SOUTHERN COOS HOSPITAL & HEALTH CENTER

Board of Directors Executive Session & Regular Meeting
January 26, 2023 6:00 p.m.

AGENDA

Executive Session Under ORS 192.660(2)(c) to consider matters pertaining to the function of the medical staff of a public hospital licensed pursuant to ORS 441.015 Licensing of facilities and health maintenance organizations. No decisions shall be made in Executive Session.

I. Executive Session Call to Order
1. Quality & Patient Safety Report
2. Medical Staff Credentialing & Privileging Report

Action/Page #

II. Open Session Call to Order
1. Roll Call – Is Quorum Present ..... (action)
2. Motions from Executive Session:
   a. Quality & Patient Safety Report ..... (action)
   b. Medical Staff Credentialing & Privileging Report ..... (action)
2. Approval of Agenda ..... (action)
3. Public Input

III. Consent Agenda
1. Meeting Minutes
   a. Regular Meeting – 12/15/22 1
   b. Special Meeting – 1/21/23 *(Minutes will be included in February packet)*
2. Monthly Counsel Invoices Robert S. Miller III – None received
3. Motion to Approve Consent Agenda ..... (action)

IV. Staff Reports
1. CEO Report 6
2. Clinic Report 8
3. CNO Report 10
4. CFO Report 14
5. CIO Report 15
6. SCHD Foundation Report 16
7. Strategic Plan Report ..... (under separate cover)

V. Monthly Financial Statements: Review 17

VI. Old Business
1. None

VII. New Business
1. Clifton Larson Allen Review of Cost Report – Diane Petrik, CLA
2. Quality Assurance & Performance Improvement Program (QAPI) FY23 ..... (action) 39
3. Reallocation/Budgeted Cardiac Monitoring System Capital Purchase ..... (action) 54

VIII. Open Discussion & Adjournment

Southern Coos Health District
Board of Directors Meeting
Minutes
December 15, 2022, 6:00 p.m.

I. Call to Order

At 6:00 p.m. the public meeting was called to order. There was no Executive Session.

1. Roll Call

Members Present: Brent Bischoff, Board Chairman; Norbert Johnson, Treasurer; Pamela Hansen, Tom Bedell; Directors. **Via remote meeting link:** Mary Schamehorn, Secretary; Doug Selix and Dustin Smith, from Critical Insight **Administration:** Raymond Hino, CEO; Jeremiah Dodrill, CFO; Cori Valet, CNO; Scott McEachern, CIO; Dawn Gray, Clinic Manager. **Others present:** Robert S. Miller, III, Legal Counsel; Kim Russell, Executive Assistant. **Press:** None.

All members present; quorum met.

2. Approval of Agenda

The Annual HIPAA Risk Assessment Report from Doug Selix of Critical Insight, the hospital's cyber security vendor, will be moved forward in the agenda to accommodate guest presenters.

Tom Bedell **moved** to approve the agenda with modification. Pam Hansen **seconded** the motion. **All in favor. Motion passed.**

3. Public Input

None.

II. Consent Agenda

1. Meeting Minutes

a. Special Meeting – 11/14//22
b. Regular Meeting 11/17/22
b. Executive Session – 11/17/22

2. Monthly Counsel Invoice Robert S. Miller III #1175

Norbert Johnson **moved** to accept the Consent Agenda. Tom Bedell **seconded** the motion. **No discussion. All in favor. Motion passed.**

III. New Business - Annual HIPAA Risk Assessment Report from Critical Insight

Moved forward in the agenda from VI. New Business. Scott McEachern, CIO, introduced Doug Selix and Dustin Smith from Critical Insight, the contracted cyber security vendor hired to assist SCHHC meet its obligation to protect electronic protected health information (ePHI), and to complete a security risk analysis of the computing environment. The Department of Health and Human Services' Office for Civil Rights (OCR) conducts periodic audits to ensure that covered entities and their business associates comply with the requirements of HIPAA's regulations according to the Health Insurance Portability & Accountability Act of 1996. Mr. Selix shared a comparison of progress made from 2021 to 2022 with improvements such as audit readiness documentation and evidence, plus 2022 deficiency findings. A deficiency gap was identified in the auditing of staff access to patient records. A policy gap was identified regarding potential use of portable media, and physical security of the data center needs improvement. These recommendations are integrated within the Strategic Plan and prioritized over time. Penalties can be incurred if an OCR audit should find egregious deficiencies without documentation or planned action. This internal audit documented low, medium and high risk priorities for action with recommendations in areas of Administrative Controls and Physical Security and Technical Controls.

IV. Staff Reports

1. CEO Report

Mr. Hino summarized his report noting that masking was recently lifted in non-patient care areas for fully-vaccinated individuals. Documentation in support of improvements outlined for all NC-1 non-conformities required for DNV accreditation is due to DNV by January 23. Weekly onboarding meetings are in place for the transition to the new emergency room physician staffing group, OPYS, to begin on December 31. Paul Preslar, DO, began work in the clinic on December 5. Christine Mitchell, DO, has submitted her resignation for the end of January. Another DO has provided verbal acceptance of an offer, with contract hoped to be complete before end of year. The temporary clinic NP, Sarah Harvison, will conclude her contract next week, with a new temporary NP to be in place in January. SCHHC's new Director of Surgical Services, Michelle King, RN, is holding weekly project management meetings in preparation to begin orthopedic surgery as soon as possible. We still await the new anesthesia machine and new operating room lighting, due to supply chain delays. Mr. Hino provided a review of 2022 accomplishments including annual community and staff events, the new 3 year Strategic Plan, hiring of new Clinic Manager, HR Director, a new weekly CEO video message for all staff, and the DNV Critical Access Hospital Accreditation.

2. Clinic Report

Dawn Gray, Clinic Manager, will join future meetings to provide the monthly Clinic Report. Dawn expressed her appreciation for staff and administration and her pride in work being accomplished. Clinic financials will no longer include ScribeX physician scribe service as we implement microphone talk-to-text technology. Physician cancellations shown in the statistics for the month include appointments that are

rescheduled. Ms. Gray shared her goal for the clinic to acquire PCPCH designation, which is patient and quality driven, to allow a higher reimbursement from Medicaid, with a goal date of April 1, 2023, added to the Strategic Plan under Clinic. Coordination of Care program (Medicare) is another opportunity for additional revenue generation. Board members expressed concern about lower number of visits in November. Positive feedback has been received regarding Dr. Paul Preslar who began in the Clinic on December 5. One of his goals is to pick up backlog. As noted in the CEO Report, an additional DO and NP are to be joining Clinic soon.

3. CNO Report

Cori Valet, CNO, reviewed the CNO Report for the month of November, noting the new table format of the printed report, next month to include definition of FTE roles. Very small percentage of travelers. In November, SCHHC held our Daisy Award kickoff event and promotion. We are very happy to be joining this world-wide nurse recognition program, with our initial goal to present the award 2-times per year. Nominations are made by patients. Leadership Patient Rounding initiated in August has provided overall positive feedback. One area of improvement identified is for more communication of the plan of care. A new Quality Improvement project with a focus on communication is being drafted by the department manager Mike Snyder. ED volume statistics remain static. The Medical Imaging PACS system data transfer is to be complete by January 31. Echos are sent to Bay Area Hospital and Peace Health.

4. CFO Report

Jeremiah Dodrill, CFO, provided a review of his report on department activities for the month of November, including beginning a Facilities Master Plan to include architect RFP, a long-range (5-10 year) financial plan to include capital requirements planning and target setting, and the Community Benefit Report (CBR-1) due in April/May 2023, the required report providing justification for tax-free status with new thresholds defined in the last year.

5. CIO Report

Scott McEachern, CIO, provided a summary of the CIO report. The Risk Assessment remediation plan will provide quarterly updates for the board of directors. Thank you to Pam Hansen for joining the Project Management Committee; the committee will provide accountability and structure for larger scale projects. The EMR project is top priority. Mr. McEachern recently visited with Curry General who is moving to Epic on the Providence Health platform. Southern Coos has transitioned between EMRs five times in the last 10 years. We want this next transition to be a long-term partnership that will best serve the needs of our patients.

6. SCHD Foundation Report

Mr. McEachern, Foundation Executive Director, reviewed key performance indicators of for the month of November. The Foundation welcomed new board member Steve Reber in November. Steve is currently a volunteer with the Foundation gift shop and has a project management background.

7. Strategic Plan Report

Mr. Hino provided a summary review of progress or changes in the report from prior month. Board members requested that if the initial date of a strategic plan initiative cannot stay in the date field when changed, Administration is to continue to retain the original start date in the notes section. Board members inquired about efforts to increase commercial insurance patients and engagement with Moda Health which were confirmed.

V. Monthly Financial Statements

Jeremiah Dodrill, CFO, provided a review of the financial statements reported for the month of November noting the busy month with operating expenses slightly over budget in the area of labor. Revenue deductions are related to cost report, interim rate changes and service mix. Claims denials are standard in part due to automated process, explained. Southern Coos re-bills with some accounts then going to payment plans or charity care. Deductions from revenue methodology described, with contributing factors of patient type, payer types, and aged accounts.

VI. Old Business

1. Board of Directors Annual Self-Evaluation

The Governance Institute self-evaluation tool used in 2021 was completed again this year with 2022 results received last week. Board members opted to schedule a Saturday workshop to review the 2022 assessment results, which can be a public meeting. Administration to assist with date selection and potential board education options. **Discussion:** A workshop can be a public meeting or the group can choose to meet in Executive Session.

VII. New Business

See III. New Business Annual HIPAA Risk Assessment Review, Doug Selix, Critical Insight, agenda item moved forward to accommodate guest speakers.

2. Accounting Policy Review

a. 300.001 Fixed Asset Policy

b. 300.002 Capital Expenditure Approval Policy

The two policies had been reviewed by internal department representatives and the Policy Committee, then forwarded in advance to two board members for review. These revisions are not substantive but clarify procedure and approval specifications regarding assets in accordance with GASB 87 and GASB 96, with “software as a service” and “intangible assets” now capitalized. **Discussion:** Asset disposal when fully depreciated may still have real value worth pursuing. Under disposal need to refer to public contracting goals and add language documenting determination of net value, simplified language OK. Capital Purchase flow chart to edited per discussion.

Pam Hansen **moved** to approve policies 300.001 and 300.002 with amendments as directed. **Discussion:** The flow chart is not part of the policy but is used as a reference tool with recommended edit. Board members would like to see final edits. Norbert Johnson **seconded** the motion. **All in favor. Motion passed.**

VIII. Open Discussion & Adjournment

Mr. Hino reminded members to please join staff at the Southern Coos Hospital & Health Center employee holiday party on Saturday, December 17, 5:00-9:00 p.m. The next regular meeting will be held on January 26, 2023. A workshop to review the Board Member self-evaluation will be scheduled and publicly noticed.

At 8:10 p.m. the meeting adjourned.

Brent Bischoff, Chairman *1-26-2023*

Mary Schamehorn, Secretary *1-26-2023*

CEO Report

To: Southern Coos Health District Board of Directors
FROM: Raymond T. Hino, MPA, FACHE, CEO
Re: CEO Report for SCHD Board of Directors, January 26, 2023

COVID Update

The SCHHC Covid-19 Committee continues to meet every 2 weeks. Here are recent updates from the Committee:

- COVID-19 transmission levels are low in Coos County at this time, so the impact on local hospitals has been lessened. We are seeing less COVID at SCHHC as well.

- We have a patient room that has been used as an ER Doctor's Sleep Room for, at least, 8 years. We are now moving the ER Doctor's Sleep Room to the room adjacent to our conference room/ Board room, where it was originally designed to be. This will open up 1 more patient room that will be converted to a negative pressure room and may be used by COVID patients.

- There are no changes to masking restrictions this month, from last month.

DNV

- By January 26, 2023 we are required to submit documented evidence of correction of our NC-1 nonconformities. This will include documentation of new policies, committee meeting minutes, log sheets for scheduled work (daily, weekly, monthly) and reports from vendors. All of the documentation has been accumulated and is ready to be sent to DNV before the deadline.

Medical Staff

- As previously reported, we converted to OPYS for our Emergency Department physician staffing partner, effective 8:00 a.m. on December 31, 2022. We retained 4 ED physicians, who previously worked here under Western Healthcare and we have added 3 new ED physicians in the first month. Dr. Dietsch and Dr. Stefanelli have both been very well received. Dr. Stefanelli actually worked here previously, but not during Western Healthcare's tenure. The 3rd new ED physician is Dr. John Jacobson, who started on Saturday, January 21.

- Dr. Paul Preslar has been doing extremely well in our clinic. His practice is picking up quickly. He continues to be a joy to work with and a wonderful addition to the clinic.

- I reported on Dr. Bonnie Wong, last month as a possible replacement for Dr. Christine Mitchell. Dr. Wong verbally accepted the terms of a contract with SCHHC on Thursday, January 19. I

anticipate having a signed contract with her before our Board meeting on January 26. She plans to start in May of 2023.

- Due to the lapse in time between Dr. Mitchell's departure and Dr. Wong's arrival, it is very fortunate that we have recruited a temporary Family Nurse Practitioner, whose name is Vincent Tyson. He is under contract with SCHHC for 4 months from January 9, through the end of April. Vincent is from Florida, but has been working in Oregon for most of this year. He has an Oregon license and is credentialed with Oregon Medicare. We are working on getting him credentialed with all of the other health plans that we serve.

Orthopedic Surgery Service

- We have scheduled our first orthopedic surgery cases to take place on February 10, 2023.

Washington, DC Trip

- On December 29, 2022 I was asked by the Director for the Oregon Office of Rural Health to be a member of a delegation, representing rural health facilities in Oregon, to go to Washington, DC on February 6 through February 9 to attend the National Rural Health Association (NRHA) Policy Institute. The Oregon Office of Rural Health is providing scholarship funding of $1,000 to offset the costs of registration for the conference and travel. The total cost to SCHHC to send me to Washington, DC, after deducting the scholarship, will be approximately $1,500.

  During the 2 full days that I am in Washington, I will be attending informational sessions from the Secretary of Health & Human Services, U.S. Department of Veteran Affairs, U.S. Department of Agriculture and several congressional speakers. Day 2 will be spent visiting our Oregon elected officials and their representatives in the U.S. Senate and House of Representatives. The Oregon Office of Rural Health is setting up the meetings. This will be a great opportunity to represent, not only all Oregon rural hospitals, but Southern Coos Hospital & Health Center in particular. I plan to bring up the following on behalf of SCHHC:

  - Reinstating Cost Based Reimbursement for newly formed Rural Health Clinics;
  - Support for the elimination of the 96-hour maximum average for critical access hospital inpatient stays
  - Supply Chain difficulties of rural hospitals for clinical supplies that result in transfers of patients due to inadequate supplies
  - SCHHC need for physical plant renovation and expansion, that could benefit from a Federal earmark appropriation

Multi-Specialty Clinic Report

To: Southern Coos Health District Board of Directors and Southern Coos Management
From: Dawn Gray, Clinic Manager
Re: Multi-Specialty Clinic Report for SCHD Board of Directors Meeting – January 26, 2023

Provider News – December

In the month of December, the clinic experienced a substantial decrease in the number of patients seen in the clinic due to providers taking PTO for the holidays. Additionally, Dr. Mitchell was out for almost the entire month due to a family emergency. Clinic registrations were down 60% but Outpatient services saw a 32% increase in the number of patients served. Of importance…As of 1/19/23, the clinic has already seen 543 patients and still have 8 clinic days left in the month.

The PHYS Canceled appointments in the month of December were all rescheduled either with their provider at a later date or with Sara Harvison. The reason for such a large percentage of PHYS cancellations for Dr. Mitchell was due to her family emergency.

Sara Harvison's last day with us was on December 16, 2022. It was a blessing to have her during this time as she was available to cover for unforeseen provider illnesses and family emergencies. Just as Sara left, Dr. Preslar jumped right in seeing patients. Although his average for December was 5 patients a day, he ended the year with seeing 8 patients on December 30th.

Of note, we have hired another Locum FNP, Vincent Tyson who will start on January 9, 2023. Starting in January will give him the opportunity to learn our system and resources before Dr. Mitchell leaves. The plan is to have him available to see patients until we hire another provider to replace Dr. Mitchell.

In addition to the provider stats provided below, the specialist stats are:

- Dr. Qadir, Nephrologist, was in clinic 1 day and saw 8 local patients.
- Dr. Webster, ENT/Dermatology canceled his clinic day due to the holidays but is scheduled for January.

Clinic Report – December

- We have successfully hired one new employee
    - Jamie Delarosa Rosas, Certified Medical Assistant, comes to us with over 8+ years of medical assisting experience working in Federally Qualified Health Centers. Jamie is replacing Natalie who will be headed to nursing school.

- Telehealth visits for December totaled 45 which is 14% of the total patient visits. One of the days that Dr. Adams saw patients, he did them all via telehealth. Additionally, Dr. Preslar was able to provide services via telehealth to several patients and reports that he is very comfortable using telehealth as an avenue of providing patient care when appropriate.

- The No Show rate remained at 4% for December. We have successfully implemented the No Show procedure in the clinic and found that the majority of patients were "No Shows" due to holiday plans and forgetting to notify the clinic of the changes.

