Hazel Hawkins
MEMORIAL HOSPITAL

REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
THURSDAY, APRIL 24, 2025 – 5:00 P.M.
SUPPORT SERVICES BUILDING, 2ND - FLOOR, GREAT ROOM
IN-PERSON AND BY VIDEO CONFERENCE

Members of the public may participate remotely via Zoom at the following link https://zoom.us/join with the following Webinar ID and Password:
Meeting ID: 991 5300 5433
Security Passcode: 007953

Mission Statement - The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

AGENDA

Presented By:

1. **Call to Order / Roll Call** (Johnson)

2. **Board Announcements** (Johnson)

3. **Public Comment** (Johnson)
This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda. This is the appropriate place to comment on items on the Consent Agenda. Board Members may not deliberate or take action on an item not on the duly posted agenda. Written comments for the Board should be provided to the Board clerk or designee for the official record. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting to provide adequate time for its consideration. Speaker cards are available.

4. **Consent Agenda – General Business** (Johnson)
The Consent Agenda deals with routine and non-controversial matters. The vote on the Consent Agenda shall apply to each item that has not been removed. A Board Member may pull an item from the Consent Agenda for discussion. One motion shall be made to adopt all non-removed items on the Consent Agenda.

   A. Consider and Approve Minutes of the Regular Meeting of the Board of Directors – March 27, 2025.

   B. Consider and Approve Minutes of the Special Meeting of the Board of Directors – April 8, 2025.

C. Receive Officer/Director Written Reports
- Physician Services & Clinic Operations
- Skilled Nursing Facilities (Mabie Southside/Northside)
- Laboratory and Radiology
- Foundation
- Marketing
- PMO Project Summary

D. Consider and Approve Policies:
- NUHW Bilingual Pay Policy (Revised)
- MRI Response to Low Oxygen Alarm (Revised)
- Identity and Access Authentication (New)
- Information Technology Acceptable Use (New)
- Patch and Vulnerability Management (New)
- Workstation Security for HIPAA (Revised)
- Cesarean Section Classification (Revised)
- Induction of Labor Misoprostol (Revised)
- Subpoena and Legal Document Processing (Revised)
- Work Hours, Scheduling, and Employee Classification (Revised)
- Policy Development Policy (Revised)

Recommended Action: Approval of Consent Agenda Items (A) through (D).

- ▶ Board Questions
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

5. Receive Informational Reports

A. Chief Executive Officer (Verbal Report) (Casillas)
- Transaction Update
- DHLF Letter

- ▶ Public Comment

B. Chief Nursing Officer (Descent)
- Dashboard – March 2025

- ▶ Public Comment

C. Finance Committee – April 21, 2025 (Robinson)
- Financial Statements – March 2025
- Finance Dashboard – March 2025
- Supplemental Payments – March 2025

- ▶ Public Comment

6. Public Comment (Johnson)
This opportunity is provided for members to comment on the closed session topics, not to exceed three (3) minutes.

7. Closed Session (Johnson)
See the Attached Closed Session Sheet Information.

8. **Closed Session Report** (Counsel)

9. **Adjournment** (Johnson)

The next Regular Meeting of the Board of Directors is scheduled for Thursday, May 22, 2025, at 5:00 p.m., Great Room.

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting, in the Administrative Offices of the District, and posted on the District's website at https://www.hazelhawkins.com/news/categories/meeting-agendas/. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Any public record distributed to the Board less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the District office. Public records distributed during the meeting, if prepared by the District, will be available for public inspection at the meeting. If the public record is prepared by a third party and distributed at the meeting, it will be made available for public inspection following the meeting at the District office.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

Please note that room capacity is limited and is available on a first come first serve basis.

SAN BENITO HEALTH CARE DISTRICT BOARD OF DIRECTORS
April 24, 2025

AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

☐ **LICENSE/PERMIT DETERMINATION**
(Government Code §54956.7)

Applicant(s): (Specify number of applicants)_____

☐ **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
(Government Code §54956.8)

☐ **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**
(Government Code §54956.9(d)(1))

Name of case:
Case name unspecified:

☐ **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**
(Government Code §54956.9)

☐ **LIABILITY CLAIMS**
(Government Code §54956.95)

Claimant: (Specify name unless unspecified pursuant to Section 54961):
Agency claimed against: (Specify name): _____.

☐ **THREAT TO PUBLIC SERVICES OR FACILITIES**
(Government Code §54957)

Consultation with: (Specify the name of law enforcement agency and title of officer):_____

☐ **PUBLIC EMPLOYEE APPOINTMENT**
(Government Code §54957)

Title:

☐ **PUBLIC EMPLOYMENT**
(Government Code §54957)

Title:

☐ **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code §54957)

(Specify position title of the employee being reviewed):

Title:

☐ **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**
(Government Code §54957)

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

☐ **CONFERENCE WITH LABOR NEGOTIATOR**
(Government Code §54957.6)

Agency designated representative:
Employee organization:
Unrepresented employee:

☐ **CASE REVIEW/PLANNING**
(Government Code §54957.8)
(No additional information is required to consider case review or planning.)

☐ **REPORT INVOLVING TRADE SECRET**
(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):

1. Trade Secrets, Strategic Planning, Proposed New Programs, and Services.

Estimated date of public disclosure: (Specify month and year):

☒ **HEARINGS/REPORTS**
(Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report – Credentials

☐ **CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW** (Government Code §54956.86)

(No additional information is required to discuss a charge or complaint pursuant to Section 54956.86.)

ADJOURN TO OPEN SESSION

Hazel Hawkins
MEMORIAL HOSPITAL

REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
SUPPORT SERVICES BUILDING, 2ND-FLOOR, GREAT ROOM
IN PERSON AND BY VIDEO CONFERENCE

THURSDAY, MARCH 27, 2025
5:00 P.M.
MINUTES

Directors Present
Bill Johnson, Board Member
Devon Pack, Board Member
Victoria Angelo, Board Member
Nick Gabriel, Board Member
Josie Sanchez, Board Member

Also Present
Mary Casillas, Chief Executive Officer
Mark Robinson, Chief Financial Officer
Karen Descent, Chief Nursing Officer
Amy Breen-Lema, Vice President, Ambulatory & Physician Services
Suzie Mays, Vice President, Information & Strategic Services
Michael Bogey, MD, Chief of Staff
Heidi A. Quinn, District Legal Counsel

1. **Call to Order/Roll Call**
   Director Johnson called the meeting to order at 5:00 PM. A quorum was present, and attendance was taken by roll call. Directors Johnson, Pack, Angelo, Gabriel, and Sanchez were present.

2. **Board Announcements**
   President Johnson stated he was thankful for the list of acronyms that was added to their binders.

3. **Public Comment**
   An opportunity for public comment was provided, and individuals were given three minutes to address the Board Members and Administration.

   Public comment was received.

4. **Consent Agenda - General Business**
   A. Consider and Approve Minutes of the Regular Meeting of the Board of Directors – February 27, 2025.

   B. Receive Officer/Director Written Reports - No action required.
      - Provider Services & Clinic Operations
      - Skilled Nursing Facilities (Mabie Southside/Northside)
      - Laboratory and Radiology

- Foundation Report
- Public Relations
- PMO Project Summary Report

C. Consider and Approve Policies:
- Outbreak Investigation (Revised)
- Use of Portable Fans (Revised)
- Enhanced Barrier Precautions SNF (New)
- Infection Control and Prevention SNF (New)
- COVID-19 Prevention and Management SNF (New)

Director Johnson presented the consent agenda items to the Board for action. This information is included in the Board packet.

MOTION: By Director Angelo to approve the Consent Agenda – General Business, Items (A-C), as presented; Second by Director Pack.

Moved/Seconded/ Carried. Ayes: Directors Johnson, Pack, Angelo, Gabriel, and Sanchez. Approved 5-0 by roll call.

5. **Receive Informational Reports**

A. Chief Executive Officer (Verbal Report)
- Transaction Update
- Update on Tariffs

Ms. Casillas provided the CEO report, including an update on the Tariffs and the ransom hoax. Materials are included in the packet. District Consultant Mr. Richard Peil, of B. Riley, and special counsel Ms. Stephanie Gross, of Hooper, Lundy & Bookman, provided an update on the transaction. The Temporary Advisory Committee also provided a report.

An opportunity was provided for public comment, and public comment was received.

B. Chief Nursing Officer
- Dashboard – February 2025

Ms. Descent provided a report, which is included in the packet.

An opportunity was provided for public comment; public comment was received.

C. Finance Committee – March 24, 2025
- Financial Statements – February 2025
- Finance Dashboard – February 2025
- Supplemental Payments - February 2025

Mr. Robinson reviewed the financial statements, dashboard, and supplemental payments. The reports are included in the Board packet.

An opportunity was provided for public comment, and public comment was received.

6. **Action Items**

A. Consider Approval of Professional Services Agreement for Lorilee Sutter, M.D., in the amount of $187,200.00 annually.

Ms. Breen-Lema provided a report; materials are included in the packet.

An opportunity was provided for public comment, and no public comment was received.

MOTION: By Director Gabriel to approve the Professional Service Agreement for Lorilee Sutter, M.D., in the amount of $187,200.00 annually, Second by Director Pack.

Moved/Seconded/ Carried: Ayes: Directors Johnson, Pack, Angelo, Gabriel, and Sanchez. Approved 5-0 by roll call.

B. Consider Approval of Proposed Amendments to Bylaws Regarding Committee Meetings.

Ms. Casillas provided a report; materials are included in the packet. An opportunity was provided for public comment, and public comment was received.

The Board of Directors gave direction to staff to bring this item back to the next board meeting.

7. **Public Comment**
An opportunity was provided for public comment on the closed session items, and public comment was received.

8. **Closed Session**
President Johnson announced the items to be discussed in Closed Session as listed on the posted Agenda: a) Conference with Legal Counsel-Existing Litigation, Government Code §54965.9(d)(1) and b) Hearing/Reports, Credentials, Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106(b).

The members of the Board entered into a closed session at 7:00 pm.

9. **Reconvene Open Session/Closed Session Report**
The Board of Directors reconvened to open session at 8:35 pm. Counsel stated that two (2) items were discussed: a) Conference with Legal Counsel-Existing Litigation and b) Hearing/Reports.

No reportable action was taken regarding the conference with Legal Counsel-Existing Litigation. Under hearings and reports, the Credentials report was received and approved by the Board, which voted unanimously 5-0 to accept the Credentialing report.

10. **Adjournment:**
There being no further regular business or actions, the meeting was adjourned at 8:36 p.m.
The next Regular Meeting of the Board of Directors is scheduled for Thursday, April 24, 2025, at 5:00 p.m.

Hazel Hawkins
MEMORIAL HOSPITAL

SPECIAL MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
SUPPORT SERVICES BUILDING, 2ND - FLOOR, GREAT ROOM
IN-PERSON AND BY VIDEO CONFERENCE

TUESDAY, APRIL 8, 2025
10:00 A.M.

MINUTES

Directors Present
Bill Johnson, Board Member
Devon Pack, Board Member – (Absent)
Victoria Angelo, Board Member
Nick Gabriel, Board Member – (Absent)
Josie Sanchez, Board Member

Also Present
Mark Robinson, Chief Executive Officer
Karen Descent, Chief Nursing Officer
Amy Breen-Lema, Vice President, Ambulatory & Physician Services
Suzie Mays, Vice President, Information & Strategic Services
Heidi A. Quinn, District Legal Counsel

1. **Call to Order / Roll Call**
   Director Johnson called the meeting to order at 10:00 AM. A quorum was present, and attendance was taken by roll call. Directors Johnson, Angelo, and Sanchez were present. Directors Pack and Gabriel were absent.

2. **Public Comment**
   This opportunity is provided for members to comment on the closed session topics, not to exceed three (3) minutes.

   No public comment was received.

3. **Closed Session**
   The item to be discussed in closed session is as listed on the posted agenda: a) Conference with Legal Counsel-Existing Litigation, Government Code §54965.9(d)(1).

4. **Reconvene Open Session/Closed Session Report**
   The Board of Directors reconvened to open session at 10:15 a.m. Counsel stated that one (1) item was discussed: a) Conference with Legal Counsel-Existing Litigation regarding Bankruptcy Court Case No. 23-50544. A motion was made by Director Johnson, seconded by Director Angelo, to not pursue any further appeal of the bankruptcy litigation. The motion was approved 3-0-2, with Directors Gabriel and

Pack absent.

5. **Adjournment**
   There being no further business, the meeting was adjourned at 10:16 am.

Hazel Hawkins
MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors
From: Amy Breen-Lema, Vice President, Clinic, Ambulatory & Physician Services
Date: April 14, 2024
Re: All Clinics – March 2025

March 2025 Rural Health and Specialty Clinics' visit volumes

Clinic Location	Total visits current month	Total visits prior month (February 2025)
Orthopedic Specialty	447	337
Multi-Specialty	676	512
Sunset	721	653
Surgery & Primary Care	333	275
San Juan Bautista	216	199
1st Street	725	617
4th Street	1,193	984
Barragan	713	691
Total	**5,024**	**4,268**

In March, the clinics collectively experienced a significant increase in patient visits compared to the prior month. Total visits rose by 756, representing nearly an 18% growth.

Notably, the 4th Street, 1st Street, Multi-Specialty & Orthopedic clinics saw the most significant individual increases, with 4th Street increasing by over 200 visits. This growth reflects our continued commitment to accessibility and patient care across all clinic locations.

Provider recruitment activities with anticipated start dates by specialty:

Rheumatology: Lorilee Sutter, M.D. - rejoining the clinics on April 15, 2025
Endocrinology: Bilal Ahmed, M.D. - pending a start date in May 2025
Gastroenterology: Sarathy Mandayam, M.D. – pending start date of May 2025

We welcomed Dr. Hothi, a board-certified pediatrician serving in a locum tenens capacity, to our Sunset Clinic. His first week launched with a full schedule and excellent feedback from both staff and families. His presence has added strength to our pediatric service line and improved access to care.

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Mabie Southside/Northside Skilled Nursing Facility
Board Report – April 2025

To: San Benito Health Care District Board of Directors

From: JayLee Davison, Interim Director of Nursing, Skilled Nursing Facility

1. Census Statistics: March 2025

Southside	2025	Northside	2025
Total Number of Admissions	17	Total Number of Admissions	7
Number of Transfers from HHH	15	Number of Transfers from HHH	7
Number of Transfers to HHH	4	Number of Transfers to HHH	4
Number of Deaths	1	Number of Deaths	1
Number of Discharges	12	Number of Discharges	1
Total Discharges	13	Total Discharges	2
Total Census Days	**1374**	**Total Census Days**	**1402**

Note: Transfers are included in the number of admissions and discharges. Deaths are included in the number of discharges. Total census excludes bed hold days.

