



**Board of Directors Regular Meeting
& Executive Session
Bandon Professional Center
March 27, 2025 - 6:00 p.m.**

AGENDA

I.	Call to Order 6:00 p.m.	
	1. Agenda Corrections or Additions.....	(action)
II.	Consent Agenda	
	1. Open Session Meeting Minutes	
	a. Regular Meeting-02/27/25.....	3
	2. Monthly Counsel Invoice – Robert S. Miller III Attorney - None	
	Motion to Approve Consent Agenda	(action)
III.	New Business	
	1. Consideration of Liability Insurance Coverage Proposals/Coverage Year 2025-2026 Derek Grewatz, Chivaroli & Associates.....	(under separate cover)
IV.	Old Business	
	1. Financial Auditor RFP Update.....	10
	2. District Bylaws Edit to Medical Staff Article VII, Section 4.....	11
V.	Staff Reports-Discussion	
	1. CEO Report.....	12
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	4. CFO Report.....	19
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	6. Multi-Specialty Clinic Report.....	24
	7. SCHD Foundation Report.....	26
	8. Strategic Plan Update.....	(under separate cover)
VI.	Monthly Financial Statements: Review & Discussion	
	1. CEO Month-End Executive Summary.....	27
	2. CFO Month-End Summary.....	31
	3. Month-End Statements for Period Ending February 28, 2025.....	32

VII. Executive Session

Executive Session Under 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 and under ORS 192.660(2)(i) and 192.660(8) to review and evaluate the performance of an officer, employee or staff member if the person does not request an open hearing. This statute may not be used to do a general evaluation of an agency goal, objective or operation or any directive to personnel concerning these subjects. No decisions will be made in Executive Session.

2. Review of Monthly Reports for Consideration in Open Session:
 - a. Quality, Risk & Compliance Report
 - b. Medical Staff Committee Report
3. CEO Evaluation Conclusion - No Action Required in Open Session

VIII. Return to Open Session

1. Consideration of Executive Session Minutes from 02/27/25.....(action)
2. Consideration of Reports from Executive Session
 - a. Quality, Risk & Compliance Report.....(action)
 - b. Medical Staff Report(action)

IX. Open Discussion

X. Adjournment

**Southern Coos Health District
Board of Directors Meeting
Open Session Minutes
February 27, 2025
Bandon Professional Center**

I. Open Session Call to Order at 6:00 p.m.

Roll Call – Quorum established; Thomas Bedell, Chairman; Mary Schamehorn, Secretary; Pamela Hansen, Treasurer/Foundation Liaison and Robert Pickel, Director. **Administration:** Raymond Hino, CEO; Alden Forrester, MD, CMO; Cori Valet, CNO; Scott McEachern, CIO. **Absent:** Antone Eek, CFO; Philip J. Keizer, Chief of Staff. **Others present:** Robert S. Miller, Counsel; David Serle, Clinic Director; Brenda Sund, Controller; Katelin Wirth, Financial Analyst; Colene Hickman, Revenue Cycle Director. Kim Russell, Executive Assistant. **Via Remote Link:** Amanda Bemetz, Quality/Risk/Compliance Director; Alix McGinley, SCH Foundation Director; Stacy Nelson, HR Director. **Press:** None.

1. Agenda - Corrections or Additions

Policy 168.001 Revised Patient Grievance Complaint Process Policy now included in Quality Risk and Compliance Report, to be considered following Executive Session.

2. Public Input

None

II. Health District Board Appointment – Position #4

1. Nomination for Appointment of Kay Hardin
2. Swearing-In by Robert S. Miller, Legal Counsel

III. Consent Agenda

1. **Open Session Meeting Minutes (Executive Session Minutes are Reviewed in Executive Session):**
 - a. Regular Meeting–01/23/25
 - b. Special Meeting Open Session-02/12/25
 - c. Special Meeting Open Session-02/24/25
2. **Monthly Counsel Invoice – Robert S. Miller III Attorney - None**

Mary Schamehorn **moved** to approve the Consent Agenda. Robert Pickel **seconded** the motion. **All in favor. Motion passed.**

IV. New Business

1. **Coos County Special District Election – May 20, 2025 (Candidate Filings Due March 20). The following Southern Coos Health District board positions will be on the May ballot:**

- a. Position #4 – Kay Hardin
- b. Position #5 – Robert Pickel

Both Ms. Hardin and Mr. Pickel expressed their intentions to file by March 20 for the May 2025 Coos County Election.