Clinic Stats - December 2022										
	Days in Clinic	Patients			Total	Average	No Show	Cancelation	Total	Total
Provider	**Clinic**	**Scheduled**	**CXL'D**	**No Show**	**Seen**	**Seen**	**Rate**	**Rate**	**Telehealth**	**New Pts**
Debra Guzman, FNP	9	138	27	9	102	11.3	7%	20%	10	3
Olixn Adams, DO	2	21	1	0	20	10.0	0%	5%	10	1
Noel Pense, DO	2	35	10	4	21	10.5	11%	29%	0	0
Christine Mitchell, DO	1	77	71	0	6	6.0	0%	92%	2	1
Paul Preslar, DO	9	50	4	1	45	5.0	2%	8%	5	16
Shane Matsui, LCSW	19	94	13	6	75	3.9	6%	14%	12	0
Sara Harvison, FNP	11	55	12	3	40	3.6	5%	22%	6	1
COVID-19 Clinic	1	30	3	0	27	27.0	0%	10%	0	0
Outpatient Services	20	251	24	8	219	11.0	3%	10%	0	0
Schmelzer	3	14	2	1	11	3.7	7%	14%	0	1
Totals	**77**	**765**	**167**	**32**	**566**	**7.4**	**4%**	**22%**	**45**	**23**

Total telehealth	**45**	320	Clinic Registrations

Provider	**Same Day**	**PT Canceled**	**PHYS Canceled**	**Total**	**% PHYS Canceled**
Debra Guzman, FNP	0	15	12	27	**44%**
Olixn Adams, DO	0	1	0	1	**0%**
Noel Pense, DO	0	9	1	10	**10%**
Christine Mitchell, DO	0	8	63	71	**89%**
Paul Preslar, DO	0	2	2	4	**50%**
Shane Matsui, LCSW	1	12	0	13	**0%**
Sara Harvison, FNP	0	7	5	12	**42%**
COVID-19 Clinic	0	3	0	3	**0%**
Outpatient Services	1	23	0	24	**0%**
Schmelzer	0	2	0	2	**0%**
Totals	**2**	**82**	**83**	**167**	

CNO Report

To: Board of Directors and Southern Coos Management
From: Cori Valet, BSN, CNO
Re: CNO Report for Board of Directors Meeting – January 26, 2023

People

- **Clinical Department Staffing- December 2022**

  - Actual FTE includes sick time/vacation/holiday/workman comp.

	FTE			Contract			Total		
	Actual	Budget	Diff	Actual	Budget	Diff	Actual	Budget	Diff
Med Surg	**28.96**	**27.28**	**(1.68)**	**2.95**	**4.00**	**1.05**	**31.91**	**31.28**	**(0.63)**
Manager	1.00	1.00	-	-	-	-	1.00	1.00	-
CNA I	0.92	-	(0.92)	-	-	-	0.92	-	(0.92)
CNA II	5.60	3.50	(2.10)	-	-	-	5.60	3.50	(2.10)
Patient Activities Coordinator	1.00	0.60	(0.40)	-	-	-	1.00	0.60	(0.40)
Health Screener	-	3.55	3.55	-	-	-	-	3.55	3.55
Charge Nurse	3.71	3.94	0.23	-	-	-	3.71	3.94	0.23
RN	12.07	9.61	(2.46)	2.95	4.00	1.05	15.02	13.61	(1.41)
LPN	2.67	3.37	0.70	-	-	-	2.67	3.37	0.70
Telemetry Tech	1.98	1.71	(0.27)	-	-	-	1.98	1.71	(0.27)
Swing Bed	**1.10**	**1.05**	**(0.05)**	**-**	**-**	**-**	**0.98**	**1.05**	**0.07**
Case Manager	0.98	1.05	0.07	-	-	-	0.98	1.05	0.07
LPN	0.12	-	(0.12)						

	FTE			Contract			Total		
	Actual	Budget	Diff	Actual	Budget	Diff	Actual	Budget	Diff
Emergency Room	**10.74**	**10.05**	**(0.69)**	**1.49**	**1.00**	**(0.49)**	**12.22**	**11.05**	**(1.17)**
Manager	-	1.00	1.00	-	-	-	-	1.00	1.00
CNA II	2.53	2.38	(0.15)	-	-	-	2.53	2.38	(0.15)
LPN	2.17	2.28	0.11	-	-	-	2.17	2.28	0.11
RN	6.04	4.39	(1.65)	1.49	1.00	(0.49)	7.53	5.39	(2.14)
Surgical Services	**3.44**	**5.74**	**2.30**	**-**	**-**	**-**	**3.44**	**5.74**	**2.30**
Director	1.00	-	(1.00)	-	-	-	1.00	-	(1.00)
Manager	0.10	1.00	0.90	-	-	-	0.10	1.00	0.90
RN	0.02	1.74	1.72	-	-	-	0.02	1.74	1.72
Surgical Nurse	0.98	1.00	0.02	-	-	-	0.98	1.00	0.02
Surgical Tech	1.34	2.00	0.66	-	-	-	1.34	2.00	0.66
Pharmacy	**2.28**	**2.05**	**(0.23)**	**-**	**-**	**-**	**2.28**	**2.05**	**(0.23)**
Pharmacist	1.01	1.00	(0.01)	-	-	-	1.01	1.00	(0.01)
RN	1.27	1.05	(0.22)	-	-	-	1.27	1.05	(0.22)

	FTE			Contract			Total		
	Actual	Budget	Diff	Actual	Budget	Diff	Actual	Budget	Diff
Radiology	**2.82**	**4.82**	**2.00**	**3.02**	**1.62**	**(1.40)**	**5.84**	**6.44**	**0.60**
Manager	1.00	1.00	-	-	-	-	1.00	1.00	-
Coordinator	0.75	1.17	0.42	-	-	-	0.75	1.17	0.42
Medical Imaging Admin	0.98	1.13	0.15	-	-	-	0.98	1.13	0.15
Rad Tech IV	0.09	1.50	1.41	3.02	1.62	(1.40)	3.11	3.12	0.01
RN	-	0.02	0.02	-	-	-	-	0.02	0.02
Ultrasound	**1.86**	**1.51**	**(0.35)**	**-**	**-**	**-**	**1.86**	**1.51**	**(0.35)**
Ultrasound Tech II	1.86	1.51	(0.35)	-	-	-	1.86	1.51	(0.35)
Mammography	**0.97**	**1.23**	**0.26**	**-**	**-**	**-**	**0.97**	**1.23**	**0.26**
Mammo Tech	0.97	0.90	(0.07)	-	-	-	0.97	0.90	(0.07)
Rad Tech IV	-	0.33	0.33	-	-	-	-	0.33	0.33
Cat Scan	**0.98**	**1.25**	**0.27**	**-**	**-**	**-**	**0.98**	**1.25**	**0.27**
Rad Tech II	0.98	1.25	0.27	-	-	-	0.98	1.25	0.27
MRI	**1.00**	**1.00**	**(0.00)**	**-**	**-**	**-**	**1.00**	**1.00**	**(0.00)**
Rad Tech IV	1.00	1.00	(0.00)	-	-	-	1.00	1.00	(0.00)
Lab	**9.68**	**10.89**	**1.21**	**1.55**	**-**	**(1.55)**	**11.23**	**10.89**	**(0.34)**
Manager	1.00	1.00	-	-	-	-	1.00	1.00	-
Assistant I	0.89	1.04	0.15	-	-	-	0.89	1.04	0.15
Assistant II	1.97	1.85	(0.12)	-	-	-	1.97	1.85	(0.12)
Assistant III	1.06	1.03	(0.03)	-	-	-	1.06	1.03	(0.03)
CNA II	0.23	-	(0.23)	-	-	-	0.23	-	(0.23)
Medical Lab Scientist	0.47	0.99	0.52	-	-	-	0.47	0.99	0.52
Medical Lab Tech	4.06	4.98	0.92	1.55	-	(1.55)	5.60	4.98	(0.62)
Respiratory	**5.57**	**6.00**	**0.43**	**-**	**-**	**-**	**5.57**	**6.00**	**0.43**
Manager	1.00	1.00	-	-	-	-	1.00	1.00	-
Respiratory Therapist	4.57	5.00	0.43	-	-	-	4.57	5.00	0.43
Total Difference									**1.21**

Service

- **<u>Surgical Services</u>**

    - Contract Nurse secured for 12 weeks starting February 20, 2023.
    - First orthopedic surgical cases scheduled for February 10 & 15, 2023.

- **<u>Medical Imaging</u>**

    - Supply chain shortages on IV contrast resulted in communication to medical providers at Southern Coos Hospital & Health Center to consider necessity of CT scans with contrast and other available options such as ultrasound. This was an

effort to conserve IV contrast to situation where CT with IV contrast was the only reasonable option. Zero patients were denied or diverted due to this shortage.

- January 10, 2022 the suppliers for IV contrast increased SCHHC allotment to allow for 20 more CT abdomen and 10 more CT angio studies per month.
- Ultrasound services were unavailable from December 30, 2022 through January 3 due to device malfunction requiring repair. The new, upgraded ultrasound machine is expected to arrive February 20, 2023.

- **Leadership Rounding**

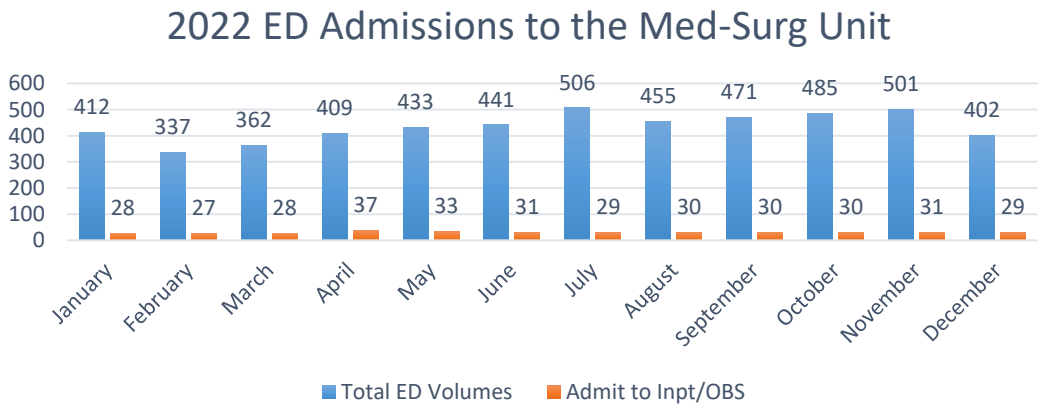
  - Weekly rounding on inpatients, by individuals of the leadership team, continue to provide positive reports of the patient experience at SCHHC.

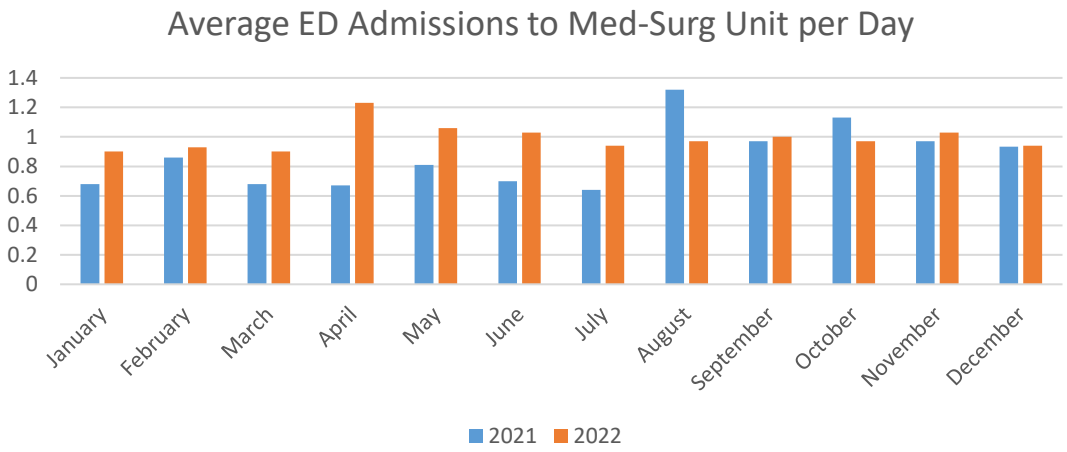
- **DAISY Award Program**

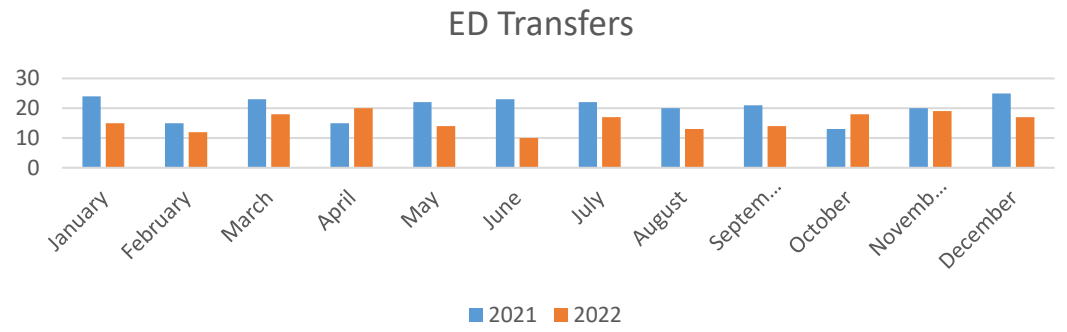
Southern Coos Hospital & Health Center is one of the over 5,400 facilities in all 50 states and 33 other countries that participate in recognizing nurses with the DAISY award. This award celebrates nurses who provide extraordinary compassionate care. An honoree of the DAISY award will be selected and celebrated twice a year.

  - Since the kick-off of the DAISY award program November 22, 2022, 7 nurses have received a nomination for the award. This demonstrates that our patients, families and peers are noticing the outstanding efforts of our nursing staff.

- **Emergency Department Volume Statistics**




Average ED Admissions to Med-Surg Unit per Day
1.4
1.2
1
0.8
0.6
0.4
0.2
0
January
February
March
April
May
June
July
August
September
October
November
December
2021
2022


ED Transfers
30
20
10
0
January
February
March
April
May
June
July
August
Septem...
October
Novemb...
December
2021
2022

CFO Report

To: Board of Directors and Southern Coos Management
From: Jeremiah Dodrill, CFO
Re: CFO Report for Board of Directors Meeting – January 26, 2023

Western Healthcare

In January, as previously discussed, Southern Coos switched its ED physician coverage contract from Western Healthcare to OPYS. Contained within the Western Healthcare contract is a non-solicitation clause that includes financial penalties for any providers that move to the new group. The purpose of the non-solicitation clause it to protect Western Healthcare related to the costs of recruitment for providers brought to our facility. There are four ED physicians that have been retained by OPYS to continue providing ED coverage to the hospital. After several rounds of negotiation, we have reached agreement to settle potential non-solicitation claims against us and release the providers from potential non-compete claims against them. We are finalizing the contract addendum with our attorney and Western Healthcare.

Physician Benchmarking and Contract Renegotiation

Finance and Administration has been benchmarking physician contracts utilizing MGMA and MD Ranger comp data to drive new physician contracts and facilitate the renegotiation of existing provider contracts. Additionally, we have modeled pro-forma financial models for each contract negotiation. These benchmarking activities facilitated onboarding Dr. Preslar, the extension offered to Dr. Mitchell, the recruitment efforts to bring in an additional clinic provider and the OPYS contract. Future provider negotiations we are currently modeling include hospitalist/clinic providers, radiology coverage and CRNA based on those contract expiration dates.

Mid-year Financial Review and Cost Report Reserves

Contained within the Monthly Financial Statement Review is a Mid-Year Financial Review narrative which outlines the progress to-date on several key financial initiatives that were budgeted in the approved FY2023 annual budget. Additionally, Finance has updated its cost report settlement estimator tool to incorporate the FY2022 as-filed cost report to improve its settlement and Medicare revenue estimates. These will be discussed during the Monthly Financial Review.

CIO Report

To: Southern Coos Health District Board of Directors and Southern Coos Management **From:** Scott McEachern, CHCIO, Chief Information Officer
Re: CIO Report for SCHD Board of Directors, January 26, 2023

IS & Clinical Informatics

IS has been preparing for the conversion to Microsoft 365. This project was originally slated to begin by the end of the calendar year 2022. Due to internal discussion around project timeline and budget, we pushed the implementation to begin the end of Q1, March 2023.

A major focus area for Clinical Informatics is working to streamline the revenue cycle process around provider documentation deficiencies and follow-up. The departments involved are HIM, patient financials, the medical coding team, and clinical informatics. The team has made some key process improvements and continues to build systems that will more efficiently resolve provider documentation issues, particularly in the ED.

As mentioned in this report previously, we have been working closely with our new emergency department provider, OPYS; in relationship to documentation, the company has been highly receptive to building systems to effectively monitor provider documentation. OPYS even has an internal dashboard that they use to keep near-real-time documentation data.

EMR/ERP Selection

EMR: Electronic Health Record ERP: Enterprise Resource Planning, a system that includes supply chain management, finance/accounting.

We are moving into a formal vendor selection process for our EMR and ERP. The current status is that we are reaching out to project management companies that could help SCHHC oversee the EMR/ERP vendor selection process. As of now, we have four EMR options and four ERP options.

USDA Telemedicine Grant

I am working with Dawn Gray, Katelin Wirth, and Jeremiah Dodrill to apply for a USDA Distance Learning and Telemedicine grant. The grant provides funds, from $50,000 to $1,000,000, to medical facilities working to bring telemedicine (or distance education, e.g. schools) to underserved rural areas. We are applying for funds to build telemedicine capacity in the SCHHC emergency department; the SCH Multi-Specialty Clinic; and to the Bandon School District, in support of the BSD school nurse program.

Southern Coos Health Foundation Report

To: Southern Coos Health District Board of Directors and Southern Coos Management
From: Scott McEachern, Executive Director, SCHF
Re: SCH Foundation Report for SCHD Board of Directors, January 26, 2023

Strategic Planning

Pamela Hansen, the SCHD board liaison, and Steve Reber, new SCHF board member, and I have made progress in updating the foundation's strategic plan. Referring to the high-level calendar below, we are in the process of reaching out to stakeholders to interview. I will aggregate information from these interviews to highlight in the strategic plan narrative.

Task	Dec 2022	Jan 2023	Feb 2023	March 2023
Core Team Initial Meeting				
Assess 2007 SCHF Strategic plan				
Identify information needed for strategic planning				
Develop list of stakeholders and solicit input				
Interview key partners				
Conduct a SWOT analysis				
Develop goals and objectives for next 3-5 years				
Compile/edit draft strategic plan				
Present draft plan to SCHF Board				
Present SCHF-approved strategic plan to SCHD Board				

Upcoming Events

Ocean Crest Health Fair	February 7, 2023
Women's Health Day	February 25, 2023
Senior Health Event	TBD
Golf for Health Classic	September 16, 2023

Event Update: Women's Health Day

Planning for Women's Health Day is coming along. The event will be held on Saturday, Feb. 25, at the Sprague Theater and the Bandon Community Center. The theme is "Mindfully Navigating Life Changes," which will cover a multitude of topics.