2. Total Admissions: March 2025

Southside	From	Payor	Northside	From	Payor
10	HHMH	Medicare	3	HHMH	MEDICARE
1	Dignity-Mercy	Medicare	1	HHHMH RE-ADMIT	MEDICARE
1	O'Connor	Medicare	1	HHHMH	CCA
3	HHMH Re-Admit	Medicare	2	HHHMH RE-ADMIT	CCA
2	HHMH- Re-Admit Obs.	CCA			
Total: 17			**Total: 7**		

3. Total Discharges by Payor: March 2025

Southside	2025	Northside	2025
Medicare	10	Medicare	0
Medicare MC	0	Medicare MC	0
CCA	3	CCA	1
Medical	0	Medical	0
Medi-Cal MC	0	Medi-Cal MC	0
Hospice	0	Hospice	1
Private (self-pay)	0	Private (self ay)	0
Insurance	0	Insurance	0
Total:	**13**	**Total:**	**2**

4. Total Patient Days by Payor: March 2025

Southside	2025	Northside	2025
Medicare	487	Medicare	103
Medicare MC	0	Medicare MC	0
CCA	743	CCA	1129
Medical	14	Medical	124
Medi-Cal MC	0	Medi-Cal MC	0
Hospice	93	Hospice	40
Private (self-pay)	31	Private (self-pay)	0
Insurance	0	Insurance	0
Bed Hold / LOA	6	Bed Hold / LOA	6
Total:	**1374**	**Total:**	**1402**
Average Daily Census	**44.32**	**Average Daily Census**	**45.23**

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To: San Benito Health Care District Board of Directors
From: Bernadette Enderez, Director of Diagnostic Services
Date: April 2025
Re: Laboratory and Diagnostic Imaging

Updates:

Laboratory

1. Quality Assurance/Performance Improvement Activities
   - Update on chemistry analyzer project → validation testing in process. Estimated completion date: 05/2025.
   - Phase 2A construction update → contracts under legal review process

2. Laboratory Statistics

	March 2025	2025 YTD
Total Outpatient Volume	4499	13064
Main Laboratory	1390	3896
Mc Cray Lab	953	2708
Sunnyslope Lab	476	1271
SJB and 4th Street	75	235
ER and ASC	1605	4954
Total Inpatient Volume	173	519

Diagnostic Imaging

1. Service/Outreach
   - Final stages on preparation for new service offering- low dose lung cancer screening
   - Multiple issues on the outpatient CT scanner encountered for the past month. This resulted to the scanner not being available for procedures.

2. Quality Assurance/Performance Improvement Activities
   - Preparation for multi-modality trailer pad proposal that would address the issues being encountered with the outpatient CT scanner.

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3. Diagnostic Imaging Statistics

	March 2025	2025 YTD
Radiology	1800	5500
Mammography	709	2049
CT	1068	2901
MRI	206	562
Echocardiography	104	316
Ultrasound	789	2271

Hazel Hawkins Hospital
FOUNDATION
Caring for Our Community

TO: San Benito Health Care District Board of Directors
FROM: Liz Sparling, Foundation Director
DATE: April 2025
RE: Foundation Report

The Hazel Hawkins Hospital Foundation Board of Trustees met on April 10 and had a presentation on the San Benito Leadership Institute. Two students in the current class, (both HHMH employees), Mishel Thomas, Clinic Operations Director, Rural Health Clinics & Specialty Offices, and Drew Tartala Director of Human Resources presented an overview of the 9 month class and how the class has been very beneficial in building their leadership skills.

Financial Report	**March**
1. Income	$ 6,393.70
2. Expenses	$ 17,693.14
3. New Donors	1
4. Total Donations	218

Allocations:

- No Allocations

Directors Report:

- Our All for 1 Employee Giving Campaign has started as we already have 50 pledges totaling over $34,000. Funds from the All for 1 Employee Giving Campaign have been allocated to many different Hospital Departments including Nurse's station and patient room chairs in the ER, provider chairs and facility improvements to the Barragan Diabetes Center, chairs for patient's in Med/Surg, upper body exerciser and treadmill for Physical Therapy, scholarships to students in the medical field, endoscopy scope and cameras for the Ambulatory Surgery Center and Baby Friendly program fees for the OB Department.
- Our accountant has presented our taxes and they are being reviewed.
- Insight has requested our audits and tax returns since 2021 and they have been provided to them.

Dinner Dance Report:

- Our event this year will be at Leal Vineyards on November 8, 2025. Save the Date!

Fundraising Committee:

- As of April 9, 2025, there have been 1800 total donations to our current campaign, "Invest in the Future of San Benito County Healthcare, We Deserve It" raising $1,155,392.30.

Scholarship Committee:

- Our 2025 Foundation Scholarship Applications were due on April 1st and we received a record number 27 applications. The Committee will review them and present their selections at the May Foundation Board Meeting.

Hazel Hawkins MEMORIAL HOSPITAL

Board of Director's Report April 2025

Marketing/Public Relations

MARKETING

- **Social Media Posts**

Title	Date published	Reach	Likes and reactions	Views
 Today we're celebrating National Bean Counters Day. This day is to recognize the i... Photo · Hazel Hawkins Hospital	Wed Apr 16, 12:31pm	0	0	0
 Welcome back Dr. Sutter! Dr. Sutter, specializing in Rheumatology, is back at HHH... Photo · Hazel Hawkins Hospital	Tue Apr 8, 2:17pm	817	23	1.5K
 Consider giving the "Gift of Life" by donating blood. Our next Blood Drive takes pl... Photo · Hazel Hawkins Hospital	Mon Apr 7, 9:46am	230	2	380
 Yesterday our staff participated in a multiple jurisdiction Medical Response Surge ... Photo · Hazel Hawkins Hospital	Fri Apr 4, 1:39pm	724	23	1.6K
 WE'RE CELEBRATING PATIENT ACCESS WEEK! (This includes Patient Registration a... Photo · Hazel Hawkins Hospital	Wed Apr 2, 2:58pm	1K	80	2.6K
 IF YOU OR SOMEONE YOU LOVE IS EXPERIENCING A MENTAL HEALTH OR SUBST... Photo · Hazel Hawkins Hospital	Wed Apr 2, 2:40pm	312	3	703
 Hazel Hawkins Hospital is pleased to welcome Dr. James Lilja, a board-certified Gy... Photo · Hazel Hawkins Hospital	Tue Apr 1, 3:21pm	806	34	1.5K
 Today we are celebrating Doctor's Day! We are proud to recognize our Medical St... Photo · Hazel Hawkins Hospital	Mon Mar 31, 9:43am	964	47	2K
 Why of course there was a line in the cafeteria at lunch today! Jessica, Max our am... Photo · Hazel Hawkins Hospital	Wed Mar 26, 1:27pm	1.4K	112	3.3K
 We're celebrating Red Nose Day today! Red Nose Day is an annual campaign that... Photo · Hazel Hawkins Hospital	Fri Mar 21, 12:54pm	974	42	2.5K
 Today our Leadership Team participated in their 1st annual Leadership Retreat. Te... Photo · Hazel Hawkins Hospital	Wed Mar 19, 1:22pm	822	31	2.3K

EMPLOYEE ENGAGEMENT

Employees:

- Hazel's Headlines
- **March 30 - April 5** Patient Access Week (Patient Registration)
- **April 16** National Bean Counters Day (Finance)
- **April 18** National Animal Cracker Day – Free Animal Crackers in the Cafeteria
- **April 20 - 26** Health Information Professionals Week
- **April 22** Earth Day - *Distributing seed packets to employees*
- **April 23** Administrative Professionals Day
- **April 20 – 26** Medical Laboratory Professionals Week

Seed packets for Earth Day 4/22

VOLUNTEER/AUXILIARY ENGAGEMENT

- Designed and published Auxiliary Newsletter
- Volunteer Week - April 20 - 26
- Volunteer Week Brunch - April 26

PHYSICIAN PROMOTION

- Promoting Dr. Lilja, Gynecologic Oncologist
- Welcome back Dr. Sutter, Rheumatologist

COMMUNITY

- Blood Drive - April 26 - Horizon Room

MEDIA

Public:

Working with Marcus Young from townKRYER PR agency on proactive PR.

- Press Releases:
  - ◊ San Benito Health Care District Board Votes Not to Appeal Latest Chapter 9 Ruling
  - ◊ Appeals Court Upholds Bankruptcy Court's Ruling on Hazel Hawkins Memorial Hospital's Chapter 9 Eligibility

Project Dashboard - April Board

Project Name	Purpose	Start Date	Go Live	Duration	Status	Priority	HCAI	Key Stakeholder	Role	Update
Inovalon	Nurse Scheduling Software	12/6/2024	6/1/2025	177	In Progress	Low		Jac Fernandez	Senior Director of Acute Care Services	Staff training phase 2 in progress for key users and directors. HR sending memo to staff for education and updated workflow trainings that will be provided.
Trakstar	Employee Performance Reviews	9/3/2024	4/21/2025	230	In Progress	High		Drew Tartala	Director Human Resources	Pending finalization of users with email verification and file will be pushed into production.
HUGS/Securitas	Infant Security	4/12/2024	TBD		In Progress	High		Jac Fernandez	Senior Director of Acute Care Services	New IDF location required to be compatible with required HUGS devices and Comtel drawing specifications from change order. HCAI resubmission in progress.
BD Installation	New Pyxis Machines	12/4/2024	9/19/2025	289	In Progress	Medium		Naveen Ravela	Pharmacy Director	Treanor completed site walk and scope. Pending HCAI approval
BD Pharmacy Keeper	IV Compounding Verification	11/14/2024	6/1/2025	199	In Progress	High		Naveen Ravela	Pharmacy Director	Weekly meetings scheduled between pharmacy and IT. Hardware has been ordered
ABBOTT Lab Rebuild	Lab Phase 1: Alinity Analyzers		6/1/2025		In Progress	High		Bernadette Enderez	Lab/Radiology Director	HHMH Lab team is still under going validation process.
Bepoz	Café POS / Swipe to Pay for Meals	9/3/2024	4/30/2025	239	In Progress	Medium		Jessica Kopeczy	Certified Dietary Manager	BEPOZ has copy of the data base, Next steps are testing transactions and having internal review of workflow process + security measures
Hicuity	ICU/Medsurg remote telemetry	9/5/2024	3/11/2025	187	Completed	High		Jac Fernandez	Senior Director of Acute Care Services	GoLive occurred 3/11. PMO will work with Nursing for project closeout documentation

Project Dashboard - April Board

Right Hear	ADA Accessibility for Bluetooth Campus Navigation	10/28/2024	4/30/2025	184	In Progress	Low		Suzie Mays	VP Information & Strategic Services	Case study with visually impaired member of the community to provide feedback and determined Additional beacon/device programming required.
Stryker OR Rebuild	Updating OR per OSHPD Requirements	11/20/2024	12/31/2025	406	Not Started	High		Mendi Suber-Ventura	Director of Surgical Services	Additional meeting scheduled with Stryker, pending quote
Wi-Fi-Upgrade	Wireless Infrastructure Upgrade	9/16/2024	4/30/2025	226	In Progress	High		Salomon Mercado	Director of Inf Tech	Main hospital has been completed, currently working on support services building and will end with SNF and clinic
Boiler Replacement	Replace Existing Boiler to Enhance Efficiency & Reliability	1/10/2024	4/30/2025	476	In Progress	High		Doug Mays	Senior Director Support Services	HCAI approved ACD001 and ACD002. IOR site visit scheduled 4/11 to close project
Air Handler Unit (AHU) S-2	Emergency Interim Install	11/18/2024	4/30/2025	163	In Progress	High		Doug Mays	Senior Director Support Services	UMI completed repairs of the unit that was causing the imbalance, Pending Alpha Air balance test reports/results to allow for project closure
Sterilizer/Autoclave Installation	Replace Aging Equipment	4/25/2024	3/31/2025	340	Completed	High		Mendi Suber-Ventura	Director of Surgical Services	New heat exchanger was swapped out as a repair covered in the GE health/biomed contract to extend life of the unit. Pending plan for new unit installation
Lab Remodel	Remodel of LAB: Phase 2	6/3/2024	9/15/2025	469	Ongoing	High		Bernadette Enderez	Lab/Radiology Director	Contract under review with legal team and the CORE. Construction start date dependent on CDPH authorization for temporary flex for RT services relocation

Project Dashboard - April Board

2nd Floor SSB Doors Installation	Engineering to complete permit process & installation	12/23/2024	TBD		In Progress	Medium		Doug Mays	Senior Director Support Services	City of Hollister rejected plan, Treanor to redraw and will resubmit.
Seismic	Upgrade to Meet HCAI Seismic Compliance & Safety Standards	TBD	TBD		Ongoing	High		Doug Mays	Senior Director Support Services	Meeting with HCAI for grant on 2/5. Pending Treanor details from work completed related to seismic
MRI Upgrade	Proposal submitted	TBD	TBD		On Hold	Low		Bernadette Enderez	Lab/Radiology Director	Proposal submitted
*Radiology Masterplan	Assessment of equipment and remodel	11/1/2025	TBD		On Hold	High		Bernadette Enderez	Lab/Radiology Director	Meeting to be scheduled to discuss requirements
*Imaging Trailer Pad Make Ready	Treanor to help when MP starts	TBD	TBD		On Hold	Medium		Bernadette Enderez	Lab/Radiology Director	Proposal Submitted, Treanor to provide recommendation.
*Verkada	Security / SSO + Door Access	3/11/2025	TBD		In Progress	High		Jorge Ramirez	Director of Emerg Mgmt & Security	Site walk completed with Architects and Verkada Install team. Pending final scope and HCAI plan submission
Soleran	Replace current engineering ticketing system	1/1/2025	TBD		In Progress	Medium		Doug Mays	Senior Director Support Services	Data is being analyzed in preparation for migration into the new system.
Med Surg Double Doors	Replace an existing fire rated corridor double door by the cafeteria in the main hospital	1/29/2025	TBD		On Hold	Medium		Doug Mays	Senior Director Support Services	Treanor proposal received, GC selected, pending quote (OSHPD/HCAI required)
ED Helipad	system is an AFFF system and is no longer allowed in California and has been required to be phased out due to being a hazardous chemical.	1/14/2025			In Progress	High		Doug Mays	Senior Director Support Services	Waiting on the vendors proposal before making any type of decisions
Nurse Call System	Replace	9/10/2024	TBD		In Progress	High		Jac Fernandez	Senior Director of Acute Care Services	Vendor is preparing quote for housewide nurse call system.
CT Scanner	Replace				In Progress	High		Bernadette Enderez	Lab/Radiology Director	Both CT's that we have need repairs. One needs a tube replaced. The CT in our ER is partially down until they arrive to begin repairs
Totals										

Project Dashboard - April Board

TASK STATUS %

STATUS	COUNT	%
Not Started	1	4%
In Progress	17	65%
Overdue	0	0%
On Hold	4	15%
Ongoing	2	8%
Completed	2	8%
TOTAL	**26**	**100%**

PROJECT PRIORITY %

PRIORITY	COUNT	%
High	17	65%
Medium	6	23%
Low	3	12%
TOTAL	**26**	**100%**

	estimated go-live
	planned go live
*	possible new/not started

PENDING ITEMS

Decisions	
Actions	
Change Requests	

Hazel Hawkins
MEMORIAL HOSPITAL

Memorandum

To: Board of Directors

From: Suzie Mays
Vice President, Information & Strategic Services

Date: April 16, 2025

Re: Policies for Approval

Please find below a list of policies with summary of changes for Board of Directors approval. All revised policies are available for review upon request. New policies are included in the packet.