2. Consideration of Policy 800.011 Board of Director Orientation Policy

No action taken. Mr. Bedell invited members to consider if another board member of standing should co-lead or attend with new members. No additions or changes were submitted.

3. Audit Firm Discussion

Mr. Hino provided background and recommendations regarding the best practice to open an RFP process for consideration of a new financial audit firm. Moss Adams has been the district audit firm for at least 12 years. Administration is recommending an RFP with solicitation of bids for a 1-year term, or, for a 3-year term, to include an “out” clause after each year. Moss Adams to be invited to participate. If Moss Adams selected, changing the audit team would be an option. A final decision would be needed by March 30. A successful RFP process will result in presentation to the Board of Directors at the March 27 regular meeting.

Pam Hansen **moved** to approve for Administration to proceed with audit firm RFP process. Mary Schamehorn **seconded** the motion. **All in favor. Motion passed.**

V. Old Business

1. Consideration of Edits to Health District Bylaws Article V. Committees

Mr. Bedell introduced the proposed edits to the Bylaws Committees Article V, specifically noting that board member committee liaisons do not vote in committee, in consideration of member’s governance vs operational responsibilities. As opposed to board members, committee members are not required to live within health district boundaries. **Discussion:** Pam Hansen, the Southern Coos Health Foundation committee liaison, will review the Foundation section for additional changes.

Mary Schamehorn **moved** to approve the revisions presented today. Bob Pickel **seconded** the motion. **All in favor. Motion passed.**

VI. Staff Reports

1. CEO Report

Mr. Hino provided a summary of his printed report opening with news of the signed contract with Gynecology Surgeon, Dr. Veronica Simmonds who is ready to fill out our surgery schedule and is anticipated to be busy serving our community. Master Facility expansion planning is getting started with a kick off in early March and

supporting efforts to include community engagement and demographics study. State Senator David Brock Smith is introducing a senate bill in support of \$2.2M to help fund the expansion. Members of our Administration will be attending the Hospital Association of Oregon Leadership Conference in Salem on March 4 where we will also be meeting with Senator Smith and Representative Court Boice.

2. CMO Report

Dr. Forrester recapped his written report, opening with physician recruitment efforts noting disappointment that Dr. Namenyi has declined at this time, stating she is not ready to commit to full time employment. Negotiations are under way to pursue dermatology and other specialties. Areas of focus have included internal process improvements and Quality Assurance with chart and peer review. It is anticipated that a new telemedicine vendor proposal will be presented in April. Business office conversion to clinical space is moving forward with quotes from contractors to be presented in April for consideration. Pain clinic services are presently temporarily relocated to the hospital with this arrangement working well for patients and staff.

3. CNO Report

Ms. Valet shared that the full-time employment (FTE) staffing report that has been provided in the past, pulled from the previous EMR system is not yet available through Epic, from the financial analyst. Katelin Wirth was present to explain the process and that her efforts have been redirected in the meantime to the Epic transition and budget process preparation. Ms. Valet continued with staffing updates including the addition of a new Case Manager RN who will also perform Utilization Review functions. Contract staffing in Surgery was reduced in January. A servicing issues was reported regarding 2 newly acquired bi-pap machines that may need to be replaced. ER census is trending upward. Discussion: Transfer of patients from the Emergency Department occur when a patient requires a higher level of care not available at Southern Coos, such as cardiac cath lab or orthopedic surgery. The actual bed count is 17 but will increase to 18 when room 130 is fully outfitted, with plans to add a bariatric bed. There were no further questions.

4. CFO Report

Brenda Sund, Controller, presented the CFO Report on behalf of Antone Eek who is out of office. Ms. Sund opened with an update on the planned outpatient retail pharmacy, with plumbing completed today. Pharmacy infrastructure is in process including information systems and purchasing requirements. Discussion: At this time the pharmacy link for Epic Providence Community Connect sites is not available to MyChart. The 2nd Street building is nearly ready with a new HEPA system and painting required. The finance and revenue cycle team was recognized for their efforts to complete the legacy A/R (Accounts Receivable) in CPSI to be completed earlier than scheduled.