A keynote speaker has been located and she is willing to travel from Seattle to present in person on Feb. 25. There will be a panel of local medical and mental health professionals following the keynote speaker in the Sprague Theater, then the audience will move over to the Bandon Community Center for lunch and a couple more speakers and interactive activities in the afternoon.

The entire day will be live-streamed on the hospital's website and Facebook page and Bicoastal Media will be doing a live broadcast one of their local radio stations. We hope to get some television coverage as well. So far, 58 people have signed up through EventBrite. We will increase our advertising this coming week. Our capacity is 125 attendees.

Monthly Financial Report

To: Board of Directors and Southern Coos Management

From: Jeremiah Dodrill, CFO

Re: December 2022 Month End Financial Results - January 26, 2023

Gross Revenue and Volumes – Gross revenues for December of $3,871,000 were higher than budgeted expectations of $3,639,000. OP gross revenues of $2,671,000 were higher than a budget of $2,595,000. ED, Imaging and RT exceeded budgeted expectations while Clinic and Surgery volumes were lower than budgeted expectations. IP and Swing Bed volumes and revenues of $1,200,000 were significantly higher than a budget of $1,044,000 for the month with an Average Daily Census (ADC) of 8.7 in December compared to budgeted ADC of 7.0.

Deductions from Revenue – Revenue deductions at $1,717,000 or 44.4% of gross revenue were higher than a budget of 33.6%. Deductions from revenue year-to-date at 37.2% are higher than budgeted expectations of 33.6% due primarily to Medicare cost-report reserves. In December, we recorded ($233k) negative revenue adjustment for cost report settlements. Of these adjustments, approximately ($85k) was due to monthly activity while another ($148k) was due to the cumulative effect of updating our cost report estimation tool with the most current information based on our 2022 as-file cost report. YTD settlement reserves are a payable of approximately ($806k).

Total Operating Revenues of $2,154,000 were lower than budget of $2,415,000.

Labor Expenses totaled $1,658,000 in December compared to a budget of $1,606,000. Contract staffing for nursing and other medical professionals continues to be high, approximately $101k over budget.

Professional Fees and Purchased Services combined were $492,000 which was higher than a budget of $416,000. We have yet to realize sufficient professional fees saving compared to budgeted expectations.

Medical Supplies, Drugs and Other Supplies combined at $181,000 were slightly lower compared to budgeted expectations at $189,000.

Operating Expenses – Total operating expenses of $2,525,000 for the month overall were higher than a budget of $2,439,000.

Operating Income / Loss – Operating loss for December was $(372,000) compared to a budgeted loss of $(24,000).

Decrease in Net Position was $(267,000) compared to a budgeted increase in the amount of $73,000.

Days Cash on Hand for December was 140.7 days, up from November at 139.4 due to strong tax property tax receipts in November and December. A/R days outstanding increased from 51.1 to 52.6.

To: Board of Directors and Southern Coos Management

From: Jeremiah Dodrill, CFO

Re: December 2022 Mid-Year Financial Review - January 26, 2023

Mid-Year Financial Review

While overall volumes are strong with total patient revenues of $22.3 million exceeding budget by $612k or 2.8%, these increased volumes have been more than offset by increased deductions from revenue which are 36.4% compared to budget of 33.6% resulting in a negative variance of $996k. Net patient revenue is $284k lower than expectation. Additionally, operating expense have exceeded budget by $212k resulting in an operating loss of ($268k) compared to a budgeted operating income of $328k. The 6-month operating loss of ($268k) while not where expected, is an improvement over the 6-month operating loss anticipated by the baseline budget which would have been approximately ($750k) while remaining significantly short of the approved budget of an operating income of $328k for the 6-month period.

Budget Reflection

When preparing the FY2023 budget, the Hospital contemplated a budget with a baseline operating loss of ($1.7 million) for the full fiscal year, which is unsustainable. As a result, management identified three general areas where financial improvement was necessary, including improved clinic productivity, OP volumes improvements and provider contract efficiencies resulting in increases to operating income of approximately $377k (Clinic financial improvements), $356k (OP volume improvements, particularly Lab, Imaging and Surgical Service) and $500k (provider contract efficiencies). After these financial improvement initiatives, the annual operating income was budgeted at a loss of ($339k).

Current State

When evaluating the challenges and opportunities faced by the hospital, they remain within the three financial improvement areas articulated within the budget. Clinic financial performance continues to be a challenge. OP ancillary growth has not been as robust as was budgeted. Provider contract efficiencies have not yet yielded significant savings.

Clinic Financial Improvements – During FY23, the Clinic has undergone a significant turnover of providers and staff. We expect that the provider and staff changes will result in positive sustained improvements of the clinic's overall financial profile. Renegotiated provider contracts align productivity standards to industry benchmarks and are expected to yield improvements in the financial sustainability of the clinic. We are currently in negotiations to add an additional D.O. starting in late spring. This said, challenges persist. First, the Evident/CPSI EMR continues to hamper provider productivity. Additionally, the Pain Management Clinic volumes/efficiency have not been as robust as expected partially to provider productivity as well as challenges staffing cases in the OR over these past several months. Many of the pain management patients require surgical interventions as part of the treatment plans. These problems are not expected to be resolved rapidly.

OP Ancillary Growth – Lab, Imaging and Surgical volumes were budgeted to grow by 10%, 10% and 50%, respectively. The Lab hasn't achieved its growth targets due to significant decrease in Covid testing. Imaging volumes have increased year-over-year but not quite to the budgeted levels. The primary impact, however, has been the slower rollout of the orthopedic surgical program. Over the past few years, the primary surgical procedure volumes have been endoscopy procedures. These have decreased measurably over prior year. While the hospital has invested substantially in initiating an orthopedic surgical program, the hospital has not yet begun seeing cases. Orthopedic surgical cases are scheduled starting February 10th. The hospital expects that the second half of the fiscal year will be substantially better than the first half in terms of volumes, revenues and margin with Surgical Services.

Provider Efficiencies – Preliminary provider contract benchmarks indicated that existing provider contracts may yield substantial savings over baseline contracts. The hospital had not completed all negotiations/vender evaluations for provider contracts due to the applicable contract service periods. Contract evaluations and benchmarking work will continue throughout the year. Savings are not expected to yield the level contemplated in the budget but should result in efficiencies when completed.

Conclusion

Despite the challenges in fully realizing the results contemplated by the budget, the hospital is performing substantially better than the baseline budget. Management believes that it has taken substantial positive steps to improve in the three identified improvement initiatives within the budget.

Southern Coos Hospital & Health Center

Volume and Key Performance Ratios

For The Period Ending December 2022

		Month						Year to Date				
		Actual	Budget	Prior Year	Variance to Bud	Variance to Prior		Actual	Budget	Prior Year	Variance to Bud	Variance to Prior
Volume Summary	IP Days	139	102	118	36.3%	17.8%		811	604	620	34.3%	30.8%
	Swing Bed Days	130	114	104	14.0%	25.0%		675	676	646	-0.1%	4.5%
	Total Inpatient Days	269	216	222	24.5%	21.2%		1,486	1,280	1,266	16.1%	17.4%
	Avg Daily Census	8.7	7.0	7.2	24.5%	21.2%		8.1	7.0	6.9	16.1%	17.4%
	Avg Length of Stay - IP	4.5	4.4	5.1	1.1%	-12.6%		4.6	3.6	3.7	28.2%	24.9%
	Avg Length of Stay - SWB	13.0	22.8	20.8	-43.0%	-37.5%		12.1	12.8	12.2	-5.5%	-1.1%
	ED Registrations	463	380	295	21.8%	56.9%		2,818	2,256	2,282	24.9%	23.5%
	Clinic Registrations	309	955	383	-67.6%	-19.3%		2,579	5,541	2,676	-53.5%	-3.6%
	Ancillary Registrations	893	1,008	1,008	-11.4%	-11.4%		5,626	7,621	7,621	-26.2%	-26.2%
	Total OP Registrations	1,665	2,343	1,686	-28.9%	-1.2%		11,023	15,418	12,579	-28.5%	-12.4%
Key Income Statement Ratios	Gross IP Rev/IP Day	7,717	9,049	8,003	-14.7%	-3.6%		7,676	9,070	8,408	-15.4%	-8.7%
	Gross SWB Rev/SWB Day	978	1,063	903	-7.9%	8.4%		922	1,068	866	-13.7%	6.4%
	Gross OP Rev/Total OP Registrations	1,604	1,107	1,276	44.9%	25.7%		1,405	1,007	1,020	39.6%	37.8%
	Collection Rate	55.6%	66.4%	60.5%	-16.2%	-8.0%		62.8%	66.4%	65.8%	-5.3%	-4.5%
	Compensation Ratio	77.0%	66.5%	73.3%	15.8%	5.1%		65.0%	63.3%	68.9%	2.8%	-5.6%
	OP EBIDA Margin $	(296,394)	36,087	(240,943)	-921.3%	23.0%		192,689	671,608	(479,607)	-71.3%	-140.2%
	OP EBIDA Margin %	-13.8%	1.5%	-12.5%	-1021.0%	10.2%		1.4%	4.7%	-3.9%	-70.5%	-135.0%
	Total Margin	-12.4%	3.0%	-10.8%	-510.8%	14.3%		2.3%	6.3%	-2.0%	-63.2%	-216.8%
Key Liquidity Ratios	Days Cash on Hand	140.7	80.0	127.4	75.9%	10.4%						
	AR Days Outstanding	52.6	50.0	62.4	5.2%	-15.7%						

Southern Coos Hospital & Health Center

Data Dictionary

Volume Summary	IP Days	Total Inpatient Days Per Midnight Census
	Swing Bed Days	Total Swing Bed Days per Midnight Census
	Total Bed Days	Total Days per Midnight Census
	Avg Daily Census	Total Bed Days / # of Days in period (Mo or YTD)
	Avg Length of Stay - IP	Total Inpatient Days / # of IP Discharges
	Avg Length of Stay - SWB	Total Swing Bed Days / # of SWB Discharges
	ED Registrations	Number of ED patient visits
	Clinic Registrations	Number of Clinic patient visits
	Ancillary Registrations	Total number of all other OP patient visits
	Total OP Registrations	Total number of OP patient visits

Key Income Statement Ratios	Gross IP Rev/IP Day	Avg. gross patient charges per IP patient day
	Gross SWB Rev/SWB Day	Avg. gross patient charges per SWB patient day
	Gross OP Rev/Total OP Registrations	Avg. gross patient charges per OP visit
	Collection Rate	Net patient revenue / total patient charges
	Compensation Ratio	Total Labor Expenses / Total Operating Revenues
	OP EBIDA Margin $	Operating Margin + Depreciation + Amortization
	OP EBIDA Margin %	Operating EBIDA / Total Operating Revenues
	Total Margin (%)	Total Margin / Total Operating Revenues

Key Liquidity Ratios	Days Cash on Hand	Total unrestricted cash / Daily OP Cash requirements
	AR Days Outstanding	Gross AR / Avg. Daily Revenues

Southern Coos Hospital & Health Center

Summary Statements of Revenues, Expenses, and Changes in Net Position
For The Period Ending December 31, 2022

	Current Month - Dec-2022					Year To Date - Dec-2022				
	Dec-2022 Actual	Dec-2022 Budget	Variance	Var %	Dec-2021 Actual	Dec-2022 Actual	Dec-2022 Budget	Variance	Var %	Dec-2021 Actual
Patient Revenue										
Inpatient	1,199,820	1,044,158	155,661	14.9%	1,038,237	6,847,017	6,200,079	646,938	10.4%	5,772,305
Outpatient	2,671,277	2,594,708	76,569	3.0%	2,151,667	15,490,661	15,525,266	(34,605)	(0.2%)	12,824,782
Total Patient Revenue	**3,871,096**	**3,638,866**	**232,231**	**6.4%**	**3,189,905**	**22,337,677**	**21,725,345**	**612,332**	**2.8%**	**18,597,087**
Deductions From Revenue										
Total Deductions	**1,717,299**	**1,223,809**	**(493,489)**	**(40.3%)**	**1,260,393**	**8,302,529**	**7,306,585**	**(995,944)**	**(13.6%)**	**6,363,304**
Revenue Deductions %	*44.4%*	*33.6%*			*39.5%*	*37.2%*	*33.6%*			*34.2%*
Net Patient Revenue	**2,153,798**	**2,415,056**	**(261,258)**	**(10.8%)**	**1,929,512**	**14,035,148**	**14,418,759**	**(383,612)**	**(2.7%)**	**12,233,783**
Other Operating Revenue	5	86	(81)	(94.2%)	223	105	516	(411)	(79.7%)	685
Total Operating Revenue	**2,153,803**	**2,415,142**	**(261,339)**	**(10.8%)**	**1,929,735**	**14,035,253**	**14,419,276**	**(384,023)**	**(2.7%)**	**12,234,468**
Operating Expenses										
Total Labor Expenses	1,658,040	1,606,104	(51,936)	(3.2%)	1,414,088	9,129,092	9,120,373	(8,719)	(0.1%)	8,433,220
Total Other Operating Expenses	867,322	832,840	(34,482)	(4.1%)	811,571	5,174,428	4,971,164	(203,264)	(4.1%)	4,596,007
Total Operating Expenses	**2,525,362**	**2,438,944**	**(86,418)**	**(3.5%)**	**2,225,658**	**14,303,520**	**14,091,537**	**(211,983)**	**(1.5%)**	**13,029,227**
Operating Income / (Loss)	**(371,559)**	**(23,802)**	**(347,757)**	**1461.0%**	**(295,923)**	**(268,267)**	**327,739**	**(596,006)**	**(181.9%)**	**(794,759)**
Net Non-Operating Revenues	**104,661**	**96,656**	**8,005**	**8.3%**	**86,674**	**591,676**	**575,979**	**15,697**	**2.7%**	**553,469**
Change in Net Position	**(266,898)**	**72,853**	**(339,752)**	**(466.3%)**	**(209,249)**	**323,409**	**903,718**	**(580,309)**	**(64.2%)**	**(241,290)**
Collection Rate %	**55.6%**	**66.4%**	**(16.2%)**	**(16.2%)**	**60.5%**	**62.8%**	**66.4%**	**(5.3%)**	**(5.3%)**	**65.8%**
Compensation Ratio %	**77.0%**	**66.5%**	**15.8%**	**15.8%**	**73.3%**	**65.0%**	**63.3%**	**2.8%**	**2.8%**	**68.9%**
OP EBIDA Margin $	**(296,394)**	**36,087**	**(332,480)**	**(921.3%)**	**(240,943)**	**192,689**	**671,608**	**(478,919)**	**(71.3%)**	**(479,607)**
OP EBIDA Margin %	**(13.8%)**	**1.5%**	**(15.3%)**	**(1021.0%)**	**(12.5%)**	**1.4%**	**4.7%**	**(3.3%)**	**(70.5%)**	**(3.9%)**
Total Margin (%)	**(12.4%)**	**3.0%**	**(15.4%)**	**(510.8%)**	**(10.8%)**	**2.3%**	**6.3%**	**(4.0%)**	**(63.2%)**	**(2.0%)**

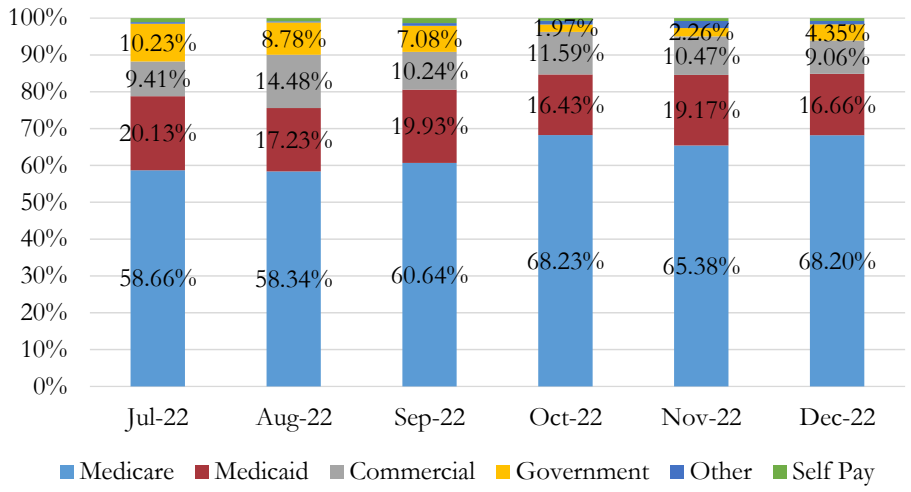
Southern Coos Hospital & Health Center

Volume and Key Performance Ratios
For The Period Ending December 2022

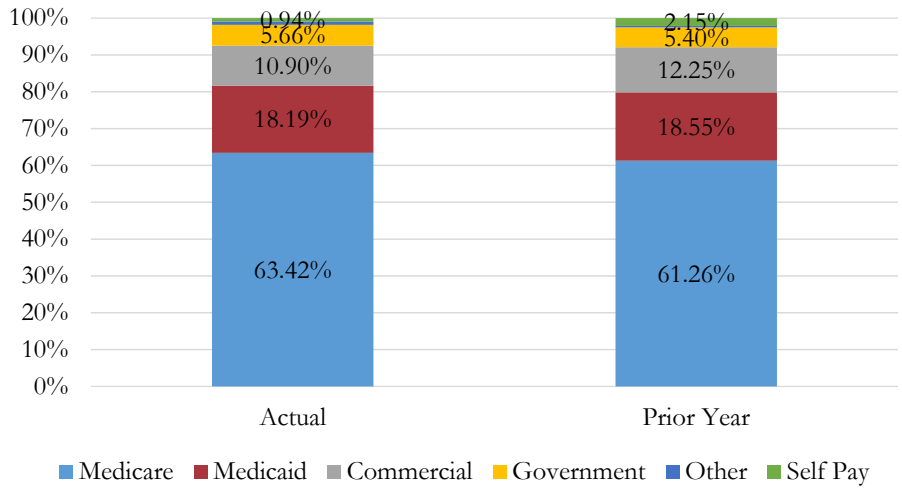
		Month					Year to Date				
		Actual	Budget	Prior Year	Variance to Bud	Variance to Prior Year	Actual	Budget	Prior Year	Variance to Bud	Variance to Prior Year
Payor Mix - Gross Charges	Medicare	65.38%	61.70%	61.70%	6.0%	6.0%	62.41%	61.45%	61.45%	1.6%	1.6%
	Medicaid	19.17%	19.94%	19.94%	-3.9%	-3.9%	18.50%	17.94%	17.94%	3.1%	3.1%
	Commercial	10.47%	10.86%	10.86%	-3.6%	-3.6%	11.28%	12.13%	12.13%	-6.9%	-6.9%
	Government	2.26%	5.54%	5.54%	-59.2%	-59.2%	5.93%	5.78%	5.78%	2.7%	2.7%
	Other	1.89%	0.28%	0.28%	569.2%	569.2%	0.89%	0.42%	0.42%	112.9%	112.9%
	Self Pay	0.83%	1.67%	1.67%	-50.7%	-50.7%	0.97%	2.29%	2.29%	-57.4%	-57.4%
	Total	**100.00%**	**100.00%**	**100.00%**			**100.00%**	**100.00%**	**100.00%**		