Policy Title	Summary of Changes
12313 NUHW Bilingual Pay	New policy.
10072 MRI Response to Low Oxygen Alarm	Revised - added definitions and procedures.
12321 Identity and Access Authentication	New policy.
12319 Information Technology Acceptable Use	New policy.
12320 Patch and Vulnerability Management	New policy.
10637 Workstation Security for HIPAA	Revised - updated policy and references.
10674 Cesarean Section Classification	Replaced Cesarean Section Classification Policy #10172, which will be archived.
10801 Induction of Labor Misoprostol (Cytotec)	Revised - policy updated to include oral doses for induction.
12239 Subpoena and Legal Document Processing	Revised - added Assembly Bill 450 Immigrant Worker Protection Act.
12058 Work Hours, Scheduling, and Employee Classification	Revised - removed overtime verbiage for 10 hours a day under the alternative workweek, as it only applies to 40 hours in a workweek per FLSA.
11450 Policy Development Policy	Revised – changed committee name to "Policy Committee." Removed statement that nonclinical policies are sent to CEO for review.

Hazel Hawkins
MEMORIAL HOSPITAL

NUHW Bilingual Pay Policy

Disclaimer

Approvals

- Committee Approval: Policy Committee approved on 4/16/2025

Revision Insight

Document ID:	12313
Revision Number:	0
Owner:	Drew Tartala, HR Manager
Revision Official Date:	No revision official date

Revision Note:
The 2021 policy was found and revised to align with current practices and NUHW's Memorandum of Understanding (MOU).

Policy : NUHW Bilingual Pay Policy

PURPOSE

This policy applies to all NUHW employees who have completed their probationary period and are involved in direct patient care or support of patient care. Employees in temporary positions are not eligible for bilingual incentive pay.

POLICY

San Benito Health Care District (SBHCD) recognizes the value of bilingual proficiency in providing equitable and effective patient care. To support this objective, we offer NUHW employees bilingual incentive pay to eligible employees who demonstrate proficiency in a second language and actively utilize these skills in their roles. This policy ensures a standardized process for designating bilingual positions, assessing language proficiency, and administering appropriate compensation.

PROCEDURE

REQUESTING BILINGUAL DESIGNATION

Departments shall request a bilingual designation review by submitting a detailed written justification to the Human Resources Department. The justification should describe the need for the designation and the nature and frequency of bilingual duties.

The Human Resources Department may designate occupied positions as bilingual. However, the incumbent is required to pass a proficiency test or certification course for the designation to be effective.

Applicants or incumbents for a bilingual-designated position must pass a bilingual proficiency test or a certification course, in addition to any other job-related test requirements, to be eligible for bilingual pay.

In the case of a new or vacated position, the department may request a certified list of eligible candidates for the appropriate classification. The list of eligible candidates will only contain the names of candidates who have successfully passed the bilingual proficiency test or provided proof of course completion.

The department may request that a bilingual designation be removed from a position and must provide justification to the Human Resources Department describing the reasons for the requested change.

TESTING

The methods used to test bilingual proficiency will be determined by the Human Resources Department based on the skills required for the designated position.

Bilingual proficiency testing will be administered by the department director or designee to applicants or incumbents of a designated bilingual position. Testing may include a standardized written competency test and an oral examination or may be completed through an online course.

Applicants must meet the required qualifications and pass all other required screening requirements for the designated position before taking the bilingual proficiency test or course.

For positions that typically have a large applicant pool, the bilingual proficiency test(s) or course will be administered on an as-needed basis when the individual recruitment requires bilingual skills.

If issues arise regarding an employee's proficiency, the department director or designee will inform the Human Resources Department and may require the individual to pass an additional proficiency test. If the employee is unable to pass the test, their additional pay will be removed. If proficiency issues occur more than twice within a 12-month period, the bilingual pay will be revoked for 12 months.

Employees who fail the proficiency test(s) or course for bilingual positions may retake the test after three (3) months.

COMPENSATION

To receive compensation, the employee, director, or designee must submit the certification of completion to Human Resources once they have received the certification.

The Human Resources Department will submit a Notice of Personnel Action Form (NPA) to reflect the bilingual pay of $1.00 more per hour to Payroll.

Bilingual pay shall be effective the first full pay period after the certification is provided by the employee.

The employee is responsible for covering all costs associated with obtaining certification, including preparation and testing fees. Additionally, the employee is responsible for renewing the certification and bearing the renewal costs. If the certification expires, bilingual pay will be discontinued starting the first pay period after the expiration.

REFERENCES

National Union of Healthcare Workers Collective Bargaining Agreement

Document ID	12313	**Document Status**	Pending Committee Approval
Department	Human Resources	**Department Director**	Tartala, Drew
Document Owner	Tartala, Drew	**Next Review Date**	
Revised	[01/01/2021], [02/27/2025]		
Reviewed	[01/02/2021]		
Attachments: (REFERENCED BY THIS DOCUMENT)			
Other Documents: (WHICH REFERENCE THIS DOCUMENT)			

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Hazel Hawkins
MEMORIAL HOSPITAL

Identity and Access Authentication

Disclaimer

Approvals

- Committee Approval: Policy Committee approved on 4/16/2025
- Signature: Suzie Mays, Vice President, Information & Strategic Services signed on 3/27/2025, 10:52:16 AM

Revision Insight

Document ID:	12321
Revision Number:	0
Owner:	Salomon Mercado, IT DIrector
Revision Official Date:	No revision official date

Revision Note:
No revision note

Policy : Identity and Access Authentication

OVERVIEW

Authentication procedures must be in place to ensure access to electronic Protected Health Information (ePHI) is granted only to authorized individuals or entities to comply with the Health Information Portability and Accountability Act (HIPAA) Security Rule.

PURPOSE

To verify that an individual or entity seeking access to ePHI is properly authenticated, in accordance with 45 C.F.R. §164.312(d).

SCOPE

This policy applies to all employees, vendors, and agents operating on behalf of San Benito Health Care District (SBHCD) and governs authentication methods for accessing ePHI and sensitive hospital systems.

POLICY

It is the policy of SBHCD to implement authentication mechanisms to verify user identity before granting access to IT systems and ePHI. The following authentication controls shall be applied:

1. **Authentication Controls.**
    a. All user accounts must have unique login credentials.
    b. All user accounts must use unique passwords that meet the requirements below under Password Requirements.
    c. **Multi-Factor Authentication (MFA) is** required for **remote access.**
2. **Password Requirements**
    a. Password Construction Guidelines
        i. Minimum password length: 12 characters
        ii. Must include: At least one uppercase letter, one special character, and one number
        iii. Passphrases encouraged: Example: Summer!2024-Vacation
        iv. Avoid weak passwords (e.g., Password123, personal information, or predictable patterns)
        v. Each account must have a unique password (work accounts should not reuse personal passwords)
    b. Password Protection and Management
        i. Passwords must not be shared, emailed, or written down.

ii. Users must report suspected password compromises immediately to the IT Department and reset affected passwords.

iii. IT will enforce automated password complexity and expiration policies.

iv. Approved password managers may be used to securely store passwords.

DEFINITIONS

For definitions of capitalized terms or phrases, please refer to *Privacy and Breach Glossary.*

POLICY COMPLIANCE

Compliance Measurement

- Information Security will verify compliance to this policy through various methods, including but not limited to, periodic walk-throughs, video monitoring, business tool reports, internal and external audits, and inspection, and will provide feedback to the policy owner and appropriate business unit manager.

1. Exceptions
    - Any exception to the policy must be approved and documented by Information Security in advance.
2. Non-Compliance
    - An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

AFFECTED DEPARTMENTS

All departments.

Document ID	12321	**Document Status**	Pending Committee Approval
Department	Information Technology	**Department Director**	Mercado, Salomon
Document Owner	Mercado, Salomon	**Next Review Date**	
Attachments: (REFERENCED BY THIS DOCUMENT)			
Other Documents: (WHICH REFERENCE THIS DOCUMENT)			

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Hazel Hawkins
MEMORIAL HOSPITAL

Information Technology Acceptable Use Policy

Disclaimer

Approvals

- Committee Approval: Policy Committee approved on 4/16/2025
- Signature: Suzie Mays, Vice President, Information & Strategic Services signed on 3/24/2025, 12:18:23 PM

Revision Insight

Document ID:	12319
Revision Number:	0
Owner:	Salomon Mercado, IT DIrector
Revision Official Date:	No revision official date

Revision Note:
acceptable use practices for all Information Technology (IT) resources, including workstations, mobile devices, networks, and cloud services

Policy : Information Technology Acceptable Use Policy

OVERVIEW

The purpose of this policy is to establish acceptable use practices for all Information Technology (IT) resources, including workstations, mobile devices, networks, and cloud services, to safeguard hospital data, protect patient information, and ensure compliance with regulatory requirements such as Health Insurance Portability and Accountability Act (HIPAA).

PURPOSE

This policy outlines acceptable and unacceptable use of IT systems, including workstation access, email and internet use, network security, and remote work, to protect hospital information from unauthorized access and misuse.

SCOPE

This policy applies to all workforce members, vendors, contractors, and third-party agents who access the hospital's IT systems, including workstations, mobile devices, cloud storage, email, and network resources. It also outlines acceptable and unacceptable system or network activities, including intranet/internet activities, for all employees, vendors, and agents operating on behalf of San Benito Health Care District (SBHCD).

DEFINITIONS

For definitions of capitalized terms or phrases, please refer to *Privacy, Security and Breach Notification Glossary.*

Workstation is defined under HIPAA to be an electronic computing device, for example, a **laptop or desk computer**, or any other device that performs similar functions, and electronic media stored in its immediate environment (collectively referred to as End User devices).

POLICY

General Use & Ownership

- IT resources are for hospital business purposes only; limited personal use is permitted during breaks but must not interfere with work.
- Users should not expect privacy when using hospital IT systems; activity may be monitored.
- All security incidents, lost or stolen devices, and suspected breaches must be reported immediately to Information Security.

Access Control & Security Measures

- Only authorized users may access hospital IT systems.
- Multi-Factor Authentication (MFA) is required for remote access.
- Passwords must be in accordance with the Password policy.
- Workstations and mobile devices must auto-lock after inactivity being enabled.
- No sharing of user credentials or passwords is allowed.

Acceptable & Unacceptable System Activities

Acceptable Use

- Accessing hospital-approved systems, applications, and cloud storage.
- Using email and messaging systems for business-related communication.
- Minimal personal internet use (e.g., checking personal email) is allowed only during breaks.

Unacceptable Use

- Accessing social media, personal email, or streaming sites unless business-related.
- Downloading unauthorized software or using unapproved cloud storage (e.g., Google Drive, Dropbox).
- Sending patient data (ePHI) outside via unencrypted email.
- Installing unauthorized software or disabling security settings.
- Circumventing security controls, hacking, or accessing unauthorized systems.
- Using hospital email for personal activities (e.g., shopping, newsletters, social media).

Internet & Email Usage

- All emails containing ePHI must be encrypted.
- Do not click unknown links or open unexpected attachments (phishing risk).
- Hospital IT monitors all email and internet usage for security compliance.

Remote Work & Mobile Device Security

- Only hospital-approved devices and secure connections (VPN) may be used for remote work.
- Public Wi-Fi is prohibited; if necessary, use a secure hotspot with VPN.
- Devices must be encrypted, password-protected, and configured for remote wipe (Mobile Device Encryption Policy.)
- Personal devices must be registered with IT before accessing hospital data.

Physical & Data Security

- Lock workstations when leaving desks unattended.
- Printouts containing PHI must be secured and disposed of using approved shredding bins.

- Hospital-owned devices and documents must be returned upon termination of employment.

Reporting Security Incidents

- Report lost/stolen devices, suspected breaches, and phishing attempts to Information Security immediately.

POLICY COMPLIANCE

1. Compliance Measurement
    - Information Security will verify compliance to this policy through various methods, including but not limited to, periodic walk-throughs, video monitoring, business tool reports, internal and external audits, and inspection, and will provide feedback to the policy owner and appropriate business unit manager.
2. Exceptions
    - Any exception to the policy must be approved and documented by Information Security in advance.
3. Non-Compliance
    - An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

AFFECTED DEPARTMENTS

All departments.

Document ID	12319	**Document Status**	Pending Committee Approval
Department	Information Technology	**Department Director**	Mercado, Salomon
Document Owner	Mercado, Salomon	**Next Review Date**	
Attachments: (REFERENCED BY THIS DOCUMENT)			
Other Documents: (WHICH REFERENCE THIS DOCUMENT)			

Hazel Hawkins
MEMORIAL HOSPITAL

Patch and Vulnerability Management

Disclaimer

Approvals

- Committee Approval: Policy Committee approved on 4/16/2025
- Signature: Suzie Mays, Vice President, Information & Strategic Services signed on 3/24/2025, 12:14:19 PM

Revision Insight

Document ID:	12320
Revision Number:	0
Owner:	Salomon Mercado, IT DIrector
Revision Official Date:	No revision official date

Revision Note:
Policy to proactively prevent the exploitation of IT vulnerabilities that exist and applies to all hospital-owned IT systems

Policy : Patch and Vulnerability Management

OVERVIEW

Maintaining secure Information Technology (IT) systems is essential to protect patient data, ensure compliance, and prevent cybersecurity threats. This policy establishes a structured approach to patching vulnerabilities and securing hospital systems. By applying timely updates and addressing security risks, we reduce the likelihood of cyberattacks, data breaches, and system failures that could disrupt hospital operations.