5. CIO Report

Mr. McEachern provided a summary of his January report including updates on progress of the retail pharmacy project. Plumbing was completed today for the new retail pharmacy to be located in the primary care clinic building. Providence EPIC pharmacy not yet available to Epic Community Connect sites, will be in the EMR but not in the patient's MyChart. The 2nd Street non-clinical space is nearly move-in ready, needing HEPA and interior painting. The EMR Project timeline was reviewed. Mr. McEachern described Epic Compass Rose which supports care coordination, helping organizations to combine social and health-related insights in a comprehensive, patient-centered record to improve interoperability and improve patient engagement and satisfaction. A new optimization partner is being sought to assist with Sage Intaact issues. Staff work continues to reinforce workflows with support from the Clinical Informatics team. Sage Intaact reporting structure issues are being addressed (invoice approval queues) and staff are working with the Quality department on creating dashboards for managers to support data reporting requirements. Revenue capture and awareness continues to be a primary focus, with normalization of revenue cycle post-conversion projected at the 4th month following conversion. Work continues to identify and correct workflow issues and dropped charges at the department level, with our goal to send "clean claims," with acceptance rate at 97%. We are pleased to see that payment receipt average is currently at 17 days vs. with CPSI, were out 30+ days.

6. Clinic Report

David Serle, Clinic Director, provided his report for the month of January, noting that future reports will include additional projections and comparisons. Clinic volume was lower in January, down from December visits, due in part to the departure of Judith Fitzgibbons, FNP, in January and the departure of Sharon Monsivais. Dr. Jennifer Webster is a welcome addition and is ramping up her patient panel, in addition to serving as clinic medical director. February volume is showing an increase with Chronic Care patient numbers also increasing. Dr. Wong has scheduled time off requiring locums coverage for her patients. Mr. Hino expressed his confidence in Mr. Serle and Dr. Webster, with Mr. Serle adding we are building a strong foundation for future recruitment.

7. SCHD Foundation Report

Alix McGinley, Executive Director, provided a review of upcoming Foundation activities, starting with the annual Women's Health Day to be held on March 29 provided for the community free of charge, but capped at 120. The cost of the event is approximately \$3,000, with \$2,200 in promised donations. Planning has begun on the annual Golf for Health Classic fundraiser with a new goal to reach \$125,000. Ms. McGinley is working on a new program called the "Grateful Patient" program, and a new Employee Giving program that will allow employee contributions from payroll deduction. **Discussion:** Pam Hansen, board member liaison to the Foundation suggested that board members carry Ms. McGinley's business cards to share with the public in support of the Grateful Patient program.

8. Strategic Plan

Mr. Hino provided a review of the Strategic Plan distributed to the board under separate cover, but available to the public on the hospital website or by request. Mr. Hino described the methodology for rankings, noting that some projects have not yet begun or may have to go on the “back burner” to accommodate other projects, as is often the case, it is an ebb and flow with components of any project requiring resources, planning, and/or special acquisitions, and so forth. Strategic initiatives relating to Bay Area Hospital and Coast Community Health Center are dependent upon outside forces not within the control of Southern Coos. Monthly Strategic Plan executive team meetings have returned to the calendar following our EMR conversion. New board member Kay Hardin will be provided access with board member login. Stacy Nelson, HR Director, will be coordinating an employee satisfaction survey utilizing Gallup as the gold standard. **Discussion:** Pam Hansen requested that if possible a column be added for project start date.

VII. Monthly Financial Statements Review & Discussion

Brenda Sund, Controller, presented the financial statements on behalf of Antone Eek, CFO, who is out of office. New budget charts were provided and as requested by the board of directors, are shown with budget initiatives removed. Ancillary growth in the Lab and Medical Imaging noted. Lower January Medical Imaging volume reflects struggles at Coast Community Health Center (CCHC) with referrals down. Lab service usage by CCHC is expected; Southern Coos working to provide on-site phlebotomist. A positive bottom line achieved in January, following budgeted lower volume in December. Revenue was noted to be the highest every in the history of the hospital at over \$5M, reserving at a conservative rate.

VIII. Executive Session

At 7:50 p.m., the board moved into Executive Session Under 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 and under ORS 192.660(2)(i) and 192.660(8) to review and evaluate the performance of an officer, employee or staff member if the person does not request an open hearing. This statute may not be used to do a general evaluation of an agency goal, objective or operation or any directive to personnel concerning these subjects. No decisions will be made in Executive Session.

IX. Return to Open Session

At 8:27 p.m. the meeting returned to Open Session.