		Month			Variance %		Year To Date			Variance %	
		FY23 Actual	FY23 Budget	FY22 Prior Year	To Budget	To Prior Year	FY23 Actual	FY23 Budget	FY22 Prior Year	To Budget	To Prior Year
Patient Volumes	In Patient Days	139	102	118	36.3%	17.8%	811	604	620	34.3%	30.8%
	Swing Bed Days	130	114	104	14.0%	25.0%	675	676	646	-0.1%	4.5%
	Total Patient Days	**269**	**216**	**222**	**24.5%**	**21.2%**	**1,486**	**1,280**	**1,266**	**16.1%**	**17.4%**
	Emergency Visits	463	380	295	21.8%	56.9%	2,818	2,256	2,282	24.9%	23.5%
	Radiology Procedures	795	699	729	13.7%	9.1%	4,955	4,694	4,090	5.6%	21.1%
	Laboratory Tests	3,629	4,176	3,543	-13.1%	2.4%	21,252	24,786	23,156	-14.3%	-8.2%
	Respiratory Visits	787	629	764	25.2%	3.0%	3,630	3,734	3,182	-2.8%	14.1%
	Surgeries and Endoscopies	-	32	4	-100.0%	-100.0%	70	190	130	-63.2%	-46.2%
	Specialty Clinic Visits	219	198	210	10.6%	4.3%	1,094	1,176	1,091	-7.0%	0.3%
	Primary Care Clinic	320	955	423	-66.5%	-24.3%	2,693	5,541	2,678	-51.4%	0.6%

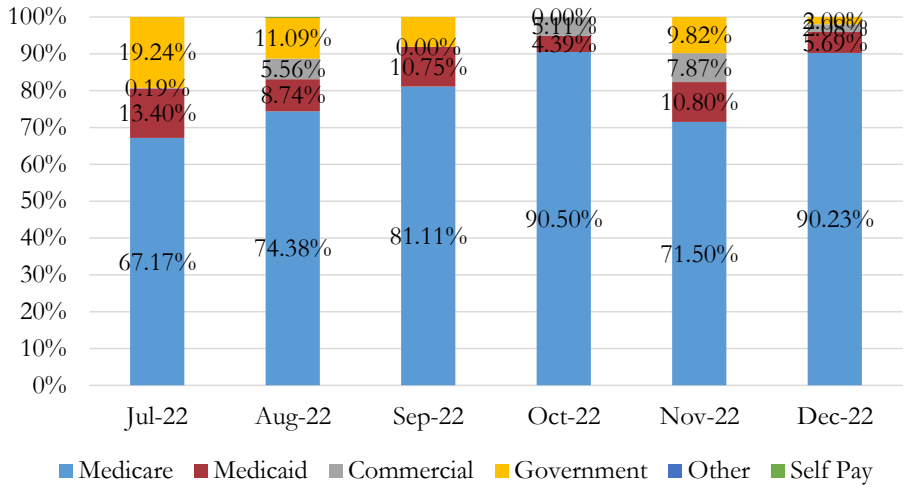
All Patients Payor Mix



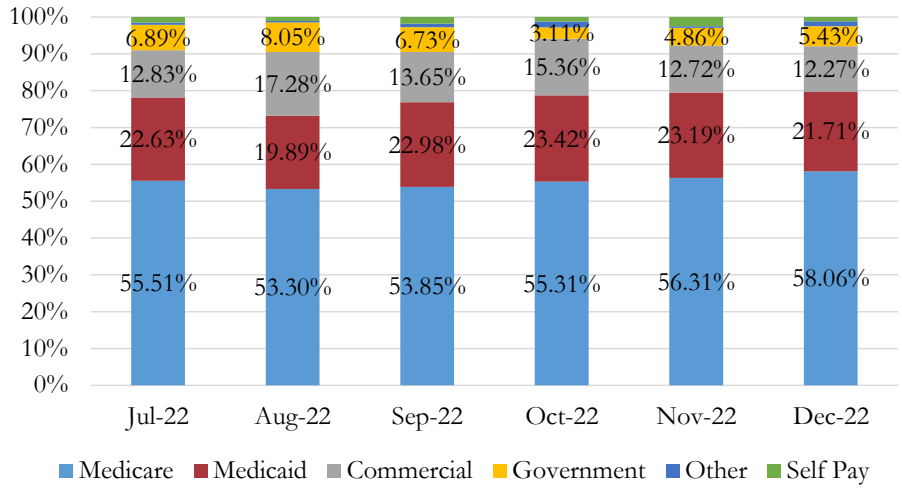
Year to Date Payor Mix

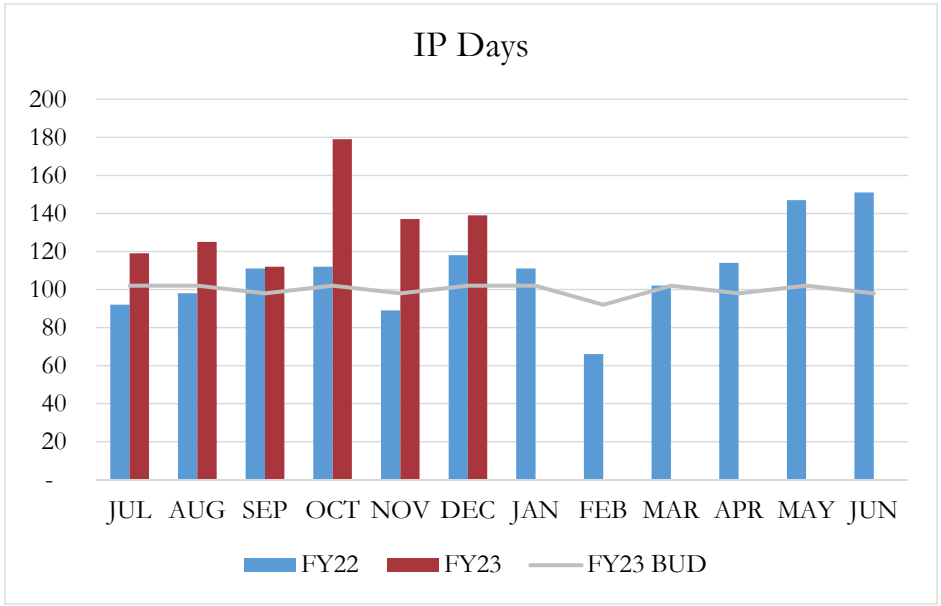


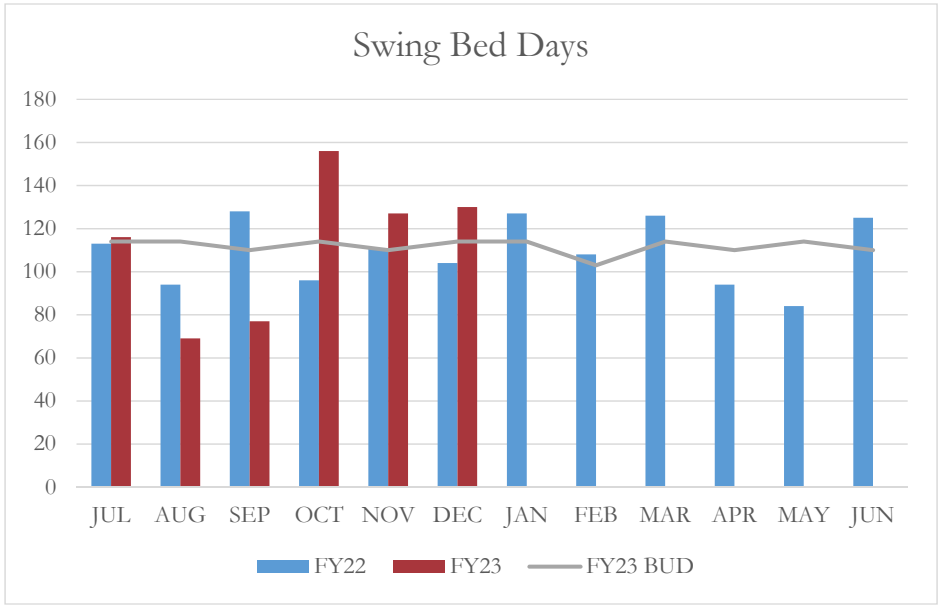
IP Payor Mix



OP Payor Mix




IP Days
200
180
160
140
120
100
80
60
40
20
-
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


Swing Bed Days
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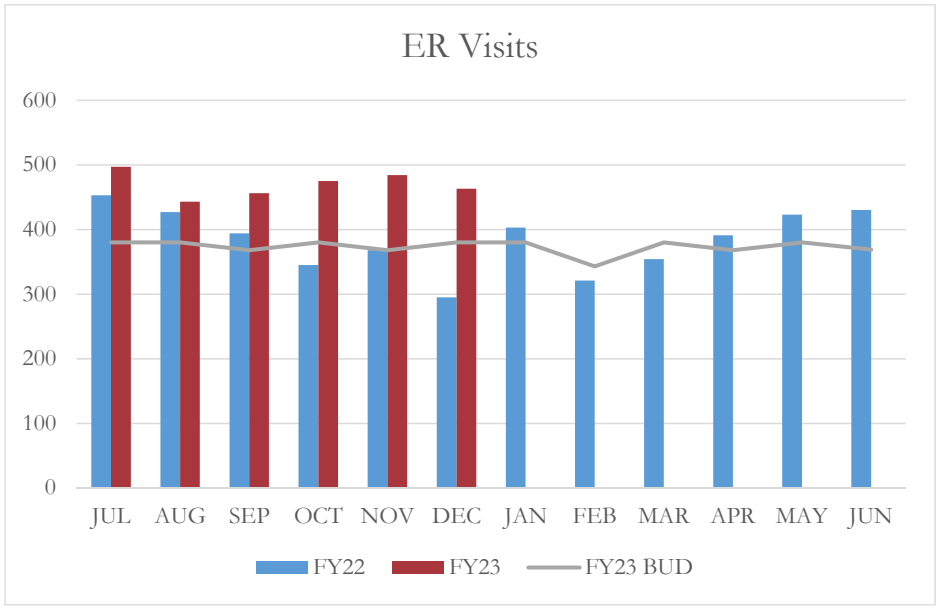
160
140
120
100
80
60
40
20
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


ER Visits
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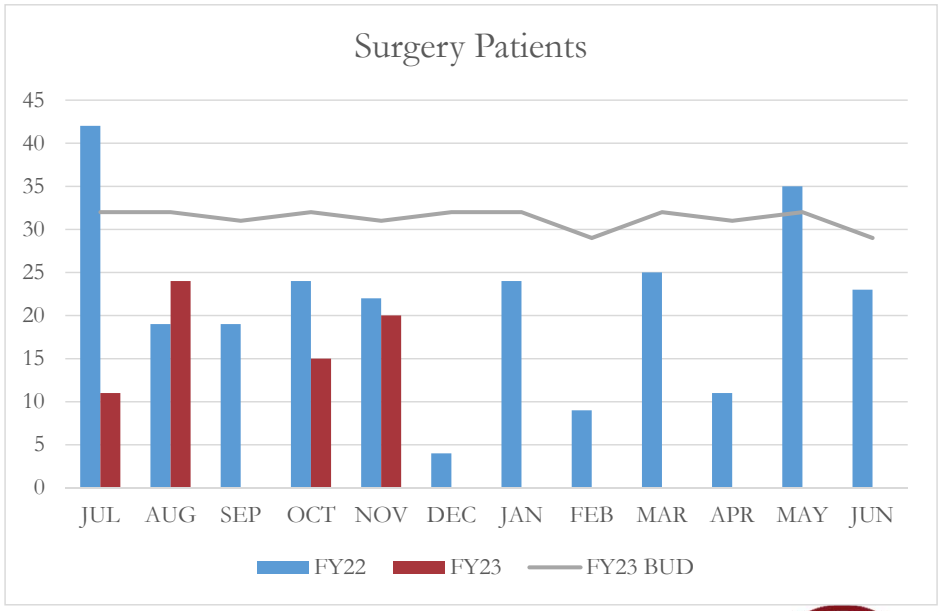
500
400
300
200
100
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


Surgery Patients
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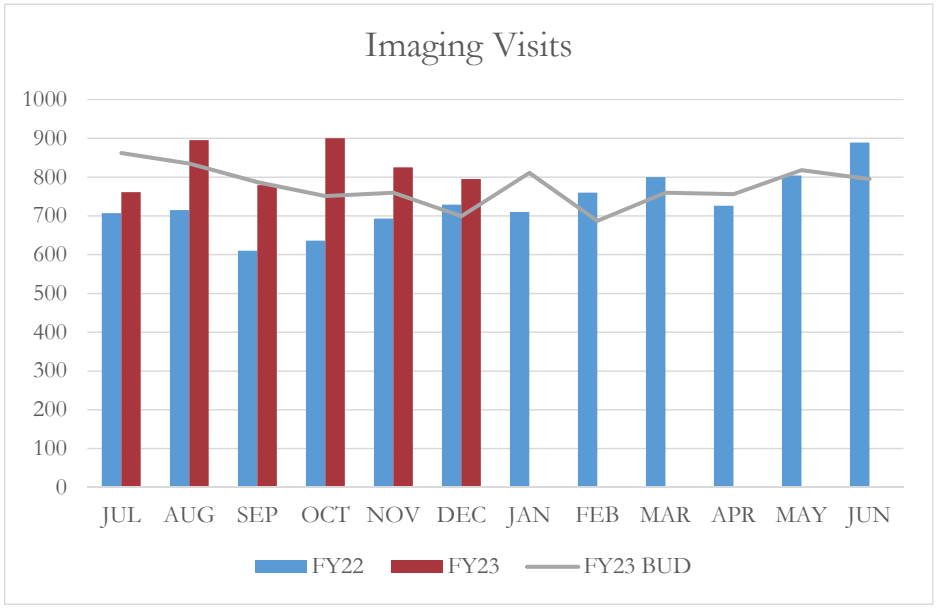
40
35
30
25
20
15
10
5
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


Imaging Visits
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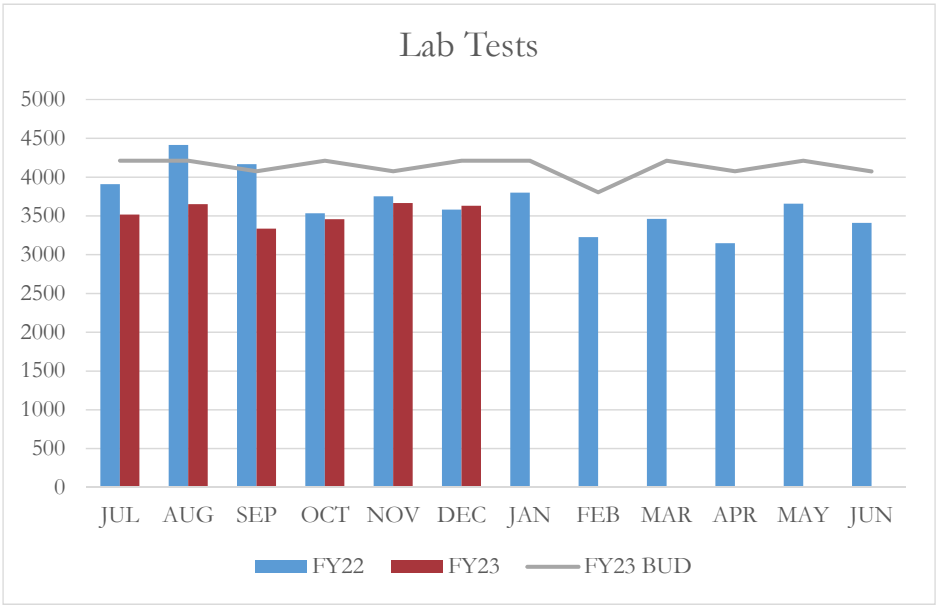
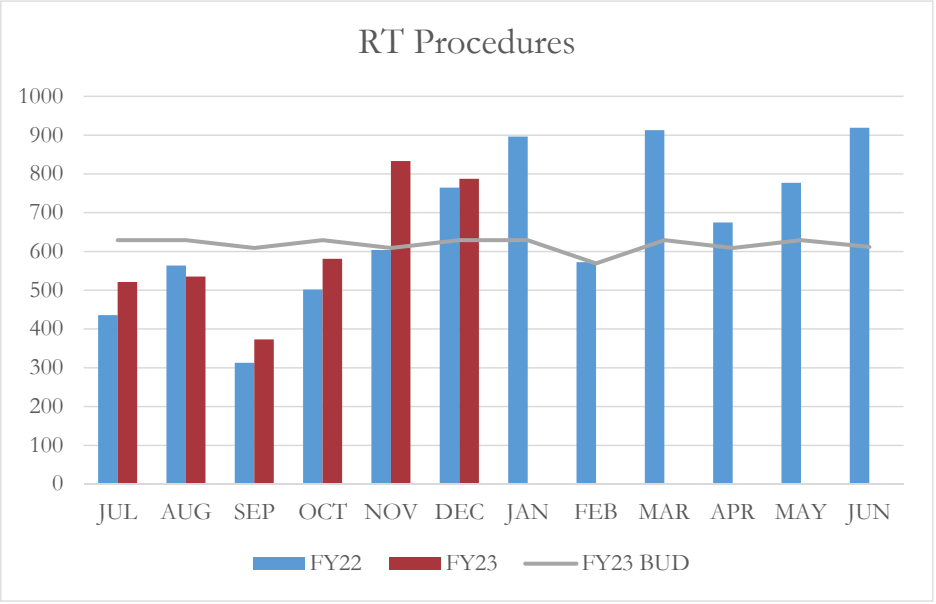
900
800
700
600
500
400
300
200
100
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