PURPOSE

The purpose of this policy to establish the requirements for the implementation of effective security controls within San Benito Health Care District (SBHCD) to proactively prevent the exploitation of IT vulnerabilities that exist. The procedure outlines the requirements for patch management by identifying, acquiring, installing, and verifying patches for systems and applications and vulnerability management, focusing on the process by which SBHCD will manage the vulnerabilities identified during scans to ensure that appropriate actions are taken to reduce the potential that these vulnerabilities are exploited and thereby reduce the risk of compromise to the confidentiality, integrity and availability of information assets.

SCOPE

This policy applies to all SBHCD employees, contractors, workforce members, vendors, and agents with a Hazel Hawkins Memorial Hospital-owned or personal-workstation connected to the Hazel Hawkins Memorial Hospital network.

DEFINITIONS

For definitions of capitalized terms or phrases, please refer to *Privacy, Security and Breach Notification Glossary.*

POLICY

The purpose of this policy is to establish the information security practices for patch management designed to prevent the exploitation of IT vulnerabilities that exist within SBHCD.

1. Patch Management:
    a. Critical and High security patches must be applied within 2 weeks of release.
    b. Implement a repeatable process for routine patch deployment to include vendor-supplied patches; (e.g., Microsoft Patch Tuesday).
    c. Emergency patches for actively exploited threats must be as soon as reasonably possible, following established guidelines for emergency patch deployment; and

d. Develop procedures for managing systems unable to be patched, ensuring alternative security measures are implemented (e.g., network segmentation, restricted access).

e. All missing software updates must be evaluated for risk and applied as necessary.

Impact/Severity	Patch Initiated	Patch Completed
Critical (actively exploited, severe patient safety or operational risk)/**High** (significant security risk, but no known active exploitation)	Within **1 week** of patch release	Within **2 weeks** of patch release
Medium (moderate security risk, unlikely to be exploited quickly)/**Low** (low impact vulnerabilities, minimal risk)	Within **1 week** of patch release	Within **90 days** of patch release, unless Security Officer determines this to be an insignificant risk to the environment

2. Vulnerability Management:
    a. Establish and maintain an asset inventory that identifies critical systems requiring patching and monitoring;
    b. Perform vulnerability scanning to identify threats;
    c. Prioritize vulnerabilities based on criticality and exposure;
        i. Critical vulnerabilities must be addressed within 30 days
        ii. High vulnerabilities must be addressed within 90 days
        iii. Medium and low-risk vulnerabilities will be remediated based on hospital risk tolerance.
    d. Test all patching and required measures to mitigate vulnerability;
    e. Follow Change Control procedures; and
    f. Deploy vulnerability mitigation measures.
3. Appropriate actions will be taken to reduce the potential that these vulnerabilities are exploited, thereby reducing the risk of compromise to the confidentiality, integrity, and availability of data and information systems and applications.

POLICY COMPLIANCE

1. Compliance Measurement
    - The IT team will verify compliance to this policy through various methods, including but not limited to, periodic walk-throughs, video monitoring, business tool reports, internal and external audits, and inspection, and will provide feedback to the policy owner and appropriate business unit manager.

2. Exceptions
    - Any exception to the policy must be approved and documented by Information Security in advance.
3. Non-Compliance
    - An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

AFFECTED DEPARTMENTS

All departments.

Document ID	12320	**Document Status**	Pending Committee Approval
Department	Information Technology	**Department Director**	Mercado, Salomon
Document Owner	Mercado, Salomon	**Next Review Date**	
Attachments: (REFERENCED BY THIS DOCUMENT)			
Other Documents: (WHICH REFERENCE THIS DOCUMENT)			

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HUMAN RESOURCES DASHBOARD 2025

DEPARTMENTAL METRICS	January	February	March	YTD(Jan-Mar)
# Employees	704	705	705	705
# New Hires	13	5	6	24
# Terminations	9	6	8	23
Overall Turnover	1.3%	0.9%	1.1%	3.26%
Nursing Turnover	0.73%	1.45%	2.9%	5.12%

Terms By Union	January	February	March	YTD(Jan-Mar)
The California Nurses Association (CNA)	1	2	4	7
National Union of Healthcare Workers (NUHW)	5	3	3	11
California License Vocational Nurses (CLVN)	0	0	0	0
Engineers and Scientists of California (ESC)	0	0	1	1
Non-Union	3	1	0	4

Terms By Reason (V=Voluntary & IV= Involuntary)	January	February	March	YTD(Jan-Mar)
Personal (V)	3	2	5	10
New Opportunity(V)	2	2	1	5
Retirement (V)	0	1	1	2
Schedule (V)	0	0	0	0
Job Abandonment (V)	0	0	0	0
No Reason Given (V)	0	0	0	0
Relocating (V)	0	1	1	2
School (V)	0	0	0	0
No Show (V)	0	0	0	0
RIF(IV)	0	0	0	0
Performance (IV)	4	0	0	4

DISTRICT HOSPITAL
LEADERSHIP FORUM

April 11, 2025

Megan Brubaker
Office of Health Care Affordability
2020 W El Camino Ave., Suite 1200
Sacramento, CA 95833
Email: OHCA@hcai.ca.gov

Subject: DHLF Opposes Proposed Hospital Sector Spending Target Recommendations

Dear Ms. Brubaker:

On behalf of California's 33 district and municipal hospitals, the District Hospital Leadership Forum (DHLF) appreciates the opportunity to provide comments on the Office of Health Care Affordability (OHCA) staff's proposed hospital sector spending target recommendations. **OHCA staff's recommendation is being proposed on an accelerated timeframe bypassing data collection efforts and necessary analytical work, which will be viewed as arbitrary and capricious, jeopardizing the credibility of important work to improve affordability at the expense of California's patients. If the Board adopts the proposed staff recommendation, the result will be significant reductions of essential health care services across the state leading to increased health disparities and inequities for low-income Californians.**

District and municipal hospitals, with publicly elected Boards of Directors, are proud to be local governments responsible for providing the health care needs of their communities. Over two-thirds are considered rural, and more than half have a critical access hospital (CAH) designation. On an annual basis, approximately 50% of their inpatient days are for services provided to Medi-Cal beneficiaries, collectively they deliver 20,000 babies, and provide over 3.5 million outpatient visits. Today, district and municipal hospitals represent only 8% of the hospitals statewide and they serve as safety-net providers in their communities with few alternatives—providing health care services to significant levels of uninsured and Medi-Cal patients.

In 2023, more than 30% of district hospitals qualified for loans through the Distressed Hospital Loan Program (DHLP) cooperatively administered by the California Health Facilities Financing Authority and the Department of Health Care Access and Information. ***In total, they received more than 50% of the available funds in the program.*** Qualifying for this level of support with short-term loans should provide a clear snapshot of the financial status for these providers and the inherent risk of access to health care in the communities they serve.

Over the past two decades, many of California's district hospitals have struggled to stay afloat amidst ongoing financial challenges. As a result, the state has witnessed a growing number of these public hospitals being forced to close, declare bankruptcy, or be acquired by larger health care systems—often as a last resort for survival. In 2005, there were 56 independent, public,

district hospitals operating across California. By the end of this year, that number is expected to drop to just 32 or 31, signaling a steady and troubling decline. Given this stark reality, district hospitals cannot afford to adopt a "*wait and see*" approach while the OHCA staff collects data and evaluates the long-term effects of its proposed policy changes. Some simply will not survive long enough to find out whether the OHCA hypothesis proves true or false.

The proposed hospital sector spending target methodology fails to account for critical factors that are statutorily required and completely ignores the impact from the Medi-Cal program.

The proposed methodology includes a methodology that will designate hospitals based on their historical data (2018-2022), if they are within the top 15% of two financial measures:

1) Commercial inpatient reimbursement per case mix-adjusted discharge,
2) Commercial to Medicare Payment to Cost Ratio (PTCR).

As discussed during the March OHCA Board meeting, the recommendation fails to acknowledge or account for the allocation of inpatient and outpatient net patient revenue. Instead, by only focusing on inpatient services it fails to recognize the important outpatient care that is effectively lowering the cost of delivering health care in the communities that hospitals serve. This is a critical flaw in the methodology, especially for district hospitals who tend to be in rural or remote locations and are the sole community providers of health care providing a significant portion of routine services in the outpatient settings that are typically served in clinic facilities in larger communities with more health care options.

The proposed recommendation also fails to acknowledge any of the health care cost drivers. This is particularly problematic, as has been shared during the OHCA Board meetings to date by many hospitals but is especially problematic for district hospitals. These hospitals are not supported by large systems and as OHCA staff acknowledged during the March Board meeting where they must *"survive on their own operations and currently have negative margin. Have had to engage in cost saving measures, such as closing service lines and early retirements."* There is no room for error and applying just a "*wait and see*" attitude to reviewing these factors through enforcement. This is something that was contemplated during the enactment of the legislation (Health and Safety Code (HSC) 127502(d)).

> *(d)(4)—Factors, including, but not limited to: health care employment cost index, labor costs, consumer price index for urban wage earners and clerical workers, impacts due to known emerging diseases, trends in the price of health care technologies, provider payer mix, state or local mandates such as required capital improvement projects, and any relevant state and federal policy changes impacting covered benefits, provider reimbursement, and costs.*

Another critical and missing element from the methodology is the impact from the Medi-Cal program. This is particularly an issue in a couple ways:

First, for most district hospitals, the Medi-Cal program has become one of the largest payers. That number has been steadily climbing ever since the Affordable Care Act expanded Medicaid coverage, and the "Healthy California for All" initiatives. For hospitals like Kaweah Health, located

in Tulare County which has 62% of the residents of the county enrolled on Medi-Cal, the hospital's Medi-Cal payer mix is 44%.

Second, like our larger public hospital colleagues (Designated Public Hospitals and University of California Health), district hospitals are uniquely positioned as governmental entities to step in and help finance the Medi-Cal program. In some programs, they physically transfer public funding via an intergovernmental transfer (IGT) to the Department of Health Care Services (DHCS) to support their Medi-Cal reimbursement, and in other programs they certify the expenditures on behalf of DHCS to receive only the federally matched portion. Both methods are allowable under federal law, and over the past 20 years, they've been the primary area of growth in Medi-Cal reimbursement. This unique "*self-financing*" structure is not new—this is why it was specifically contemplated in the authorizing statute (Health and Safety Code (HSC) 127502(d)), where OHCA must consider the provisions summarized below:

> *(d)(5)(A)—Medi-Cal: the provision of nonfederal share associated with Medi-Cal payments.*
>
> *(d)(5)(B)(i)—Medi-Cal: supplemental payments for Medi-Cal services and underinsured patients.*
>
> *(d)(5)(B)(ii)—Medi-Cal: nonfederal share and fees (e.g., Hospital Tax 24% Fee for Children's Coverage, 20% Administrative Fees on Intergovernmental Transfers).*
>
> *(d)(5)(B)(iii)—Medi-Cal: health care-related taxes (e.g., MCO Tax, Hospital Tax)*
>
> *(d)(5)(C)—Medi-Cal: Methodology that cannot jeopardize federal requirements for federal financial participation (e.g., actuarial soundness requirements when developing Medi-Cal capitations).*

Unfortunately, the OHCA staff's recommendation fails to capture the importance of providing outpatient care, growing cost pressures for hospitals, and the statutory requirements to consider the Medi-Cal program and the "*self-financing*" aspects of the program. By doing so, the proposed methodology narrowly omits one of the largest payers and effectively shrinks the revenue applicable in the calculations to a subset of payers, over a small subset of inpatient services, without taking into consideration the cost to provide care.

Rushing to implement the proposed hospital sector spending target methodology without completing the policy work will tarnish OHCA's credibility and jeopardize the work to improve affordability.

As leaders from Massachusetts and Oregon presented during the March OHCA Board meeting, both states were very intentional in their respective efforts to implement the health care spending targets. In Massachusetts, the efforts started in 2006 when "Romney Care" was implemented ensuring all residents had health insurance coverage, and in the same year, they created their All-Payer Claims Database (APCD). After extensive public and private stakeholder engagement processes that involved legislative liaison gathering information and generating buy-in from the state's largest payers and providers, it wasn't until 2012 before Massachusetts moved to enact the cost growth target benchmark for 2013-2017. Prior to the 2012 Legislation, they had more than 6-year period to review and analyze data, including issuing multiple reports, with actionable recommendations. In Oregon, they established their APCD in 2009 and had 10-years of experience with a landmark Medicaid waiver limiting Medicaid spending to 3.4% annual cost

growth benchmark. In 2019, nearly 10 years after they began collecting and analyzing data, they moved forward with their Massachusetts-like program.

Both states (who are model states for California) shared with the OHCA Board in March they did not rush to implement spending targets before any of the policy and analytical work had been completed. Their collaborative efforts and transparency led to high credibility and buy-in from industry. As many hospitals testified in March, there is confusion around how some hospitals were even identified, clearly noted and discussed errors in the fundamental data (e.g., NorthBay Health), and many who could not replicate the calculations performed by OHCA staff. Bottom line, moving forward without the transparency necessary, will permanently jeopardize the credibility of the Office.

As several OHCA Board members raised during the March OHCA Board meeting, while we're having these discussions in California the backdrop of facing significant federal funding cuts is being discussed in Washington D.C. If the experience from Massachusetts and Oregon is not enough to underscore the importance that California should first collect, analyze, and understand the data before rushing to implementing the proposed hospital sector spending targets, we should absolutely understand what the impact to the health care delivery system will be if we lose more than $10-20 billion[1] in federal funding for the Medi-Cal program. Unless the state General Fund backfills the loss in federal funding, we should all expect to see cuts in coverage, a reduction in access to services, and a loss of providers (e.g., district hospital closures).

A premature and discretionary decision will only harm patient care, especially those in underserved communities that district hospitals proudly serve.

Maintaining access to essential health care in many underserved communities across California relies heavily on public providers like district hospitals. In most communities, they are the safety-net providers that provide more than just life-saving care. While it may appear that many hospitals/health systems have recovered from the COVID-19 pandemic—some large health systems even acquiring other hospitals—unfortunately, district hospitals are not in that same position. Simply put, most are experiencing significant workforce challenges, and their current financial state is not sustainable as evident by the high proportion needing DHLP loans. As recently as March 27th at CHFFA's monthly board meeting, it was reported that eight hospitals have applied for DHLP Loan Modifications for extensions to the repayment of their loans due to continued financial distress. Of the three granted extensions due to financial distress, two are district hospitals (El Centro Regional Medical Center and Pioneers Memorial Healthcare District).