1. Review of Executive Session Minutes

- a. Regular Meeting 01/23/25
- b. Special Meeting 02/24/25

Mary Schamehorn **moved** to accept Executive Session Minutes as presented. Pam Hansen **seconded** the motion. **All in favor. Motion passed.**

2 Monthly Reports for Approval

a. Quality, Risk & Compliance Report

- i. 162.008 Grievance Committee Charter
- ii. 162.001 Revised Patient Grievance Complaint Process Policy

Mary Schamehorn **moved** to approve the grievance committee charter 162.800 and the revised patient grievance compliance process policy 162.001, as amended. Bob Pickel **seconded** the motion. **All in favor. Motion passed.**

b. Medical Staff Report

2-Year Privileges – Reappointments

Victoria Schmelzer, CRNA – Anesthesia & Pain Management
Aloysius Fobi, MD – Emergency Medicine
Morgan Grove, DO – Optometry

Direct Radiology Appointments - After Hours Service

Richard Rossin, MD - Courtesy - Resigned
Miriam Hulkower, MD - Courtesy - Resigned
Russell Kosik, MD - Courtesy - Resigned
William Randazzo, MD - Courtesy - Resigned
Avez Rizvi, MD - Courtesy - Resigned
Charles Westin, MD - Courtesy - Resigned
Robert Berger, MD - Courtesy - Resigned
Asif Anwar, MD - Courtesy – Resigned
Kenneth Edgar, MD – Courtesy – Reappointment
Rashmi Hande, MD – Courtesy – Reappointment
Anthony Willis, MD – Courtesy – Reappointment

Change of Status

None

Mary Schamehorn moved to accept the Medical Staff report. Pam Hansen seconded the motion. All in favor. Motion passed.

3. CEO Performance Evaluation and Contract Renewal

Mary Schamehorn **moved** to extend the CEO contract for Raymond Hino by three years, and provide a 5 percent performance increase. Pam Hansen **seconded** the motion. **All in favor. Unanimous decision.**

X. Open Discussion

None.

XI. Adjournment. The meeting adjourned at 8:33 p.m. The next regular meeting will be held on March 27, 2025.

Thomas Bedell, Chairman 03-27-2025

Mary Schamehorn, Secretary 03-27-2025



DATE: March 21, 2025
TO: Board of Directors
FROM: Raymond T. Hino, CEO *Raymond T. Hino*
SUBJECT: Annual Independent Audit Request for Proposals

Monthly Update

Since our February Board Meeting, we have accomplished the following steps towards completing a Request for Proposals process for selection of our FY 2025 Independent Audit Firm.

1. Audit Committee Created

Pam Hansen, Chair
Anne McCaleb, Member
Jack Sahl, Member

2. Request for Proposals (RFP) Document Created

Created by Brenda Sund and the Finance Team on March 12, 2025

3. Five Auditing Firms Identified to send RFP forms out to

4. Date for Selection of 2025 Audit Firm

Board of Directors Meeting on April 24, 2025

Proposed Revisions in Redline - District Bylaws - March 27, - 2025

Please also see the Chief Medical Officer Report.

2. **Medical Staff Bylaws**

Medical Staff Bylaws and related rules and regulations for the government and operation of the Medical Staff may be proposed and recommended by the Medical Staff to the District Board, but only those bylaws, rules and regulations which are adopted by the District Board shall become effective. In the exercise of the powers and functions delegated to it by the laws of the State of Oregon, the District Board shall adopt, amend, carry out and enforce rules and regulations for the government and operation of the Medical Staff and any of its functions and services.

3. **Conflicts with Medical Staff Bylaws**

In the event that any of the provisions of the Medical Staff Bylaws are in conflict with any of the provisions of the Southern Coos Hospital District & Health Center Bylaws, the District bylaws shall be deemed to be controlling.

4. **Medical Staff Membership**

- a. Membership on the Medical Staff is a privilege which shall be extended only to persons professionally competent in their related fields, licensed to practice in the State of Oregon, and whose education, training, experience, demonstrated competence, references and professional ethics, assures, in the judgement of the District Board, that any patient admitted to or treated in Southern Coos Hospital and Health Clinic will be given high quality professional care. Each applicant and member shall agree to abide by the District Bylaws, Hospital & Clinic Policies and Procedures, Medical Staff Bylaws and Rules and Regulations.
- b. The District Board shall review and act upon the advice and recommendations of the Medical Staff, and shall give careful consideration for clinical privileges at our healthcare facilities.
- c. Duration. Appointment to the Medical Staff shall be for a maximum term of two (2) years. Medical Staff members shall be reappointed bi-annually in the ~~birth~~-month 23 calendar months from the time privileges were most recently granted to ~~of~~ the applicant.
- d. The Medical Staff will also make recommendations to the District Board concerning appointments, reappointments, alterations of staff status, the granting of clinical appointments, disciplinary actions, other matters relating to professional competency, and such other related matters as may be referred to it by the District Board.