Lab Tests
5000
4500
4000
3500
3000
2500
2000
1500
1000
500
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


RT Procedures
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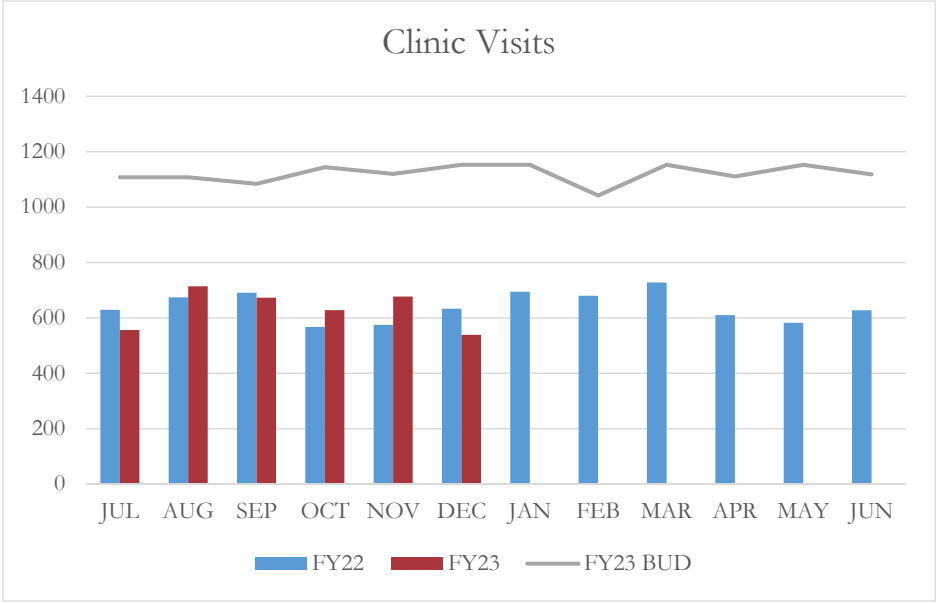
900
800
700
600
500
400
300
200
100
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD


Clinic Visits
1400
1200
1000
800
600
400
200
0
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN
FY22 FY23 FY23 BUD

Southern Coos Hospital & Health Center

Balance Sheet

For The Period Ending December 2022

	Balance as of Dec-2022	Balance as of Jun-2022	Change	Balance as of Jun-2021
Assets				
Current Assets				
Cash - Operating	8,004,030	6,600,542	1,403,488	7,830,681
Covid-19 Relief Funds	1,201,335	1,201,335	0	(0)
Medicare Accelerated Payments	0	3,041,479	(3,041,479)	6,952,217
Investments - Unrestricted	1,567,488	1,452,639	114,849	452,620
Investments - Restricted	9,488	9,488	0	9,488
Investment - USDA Restricted	233,705	233,705	0	233,705
Investment - Board Designated	1,972,783	1,972,783	0	1,972,783
Cash and Cash Equivalents	12,988,829	14,511,971	(1,523,142)	17,451,493
Patient Accounts Receivable	6,970,867	5,990,969	979,897	4,845,025
Allowance for Uncollectibles	(3,123,599)	(2,793,125)	(330,474)	(2,456,334)
Net Patient Accounts Receivable	**3,847,267**	**3,197,844**	**649,423**	**2,388,691**
Other Receivables	(418,930)	492,153	(911,083)	840,233
Inventory	163,429	163,375	54	239,072
Prepaid Expense	288,335	479,232	(190,897)	402,507
Property Tax Receivable	0	0	0	0
Total Current Assets	**16,868,930**	**18,844,575**	**(1,975,645)**	**21,321,997**
Property, Plant and Equipment				
Land	461,527	461,527	0	461,527
Property and Equipment:	18,516,676	17,205,488	1,311,189	16,154,324
Less: Accumulated Depreciation	(13,347,793)	(12,886,837)	(460,956)	(11,651,955)
Construction In Progress	140,330	67,081	73,249	31,125
Net PP&E	**5,770,741**	**4,847,259**	**923,482**	**4,995,021**
Total Assets	22,639,672	23,691,835	(1,052,163)	26,317,018

Southern Coos Hospital & Health Center

Balance Sheet

For The Period Ending December 2022

	Balance as of Dec-2022	Balance as of Jun-2022	Change	Balance as of Jun-2021
Liabilities and Net Assets				
Current Liabilities				
Accounts Payable	1,454,880	772,657	682,223	924,534
Accrued Payroll and Benefits	1,417,063	1,195,908	221,154	1,054,435
Interest and Other Payable	756,744	712,471	44,272	310,866
Current Portion of Long Term Debt	246,328	246,328	0	231,964
Medicare Accelerated Fund	0	3,041,479	(3,041,479)	6,952,217
Provider Relief Funds	1,201,335	1,201,335	0	0
Oregon Provider Relief Funds	0	0	0	0
Covid-19 Relief Funds	0	0	0	0
Current Liabilities	**5,076,350**	**7,170,179**	**(2,093,830)**	**9,474,016**
Long-Term Debt	4,955,239	4,236,981	718,258	4,368,697
Less Current Portion of Long-Term Debt	(246,328)	(246,328)	0	(231,964)
Total Long-Term Debt, net	4,708,911	3,990,653	718,258	4,136,733
Total Liabilities	9,785,261	11,160,832	(1,375,571)	13,610,748
Net Assets:				
Fund Balance	12,531,002	12,706,270	(175,268)	4,533,364
Change in Net Position	323,409	(175,268)	498,676	8,172,906
Restricted-Temporary	0	0	0	0
Restricted-Permanent	0	0	0	0
Total Net Assets	**12,854,411**	**12,531,002**	**323,409**	**12,706,270**
Total Liabilities & Net Assets	22,639,672	23,691,835	(1,052,163)	26,317,018

Southern Coos Hospital & Health Center

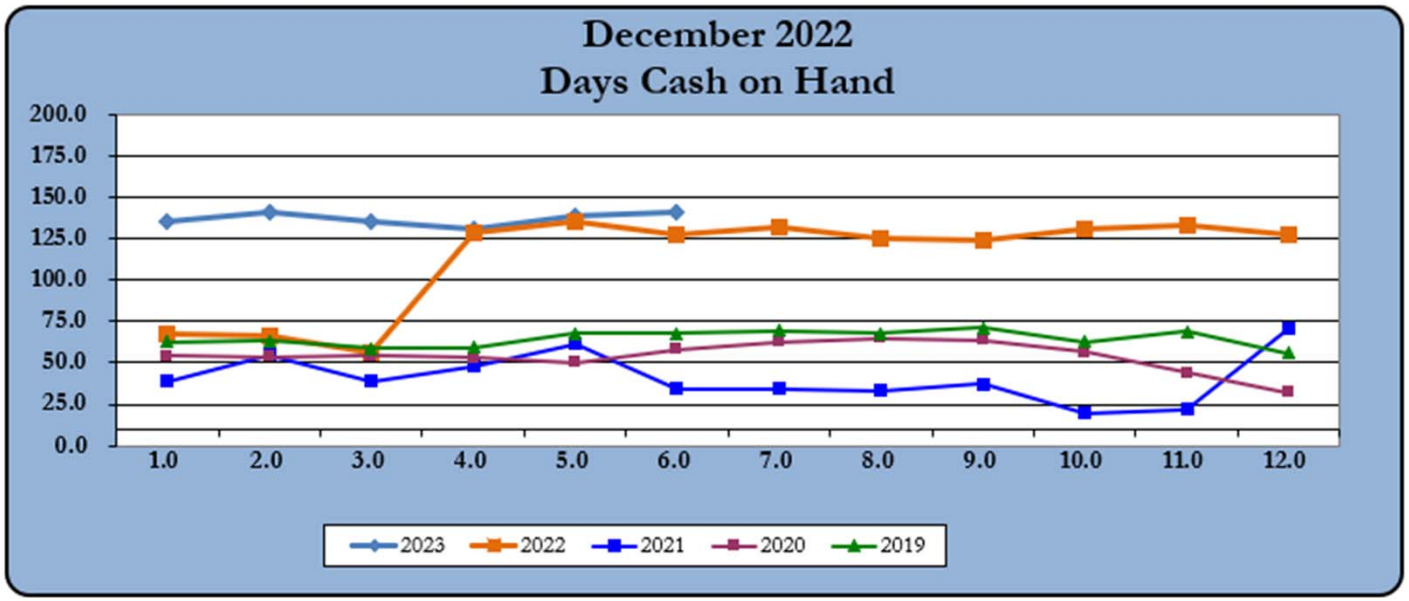
Summary Statements of Revenues, Expenses, and Changes in Net Position
For The Period Ending December 31, 2022

	Current Month - Dec-2022					Year To Date - Dec-2022				
	Dec-2022 Actual	Dec-2022 Budget	Variance	Var %	Dec-2021 Actual	Dec-2022 Actual	Dec-2022 Budget	Variance	Var %	Dec-2021 Actual
Patient Revenue										
Inpatient	1,199,820	1,044,158	155,661	14.9%	1,038,237	6,847,017	6,200,079	646,938	10.4%	5,772,305
Outpatient	2,671,277	2,594,708	76,569	3.0%	2,151,667	15,490,661	15,525,266	(34,605)	(0.2%)	12,824,782
Total Patient Revenue	**3,871,096**	**3,638,866**	**232,231**	**6.4%**	**3,189,905**	**22,337,677**	**21,725,345**	**612,332**	**2.8%**	**18,597,087**
Deductions From Revenue										
Total Deductions	**1,717,299**	**1,223,809**	**(493,489)**	**(40.3%)**	**1,260,393**	**8,302,529**	**7,306,585**	**(995,944)**	**(13.6%)**	**6,363,304**
Revenue Deductions %	*44.4%*	*33.6%*			*39.5%*	*37.2%*	*33.6%*			*34.2%*
Net Patient Revenue	**2,153,798**	**2,415,056**	**(261,258)**	**(10.8%)**	**1,929,512**	**14,035,148**	**14,418,759**	**(383,612)**	**(2.7%)**	**12,233,783**
Other Operating Revenue	5	86	(81)	(94.2%)	223	105	516	(411)	(79.7%)	685
Total Operating Revenue	**2,153,803**	**2,415,142**	**(261,339)**	**(10.8%)**	**1,929,735**	**14,035,253**	**14,419,276**	**(384,023)**	**(2.7%)**	**12,234,468**
Operating Expenses										
Salaries & Wages	1,150,435	1,212,105	61,670	5.1%	967,783	6,549,300	6,878,797	329,497	4.8%	5,781,117
Contract Labor	225,526	125,013	(100,513)	(80.4%)	175,524	1,006,095	639,675	(366,420)	(57.3%)	1,206,868
Benefits	282,079	268,987	(13,092)	(4.9%)	270,780	1,573,696	1,601,900	28,204	1.8%	1,445,236
Total Labor Expenses	1,658,040	1,606,104	(51,936)	(3.2%)	1,414,088	9,129,092	9,120,373	(8,719)	(0.1%)	8,433,220
Professional Fees	262,739	181,378	(81,361)	(44.9%)	214,229	1,473,621	1,088,269	(385,351)	(35.4%)	1,271,830
Purchased Services	229,539	234,891	5,351	2.3%	239,380	1,355,416	1,409,105	53,689	3.8%	1,354,367
Drugs & Pharmaceuticals	47,567	61,943	14,376	23.2%	51,741	282,548	367,643	85,096	23.1%	341,977
Medical Supplies	17,812	19,275	1,463	7.6%	15,802	140,024	114,386	(25,638)	(22.4%)	82,882
Other Supplies	115,470	107,787	(7,683)	(7.1%)	95,876	580,545	646,655	66,109	10.2%	491,837
Lease and Rental	24,493	49,414	24,921	50.4%	31,298	133,221	296,484	163,263	55.1%	161,746
Maintenance & Repairs	4,660	17,703	13,043	73.7%	23,441	98,499	106,214	7,715	7.3%	102,215
Other Expenses	37,177	52,032	14,855	28.5%	41,894	330,686	307,365	(23,322)	(7.6%)	234,219
Utilities	25,683	22,037	(3,646)	(16.5%)	25,304	153,539	132,223	(21,316)	(16.1%)	133,879
Insurance	21,184	26,492	5,308	20.0%	17,626	127,600	158,951	31,352	19.7%	105,904
Interest	5,832	-	(5,832)	0.0%	-	37,775	-	(37,775)	0.0%	-
Depreciation & Amortization	75,165	59,889	(15,277)	(25.5%)	54,980	460,956	343,869	(117,087)	(34.0%)	315,152
Total Operating Expenses	**2,525,362**	**2,438,944**	**(86,418)**	**(3.5%)**	**2,225,658**	**14,303,520**	**14,091,537**	**(211,983)**	**(1.5%)**	**13,029,227**
Operating Income / (Loss)	**(371,559)**	**(23,802)**	**(347,757)**	**1461.0%**	**(295,923)**	**(268,267)**	**327,739**	**(596,006)**	**(181.9%)**	**(794,759)**
Non-Operating										
Property Taxes	89,427	86,432	2,994	3.5%	85,155	536,560	514,761	21,799	4.2%	507,236
Non-Operating Revenue	1,178	21,355	(20,177)	(94.5%)	12,803	30,763	128,031	(97,269)	(76.0%)	122,833
Interest Expense	(14,782)	(14,774)	(8)	0.1%	(15,135)	(91,091)	(88,646)	(2,445)	2.8%	(94,745)
Investment Income	28,838	4,531	24,307	536.5%	3,851	115,443	27,160	88,283	325.0%	26,146
Gain(Loss) on Sale of Assets	-	(888)	888	(100.0%)	-	-	(5,328)	5,328	(100.0%)	-
Total Non-Operating	**104,661**	**96,656**	**8,005**	**8.3%**	**86,674**	**591,676**	**575,979**	**15,697**	**2.7%**	**561,469**
Change in Net Position	**(266,898)**	**72,853**	**(339,752)**	**(466.3%)**	**(209,249)**	**323,409**	**903,718**	**(580,309)**	**(64.2%)**	**(233,290)**

Southern Coos Hospital & Health Center

Income Statement
For The Period Ending December 2022
Comparison to Prior Months

	Current FY 2022					
	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022
Patient Revenue						
Inpatient	1,085,131	999,294	854,833	1,465,820	1,242,120	1,199,820
Outpatient	2,496,495	2,759,677	2,453,351	2,533,610	2,576,250	2,671,277
Total Patient Revenue	**3,581,626**	**3,758,971**	**3,308,184**	**3,999,429**	**3,818,370**	**3,871,096**
Deductions From Revenue						
Charity Services	14,652	13,149	25,722	18,074	12,580	12,589
Contractual Allowances	1,152,551	1,225,257	754,486	1,267,584	1,503,142	1,630,796
Other Discounts	77,340	127,269	173,246	157,798	102,380	89,366
Bad Debt	(6,796)	4,075	(19,713)	(7,453)	(10,111)	(15,453)
Total Deductions	**1,237,747**	**1,369,751**	**933,741**	**1,436,002**	**1,607,991**	**1,717,299**
Net Patient Revenue	**2,343,880**	**2,389,221**	**2,374,443**	**2,563,427**	**2,210,379**	**2,153,798**
Other Operating Revenue	5	10	30	30	25	5
Total Operating Revenue	**2,343,885**	**2,389,231**	**2,374,473**	**2,563,457**	**2,210,404**	**2,153,803**
Operating Expenses						
Salaries & Wages	1,062,036	1,120,072	1,037,955	1,056,924	1,121,878	1,150,435
Benefits	266,644	258,378	189,855	292,399	284,341	282,079
Contract Labor	172,296	147,125	101,069	199,894	160,186	225,526
Professional Fees	213,511	213,296	273,677	256,985	253,413	262,739
Purchased Services	219,161	248,283	186,242	273,174	199,016	229,539
Medical Supplies	20,858	36,336	16,758	25,343	22,917	17,812
Drugs & Pharmaceuticals	51,348	34,457	65,592	44,125	39,458	47,567
Other Supplies	59,264	102,139	114,219	99,481	89,973	115,470
Depreciation & Amortization	51,367	51,065	51,773	49,597	181,987	75,165
Lease and Rental	48,222	48,222	48,976	48,459	(85,151)	24,493
Maintenance & Repairs	15,243	23,985	28,162	10,664	15,785	4,660
Utilities	28,194	28,785	25,143	25,973	19,761	25,683
Insurance	21,181	21,309	21,309	21,309	21,309	21,184
Interest	0	0	0	0	31,943	5,832
Other Expenses	39,061	68,339	42,147	84,632	59,330	37,177
Total Operating Expenses	**2,268,387**	**2,401,792**	**2,202,876**	**2,488,959**	**2,416,145**	**2,525,362**
Excess of Revenue Over Expenses from Operations	**75,498**	**(12,561)**	**171,598**	**74,499**	**(205,741)**	**(371,559)**
Non-Operating						
Unrestricted Contributions	85,155	85,155	85,155	102,242	89,427	89,427
Other NonOperating Revenue\Expense	1,365	19,661	1,995	1,849	4,715	1,178
Investment Income	11,403	14,398	16,573	19,840	24,392	28,838
Total Non-Operating	**97,923**	**119,214**	**103,722**	**123,932**	**118,534**	**119,442**
Interest Expense	(14,784)	(14,784)	(14,784)	(14,784)	(17,174)	(14,782)
Excess of Revenue Over Expenses	**158,637**	**91,869**	**260,536**	**183,646**	**(104,381)**	**(266,898)**



Calculation: Total Unrestricted Cash on Hand / Daily Operating Cash Needs

Definition: This ratio quantifies the amount of cash on hand in terms of how many "days" an organization can survive with existing cash reserves.