Implementing the OHCA staff's recommendation before any of the policy work has been completed, assumes that health care spending occurring today is in all the right places. It assumes everyone is on a level playing field, doesn't factor in geographic differences or underserved communities that are struggling. If we continue to blindly move forward with this assumption and not spend the time analyzing the data together so that we can make informed decisions, then we will see the unintended consequences of these actions. This will force hospital leaders to make

[1] Why California has a lot to lose if Trump cuts Medicaid - CalMatters

difficult decisions around which services can be maintained and what costs will need to be cut to continue their operations at the expense of California's patient population.

We appreciate the opportunity to provide our comments and look forward to working together to promote a high-quality, accessible, and affordable health care system in California.

Sincerely,

Ryan Witz
Executive Director

Cc:
Members of the Health Care Affordability Board:
David M. Carlisle, MD, PhD
Dr. Sandra Hernández
Dr. Richard Kronick
Ian Lewis
Elizabeth Mitchell
Donald B. Moulds, Ph.D.
Dr. Richard Pan

Elizabeth Landsberg, Director, Department of Health Care Access and Information
Vishaal Pegany, Deputy Director, Office of Health Care Affordability
Darci Delgado, Assistant Secretary, California Health and Human Services Agency
Richard Figueroa, Deputy Cabinet Secretary, Office of Governor Gavin Newsom

DISTRICT HOSPITAL LEADERSHIP FORUM

The District Hospital Leadership Forum (DHLF) represents the 33 district and municipal hospitals throughout California.

District/municipal hospitals, with publicly elected Boards of Directors, are local governments responsible for providing for the healthcare needs of their communities. California's public district/municipal hospitals provide significant levels of care to Medi-Cal and low-income Californians.

Two-thirds of California district/municipal hospitals are rural and 18 have a critical access hospital (CAH) designation. Many of these rural facilities also maintain rural health clinics (RHCs).

District hospitals are very diverse in size and services offered. For example, some hospitals have as few as four acute beds while other have more than 600.

Similarly, the services provided are diverse ranging from emergency services coupled with an acute medical unit, a distinct-part nursing facility and RHCs providing an array of outpatient services, to the larger facilities providing tertiary and/or trauma services.

33
INDEPENDENT PUBLIC HOSPITALS

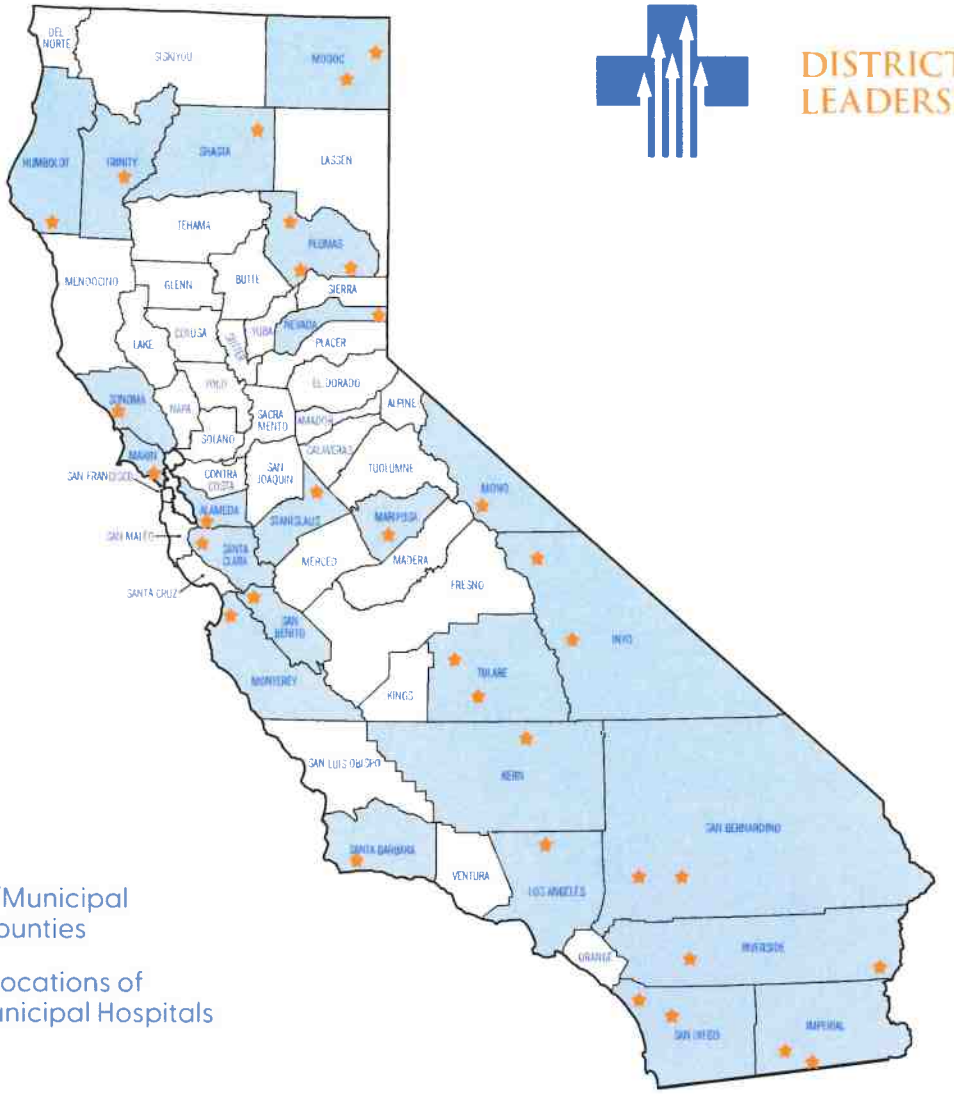
18 Critical Access Hospitals (CAH)

Over **2/3** are Rural

4,423 Licensed Beds	**936,215** Emergency Room Visits
72,375 Surgeries	**21,842** Babies Delivered
63,583 Medi-Cal Inpatient Stays	**1,128,223** Medi-Cal Outpatient Stays
46% Medi-Cal Payer Mix	**25,175** # of Workers (FTE)

Based on FY2022 HCAI data

DISTRICT HOSPITAL LEADERSHIP FORUM



All District/Municipal Hospital Counties

Indicates Locations of District/Municipal Hospitals

Antelope Valley Hospital, Landcaster
Bear Valley Community Hospital, Big Bear Lake
Eastern Plumas HealthCare, Portola
El Camino Hospital, Mountain View
El Centro Regional Medical Center, El Centro
Hazel Hawkins Memorial Hospital, Hollister
Jerold Phelps Community Hospital, Garberville
John C. Fremont Healthcare District, Mariposa
Kaweah Health Medical Center, Visalia
Kern Valley Healthcare District, Lake Isabella
Lompoc Valley Medical Center, Lompoc
Mammoth Hospital, Mammoth Lakes
MarinHealth Medical Center, Greenbrae
Mayers Memorial Hospital, Fall River Mills
Modoc Medical Center, Alturas
Northern Inyo Hospital, Bishop
Oak Valley Hospital, Oakdale
Palo Verde Hospital, Blythe
Palomar Health, Escondido
Pioneers Memorial Hospital, Brawley
Plumas District Hospital, Quincy
Salinas Valley Health, Salinas
Mountains Community Hospital, San Bernardino (Lake Arrowhead)
San Gorgonio Memorial Hospital, Banning
Seneca Hospital, Chester
Sierra View Medical Center, Porterville
Sonoma Valley Hospital, Sonoma
Southern Inyo Hospital, Lone Pine
Surprise Valley Hospital, Cedarville
Tahoe Forest Hospital District, Truckee
Tri-City Medical Center, Oceanside
Trinity Hospital, Weaverville
Washington Hospital, Fremont

www.cadhlf.org

Chief Nursing Officer Report

April 2025

Patient Care Services

- New OB Director
- Working on budget and capital requests for 2026
- Increased census at SNFs
- First NQF meeting

Quality, Regulatory, and Infection Prevention

- New Quality Manager
- Zero CAUTI, CLABSI, C. Diff infections for Q1 2025
- Hospital Preparedness Program Grant (HPP)

CNO Dashboard March 2025

Description	March 2025 Budget	March 2025 Actual	Budget - Year To Date Total	Actual -YTD Total
ED Visits	2,281	2,378	19,918	20,882
ED Admission %	10%>	5.00%	10%>	5.33%
LWBS %	<2.0%	0.5%	<2.0%	0.81%
Door to Provider	10 min	9 min	10 min	8.33 min
MS admissions	131	97	946	986
ICU admissions	18	23	138	200
Deliveries	37	33	293	276
OR Inpatient	39	26	308	359
ASC/OP Cases	36	63	412	484
GI	82	51	808	786

Met or Exceeded Target
Within 10% of Target
Not Within 10%

Hazel Hawkins
MEMORIAL HOSPITAL

REGULAR MEETING OF THE FINANCE COMMITTEE
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
MONDAY, APRIL 21, 2025 - 4:30 P.M.
SUPPORT SERVICES BUILDING, 2ND FLOOR – GREAT ROOM

San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians and the community.

1. Call to Order

2. Review Financial Updates
   - Financial Statements – March 2025
   - Finance Dashboard – March 2025
   - Supplemental Payments – March 2025

3. Consider Recommendation for Board Approval of Proposal of Imaging Multi-purpose Trailer Pad.
   - Report
   - Committee Questions
   - Motion/Second

4. Public Comment
   This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board **Committee,** which are not on this agenda.

5. Adjournment

The next Finance Committee meeting is scheduled for **Monday, May 19, 2025** at **4:30 p.m.**

The complete Finance Committee packet including subsequently distributed materials and presentations is available at the Finance Committee meeting and in the Administrative Offices of the District. All items appearing

Hazel Hawkins
MEMORIAL HOSPITAL

on the agenda are subject to action by the Finance Committee. Staff and Committee recommendations are subject to change by the Finance Committee.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

Hazel Hawkins
MEMORIAL HOSPITAL
SKILLED NURSING FACILITIES
HOME HEALTH AGENCY

San Benito Health Care District
A Public Agency
911 Sunset Drive
Hollister, CA 95023-5695
(831) 637-5711

April 21, 2025

CFO Financial Summary for the District Board:

For the month ending March 31, 2025, the District's Net Surplus (Loss) is $657,701 compared to a budgeted Surplus (Loss) of $581,527. The District exceeded its budget for the month by $76,174.

YTD as of March 31, 2025, the District's Net Surplus (Loss) is $16,016,544 compared to a budgeted Surplus (Loss) of $5,451,558. The District is exceeding its budget YTD by $10,564,986.

Acute discharges were 152 for the month, under budget by 34 discharges or 18**%**. The ADC was 12.94 compared to a budget of 16.53. The ALOS was 2.64. The acute I/P gross revenue was under budget by **$2 million (25%)** while O/P services gross revenue exceeded budget by **$2.94 million** or 11% over budget. ER I/P visits were 121 and ER O/P visits were over budget by 117 visits or 5%. The RHCs & Specialty Clinics treated 3,901 (includes 713 visits at the Diabetes Clinic) and 1,123 visits respectively.

Other Operating revenue exceeded budget by **$216,261** due to a quality bonus of $97,200 from CCAH for HQIP and $42,961 higher than budgeted rebate from Magellan Health Rx.

Operating Expenses were slightly over budget by **$1,609** due mainly to: Registry of $342,376 (offset by savings in Benefits of $172,773 and Pro Fees of $316,671). Interest was over budget by $96,519 due to the processing fee of $117,119 for the QIP & DHDP supplemental payments.

Non-operating Revenue exceeded budget by **$9,592** due to an increase in donations.

The SNFs ADC was **89.16** for the month. The Net Surplus (Loss) is $261,185 compared to a budget of $87,909. YTD, the Net Surplus (Loss) is $1,289,977 exceeding its budget by $492,031.