5. **Allied Health Professionals**

The categories of allied health professionals eligible to hold specific practice privileges to perform services within the scope of their licensure, certification, or other legal authorization and corresponding privileges, prerogatives, terms and conditions for each such allied health professional category or practitioner shall be determined by the CEO upon recommendations received from the Medical Staff executive committee.

6. **Accountability**

The Medical Staff shall conduct continuing review and appraisal of the quality of professional care provided in District facilities, and shall, at least annually, or more frequently as needed, report such activities and their results to the District Board.



Chief Executive Officer Report

To: Southern Coos Health District Board of Directors
From: Raymond T. Hino, MPA, FACHE, CEO
Re: CEO Report for SCHD Board of Directors, March 2025

Clinic Providers:

- I am in contract negotiations with Dr. Paul Preslar for a new 1-year contract. I hope to have this finalized in the next 30 days.
- Dr. Tami Marriott and Dr. Hank Holmes are working on a part-time basis now, to give us extra days in our clinic.
- We have interviewed a Family Physician, who has an interest in a full-time position with our clinic.

DNV Survey:

- Our Quality Team has acquired some new tools through the use of a grant through the Oregon Office of Rural Health that will be helpful in conducting internal audits of each department, in preparation for our next DNV survey. Training on the new system will begin on April 3.

Coast Community Health Center:

- I continue to work with Kendra Newbold, CEO at Coast Community Health, and now, Gregory Brigham, MD, CEO at Adapt Integrated Health Care, a 54-year-old, highly successful and respected Federally Qualified Health Center, based in Roseburg, Oregon.
- In the past month we have been working on transitioning laboratory services for CCHC from Quest Laboratories to SCHHC.

Expansion Plans:

- Joe Kunkel was here on site on March 10 to conduct a Whiteboard Planning Session on the Master Facility Plan. We had good participation from community representatives, including Marie Simonds from Bandon Dunes Golf Resort, Carly McCullough, local realtor with Beach Loop Realty, and of course, Joseph Bain. We also had 2 members of the Hospital Board present. Thank you to Tom Bedell and Pam Hansen.
- A Request for Proposals (RFP) for Architectural and Engineering firms was published in the Daily Journal of Commerce on March 19 and March 21. Responses are due in the coming weeks.

Accountable Care Organization:

- I have spoken in the past on the Accountable Care Organization (ACO) that Southern Coos Hospital & Health Center joined 2 years ago. At the time that we joined, it was called Signify Health. Last year Signify Health was acquired by CVS Health. And recently, it changed hands again. The new name is Wellvana. There is obviously a lot of money in Accountable Care Organizations. The purpose of ACOs are to contract with CMS and Medicare for Cost Savings in Medicare Benefits for Medicare Enrollees. Some of the cost savings are around implementing Wellness Programs, such as Annual Wellness Visits for Medicare patients. In the ACO model, CMS contracts with hospitals and health systems to implement Medicare savings initiatives, with the end goal being that Medicare will refund a portion of Medicare savings back to the hospitals and health systems participating in a ACO.
- We just completed our first year in the ACO. We do not know yet how much we might expect to receive back as a “Shared Savings” payment. I was told earlier this week that we should have an idea in the next 3 months of how much. Actual payments will occur in August or September of this year.
- The ACO model is very specific to Clinic settings. We had our Quarterly meeting earlier this week and I was very pleased to see the amount of engagement from both David Searle and Dr. Jennifer Webster. We have never had that much enthusiasm for our ACO participation with providers and staff before. I am excited to see what we can accomplish with the ACO in our 2nd year.

Absence from Facility

- For the month of March, I was absent from our facility to attend the Hospital Association of Oregon’s Annual Leadership Summit on March 4 and 5. During the 2 days, I met with our legislators, Senator David Brock Smith and Court Boice, as well as other legislative leaders in the State. Also, on March 20, I was back in Salem to testify in support of SB 1050, a bill sponsored by Senator David Brock Smith that, if approved, would provide a funding allocation of \$2.2 Million to Southern Coos Hospital for expansion of primary care services and construction and implementation of a Retail Pharmacy. The testimony went well. We are optimistic that the bill will pass out of the Senate Committee on Health Care and advance to Ways & Means.