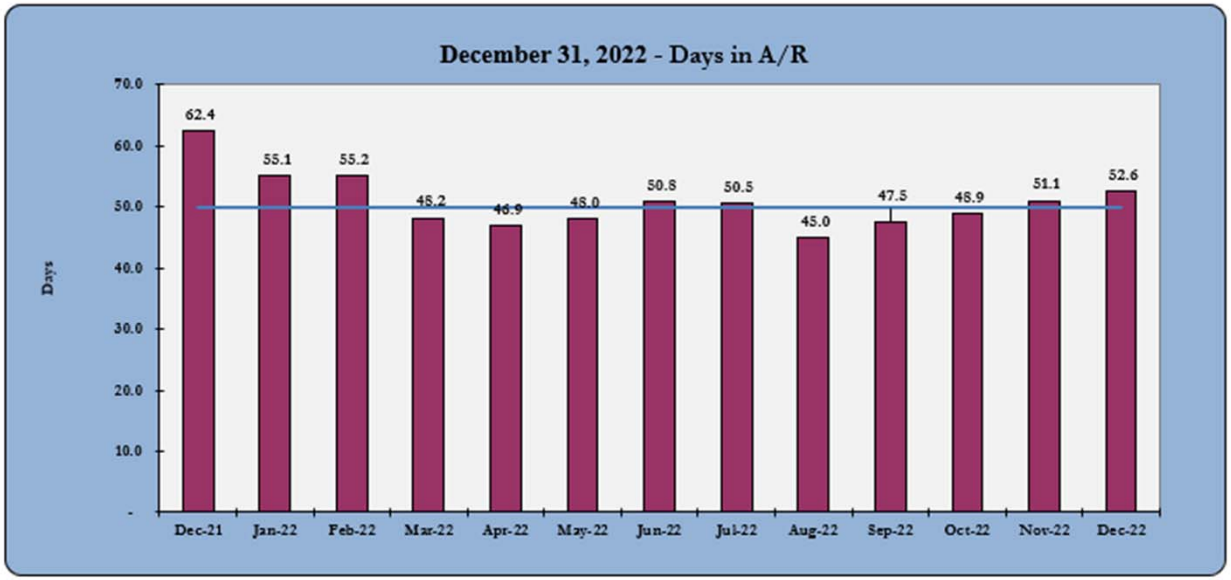
Desired Position: Upward trend, above the median

Year	Average
2022	137.1
2021	41.2
2020	54.0
2019	64.7
2018	70.7
2017	96.1
2016	83.6
2015	67.3

Benchmark **80 Days**

How ratio is used: This ratio is frequently used by bankers, bondholders and analysts to gauge an organization's liquidity--and ability to meet short term obligations as they mature.

Fiscal	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2023	135.9	140.8	135.2	130.5	139.4	140.7						
2022	67.2	66.2	56.6	128.6	136.1	127.4	132.1	125.1	124.6	131.5	132.8	127.5
2021	38.7	54.6	39.1	48.2	61.6	34.4	34.6	33.0	37.2	19.9	21.9	70.8
2020	54.3	53.4	54.2	53.3	50.3	58.3	62.6	64.9	63.8	56.4	44.0	32.0
2019	63.0	63.5	59.0	59.6	67.6	67.6	69.3	67.8	71.2	62.8	69.0	55.7



Calculation: Gross Accounts Receivable / Average Daily Revenue

Definition: Considered a key "liquidity ratio" that calculates how quickly accounts are being paid.

Desired Position: Downward trend below the median, and below average.

Benchmark ***50***

How ratio is used: Used to determine timing required to collect accounts. Usually, organizations below the average Days in AR are likely to have higher levels of Days Cash on Hand.

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
A/R (Gross)	6,078,310	5,690,377	5,831,926	5,206,299	4,918,498	5,171,194	5,698,606	5,920,336	5,391,457	5,497,910	5,886,139	6,242,296	6,684,720
Days in AR	62.4	55.1	55.2	48.2	46.9	48.0	50.8	50.5	45.0	47.5	48.9	51.1	52.6

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	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
A/R (Gross)	6,078,310	5,690,377	5,831,926	5,206,299	4,918,498	5,171,194	5,698,606	5,920,336	5,391,457	5,497,910	5,886,139	6,242,296	6,684,720
Days in Month	31	31	28	31	30	31	30	31	31	30	31	30	31
Monthly Revenue	3,189,905	3,394,074	2,931,260	3,392,919	3,007,670	3,502,412	3,693,131	3,581,626	3,758,971	3,308,183	3,999,429	3,818,370	3,871,096
3 Mo Avg Daily Revenue	97,443	103,271	105,725	107,981	104,852	107,641	112,123	117,143	119,932	115,748	120,289	122,264	127,053
Days in AR	62.4	55.1	55.2	48.2	46.9	48.0	50.8	50.5	45.0	47.5	48.9	51.1	52.6

SOUTHERN COOS HOSPITAL & HEALTH CENTER
CAPTIAL PURCHASES SUMMARY

FY2023

Approved Projects:

	Project Name	Department	Budgeted Amount	Total Spending	Amount Remaining	Date Completed
	Non-Threshold Capital Purchases (<$15,000)		$ 101,400			
	Security Camera System Expansion	Information Systems	$ 5,500.00	$ 11,995.00	$ (6,495.00)	In Progress
	Coag Replacement Reagents	Laboratory	$ 15,000.00	$ 15,000.00	$ -	In Progress
	Not in Budget (>$15,000)					
	Gen 2 lovera Hand Held	Pain Management	$ -	$ 14,000	$ -	7/31/2022
	Prodigy iDXA Machine	Radiology	$ -	$ 9,600	$ -	8/31/2022
	Transducer Biobsy Sompa	Surgery	$ -	$ 7,700	$ -	10/31/2022
			$ 101,400	**$ 58,295**	**$ 43,105**	
	Threshold Projects (>$15,000)					
	Cardiac Monitors	MedSurge	$ 230,000	$ -	$ 230,000	
	Nova BioMedical Prime Plus	Laboratory	$ 125,100	$ -	$ 125,100	
Reauthorized	Two Bin Implementation	Material Management	$ 100,000	$ -	$ 100,000	
	Air Handler Repairs	Engineering	$ 55,000	$ -	$ 55,000	
	RFA Generator	Surgery - Pain Management	$ 50,000	$ 55,515	$ (5,515)	In Progress
Reauthorized	Scope Reprocessor	Surgery-Endo	$ 48,000	$ -	$ 48,000	
Reauthorized	Cautery	Surgery	$ 40,000	$ -	$ 40,000	
	Phone System Upgrade	Information Systems	$ 35,000	$ 34,999	$ 1	12/31/2022
	BacT Alert Replacement	Laboratory	$ 32,000	$ -	$ 32,000	
	Stago Satellite Replacement	Laboratory	$ 25,000	$ -	$ 25,000	
Reauthorized	Crash Cart Defibrillator	Surgery	$ 25,000	$ 14,953	$ 10,047	11/30/2022
	Wifi System Upgrade	Information Systems	$ 19,300	$ -	$ 19,300	
Reauthorized	Butterfly Ultrasound	MedSurge	$ 18,000	$ -	$ 18,000	
	IV Pumps	MedSurge	$ 16,200	$ 12,800	$ 3,400	In Progress
	Not in Budget (>$15,000)					
	Equipment Updrade for RAD Equipmnet	Radiology	$ -	$ 17,200.00	$ -	In progress
	Generator 10	Surgery	$ -	$ 22,360.50	$ -	In progress
	Smart Pump	Surgery	$ -	$ 18,890.91	$ -	In progress
	System 1E	Surgery	$ -	$ 23,421.86	$ -	In progress
	OR Lights	Surgery	$ -	$ 23,923.36	$ -	In progress
	Surgery Tools (System 8)	Surgery	$ -	$ 26,455.00	$ -	In progress
	Anesthesia Machine	Surgery	$ -	$ 62,983.87	$ -	In progress
			$ 818,600	**$ 313,502**	**$ 700,333**	
	Total		**$ 920,000**	**$ 371,797**	**$ 548,203**	

FY2023

Grant Funded Projects:

Project Name	Department	Budgeted Amount	Total Spending	Amount Remaining	Date Completed	Grant Funding Source
Vapotherm HVT Unit	Laboratory	$ -	$ 14,500	$ -	8/31/2022	SHIP ARPA
Stat Profile Prime Plus Analyzer	Laboratory	-	14,000		12/31/2022	SHIP ARPA
		$ -	**$ 28,500**	**$ -**		

All Providers

For The Budget Year 2023

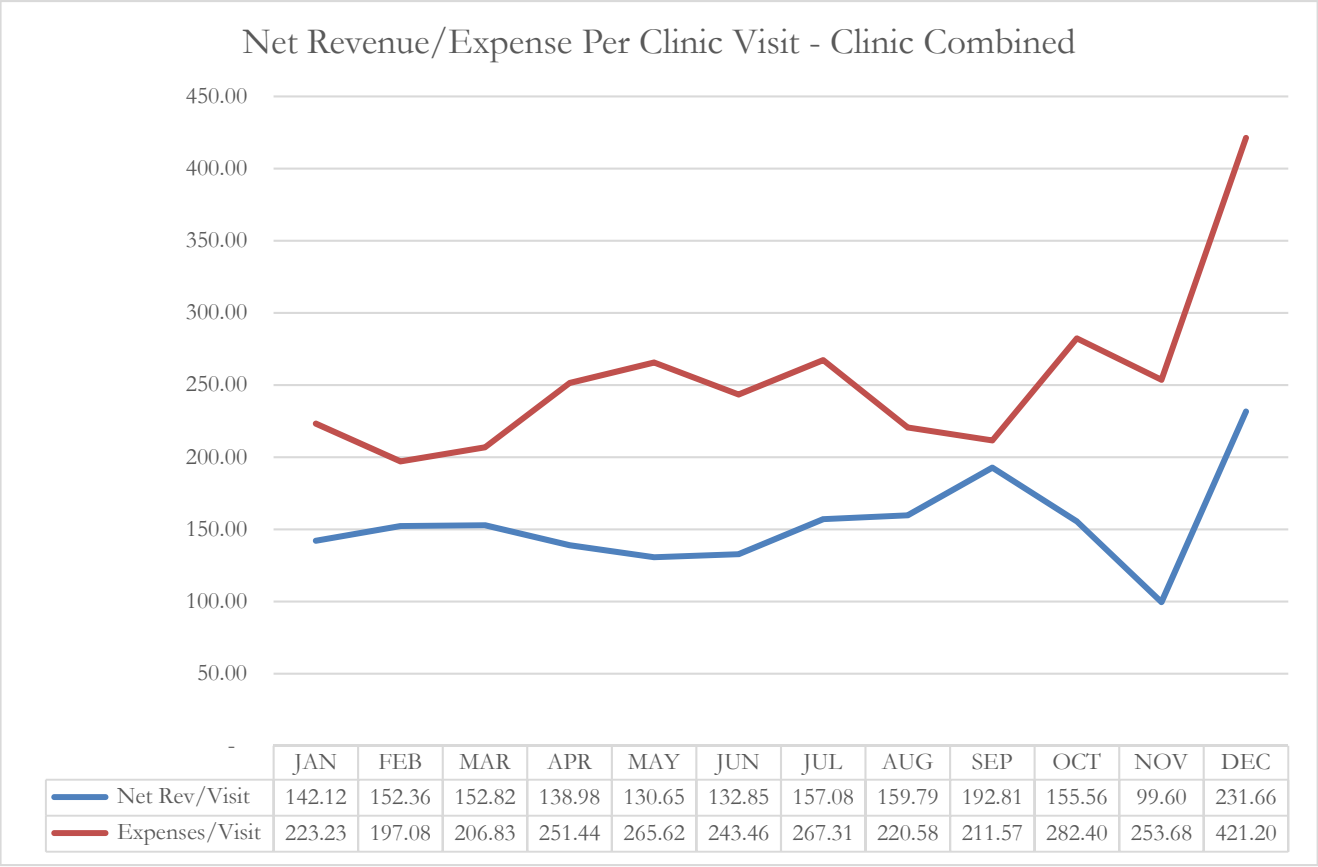
	ACT JUL	BUD JUL	ACT AUG	BUD AUG	ACT SEP	BUD SEP	ACT OCT	BUD OCT	ACT NOV	BUD NOV	ACT DEC	BUD DEC	ACT YTD	Current Budget YTD FY23 Budget	Variance
Provider Productivity Metrics															
Clinic Days	55	78	67	78	61	75	63	82	78	79	56	83	379	475	(97)
Total Visits	420	910	508	910	474	892	460	946	511	928	320	955	2693	5,541	(2,848)
Visits/Day	7.6	11.7	7.6	11.7	7.8	11.9	7.4	11.5	6.6	11.7	5.7	11.5	7.1	11.7	(4.6)
Total RVU	915.98	1,773.20	1,095.47	1,773.20	1,013.77	1,735.00	916.72	1,840.40	1,043.26	1,802.20	578.44	1,857.20	5,563.64	10,781.20	(5,217.56)
RVU/Visit	2.18	1.95	2.16	1.95	2.14	1.95	1.99	1.95	2.04	1.94	1.81	1.94	2.07	1.95	0.12
RVU/Clinic Day	16.65	22.73	16.35	22.73	16.76	23.13	14.67	22.44	13.46	22.81	10.33	22.38	14.70	22.70	(8.00)
Gross Revenue/Visit	363.05	334.33	370.58	334.33	450.68	334.68	363.51	337.07	225.31	337.46	535.51	337.72	374.33	335.96	38.37
Gross Revenue/RVU	166.47	171.58	171.85	171.58	210.72	172.06	182.40	173.26	110.36	173.77	296.25	173.66	181.19	172.67	8.52
Net Rev/RVU	72.02	72.37	74.10	72.37	90.15	72.55	78.06	72.98	48.78	73.17	128.16	73.13	78.21	72.77	5.44
Expense/RVU	122.57	75.68	102.29	75.68	98.92	76.15	141.70	73.52	124.26	73.18	233.01	72.46	129.22	74.35	54.87
Diff	(50.55)	(3.31)	(28.19)	(3.31)	(8.77)	(3.60)	(63.64)	(0.53)	(75.47)	(0.01)	(104.86)	0.67	(51.01)	(1.58)	(49.43)
Net Rev/Day	1,199.50	1,645.18	1,211.56	1,645.18	1,510.64	1,678.30	1,144.95	1,638.06	656.70	1,669.23	1,323.77	1,636.39	1,149.60	1,651.64	(502.04)
Expense/Day	2,041.30	1,720.46	1,672.43	1,720.40	1,657.58	1,761.55	2,078.45	1,650.01	1,672.65	1,669.49	2,406.86	1,621.46	1,899.41	1,687.43	211.98
Diff	(841.80)	(75.28)	(460.87)	(75.23)	(146.94)	(83.25)	(933.50)	(11.95)	(1,015.96)	(0.26)	(1,083.09)	14.93	(749.80)	(35.79)	(714.02)
Patient Revenue															
Outpatient															
Total Patient Revenue	152,481	304,240	188,252	304,240	213,623	298,533	167,213	318,867	115,131	313,160	171,363	322,524	1,008,063	1,861,564	(853,501)
Deductions From Revenue															
Total Deductions From Revenue (Note A)	86,508	175,916	107,078	175,916	122,230	172,660	95,653	184,546	64,237	181,291	97,232	186,704	572,938	1,077,034	(504,095)
Net Patient Revenue	**65,973**	**128,324**	**81,174**	**128,324**	**91,394**	**125,872**	**71,559**	**134,321**	**50,894**	**131,869**	**74,131**	**135,820**	**435,125**	**784,531**	**(349,406)**
Total Operating Revenue	**65,973**	**128,324**	**81,174**	**128,324**	**91,394**	**125,872**	**71,559**	**134,321**	**50,894**	**131,869**	**74,131**	**135,820**	**435,125**	**784,531**	**(349,406)**
Operating Expenses															
Salaries & Wages	63,001	73,372	63,504	73,372	55,298	71,383	82,768	73,372	79,193	71,005	92,222	73,586	435,986	435,710	275
Benefits	9,853	9,325	9,883	9,320	8,081	9,076	10,487	9,320	8,469	8,430	8,065	8,110	54,839	53,525	1,314
Purchased Services	3,723	9,121	4,832	9,121	3,940	9,002	4,923	9,121	4,973	9,002	(4,446)	9,121	17,945	54,488	(36,543)
Medical Supplies	2,313	0	0	0	0	0	285	0	0	0	0	0	2,598	0	2,598
Other Supplies	0	853	33	853	12	853	0	853	731	853	452	853	1,227	5,116	(3,888)
Other Expenses	1,517	2,785	1,517	2,785	4,017	2,785	1,517	2,785	5,794	2,785	3,704	2,785	18,066	16,710	1,355
Allocation Expense	31,864	38,741	32,284	38,741	28,936	39,018	29,923	39,850	30,470	39,815	34,787	40,127	188,264	235,980	(47,715)
Total Operating Expenses	112,271	134,196	112,053	134,191	100,284	132,116	129,903	135,301	129,631	131,890	134,784	134,582	718,926	801,529	(82,603)
Excess of Operating Rev Over Exp	**(46,299)**	**(5,872)**	**(30,879)**	**(5,868)**	**(8,890)**	**(6,244)**	**(58,344)**	**(980)**	**(78,737)**	**(20)**	**(60,653)**	**1,239**	**(283,801)**	**(16,999)**	**(266,802)**
Total Non-Operating Income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Excess of Revenue Over Expenses	**(46,299)**	**(5,872)**	**(30,879)**	**(5,868)**	**(8,890)**	**(6,244)**	**(58,344)**	**(980)**	**(78,737)**	**(20)**	**(60,653)**	**1,239**	**(283,801)**	**(16,999)**	**(266,802)**

Note A - Average Collection Rate =41% of Gross Charges, therefore the Deduction Rate is 59% of Gross Charges

Southern Coos Hospital & Health Center

Summary Statements of Revenues, Expenses, and Changes in Net Position
For The Period Ending December 31, 2022

	Current Month - Dec-2022			Year To Date - Dec-2022		
	Hospital Actual	Clinic Providers Actual	Dec-2022 Actual	Hospital Actual	Clinic Providers Actual	Dec-2022 Actual
Patient Revenue						
Inpatient	1,199,820	-	1,199,820	6,847,017	-	6,847,017
Outpatient	2,556,146	115,131	2,671,277	14,482,597	1,008,063	15,490,661
Total Patient Revenue	**3,755,965**	**115,131**	**3,871,096**	**21,329,614**	**1,008,063**	**22,337,677**
Deductions From Revenue						
Total Deductions	**1,653,061**	**64,237**	**1,717,299**	**7,729,591**	**572,938**	**8,302,529**
Revenue Deductions %	*44.0%*	*55.8%*	*44.4%*	*36.2%*	*56.8%*	*37.2%*
Net Patient Revenue	**2,102,904**	**50,894**	**2,153,798**	**13,600,023**	**435,125**	**14,035,148**
Other Operating Revenue	5	-	5	105	-	105
Total Operating Revenue	**2,102,909**	**50,894**	**2,153,803**	**13,600,128**	**435,125**	**14,035,253**
Operating Expenses						
Total Labor Expenses	1,570,377	87,662	1,658,040	8,638,267	490,825	9,129,092
Total Other Operating Expenses	825,354	41,968	867,322	4,946,327	228,101	5,174,428
Total Operating Expenses	**2,395,731**	**129,631**	**2,525,362**	**13,584,594**	**718,926**	**14,303,520**
Operating Income / (Loss)	**(292,822)**	**(78,737)**	**(371,559)**	**15,534**	**(283,801)**	**(268,267)**
Net Non-Operating Revenues	**104,661**	**0**	**104,661**	**591,676**	**0**	**591,676**
Change in Net Position	**(188,162)**	**(78,737)**	**(266,898)**	**607,209**	**(283,801)**	**323,409**
Collection Rate %	**56.0%**	**44.2%**	**55.6%**	**63.8%**	**43.2%**	**62.8%**
OP EBIDA Margin $	**(217,657)**	**(78,737)**	**(296,394)**	**476,489**	**(283,801)**	**192,689**
OP EBIDA Margin %	**(10.4%)**	**(154.7%)**	**(13.8%)**	**3.5%**	**(65.2%)**	**1.4%**
Total Margin (%)	**(8.9%)**	**(154.7%)**	**(12.4%)**	**4.5%**	**(65.2%)**	**2.3%**



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Net Rev/Visit	142.12	152.36	152.82	138.98	130.65	132.85	157.08	159.79	192.81	155.56	99.60	231.66
Expenses/Visit	223.23	197.08	206.83	251.44	265.62	243.46	267.31	220.58	211.57	282.40	253.68	421.20

This report aims to provide a quarterly analysis of the utilization and financial data submitted by Oregon's hospitals to the DATABANK and INFOH programs and a forward look into current trends.