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 03/31/25

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24
GROSS PATIENT REVENUE:										
ACUTE ROUTINE REVENUE	2,970,467	3,700,860	(730,393)	(20)	3,700,859	29,683,207	29,990,026	(306,819)	(1)	29,990,018
SNF ROUTINE REVENUE	2,078,340	2,027,302	51,038	3	1,967,580	17,859,060	17,498,973	360,087	2	19,180,768
ANCILLARY INPATIENT REVENUE	3,487,608	4,597,037	(1,109,430)	(24)	4,625,077	37,953,705	36,839,735	1,113,970	3	36,776,266
HOSPITALIST\PEDS I\P REVENUE	0	0	0	0	218,314	0	0	0	0	1,519,374
TOTAL GROSS INPATIENT REVENUE	8,536,414	10,325,199	(1,788,785)	(17)	10,511,830	85,495,972	84,328,734	1,167,238	1	87,466,426
ANCILLARY OUTPATIENT REVENUE	30,750,981	27,811,551	2,939,430	11	27,266,232	262,372,846	247,784,941	14,587,905	6	242,926,427
HOSPITALIST\PEDS O\P REVENUE	0	0	0	0	81,582	0	0	0	0	585,420
TOTAL GROSS OUTPATIENT REVENUE	30,750,981	27,811,551	2,939,430	11	27,347,814	262,372,846	247,784,941	14,587,905	6	243,511,847
TOTAL GROSS PATIENT REVENUE	39,287,396	38,136,750	1,150,646	3	37,859,644	347,868,818	332,113,675	15,755,143	5	330,978,273
DEDUCTIONS FROM REVENUE:										
MEDICARE CONTRACTUAL ALLOWANCES	11,365,225	10,393,983	971,242	9	10,677,575	92,717,914	90,301,938	2,415,976	3	88,970,924
MEDI-CAL CONTRACTUAL ALLOWANCES	10,554,555	10,218,590	335,965	3	10,240,414	89,387,563	89,202,635	184,928	0	88,020,572
BAD DEBT EXPENSE	337,355	542,744	(205,389)	(38)	265,776	5,990,209	4,730,672	1,259,537	27	5,924,219
CHARITY CARE	16,750	40,473	(23,723)	(59)	19,783	316,819	352,665	(35,847)	(10)	350,230
OTHER CONTRACTUALS AND ADJUSTMENTS	4,616,921	4,445,671	171,250	4	4,180,786	41,315,435	39,018,190	2,297,245	6	39,471,384
HOSPITALIST\PEDS CONTRACTUAL ALLOW	0	0	0	0	24,622	0	0	0	0	78,936
TOTAL DEDUCTIONS FROM REVENUE	26,890,806	25,641,461	1,249,345	5	25,408,956	229,727,939	223,606,100	6,121,839	3	222,816,265
NET PATIENT REVENUE	12,396,590	12,495,289	(98,699)	(1)	12,450,688	118,140,879	108,507,575	9,633,304	9	108,162,008
OTHER OPERATING REVENUE	764,142	547,881	216,261	40	702,221	8,295,499	4,930,929	3,364,570	68	5,196,103
NET OPERATING REVENUE	13,160,732	13,043,170	117,562	1	13,152,909	126,436,378	113,438,504	12,997,874	12	113,358,111
OPERATING EXPENSES:										
SALARIES & WAGES	5,382,641	5,307,544	75,097	1	4,669,668	45,121,310	46,098,178	(976,868)	(2)	42,040,419
REGISTRY	621,810	229,839	391,971	171	511,600	4,728,023	2,063,739	2,664,284	129	3,027,230
EMPLOYEE BENEFITS	2,201,712	2,435,287	(233,575)	(10)	2,208,614	19,542,769	20,816,370	(1,273,601)	(6)	18,707,595
PROFESSIONAL FEES	1,339,370	1,656,213	(316,843)	(19)	1,382,624	13,863,192	14,639,491	(776,299)	(5)	14,375,570
SUPPLIES	1,035,378	1,093,298	(57,920)	(5)	1,028,333	9,856,162	9,046,487	809,675	9	9,451,658
PURCHASED SERVICES	1,182,832	1,151,622	31,210	3	1,211,948	11,836,156	10,178,877	1,657,279	16	9,788,059
RENTAL	167,879	150,183	17,696	12	139,840	1,454,240	1,327,437	126,803	10	1,238,686
DEPRECIATION & AMORT	315,219	318,477	(3,258)	(1)	320,400	2,852,750	2,866,293	(13,543)	(1)	2,920,237
INTEREST	124,300	27,781	96,519	347	27,921	423,530	251,742	171,788	68	463,699
OTHER	491,696	441,612	50,084	11	447,154	4,051,035	3,909,329	141,706	4	3,866,793
TOTAL EXPENSES	12,862,836	12,811,856	50,980	0	11,948,103	113,729,166	111,197,943	2,531,223	2	105,879,945
NET OPERATING INCOME (LOSS)	297,896	231,314	66,582	29	1,204,806	12,707,211	2,240,561	10,466,650	467	7,478,166

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 03/31/25

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	13,143	5,000	8,143	163	17,106	226,594	145,000	81,594	56	232,389
PROPERTY TAX REVENUE	241,122	241,122	0	0	205,711	2,170,098	2,170,098	0	0	1,851,399
GO BOND PROP TAXES	175,915	175,915	0	0	170,388	1,583,233	1,583,235	(2)	0	1,533,490
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	0	(68,721)	(585,733)	(585,729)	(4)	0	(618,490)
OTHER NON-OPER REVENUE	16,656	15,908	748	5	21,422	147,663	143,172	4,491	3	165,485
OTHER NON-OPER EXPENSE	(22,650)	(22,651)	1	0	(27,767)	(245,600)	(244,779)	(821)	0	(290,636)
INVESTMENT INCOME	701	0	701		0	13,078	0	13,078		(4,209)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	359,805	350,213	9,592	3	318,139	3,309,333	3,210,997	98,336	3	2,869,429
NET SURPLUS (LOSS)	657,701	581,527	76,174	13	1,522,945	16,016,544	5,451,558	10,564,986	194	10,347,594
EBIDA	$ 884,737	$ 811,821	$ 72,916	8.98%	$ 1,769,445	$ 18,117,394	$ 7,565,124	$ 10,552,270	139.48%	$ 12,643,467
EBIDA MARGIN	6.72%	6.22%	0.50%	8.00%	13.45%	14.33%	6.67%	7.66%	114.86%	11.15%
OPERATING MARGIN	2.26%	1.77%	0.49%	27.63%	9.16%	10.05%	1.98%	8.08%	408.84%	6.60%
NET SURPLUS (LOSS) MARGIN	5.00%	4.46%	0.54%	12.08%	11.58%	12.67%	4.81%	7.86%	163.59%	9.13%

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 03/31/25

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24
GROSS PATIENT REVENUE:										
ROUTINE REVENUE	2,970,467	3,700,860	(730,393)	(20)	3,700,859	29,683,207	29,990,026	(306,819)	(1)	29,990,018
ANCILLARY INPATIENT REVENUE	2,989,837	4,262,527	(1,272,690)	(30)	4,262,532	34,589,572	33,952,343	637,229	2	33,952,348
HOSPITALIST I\P REVENUE	0	0	0	0	218,314	0	0	0	0	1,519,374
TOTAL GROSS INPATIENT REVENUE	5,960,304	7,963,387	(2,003,084)	(25)	8,181,706	64,272,779	63,942,369	330,410	1	65,461,741
ANCILLARY OUTPATIENT REVENUE	30,750,981	27,811,551	2,939,430	11	27,266,232	262,372,846	247,784,941	14,587,905	6	242,926,427
HOSPITALIST O\P REVENUE	0	0	0	0	81,582	0	0	0	0	585,420
TOTAL GROSS OUTPATIENT REVENUE	30,750,981	27,811,551	2,939,430	11	27,347,814	262,372,846	247,784,941	14,587,905	6	243,511,847
TOTAL GROSS ACUTE PATIENT REVENUE	36,711,285	35,774,938	936,347	3	35,529,520	326,645,625	311,727,310	14,918,315	5	308,973,587
DEDUCTIONS FROM REVENUE ACUTE:										
MEDICARE CONTRACTUAL ALLOWANCES	10,954,187	10,175,825	778,362	8	10,367,592	90,329,570	88,418,872	1,910,698	2	86,937,576
MEDI-CAL CONTRACTUAL ALLOWANCES	10,615,376	10,091,186	524,190	5	10,091,784	88,661,390	88,102,927	558,463	1	86,615,372
BAD DEBT EXPENSE	298,395	537,744	(239,349)	(45)	282,772	5,956,405	4,685,672	1,270,733	27	6,024,237
CHARITY CARE	16,750	40,473	(23,723)	(59)	19,383	255,380	352,665	(97,285)	(28)	347,173
OTHER CONTRACTUALS AND ADJUSTMENTS	4,630,715	4,412,502	218,213	5	4,169,969	41,079,163	38,731,882	2,347,281	6	39,162,351
HOSPITALIST\PEDS CONTRACTUAL ALLOW	0	0	0	0	24,622	0	0	0	0	78,936
TOTAL ACUTE DEDUCTIONS FROM REVENUE	26,515,423	25,257,730	1,257,693	5	24,956,122	226,281,908	220,292,018	5,989,890	3	219,165,644
NET ACUTE PATIENT REVENUE	10,195,862	10,517,208	(321,346)	(3)	10,573,398	100,363,717	91,435,292	8,928,425	10	89,807,944
OTHER OPERATING REVENUE	764,142	547,881	216,261	40	702,221	8,295,499	4,930,929	3,364,570	68	5,196,103
NET ACUTE OPERATING REVENUE	10,960,004	11,065,089	(105,085)	(1)	11,275,618	108,659,216	96,366,221	12,292,995	13	95,004,046
OPERATING EXPENSES:										
SALARIES & WAGES	4,271,051	4,246,854	24,197	1	3,774,029	35,840,401	37,026,703	(1,186,302)	(3)	33,560,046
REGISTRY	542,376	200,000	342,376	171	451,382	4,284,598	1,800,000	2,484,598	138	2,732,791
EMPLOYEE BENEFITS	1,717,606	1,890,379	(172,773)	(9)	1,746,862	15,200,419	16,146,020	(945,601)	(6)	14,518,091
PROFESSIONAL FEES	1,337,160	1,653,831	(316,671)	(19)	1,380,414	13,843,302	14,618,439	(775,137)	(5)	14,355,680
SUPPLIES	935,740	996,207	(60,467)	(6)	939,827	8,990,659	8,182,013	808,646	10	8,576,072
PURCHASED SERVICES	1,086,771	1,062,336	24,435	2	1,127,101	10,944,228	9,389,699	1,554,529	17	9,037,808
RENTAL	151,360	149,089	2,271	2	138,551	1,380,077	1,317,768	62,309	5	1,229,060
DEPRECIATION & AMORT	275,710	278,940	(3,230)	(1)	280,726	2,501,057	2,510,460	(9,403)	0	2,564,268
INTEREST	124,300	27,781	96,519	347	27,921	423,530	251,742	171,788	68	463,699
OTHER	450,099	385,147	64,952	17	392,469	3,562,751	3,409,802	152,949	5	3,404,905
TOTAL EXPENSES	10,892,173	10,890,564	1,609	0	10,259,281	96,971,023	94,652,646	2,318,377	2	90,442,418
NET OPERATING INCOME (LOSS)	67,832	174,525	(106,693)	(61)	1,016,337	11,688,193	1,713,575	9,974,618	582	4,561,628

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 03/31/25

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	13,143	5,000	8,143	163	17,106	226,594	145,000	81,594	56	232,389
PROPERTY TAX REVENUE	204,954	204,954	0	0	174,854	1,844,586	1,844,586	0	0	1,573,686
GO BOND PROP TAXES	175,915	175,915	0	0	170,388	1,583,233	1,583,235	(2)	0	1,533,490
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	0	(68,721)	(585,733)	(585,729)	(4)	0	(618,490)
OTHER NON-OPER REVENUE	16,656	15,908	748	5	21,422	147,663	143,172	4,491	3	165,485
OTHER NON-OPER EXPENSE	(17,602)	(17,603)	1	0	(21,578)	(191,046)	(190,227)	(819)	0	(226,146)
INVESTMENT INCOME	701	0	701		0	13,078	0	13,078		(4,209)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	328,685	319,093	9,592	3	293,470	3,038,375	2,940,037	98,338	3	2,656,206
NET SURPLUS (LOSS)	396,517	493,618	(97,101)	(20)	1,309,808	14,726,567	4,653,612	10,072,955	217	7,217,834

HAZEL HAWKINS SKILLED NURSING FACILITIES
HOLLISTER, CA
FOR PERIOD 03/31/25

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24	ACTUAL 03/31/25	BUDGET 03/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 03/31/24
GROSS SNF PATIENT REVENUE:										
ROUTINE SNF REVENUE	2,078,340	2,027,302	51,038	3	1,967,580	17,859,060	17,498,973	360,087	2	19,180,768
ANCILLARY SNF REVENUE	497,771	334,510	163,261	49	362,544	3,364,133	2,887,392	476,741	17	2,823,918
TOTAL GROSS SNF PATIENT REVENUE	2,576,111	2,361,812	214,299	9	2,330,124	21,223,193	20,386,365	836,828	4	22,004,686
DEDUCTIONS FROM REVENUE SNF:										
MEDICARE CONTRACTUAL ALLOWANCES	411,038	218,158	192,880	88	309,982	2,388,344	1,883,066	505,278	27	2,033,348
MEDI-CAL CONTRACTUAL ALLOWANCES	(60,821)	127,404	(188,225)	(148)	148,630	726,174	1,099,708	(373,534)	(34)	1,405,201
BAD DEBT EXPENSE	38,960	5,000	33,960	679	(16,996)	33,803	45,000	(11,197)	(25)	(100,018)
CHARITY CARE	0	0	0	0	400	61,438	0	61,438		3,057
OTHER CONTRACTUALS AND ADJUSTMENTS	(13,794)	33,169	(46,963)	(142)	10,817	236,272	286,308	(50,036)	(18)	309,033
TOTAL SNF DEDUCTIONS FROM REVENUE	375,383	383,731	(8,348)	(2)	452,834	3,446,031	3,314,082	131,949	4	3,650,621
NET SNF PATIENT REVENUE	2,200,728	1,978,081	222,647	11	1,877,291	17,777,162	17,072,283	704,879	4	18,354,065
OTHER OPERATING REVENUE	0	0	0	0	0	0	0	0	0	0
NET SNF OPERATING REVENUE	2,200,728	1,978,081	222,647	11	1,877,291	17,777,162	17,072,283	704,879	4	18,354,065
OPERATING EXPENSES:										
SALARIES & WAGES	1,111,590	1,060,690	50,900	5	895,639	9,280,908	9,071,475	209,433	2	8,480,374
REGISTRY	79,434	29,839	49,595	166	60,218	443,425	263,739	179,686	68	294,439
EMPLOYEE BENEFITS	484,107	544,908	(60,802)	(11)	461,752	4,342,350	4,670,350	(328,000)	(7)	4,189,504
PROFESSIONAL FEES	2,210	2,382	(172)	(7)	2,210	19,890	21,052	(1,162)	(6)	19,890
SUPPLIES	99,637	97,091	2,546	3	88,506	865,503	864,474	1,029	0	875,586
PURCHASED SERVICES	96,060	89,286	6,774	8	84,848	891,927	789,178	102,749	13	750,251
RENTAL	16,519	1,094	15,425	1,410	1,289	74,163	9,669	64,494	667	9,626
DEPRECIATION	39,509	39,537	(28)	0	39,675	351,693	355,833	(4,140)	(1)	355,969
INTEREST	0	0	0	0	0	0	0	0	0	0
OTHER	41,598	56,465	(14,867)	(26)	54,685	488,284	499,527	(11,243)	(2)	461,888
TOTAL EXPENSES	1,970,663	1,921,292	49,371	3	1,688,822	16,758,143	16,545,297	212,846	1	15,437,527
NET OPERATING INCOME (LOSS)	230,064	56,789	173,275	305	188,469	1,019,019	526,986	492,033	93	2,916,538
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	0	0	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	36,168	36,168	0	0	30,857	325,512	325,512	0	0	277,713
OTHER NON-OPER EXPENSE	(5,048)	(5,048)	0	0	(6,188)	(54,554)	(54,552)	(2)	0	(64,490)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	31,120	31,120	0	0	24,669	270,958	270,960	(2)	0	213,223
NET SURPLUS (LOSS)	261,185	87,909	173,276	197	213,138	1,289,977	797,946	492,031	62	3,129,760

