-month limit” of the previous sentence is changed to “three years” and the limitation of the previous sentence beginning with “; provided, ... ” is not applicable.

SECTION 5. Proceeds of the Obligations to be used to reimburse for Project costs are not expected to be used, within one year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one year period on any tax-exempt obligation of the Issuer (other than the Obligations)) or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the Issuer or any entity related in any manner to the Issuer, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

SECTION 6. This resolution is consistent with the budgetary and financial circumstances of the Issuer as of the date hereof. No monies from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the Issuer (or any related party) pursuant to their budget or financial policies with respect to the Project costs. To the best of our knowledge, this Board of Directors is not aware of the previous adoption of official intents by the Issuer that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 7. The limitations described in Section 3 and Section 4 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

SECTION 8. This resolution is adopted as official action of the Issuer in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Issuer expenditures incurred prior to the date of issue of the Obligations, is part of the Issuer's official proceedings, and will be available for inspection by the general public at the main administrative office of the Issuer.

SECTION 9. All the recitals in this Resolution are true and correct and this Board of Directors so finds, determines and represents.

SECTION 10. This Resolution shall take effect immediately.

PASSED AND ADOPTED by the Board of Directors of SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT, this 28th day of March, 2024, by the following vote:

Ayes: _____

Noes: _____

Abstain: _____

Absent: _____

Witnessed by: Corinne Stromstad, President

Witnessed by: Barbara Truitt, Vice-President/Secretary



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Southern Humboldt Community Healthcare District

GOVERNING BOARD RESOLUTION 24:07 APPROVAL OF POLICIES & PROCEDURES

WHEREAS the CAH Policy Development Committee has examined and recommends approval of the following policies and procedures and Department Manuals to the Medical Staff Committee; and

WHEREAS the Medical Staff Committee has examined and recommends approval of the policies and procedures and department manuals as specified by the CAH Policy Development Committee; and

WHEREAS the Governing Board has examined the documents in support thereof;

NOW THEREFORE BE IT RESOLVED that the Southern Humboldt Community Healthcare District Governing Board HEREBY APPROVES the following District Policies & Procedures and Review of Department Manuals:

Nursing – New

Hand-Off P&P

Facility – Revised

Smoke Free

ADOPTED by the Southern Humboldt Community Healthcare District Governing Board at the regular board meeting held on the 28th day of March 2024, by the following roll call vote:

Ayes: _____

Noes: None _____

Abstain: None _____

Absent: _____

Witnessed by: Corinne Stromstad, President

Witnessed by: Barbara Truitt, Vice-President/Secretary