Oregon Hospital Utilization & Financial Analysis

Q3 2022 & Current Trends

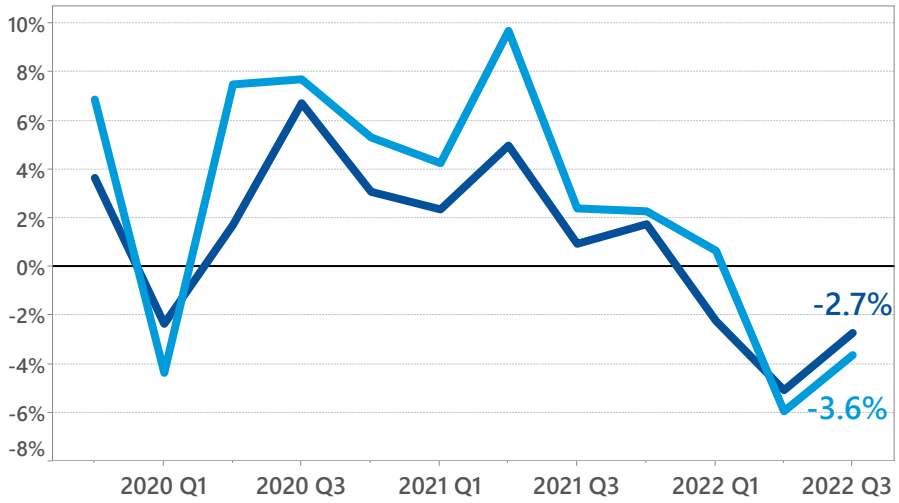
Key Insights

- Workforce issues both inside hospitals as well as downstream in post-acute facilities continue to be the main driver of poor financial performance through Q3. Higher payroll expenses combined with staffing limitations and the inability to discharge patients to other settings that are having personnel shortages too are causing hospitals to lose money on many inpatient stays. Forecasts are showing that this trend will continue for the rest of 2022 and into 2023.
- Higher federal interest rates are increasing the cost of borrowing. This puts hospitals in a further downward financial spiral as they are trying to stabilize operations through loans and other financial instruments, as reflected in deteriorating margins throughout 2022.
- Emergency Rooms are overwhelmed with patients, which adversely affects operations and leads to an overwhelmed workforce and higher patient dissatisfaction.

Operating and Total Margins remain negative

- Q3 2022 Median Operating Margin and Median Total Margin saw slight improvements from the previous quarter. However, both measures of profitability remain in the negative and are at levels similar to the margins Oregon Hospitals experienced during the pandemic lockdowns in Q1 2020.

Median Operating Margin vs Median Total Margin



- Eight out of twelve hospital systems (operating more than one hospital in the state), and over 64% of all Oregon hospitals had negative Operating Margins in Q3 2022.
- With federal relief funds tailing off at the end of 2021, margins remain in negative territory for all three quarters of 2022. For CY 2022 year-to-date, Oregon hospitals have lost a total of $301M from operations, and have had an overall Median Operating Margin of -2.8%.
- The widespread stock market losses have also driven Q3 Median Total Margin downward to -3.6%. With Total Margin running below Operating Margin, there is an increase in liquidity constraint (e.g., making it more difficult and expensive for hospitals to borrow and incurring higher interest expenses).
- Q3 Margins for DRG hospitals remain below their Rural counterparts, with Median Operating Margin for DRGs at -4.2% and Rurals at -0.9%. Median Total Margins for DRGs and Rurals were -5.1% and 0.9%, respectively.

Key Definitions

Net Patient Revenue (NPR)
The revenue hospitals generate from providing health care services to patients.

Total Operating Revenue
The sum of Net Patient Revenue and Other Operating Revenue, which is from business operations not related to patient care like grants, cafeteria and gift shop sales, or federal CAREs Act funds.

Total Operating Expense (TOE)
All expenses incurred from hospital's operations, including patient care, payroll and benefits, supplies, interest and depreciation, and other expenses.

Operating Margin
The sum of Net Patient Revenue and Other Operating Revenue minus Total Operating Expenses.

Total Margin
The net sum of all revenue sources (Operating and Non-Operating) minus all expenses. This includes investment income and tax subsidies from local governments.

Average Length of Stay (ALOS)
Average number of days that a patient spends in the hospital.

Inpatient Visits
A count of discharges of patients who have been admitted to the hospital to stay overnight.

Outpatient Visits
A count of patient visits to the hospital for diagnosis/treatment without spending the night.

Emergency Room Visits
A count of patient visits to the emergency department who are not later admitted to the hospital as inpatients.

-The numbers and figures in this report are based on a DATABANK download from December 5, 2022
-Shriners Hospital for Children is automatically excluded from this report because of their unique status, and wildly fluctuating payer mixes that make comparisons difficult with other community hospitals.

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This report aims to provide a quarterly analysis of the utilization and financial data submitted by Oregon's hospitals to the DATABANK and INFOH programs and a forward look into current trends.

Oregon Hospital Utilization & Financial Analysis

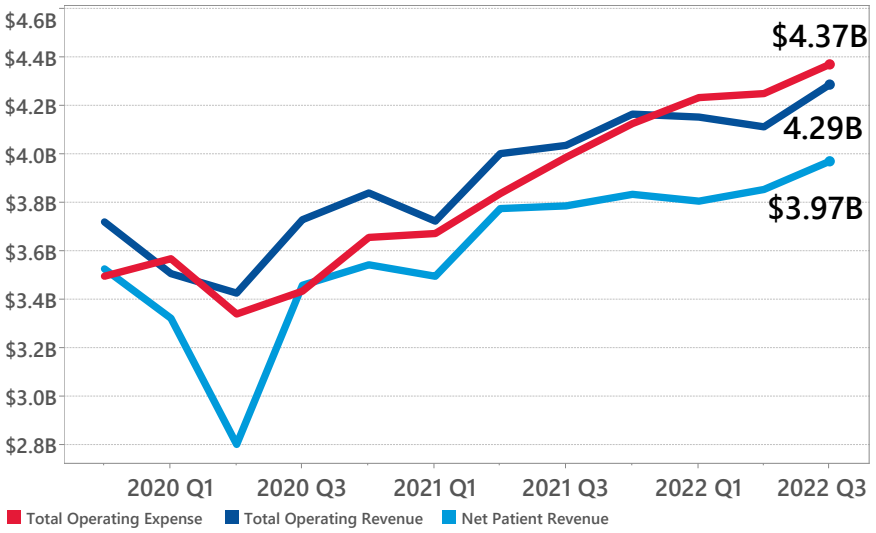
Q3 2022 & Current Trends

Net Patient Revenue continues to lag behind Total Operating Expenses

- The considerable gap between Net Patient Revenue (NPR) and Total Operating Expense (TOE) remains in Q3 2022. It has now been eight quarters since NPR was above TOE - meaning that much time has passed since hospitals have been able to cover their expense obligations through their core patient care mission activities.

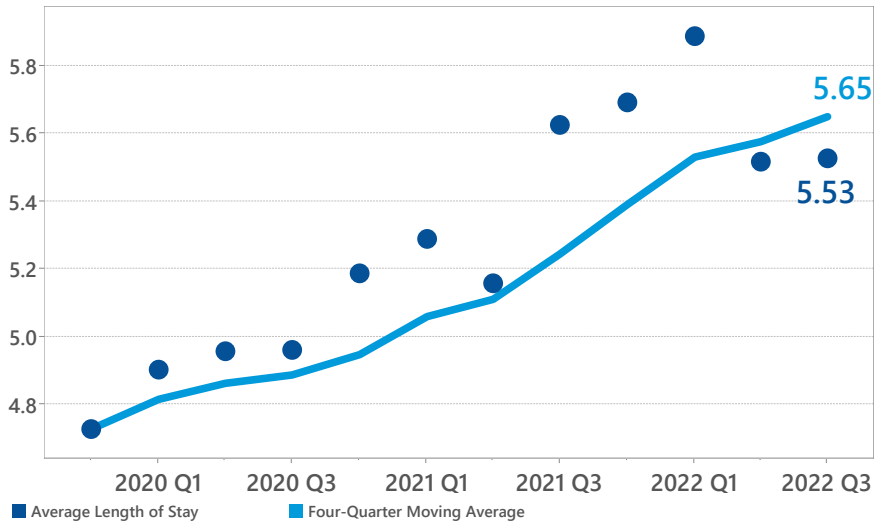
- Total Operating Revenue (NPR plus other business operations revenue such as grants, leases, and CARES Act funds) has stayed below TOE throughout the current calendar year (Q1-Q3).
- Facility Payroll, Physician Payroll, and Benefit Expense – all direct components of labor costs -- have increased by 35%, 22% and 20%, respectively, over the past three years.
- Other Expense, which captures labor-related purchased services (such as housekeeping, facility management, IT, professional services) along with utilities insurance, etc. increased by 28%.
- Supply Expense and Interest Expense have also increased by 25%, reflecting higher costs of goods due to supply chain disruptions, inflation, and the higher cost of borrowing.

Revenue vs Expenses



Capacity challenges

Average Length of Stay (ALOS)



- The rolling four-quarter ALOS for Q3 2022 is now 5.65 days, a slight increase from the previous quarter (5.58). This is 20% higher compared to pre-pandemic levels of 4.7 for Q4 2019.
- Staffing shortages and the inability for hospitals to discharge patients to post-acute settings (nursing homes, rehab facilities, etc) are keeping ALOS high. Longer ALOS costs hospitals more and does not translate to additional revenue due to fixed reimbursements.
- Emergency Room (ER) visits have been rising consistently throughout CY 2022 and are now roughly 7% higher than pre-pandemic levels. More ER visits have resulted in longer wait times, extended ER boarding periods, heightened strain on hospital admissions, and increased the need to divert patients due to capacity pressures.

-The numbers and figures in this report are based on a DATABANK download from December 5, 2022

-Shriners Hospital for Children is automatically excluded from this report because of their unique status, and wildly fluctuating payer mixes that make comparisons difficult with other community hospitals.

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QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT PLAN

FY 2022-2023

Southern Coos Hospital and Health Center

Organization-wide Quality Assurance and Performance Improvement Program FY 2022-23

Formulated By: SCHHC QAPI Committee
Norbert Johnson, Board of Directors Liaison
Raymond Hino, CEO
Noel Pense, DO, Quality and Patient Safety Medical Director
Phillip Keizer, MD, Medical Chief of Staff
Cori Valet, RN, BSN, Chief Nursing Officer
Barbara Snyder, RN, BSN, MBA, Quality, Risk, Compliance Officer
Sharon Bischoff, RN, BSN, Quality Coordinator

Approved By: 12-20-22 Quality and Patient Safety Committee
(date) SCHD Board of Directors

Table of Contents

I. Mission and Vision

Mission Statement

Quality Healthcare with a Personal Touch

Vision Statement

SCHHC will improve the health and viability of the community by working to be the best place for patients to receive care, for employees to work, and for providers to practice medicine.

Strategic Plan Pillars

People:	Improve employee experience and become an employer of choice
Service:	Build a culture of service excellence by providing a phenomenal experience for our customers (patients and each other)
Quality:	Enhancing quality of care, improving patient safety, and ensuring our standards align with regulatory requirements
Growth:	Increase market share through enhancement of existing and development of new services
Finance:	Achieve profitability by increasing net revenue, controlling costs, maintaining an effective investment strategy, and streamlining the revenue

II. INTRODUCTION:

A. Purpose

SCHHC is dedicated to meeting the needs of our patients in a manner which is consistent with our mission, vision and strategic pillars. The Organizational Quality Assurance and Performance Improvement plan is designed to provide a systematic and organized program for the promotion of safe, quality patient care and services. The plan outlines improvement principles, organizational structure and approach to continually strive toward our purpose of (1) doing the right things, (2) doing the right things well, and (3) continually improving. Activities are interdisciplinary and collaborative in order to respond to the needs of the customer, patient, physician, employee and community.

Through an interdisciplinary and integrated process, patient care and processes that affect patient care outcomes shall be continuously monitored and evaluated to promote optimal achievements, with appropriate accountability assumed by the Board of Directors, Medical Staff, Administration, and support personnel.

B. Quality Definition

SCHHC defines quality as improved patient health care outcomes.

C. Quality Values and Assumptions

Our quality values are focused around the six pillars from our Strategic Plan: people, service, quality, growth, and finance.

Our assumptions for quality are based on the following:

1. the quality of a service or product is determined by a careful understanding of the needs & expectations of our internal and external customers;
2. the improvement of the quality of a product or service is continuous; and
3. quality improvement involves every staff member in the organization.

D. Goals

Organizational goals are presented to the Board of Directors by the CEO and Executive Leadership for approval annually. A dashboard of organizational metrics, objectives, and goals are maintained each year following Board of Directors approval. The QAPI plan and organizational goals shall be set each FY. All changes to the QAPI will be approved by the Board of Directors. Goals of the Quality Improvement Program are as follows:

1) Departmental Goals (People)
   a. Utilize information from the September 2022 DNV Survey to determine ongoing departmental quality improvement goals.

2) Improve Patient Satisfaction Data (Service)
   a. Use patient satisfaction data to drive improved patient care.

3) Standardization of supplies and services safety (Service)
   a. Develop a system to Identify manufacturer or vendor recalls.

4) Antimicrobial Stewardship Improvements (Quality)
   a. Collect data of patient antibiotic orders to verify antimicrobial stewardship efforts.
   b. Achieve industry and DNV standard of care for antimicrobial stewardship.

5) Patient safety goals (Quality)
   a. Adopt the Joint Commission 2023 National Patient Safety Goals to help improve patient outcomes:
      1. Identify patients correctly.
      2. Improve staff communication.
      3. Use medicines safely.
      4. Use alarms safely.

5. Prevent infection.
6. Identify patient safety risks.
7. Prevent mistakes in surgery.

6) Communication Strategies (Growth)

b. Develop an effective communication plan between staff, managers, department heads, executive leadership team, and the Board of Directors.

7) Performance Improvement Metrics (Growth)

a. Focus departmental goals on the Hospital strategic plan (2022).
c. Develop facility wide accountable monthly quality report.

E. Scope of Activities

The scope of the Organizational Quality Assurance and Performance Improvement Program encompasses measurement and the action taken to correct activities of the Medical Staff, Nursing and Ancillary or support services. Data will be collected from every department and service of the hospital. Processes and outcomes of care are designed, measured and analyzed.

Quality Improvement activities will address both clinical and organizational services. These activities are designed to assess key functions of patient care. We will study, identify, and correct problems or improvement opportunities found during processes of patient care delivery.

The Board of Directors, CEO, Executive Leadership Team, Department Directors and Medical Staff leaders regularly communicate with each other on issues of patient safety and quality.

Key Focus Areas:

1. Shift the primary focus from the performance of individuals to the performance of the organization's systems and processes, while continuing to recognize the importance of the individual competence of credentialed clinical staff and other ancillary staff.
2. To utilize internal and external customer feedback to improve the services necessary to excel in a competitive health care environment.
3. To organize data into useful information, including comparison to internal and external data sources.
4. To utilize external information sources representing "Best Practices" in the design of systems to improve patient outcomes and processes.
5. To promote a culture of continual survey readiness.
6. To promote a culture of safety within the organization.
7. To enhance communication between Administration, Medical Staff, Hospital Department/Services, and the Board of Directors regarding the conclusions and recommendations from the data analysis. The appropriate actions taken to address the

findings and recommendations.

III. Organization and Responsibilities of Leaders

A. Responsibilities

Participation in Quality Improvement activities are the responsibility of Medical Staff, and everyone employed by or contracted staff with Southern Coos Hospital and Health System. The organizational Plan for Quality is reviewed and approved annually by the Board of Directors and the CEO.