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 03/31/25

	CURR MONTH 03/31/25	PRIOR MONTH 02/28/25	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT ASSETS					
CASH & CASH EQUIVALENT	25,095,439	26,201,019	(1,105,580)	(4)	35,145,624
PATIENT ACCOUNTS RECEIVABLE	68,985,068	73,229,894	(4,244,827)	(6)	67,848,785
BAD DEBT ALLOWANCE	(6,664,522)	(7,481,092)	816,570	(11)	(9,487,617)
CONTRACTUAL RESERVES	(41,186,856)	(49,214,233)	8,027,377	(16)	(46,279,766)
OTHER RECEIVABLES	10,810,983	7,589,992	3,220,991	42	5,931,344
INVENTORIES	4,480,022	4,485,091	(5,070)	0	4,496,070
PREPAID EXPENSES	2,068,257	2,254,721	(186,464)	(8)	1,775,026
DUE TO\FROM THIRD PARTIES	(181,860)	80,119	(261,979)	(327)	200,709
TOTAL CURRENT ASSETS	63,406,530	57,145,513	6,261,018	11	59,630,175
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	6,560,960	8,190,862	(1,629,902)	(20)	3,512,919
TOTAL LIMITED USE ASSETS	6,560,960	8,190,862	(1,629,902)	(20)	3,512,919
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,370,474	3,370,474	0	0	3,370,474
BLDGS & BLDG IMPROVEMENTS	100,098,374	100,098,374	0	0	100,098,374
EQUIPMENT	45,619,351	45,551,631	67,720	0	44,435,024
CONSTRUCTION IN PROGRESS	3,920,450	3,096,230	824,220	27	1,393,964
GROSS PROPERTY,PLANT, AND EQUIPMENT	153,008,649	152,116,709	891,940	1	149,297,836
ACCUMULATED DEPRECIATION	(97,394,466)	(97,064,504)	(329,962)	0	(94,409,166)
NET PROPERTY, PLANT, AND EQUIPMENT	55,614,183	55,052,205	561,978	1	54,888,670
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	344,948	350,859	(5,911)	(2)	398,148
PENSION DEFERRED OUTFLOWS NET	7,038,149	7,038,149	0	0	7,038,149
TOTAL OTHER ASSETS	7,383,097	7,389,008	(5,911)	0	7,436,297
TOTAL UNRESTRICTED ASSETS	132,964,770	127,777,588	5,187,182	4	125,468,061
RESTRICTED ASSETS	128,856	128,802	54	0	127,119
TOTAL ASSETS	133,093,626	127,906,390	5,187,236	4	125,595,180

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 03/31/25

	CURR MONTH 03/31/25	PRIOR MONTH 02/28/25	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	5,844,195	5,959,776	115,581	(2)	8,572,685
ACCRUED PAYROLL	1,962,385	1,517,447	(444,938)	29	5,824,977
ACCRUED PAYROLL TAXES	400,782	1,371,845	971,062	(71)	1,608,471
ACCRUED BENEFITS	5,144,259	4,977,565	(166,694)	3	6,695,829
OTHER ACCRUED EXPENSES	65,338	58,596	(6,742)	12	89,559
PATIENT REFUNDS PAYABLE	1,470	1,470	0	0	12,920
DUE TO\FROM THIRD PARTIES	5,253,960	(1,216,208)	(6,470,168)	(532)	2,355,584
OTHER CURRENT LIABILITIES	822,746	724,805	(97,941)	14	611,755
TOTAL CURRENT LIABILITIES	19,495,135	13,395,295	(6,099,840)	46	25,771,780
LONG-TERM DEBT					
LEASES PAYABLE	4,655,976	4,662,847	6,870	0	5,107,486
BONDS PAYABLE	29,950,441	31,513,961	1,563,520	(5)	31,742,121
TOTAL LONG TERM DEBT	34,606,417	36,176,807	1,570,391	(4)	36,849,607
OTHER LONG-TERM LIABILITIES					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	23,814,514	23,814,514	0	0	23,814,514
TOTAL OTHER LONG-TERM LIABILITIES	23,814,514	23,814,514	0	0	23,814,514
TOTAL LIABILITIES	77,916,066	73,386,617	(4,529,449)	6	86,435,901
NET ASSETS:					
UNRESTRICTED FUND BALANCE	39,064,686	39,064,686	0	0	39,064,686
RESTRICTED FUND BALANCE	96,330	96,276	(54)	0	94,593
NET REVENUE/(EXPENSES)	16,016,544	15,358,811	(657,733)	4	0
TOTAL NET ASSETS	55,177,560	54,519,774	(657,787)	1	39,159,279
TOTAL LIABILITIES AND NET ASSETS	133,093,626	127,906,390	(5,187,236)	4	125,595,180

Hazel Hawkins
MEMORIAL HOSPITAL

San Benito Health Care District
Hazel Hawkins Memorial Hospital
MARCH 2025

Description	MTD Budget	MTD Actual	YTD Actual	YTD Budget	FYE Budget
Average Daily Census - Acute	16.53	12.94	14.39	15.17	14.90
Average Daily Census - SNF	85.94	89.16	86.67	83.98	85.00
Acute Length of Stay	2.76	2.64	2.68	2.96	2.90
ER Visits:					
Inpatient	140	121	1,217	1,076	1,444
Outpatient	2,140	2,257	19,665	18,842	25,269
Total	2,280	2,378	20,882	19,918	26,713
Days in Accounts Receivable	50.0	54.1	54.1	50.0	50.0
Productive Full-Time Equivalents	521.33	542.21	515.73	521.33	521.33
Net Patient Revenue	12,495,289	12,396,590	118,140,879	108,507,575	144,649,605
Payment-to-Charge Ratio	32.8%	31.6%	34.0%	32.7%	32.7%
Medicare Traditional Payor Mix	24.39%	30.77%	28.77%	28.43%	28.51%
Commercial Payor Mix	23.38%	22.40%	23.29%	21.91%	21.88%
Bad Debt % of Gross Revenue	1.42%	0.90%	1.72%	1.42%	1.42%
EBIDA	811,821	884,737	18,117,394	7,565,124	9,671,943
EBIDA %	6.22%	6.72%	14.33%	6.67%	6.40%
Operating Margin	1.77%	2.26%	10.05%	1.98%	1.72%
Salaries, Wages, Registry & Benefits %:					
by Net Operating Revenue	61.13%	62.35%	54.88%	60.81%	61.10%
by Total Operating Expense	62.23%	63.80%	61.02%	62.03%	62.15%
Bond Covenants:					
Debt Service Ratio	1.25	12.93	12.93	1.25	5.18
Current Ratio	1.50	3.25	3.25	1.50	2.00
Days Cash on hand	30.00	61.88	61.88	30.00	100.00

Met or Exceeded Target
Within 10% of Target
Not Within 10%

Statement of Cash Flows
Hazel Hawkins Memorial Hospital
Hollister, CA
Nine months ending March 31, 2025

	CASH FLOW		COMMENTS
	Current Month 3/31/2025	Current Year-To-Date 3/31/2025	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	$657,701	$16,016,544	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	329,962	2,985,302	
(Increase)/Decrease in Net Patient Accounts Receivable	(4,599,121)	(9,052,288)	
(Increase)/Decrease in Other Receivables	(3,220,991)	(4,879,639)	
(Increase)/Decrease in Inventories	5,070	16,049	
(Increase)/Decrease in Pre-Paid Expenses	186,464	(293,233)	
(Increase)/Decrease in Due From Third Parties	261,979	382,569	
Increase/(Decrease) in Accounts Payable	(115,581)	(2,728,491)	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(359,431)	(6,621,851)	
Increase/(Decrease) in Accrued Expenses	6,742	(24,222)	
Increase/(Decrease) in Patient Refunds Payable	0	(11,449)	
Increase/(Decrease) in Third Party Advances/Liabilities	6,470,168	2,898,376	
Increase/(Decrease) in Other Current Liabilities	97,941	210,992	Semi-Annual Int. - 2005 GO & 2021 Revenue Bonds
Net Cash Provided by Operating Activities:	**(936,798)**	**(17,117,885)**	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(891,940)	(3,710,814)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	1,629,902	(3,048,041)	Bond Principal & Int Payment - 2014 (2005) & 2021 Bonds
(Increase)/Decrease in Other Assets	5,911	53,199	Amortization
Net Cash Used by Investing Activities	**743,873**	**(6,705,656)**	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Capital Lease Debt	(6,870)	(451,510)	
Increase/(Decrease) in Bond Mortgage Debt	(1,563,520)	(1,791,680)	2014 GO Principal & Refinancing of 2013 Bonds with 2021 Bonds
Increase/(Decrease) in Other Long Term Liabilities	0	0	
Net Cash Used for Financing Activities	**(1,570,390)**	**(2,243,190)**	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	**34**	**2**	
Net Increase/(Decrease) in Cash	**(1,105,580)**	**(10,050,185)**	
Cash, Beginning of Period	26,201,019	35,145,624	
Cash, End of Period	**$25,095,439**	**$25,095,439**	$0
Cost per day to run the District	$405,552	$25,376,108	Budgeted Cash on Hand
Operational Days Cash on Hand	61.88	($280,669)	Variance

Hazel Hawkins Memorial Hospital
Supplemental Payment Programs
As of **March 31, 2025**, FYE June 30, 2025

	Payor	Actual FY 2025	Actual FY 2024	Notes:
Intergovernmental Transfer Programs:				**Requires District to fund program and wait for matching return.**
- AB 113 Non-Designated Public Hospital (NDPH)				
SFY 2022/2023 Final Payment SFY 2023/2024	DHCS	425,000	407,785	Paid on 04/17/24, $156,525.63, funds rec'd in June. Exp. June 2025.
SFY 2023/2024 Interim SFY 2024/2025	DHCS	305,302	434,472	Paid on 04/24/24, $506,883.51, funds rec'd in June. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2022	Anthem	-	2,405,548	Net amount rec'd on November 1, 2023 check for CY 2022.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2023	Anthem	-	2,432,278	IGT by March 22, 2024 of $1,257,738, funds expected in May/June.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2024	CCAH	2,407,056		Will send IGT of $1,067,193 in April.
- Rate Range Jan. 1, 2022 through Dec. 31, 2022	Anthem	-	1,025,179	IGT by Feb. 23, 2024 of $472,508, funds expected in April/May.
- Rate Range Jan. 1, 2022 through Dec. 31, 2023	Anthem	1,339,141		Received in February 2025.
- QIP PY 5 Settlement	Anthem	-	3,459,757	IGT by Feb. 16, 2024 of $1,891,350.65, funds expected in April/May.
- QIP PY 6 Settlement	DHCS	4,311,260	2,342,379	Sent IGT of $2,342,379 in March. Expected in May 2025.
- District Hospital Directed Payments (DHDP) CY 2023	DHCS	710,853	-	Expected in May 2025. New Program created by the DHLF.
- QIP PY 4 **1st** Loan Repayment	District	-	(1,253,000)	Paid on 02/26/2024.
- QIP PY 4 **2nd** Loan Repayment	District	-	(1,222,438)	Paid on 04/08/2024.
- QIP PY 5 Loan Repayment	District	(3,090,086)	-	Due January 3, 2025. Paid on Decmber 9, 2024.
IGT sub-total		6,408,525	10,031,960	
Non-Intergovernmental Transfer Programs:				**Direct Payments.**
- AB 915 SY 2023-24	DHCS	1,802,585	4,143,717	Received on March 17, 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	1,069,577	1,069,577	Rec. Sep. 4, 2024.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	-	3,208,731	1st, 2nd & 3rd Qtrs rec'd on 03/19/2024, 05/23/2024 & 06/27/2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	1,081,621		Expected to Rec. 4th qtr payment by June 30, 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	3,244,863		Rec'd 1st, 2nd, & 3rd Qtr payments YTD.
- Distinct Part, Nursing Facility (DP/NF)		-	-	Based on actual cost difference.
- Medi-Cal Disproportionate Share (DSH)	DHCS	767,627	1,452,877	Expected quarterly through June 30, 2025.
Non-IGT sub-total		7,966,273	9,874,903	
Program Grand Totals		14,374,798	19,906,863	
Total Received		8,223,793	18,970,344	
Total Pending		9,241,091	1,069,577	
Total Paid		(3,090,086)	(2,475,438)	
Net Supplemental Payments		14,374,798	17,564,484	

Hazel Hawkins
MEMORIAL HOSPITAL

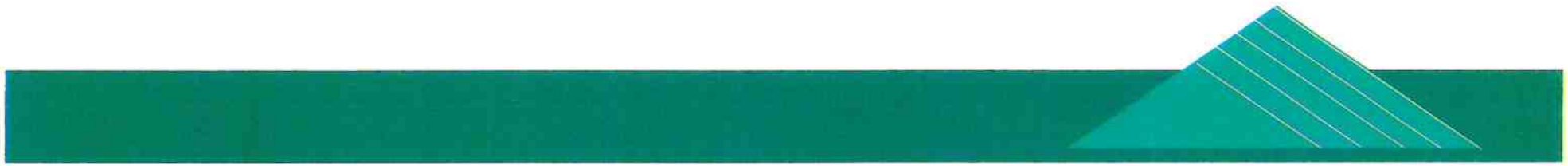
Imaging Multi-purpose Trailer Pad Proposal

Executive Summary

- *This multi-purpose trailer pad proposal is instrumental as the District replaces key Imaging equipment.*
- *The trailer pad would be capable of servicing a CT and/or MRI trailer*
- *Current age of equipment:*
  - *MRI: end of life 6/30/2025*
  - *CT outpatient: end of life 12/30/2019*
  - *CT ER: end of life 12/30/2024*
  - *Fluoro: end of life 12/30/2022*
- *CT and MRI Outpatient (w/o ER) CY2024 net revenue: $5M*

Cost Estimates

Trailer Pad Make Ready Design fee (Treanor)	$
OTHER ESTIMATED EXPENSES:	
Construction Estimate trailer pad	$752,000
Architectural costs	$129,445
Topography Survey & Mapping	$7500.00
CT/MRI Trailer estimate ($38,000/mo. for 12 mos.)	$456,000
CT/MRI Trailer delivery fee	$10,000
Contingency	$50,000
Total estimate	$1,404,945



Anticipated Timeline

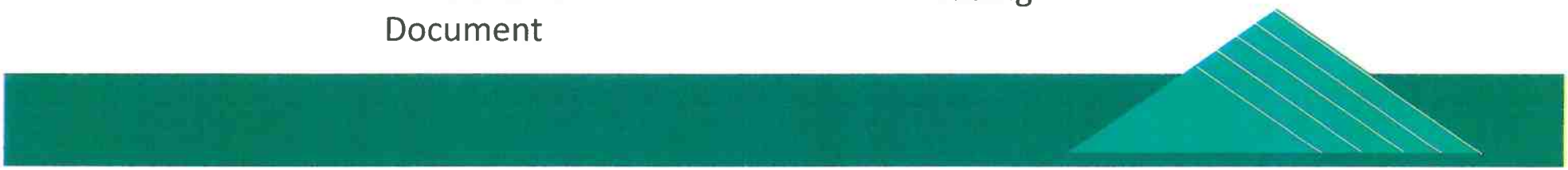
April to May 2025 Design proposal approval

June to July 2025 Construction Document

Aug to Sept 2025 OSHPD Review

Oct to Dec 2025 Bidding

Jan to Feb 2026 Construction



Hazel Hawkins

MEMORIAL HOSPITAL

www.hazelhawkins.com

Unintended Impacts to Access, Quality, and Workforce Stability

CONCERNS

Teaching Hospitals and Physician Training

- Methodology does not address workforce training or graduate medical education and, in fact, will reduce funding for these essential programs.
- Targets would result in cuts to investments in physician training programs that have already proven to be successful.
- Teaching hospitals have higher operating costs and could shrink teaching programs to meet targets, negatively impacting workforce development.
- Hospitals will have a harder time recruiting/sustaining adequate workforce.