Board of Directors

The Board of Directors shall be responsible to ensure the provision of optimal quality care, safety, and organization-wide performance. The Board is ultimately accountable for the safety and quality of patient care provided in every department and service of the hospital.

The Board of Directors which maintains overall responsibility delegates patient safety, quality of patient care, and overall operations authority to the Hospital CEO.

The CEO and the Medical Staff in collaboration with the Board of Directors facilitate Quality Improvement by:

1. Authorizing the establishment of a committee structure to implement the Quality Assurance and Performance Improvement (QAPI) Program.
2. Providing direction in setting performance improvement priorities based on our mission, vision, and strategic goals;
3. Establishing an organizational culture that supports a commitment to quality and patient safety;
4. Ensuring the quality program reflects the complexity of the hospital's organization and services;
5. Ensuring the quality program is focused on metrics related to improved health outcomes and the prevention and reduction of medical errors;
6. Approving the Quality Assurance and Performance Improvement Plan (QAPI);
7. Providing adequate resources, both material and manpower, to accomplish the QAPI function;
8. Receiving monthly reports of QAPI data from departments and services of the hospital including those provided through contracts;
9. Reviewing, accepting or rejecting periodic action plans based on findings, actions, and

results of program activities regarding the effectiveness of organization-wide quality and safety activities;

10. Evaluating the effectiveness of the quality program annually, and if necessary, requiring modification to organizational structure and systems to improve outcomes;
11. Requiring a process designed to assure that all individuals responsible for the treatment and/or care of patients, whether provided through internal mechanisms or contracted services, are competent.
12. Specifying the detail and frequency of data collection;

Chief of Staff, Quality Medical Director, Emergency Department Medical Director, and Medical Staff

The Chief of Staff, accountable to the CEO, has the primary authority for activities related to self-governance of the medical staff and for performance improvement of the professional services provided by licensed independent practitioners and other practitioners privileged through the medical staff process. The Chief of Staff makes recommendations directly to the CEO based on the reports from medical staff committees, hospital departments, and other assigned groups.

The Medical Director of Quality provides leadership for measuring, assessing, and improving processes that primarily depend on the activities of one or more licensed independent practitioners, other credentialed practitioners, and privileged practitioners through the medical staff process. The Medical Director of Quality is actively involved in the measurement, assessment, and improvement of the following:

Data on individual practitioners as well as aggregated data for:

- The quality of Histories and Physicals.
- Medical assessment and treatment of patients.
- Appropriateness of clinical practice patterns including significant departures from established patterns of clinical practice.
- Unexpected Complications.
- Review Medication Use Monitoring.
- Accurate, timely, and legible completion of patient's medical records.
- Blood / Blood Component Usage Review.
- Operative / Invasive Procedure and Anesthesia.
- Review Risk Management / FMEA.
- Sentinel/ Serious Safety Event.
- Patient Safety including safe opioid.
- Antibiotic Prescribing Practices.
- Utilization Management Publicly reported metrics/ data.

The Medical Staff, led by the Chief of Staff, is responsible for review of findings of the Assurance process that are relevant to an individual's performance; Focused Professional Practice Evaluation (FPPE) and Professional Practice Evaluation (OPPE).

The Medical Staff is committed to developing and continuing to improve active involvement in the measurement, assurance, and improvement of data on individual credentialed practitioners from the aggregated data.

The Medical Staff shall conduct the following:

- Participate in developing specific indicators to systematically evaluate practitioner care. This may be accomplished by individual medical staff departments or medical staff committees approved by Medical Staff.

- Identify, analyze issues, opportunities, and recommends actions to Medical Staff Department Directors. Monitors the effect of the actions taken to determine that any issue has been resolved.

- Monitors the appropriateness of clinical practice patterns and significant departures from established standards of clinical practice;

- Report medical staff quality information monthly to the Quality and Patient Safety Committee, Medical Staff Department Directors, Medical Staff and the Board of Director by written reports, summaries or conclusions.

CEO and Executive Leadership

Administration supports the maintenance of the QAPI process through allocation of staff and resources necessary to fulfill the requirements of the program.

Administration also:

- Analyzes data and information in decision-making that supports patient safety and quality of care;

- Performs evaluations of clinically contracted services in collaboration with the respective department directors and reporting the results of the evaluation through the QAPI Committee structure to the Board and Medical Staff;

- Regularly evaluates the culture of safety and quality using valid and reliable tools.

- Ensures the participation of appropriate staff members of all departments and services in the Hospital through collaborative monitoring, evaluation of patient outcomes, and

important functions to the QAPI Committee structure.

Quality Improvement

The Quality Department shall be responsible to support the organization's Quality Improvement principles, strategies, priorities, approach, and methodologies, which includes but is not limited to the following tasks:

- Working with the Medical Staff, all hospital departments/services, and staff to effectively measure, assess, analyze, and improve the quality and safety of care and services.
- Coordinate Quality Improvement orientation, education and training.
- Facilitate and support Quality Improvement efforts.
- Coordinate survey preparations and facilitate a culture of continual survey readiness.
- Maintain the database for all QAPI activities including quality improvement initiatives, departmental quality measures, physician quality, credentialing, and peer review activities.
- Support hospital administration to prepare an annual organization-wide evaluation of the Quality Program.
- Facilitate communication of quality improvement activities throughout the organization and the Quality and Patient Safety Committee to the Medical Staff and Board of Directors at least quarterly.
- Work closely with Risk Management to monitor or analyze any serious patient safety event and/or sentinel event and promote patient safety.
- Work with the Medical Chief of Staff, Executive Leadership, and Department Directors to select meaningful quality measures that address patient quality or safety needs.
- Provide reports using statistical tools & techniques to analyze and display data.
- Compare internal data over time to identify any patterns, trends, or variations.
- Compare data with external sources.

Hospital Departments

The Department Directors, Managers and Executive Team Members are accountable for the quality and patient safety during the performance of their staff for the care of service provided..

Executive Team Members, Department Directors or Managers will:

- Communicate and prioritize opportunities for improvement
- Promote the development of standards of care and criteria to objectively measure the quality and safety of care/services rendered in their departments.
- Monitor, analyze and report the processes in their areas that affect patient care, safety,

outcomes and satisfaction.
- Design and redesign work processes to improve safety and quality.
- Participate in the evaluation of the performance of contracted services.
- Participate in quality improvement initiatives.
- Report QAPI data and actions taken as appropriate.
- Communicate the status of departmental quality, patient safety, and survey readiness initiatives regularly to departmental staff members.

The Quality and Patient Safety Committee

The Quality and Patient Safety Committee is the hospital-based multidisciplinary committee that serves to coordinate organizational quality improvement activities. Membership includes: A Board of Director member, CEO, Executive Team, Medical Staff, Department Directors or Managers, Human Resources, Communications, and Department Supervisors.

Quality meetings are scheduled on a monthly basis. Activities include but are not limited to:

1. Reviewing in-depth information and data regarding specific hospital departments or areas on an approved schedule;
2. Reviewing quality data and process improvement efforts;
3. Recommending improvement efforts for consideration by the Board of Directors;
4. Reviewing and approving recommendations from the Policy Committee to take to the Board of Directors.

Quality and Patient Safety Integration

It is essential the Patient Safety Program and Quality Assurance and Performance Improvement Program are integrated to ensure the flow of information to the appropriate areas for review, action, and/or follow-up.

The Quality and Risk Management programs seek to reduce the frequency and severity of adverse events, thus minimizing loss and contributing to Quality Improvement through risk identification, evaluation, control and education.

The Quality and Risk Manager identifies conditions/significant events which could or have caused injury or loss; monitor resolution of risk-related problems; plan/provide appropriate education to employees, Medical Staff, and Board of Directors; and interact with the Medical Staff, Administration, Nursing and Clinical Services.

B. Establishing Priorities for Quality Improvement

Priorities for Quality Improvement shall be established collaboratively by the Board, Administration, Medical Staff, and the Quality and Patient Safety Committee. The following criteria will be considered in establishing priorities:

- Mission, Vision and Values.
- Strategic Plan, Community needs.
- Needs and expectations of patients and families and other customers.
- Input from Medical Staff and Employees.
- High Volume diagnoses/procedures/processes.
- High Risk diagnoses/procedures/processes.
- High cost diagnoses/procedures/processes.
- Problem prone procedures/processes.
- Input from external sources (licensing, regulatory agencies.)
- Clinical competency and training needs.
- Resources required to make the improvement, both human and material.
- Prioritization Matrix.

Prioritization

The Quality and Risk Manager will oversee the setting of priorities for quality improvement activities. Items/topics will be evaluated by the Quality and Patient Safety Committee. Quality improvement activities may be re-prioritized by the committee based on needs and resources. Issues may be reprioritized in response to sentinel/serious safety events identified, through quality indicators tracking and trending, unanticipated adverse occurrences affecting patients, changes in regulatory requirement, changes in patient population, in the physical environment, and/or changes in the expectations or needs of patients, staff or the community.

Reporting

Quality Improvement results of monitoring activities and the improvement action plans are reported to Administration, the Board of Directors, and Medical Staff at least quarterly.

C. Quality and Patient Safety Committee

The Quality and Patient Safety Committee is a formal sub-committee of the Board of Directors, and thus a board member is a liaison to the board and is present at the Quality and Patient Safety Committee meetings. Per the SCHHC Board of Directors bylaws, the Quality and Patient Safety Committee meets monthly on the third Tuesday of the month and the meeting summary is presented to the board monthly in Executive Session. All Committee actions are tentative pending official Board of Directors approval. Members of the Quality and Patient Safety Committee include a member from Medical Staff, CEO, Executive Team as well as departmental managers, and medical staff.

The Quality and Patient Safety Committee evaluates all Department Dashboards and assists in the development of the yearly Quality Improvement Goals and Strategies. In addition, the Quality and Patient Safety Committee reviews actions plans and may make recommendations

for audits of department processes. Any employee or Medical Staff member may forward concerns regarding quality to the Quality Council.

IV. Design – Quality Approach and Framework

A. Methodology

The PDSA model/process for performance improvement is utilized as the methodical approach to Quality Assurance and Performance Improvement initiatives.

Data Collection

The staff collects, organizes and analyzes data necessary to determine root causes, track performance, benchmarking, etc. Data is organized in such a manner as to facilitate comparison and trends. The data collection is conducted in a timely and efficient manner. Statistical techniques and data displaying "tools" will be utilized. Tools may include but are not limited to: charts and graphs, Run Charts, Histograms, Pareto Charts, Flow Charts, Cause and Effect diagrams (Fishbone Diagrams), Control Charts, etc.

Frequency of Data Collection

The frequency of data collection and measurement is related to:

1. The frequency of the event (affect a large percentage of patients);
2. Problem prone processes;
3. The significance of the event or process monitored, such as
    a. What the leaders view as most important,
    b. The extent to which the important aspect of care, processes, and outcomes monitored has been demonstrated to meet expectation or be problem free,
    c. Customer satisfaction responses;
4. Priority issues and adverse/significant events may require more detail and frequency of measurement activities.

B. Measure

The monitoring and analysis process will include at least the following evaluations:

- (SR.1) Evaluation of patient care services and other services provided affecting patient health and safety, quality and appropriateness of the diagnosis and treatment (including outcomes) provided by the QLP clinical staff. This evaluation shall be performed by a CAH staff member who is a Doctor of Medicine or Osteopathy or by another Doctor of Medicine or Osteopathy under contract with the CAH.

- (SR.2) Credentialing and quality and appropriateness of diagnosis and treatment (including outcomes) provided by Physicians. This credentialing and clinical review shall be performed by:
- (SR.2a) Representative(s) of a hospital that is a member of the network, if applicable;
- (SR.2b) A QIO (or equivalent) entity; or,
- (SR.2c) An entity qualified by the state rural health care plan.
- (SR.3) Threats to patient safety (e.g., falls, patient identification, injuries);
- (SR.4) Medication therapy/medication use: to include medication reconciliation, high-risk medications, lookalike sound-alike medications and the use of dangerous abbreviations;
- (SR.5) Operative and invasive procedures (including wrong site/wrong patient/wrong procedure surgery);
- (SR.6) Anesthesia/moderate sedation adverse events;
- (SR.7) Blood and blood components;
- (SR.8) Restraint use/seclusion;
- (SR.9) Effectiveness of pain management system;
- (SR.10) Infection prevention and control program metrics, including but not limited to:
- (SR.10a) CMS required HAI reporting; and,
- (SR.10b) Antimicrobial stewardship.
- (SR.11) Utilization Management System;
- (SR.12) Patient flow issues, to include reporting of patients held in the Emergency Department or the PACU for extended periods of time (as defined by the CAH);
- (SR.13) Customer satisfaction, both clinical and support areas, including: SR.13a Grievances;
- (SR.14) Discrepant pathology reports;
- (SR.15) Unanticipated deaths;
- (SR.16) Adverse events/near misses;
- (SR.17) Readmissions and unplanned returns to surgery (as defined by the CAH);
- (SR.18) Critical and/or pertinent processes, both clinical and supportive;
- (SR.19) Medical record delinquency; and,
- (SR.20) Physical Environment Management Systems.

The hospital will conduct a root cause analysis, and other investigations as appropriate, in response to a sentinel event, serious safety event or significant near miss. The root cause analysis involves an internal investigation and analysis of the sentinel event to reduce variations and prevent the event from recurring in the future.

Design of New Processes

When it is established that there is a need or opportunity to initiate a new service, extend product lines, occupy a new facility, or significantly change existing functions or processes, the design will be based upon the organization's mission, vision and plans. The needs of the patients, staff, and all who use this service will be considered and up-to-date sources of information shall be used to design the process or service.

C. Improvement

Improvement opportunities are identified by departmental and organizational QI activities, customer satisfaction surveys, sentinel/serious safety events, hospital/medical staff committees, opportunity for improvement forms and through formal and informal networking of all Employees.

Appropriate action will be recommended and implemented to eliminate or reduce variations identified or to improve quality of care. The Quality Council may refer to the Performance Improvement Committee to audit implementation of and compliance with the quality improvement process

Re-design/Design of Improvement Initiatives (Re-Assurance Process)

The effectiveness of any action taken is assessed and documented. Periodic monitoring of the results of correction action, including re-design of processes, will be conducted to make sure that any problems identified have been alleviated or eliminated and the improvement sustained. Any design/re-design initiative(s) will be evaluated for their effectiveness. If the specific area does not show improvement, new actions/design will be taken and, once again, the effectiveness will be assessed.

V. Communication and Reporting

To coordinate the quality improvement activities throughout the organization, the Quality / Risk Manager will receive and have access to all QI information. Department managers communicate their quality activities and performance to their employees, to the administrator to whom they report, and/or to using dashboards.

Feedback from organizational QAPI activities is provided at CEO, Leadership Executive meetings, in departmental staff meetings, Medical Staff and Board of Directors as appropriate.

VI. Staff Development/Education

Staff will be introduced to Quality Assurance and Performance Improvement concepts and objectives during new Employee orientation, department staff meetings, and in-services as needed. Employees are encouraged to participate in the team process which provides additional "just in time" training.

VII. Annual Program Evaluation

The effectiveness of the Quality Assurance and Performance Improvement Program is evaluated annually and revised as necessary by Quality and Risk Manager. Any changes are reported to the Board of Directors, CEO, and Executive Leadership.

VIII. Confidentiality

Confidentiality shall be maintained, based on full respect of the patient's right to privacy and in keeping with Hospital Policy and State and Federal Regulations governing the confidentiality of quality improvement work products.

IX. Retention of Records

All minutes of meetings are maintained as defined in the Record Retention policy either in their original form or electronically. Cumulative quality improvement activity reports are maintained for three years either in their original form, or electronically.

Quality and Patient Safety Medical Director	Date
CEO	Date
Board of Director Chair	Date

Supporting Documents and Sources

Agency for Healthcare Research and Quality. Quality and Patient Safety.
https://www.ahrq.gov/programs/index.html?search_api_views_fulltext=&field_program_topics=14177

Institute for Healthcare Improvement. Patient Safety.
https://www.ihi.org/Topics/PatientSafety/Pages/default.aspx

The Joint Commission. 2023 National Patient Safety Goals.
https://www.jointcommission.org/standards/national-patient-safety-goals/

National Association of Healthcare Quality. NAHQ Healthcare Quality Competency Framework.
https://nahq.org/nahq-intelligence/

To: Board of Directors and Southern Coos Management
From: Katelin Wirth, Financial Analyst on behalf of Jeremiah Dodrill, CFO
Re: SBAR Analysis-Cardiac Monitors Capital Purchases/Reallocation of Approved Funds

Situation

The hospital's cardiac monitors are at end of life and require replacement.

Background

During the FY23 budget season, the Board of Directors approved the capital purchase of cardiac monitors in the amount of $230k. This estimate was based on a quote from Fukuda Denshi, the supplier of our existing cardiac monitors. After evaluation of multiple competitors, management has tentatively selected Mind Ray cardiac monitors which are estimated to cost $268k, which exceed the line item capital budget approved for FY2023.

Analysis

In September, the Board approved additional capital requests to support the initiation of an orthopedic surgical program in the hospital. Certain previously authorized equipment, including surgery's cardiac monitoring equipment, were included within the disclosure of the total investment to support the orthopedics program at that time. The currently approved capital budget for Surgical Services is $300k. Due to improved contract negotiations and certain deferrals of equipment purchases, we currently do not expect to spend entire $300k.

Original Surgery Capital Budgeted	113,000.00
Additional Orthopedic Capital Approved in September	187,238.44
Total Surgical Budget	300,238.44
Less Surgical Capital Purchases	230,684.41
Amount Remaining Approved Capital	69,554.03
Less Additional Mindray Expense Needed (Reallocation)	38,000.00
Amount Remaining for Unallocated Future Capital	31,554.03

In support of the vendor evaluation, the clinical staff and supply chain have identified these differentiators which led to the selection of Mind Ray cardiac monitors over the other competitors.

- Reduced downtime due to available local support,
- Interdepartmental consistency,
- Larger viewing screens which allow ease of monitoring cardiac rhythm, rate and O2 saturation at the bedside and
- Wireless connectivity which allows for future growth.

Recommendation

SCHHC Management would request that the additional funds required to upgrade the cardiac monitors be reallocated from the Orthopedic budget and the remaining $32k be for future capital needs within the facility.