Cutbacks on Services

- Hospitals will have to cut back on specialty services currently offered and cut service lines that will become cost prohibitive.
- Capped growth threatens lines of business that are not financially viable such as Labor and Delivery.
- OHCA's spending target frameworks will force premature operational, financial and investment decisions impacting underserved communities.

Other

- Cost-cutting measures would happen at the patients' expense.
- Despite the clear requirements in state law that various goals for California's health care system be protected and meaningfully considered in the setting of spending targets, OHCA has performed no analysis or review of the potential consequences of its hospital sector proposal on access, quality, equity, or workforce stability.

Unintended Impacts to Access, Quality, and Workforce Stability

SUPPORT

- Consumers lack access today.
- Members should not be afraid to go to the hospital out of fear they won't be able to pay the bill.
- Hospital care makes up the largest portion of premiums.
- Out-of-pocket costs are high for privately insured Californians with a hospital admission.
- Hospital costs are the single largest reason for medical debt.
- Half of California consumers report delaying/skipping care due to costs.
- Costs are so great that care becomes inaccessible, and we must simply suffer through illness and injury while trying to do our already difficult jobs.

Costs Out of Hospital's Control

CONCERNS

Payer Mix and Reimbursement

- Commercial reimbursement is necessary for hospitals to be able to subsidize low Medi-Cal reimbursement.
- OHCA risks penalizing hospitals for treating disproportionate shares of low-income Medi-Cal patients and elderly Medicare patients; some hospitals have a more favorable payer mix.
- Safety net hospitals, physicians, clinics and other providers caring for Medi-Cal enrollees absorb the ongoing burden as the program continues to fall far short of reimbursing the cost of care.
- OHCA is not accounting for:
  - Each hospital's entire payer mix to ensure all hospitals are equitably profiled.
  - State/federal supplemental program payments to hospitals.

Geography

- Higher physician costs in some geographic areas compared to others.
- Commercial reimbursement measure penalizes hospitals for operating in high-cost areas and paying workers accordingly.

Costs Out of Hospital's Control

CONCERNS

Inflation and Tariffs

- Tariffs may increase cost of equipment, drugs, construction materials, electronics, etc.
- Targets are 35% below inflation, without considering potential tariffs.
- According to Kaufman Hall, western states' hospital costs are currently growing at 6% for labor, 8% for supplies like personal protective equipment, and 10% for drugs.
- Targets do not cover inflationary increases for critical supplies, pharmaceuticals, seismic compliance and state mandated wage increases.
- Spending target is well below rate of medical inflation and doesn't consider rising costs in staffing, medicine, and supplies.

Other

- Nothing seen in OHCA's methodology accounts for the COVID-19 pandemic in the analysis.
- Methodology fails to consider uncontrollable cost factors, such as 2030 seismic retrofitting, new minimum wage, as well as underfunding from Medicare/Medi-Cal.

Other Comments

CONCERNS

- The potential end result of the sector target: nearly $5 billion diverted from patient care by 2029, more than 10,000 lost jobs, and 83% of California's hospitals operating in the red.
- Basing the sector target solely on historical growth in household income is overly narrow and fails to account for multiple factors that impact health care spending.
- This spending target will significantly impact planned investment projects.
- Uncertainty at the federal level could result in cuts to eligibility and funding for Medicare and Medicaid.

Other Comments

SUPPORT
• Many hospitals have already provided examples of projects they plan to begin to meet OHCA's goals. • Hospitals should find ways to decrease inefficiencies and reduce waste if they're looking for additional funds to cover shortfalls.

Consumer Impact

CONCERNS

- OHCA's attempt to cut health care costs will cause a loss of health care access.
- Consider patients' perspective and not implement the cap as proposed without further and more thorough investigation.
- OHCA's actions could peel away resources and force changes that could lessen the quality of care, especially when research and healthcare seem to be under attack.

Consumer Impact

SUPPORT

- Comment about the emotional and financial injustice of a $5,000 bill after two hours at the emergency room for shingles and the need for a fair price for health care access.
- Comment that so many people live with health issues rather than seeking treatment. Health care should not be something to be afraid of, and it should not be something only for the privileged and wealthy.
- Comment that the local but rural hospital generally charges double for the same services as the next community 45 minutes away and that many residents do not have sick leave or reliable transportation and must bear outrageous costs.
- Comment about a 123% health plan increase, resulting in canceling the plan and changing longstanding family doctors.
- Comment about Veterans benefits being gutted, the individual's elderly father being left without care for Parkinson's and not having the financial resources to make up the difference.
- Comment that going to recommended annual doctor appointments result in an overwhelming cost of bills for doing the bare minimum. They question the ability to be an educator in this area and the impact on teacher turnover and students' quality of education.
- Comment that every visit to the hospital results in a minimum payment of $100. Sometimes money is not available to pay bills and buy food. Last Christmas, there was no money to buy any presents and United Way helped pay the rent since we had to keep paying for treatments.

Consumer Impact

SUPPORT

- Comment about the constant fear of losing limited financial resources due to the greed and neglect of the wealthy and powerful while foregoing dental care, treatment for osteoarthritis, and other potentially debilitating health conditions.
- Comment that hospitals should stay within the Medicare allowable amounts when billing patients instead of gouging the people who are paying out of pocket. Excessive out of pocket expenses often result in medical bankruptcy and even homelessness.
- Comment that OHCA must work for consumers, and has the power to slow health care spending, promote high value care for consumers, and help hold the health industry accountable. Do not let health care corporations water this power down.
- Support for the Board's proposal to further cap the price increases for local hospitals…out of pocket costs used to be $0 a month and they have increased to $1500 a month.

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Draft Motion 1: Target Values for High-Cost Hospitals

Hospital*	2026	2027	2028	2029
Barton Memorial Hospital	1.8%	1.7%	1.7%	1.6%
Community Hospital of The Monterey Peninsula	1.8%	1.7%	1.7%	1.6%
Doctors Medical Center – Modesto	1.8%	1.7%	1.7%	1.6%
Dominican Hospital	1.8%	1.7%	1.7%	1.6%
Goleta Valley Cottage Hospital	1.8%	1.7%	1.7%	1.6%
Marshall Medical Center	1.8%	1.7%	1.7%	1.6%
Northbay Medical Center	1.8%	1.7%	1.7%	1.6%
Salinas Valley Memorial Hospital	1.8%	1.7%	1.7%	1.6%
Santa Barbara Cottage Hospital	1.8%	1.7%	1.7%	1.6%
Stanford Health Care	1.8%	1.7%	1.7%	1.6%
Washington Hospital – Fremont	1.8%	1.7%	1.7%	1.6%

*All other hospitals in the sector and health care entities are subject to the statewide spending target.

Descriptive Statistics for High-Cost Hospitals, 2018-2022

Hospital[c]	Average Medi-Cal Payer Mix	Average Medicare Payer Mix	Average Public Payer Mix[b]
11 High-Cost Hospitals	**24%**	**47%**	**71%**
Barton Memorial Hospital	23%	34%	57%
Community Hospital of The Monterey Peninsula	15%	56%	71%
Doctors Medical Center – Modesto	42%	40%	82%
Dominican Hospital	23%	52%	75%
Goleta Valley Cottage Hospital	14%	50%	64%
Marshall Medical Center	20%	58%	79%
Northbay Medical Center	34%	43%	77%
Salinas Valley Memorial Hospital	28%	44%	72%
Santa Barbara Cottage Hospital	20%	51%	71%
Stanford Health Care	14%	42%	56%
Washington Hospital – Fremont	20%	52%	72%

[b] Group averages are weighted by inpatient discharges.
[c] Only comparable hospitals with at least 365 days in reporting period are included

California Hospital Association

March 20, 2025

The Honorable Mia Bonta
Chair, Assembly Health Committee
1020 N Street, Room 390
Sacramento, CA 95814

SUBJECT: AB 1460 (Rogers) — SUPPORT

Dear Assemblymember Bonta:

Amid mounting challenges and increasingly sparse financial support, California's hospitals continue to care for the state's most vulnerable populations, who often have nowhere else to turn to for help. One of the most prominent tools in fulfilling this goal for nonprofit hospitals is the federal 340B Drug Pricing Program, which enables qualified providers serving a high level of low-income patients to purchase prescription drugs at a reduced price. As required by federal law, that generated savings is used by 340B participating providers — also known as covered entities — to reinvest in a variety of initiatives benefiting the communities they serve. For California hospitals, this includes — but is not limited to — programs for free health screenings in community settings, various financial aid and assistance efforts — including free medications for uninsured individuals — and supporting post-hospital care for unhoused patients. Hospitals and other covered entities participating in the 340B program are also subject to significant reporting and rigorous federal oversight. This is to ensure ongoing program integrity and to meet the congressional objective in stretching limited resources to benefit underserved and rural populations.

Despite the program's undoubted success and the lack of any cost to federal taxpayers, persistent efforts by drug manufacturers to unlawfully restrict access to 340B pricing continue to significantly threaten not only the 340B program's viability, but also the underlying missions of safety-net providers. Perhaps most prominent are manufacturers' increasing attempts to withhold discounts to which covered entities are entitled when drugs are dispensed through community and specialty pharmacies that contract with 340B hospitals (as opposed to "in-house" pharmacies, which not all can employ as a practical matter).

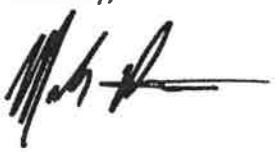
As such, the California Hospital Association (CHA), on behalf of more than 400 hospitals and health systems, including approximately 173 nonprofit hospitals participating in the 340B program, supports Assembly Bill (AB) 1460. This bill would prohibit drug manufacturers from engaging in discriminatory practices that prevent or interfere with a covered entity's ability to purchase or deliver 340B discounted drugs through contract pharmacies.

This codified state law protection, alongside what we hope will spur meaningful and lasting enforcement from relevant state regulators, will go a long way toward curbing the increasingly prevalent

discriminatory tactics employed by manufacturers against covered entities. Without a currently viable fix in the federal sphere, it is imperative that the state acts to protect and preserve the full scope and promise of the 340B program for all California residents and covered entities, as other states have successfully done with recent legislation in this space.

For these reasons, **CHA supports AB 1460 and strongly asks for your "YES" vote.**

Sincerely,



Mark Farouk
Vice President, State Advocacy

cc: The Honorable Rhodesia Ransom
The Honorable Members of the Assembly Health Committee
Eliza Brooks, Associate Consultant, Assembly Health Committee
Justin Boman, Consultant, Assembly Republican Caucus

San Benito Health Care District
Finance Committee Minutes
April 21, 2025 - 4:30pm

Present: Bill Johnson, Board President
G.W. Devon Pack, Board Vice President
Mary Casillas, Chief Executive Officer
Mark Robinson, Chief Financial Officer
Amy Breen-Lema, Vice President Clinic, Ambulatory & Physician Services
Suzie Mays, Vice President, Information & Strategic Services
Karen Descent, Chief Nursing Officer
Sandra DiLaura, Controller

Public:

1. **CALL TO ORDER**

The meeting of the Finance Committee was called to order at 4:30pm.

2. **REVIEW FINANCIAL UPDATES**

A. March 2025 Financial Statements

For the month ending March 31, 2025, the District's Net Surplus (Loss) is $657,701 compared to a budgeted Surplus (Loss) of $581,527. The District exceeded its budget for the month by $76,174.

YTD as of March 31, 2025, the District's Net Surplus (Loss) is $16,016,544 compared to a budgeted Surplus (Loss) of $5,451,558. The District is exceeding its budget YTD by $10,564,986.

Acute discharges were 152 for the month, under budget by 34 discharges or 18%. The ADC was 12.94 compared to a budget of 16.53. The ALOS was 2.64. The acute I/P gross revenue was under budget by **$2 million (25%)** while O/P services gross revenue exceeded budget by **$2.94 million** or 11% over budget. ER I/P visits were 121 and ER O/P visits were over budget by 117 visits or 5%. The RHCs & Specialty Clinics treated 3,901 (includes 713 visits at the Diabetes Clinic) and 1,123 visits respectively.

Other Operating revenue exceeded budget by **$216,261** due to a quality bonus of $97,200 from CCAH for HQIP and $42,961 higher than budgeted rebate from Magellan Health Rx.

Operating Expenses were slightly over budget by **$1,609** due mainly to: Registry of $342,376 (offset by savings in Benefits of $172,773 and Pro Fees of $316,671). Interest was over budget by $96,519 due to the processing fee of $117,119 for the QIP & DHDP supplemental payments.

Non-operating Revenue exceeded budget by **$9,592** due to an increase in donations.

The SNFs ADC was **89.16** for the month. The Net Surplus (Loss) is $261,185 compared to a budget of $87,909. YTD, the Net Surplus (Loss) is $1,289,977 exceeding its budget by $492,031.

B. March 2025 Finance Dashboard

The Finance Dashboard and Cash Flow Statement were reviewed by the Committee.

C. Supplemental Payment Program

Still expected to receive all supplemental payments by year-end.

3. **CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF PROPOSAL OF IMAGING MULTI-PURPOSE TRAILER PAD**

   Tabled to next month.

4. **PUBLIC COMMENT**

   An opportunity was provided for public comment and individuals were given three minutes to address the Board Members and Administration.

5. **ADJOURNMENT**

   There being no further business, the Committee was adjourned at 5:01 pm.

Respectfully submitted,

Sandra DiLaura
Controller