Chief Medical Officer Report

To: Southern Coos Health District Board of Directors
From: Alden Forrester, MD, Chief Medical Officer
Re: CMO Report for SCHD Board of Directors, March 2025

Functional Hospital Capacity:

Functional hospital capacity refers to the maximum number of patients that can be housed at one time. Functional capacity depends on several factors including staffing, physical plant maintenance status, and the ability to use double occupancy rooms for two patients. Functional capacity thus varies day to day and is distinct from the total number of actual beds present or the maximum number of beds for which a hospital has licensure (In our case those numbers are 17 and 21 respectively).

We currently have nine rooms in service for inpatient, observation, and swing patients (room 130 is currently being used by the pain program and so is unavailable for hospital patients). Eight of the nine rooms are double occupancy.

In order to use both beds in a double occupancy room, the following conditions must be met: Both patients must be of the same gender, both patients cannot have a contagious disease or at least must have the exact same contagious disease, and both patients must not cause each other or their visitors distress.

As you can imagine, it is difficult to find patients that meet all those criteria, which means it is difficult to use our double rooms for two patients simultaneously. Thus, even if there are no staffing shortages or maintenance issues, this hospital as currently constructed typically can only support a daily census of about 10-11 patients despite having 17 beds and being licensed for 21 due to the constraints of our double rooms architecture.

Sometimes we can support more than 10-11 patients at a time when presented with a favorable patient mix (multiple patients of the same gender without contagious disease, for example), but a census of more than 14 patients is almost impossible to achieve.

I submit this information both to provide context on hospital census numbers and as a point to consider in the master facilities planning process. It is much more likely a hospital with 20 single rooms could be filled to capacity compared to a hospital with 10 double rooms.

Recruiting:

Final logistics are being worked out for Dr. Simmonds' start date. We continue to actively recruit for at least two physician level primary care positions as well as for anesthesia. We are working to "deepen our bench" of hospitalist providers to cover the shifts opened with Dr. Pense leaving after April. Dr. Schwartz has been offered a contract and Dr. Murphey is scheduled to work in April pending Board approval of his privileges at this meeting.

Telemedicine:

Our next meeting with our potential ED telemedicine provider will take place April 8. Once that meeting takes place, vendor quotes for equipment are obtained, and legal review of the contract documents is completed, I plan to bring a formal proposal for telemedicine ED pediatric and stroke care to the Board. I anticipate presenting this proposal in April or May.

Requested District Bylaws Change:

Article VII, Section 4, paragraph c of the Southern Coos Health District Bylaws currently states:

Duration. Appointment to the Medical Staff shall be for a maximum term of two (2) years. Medical Staff members shall be reappointed bi-annually in the birth month of the applicant.

The current practice of the medical staff is that we recredential medical staff members every two years based on the date of most recent prior privileging rather than birth month. To align the District Bylaws with current practice, the following changes in District Bylaws wording are recommended (Requested changes noted in red):

Duration. Appointment to the Medical Staff shall be for a maximum term of two (2) years. Medical Staff members shall be reappointed bi-annually in the ~~birth~~ month **23 calendar months from the time privileges were most recently granted to ~~of~~ the applicant.**



Chief Nursing Officer Report

To: Southern Coos Health District Board of Directors and Southern Coos Management

From: Cori Valet, RN, BSN, Chief Nursing Officer

Re: CNO Report for SCHD Board of Directors Meeting – March 27, 2025

Clinical Department Staffing – February

- Hospital clinical department staffing remains unchanged through the month of February 2025. However, our newly recruited case manager who began orientation in January has submitted resignation with last day date being 3/21/2025. Recruitment efforts have been initiated for replacement.

Medical Imaging

- A state inspection of all medical imaging modalities was completed 3/11/2025. Inspections ensure that quality standards are met for personnel, equipment, maximum allowable radiation dose, quality assurance, medial audit and outcome analysis, medical recordkeeping and reporting requirements. Zero deficiencies were identified.
- The MQSA inspection for mammography services is expected 04/08/2025.

SCHHC Self-report of EMTALA Violation

- On February 28, 2025 a self-report was filed to the Centers for Medicare & Medicaid Services detailing a newly discovered EMTALA violation that had occurred on February 24, 2025. The violation was related to the redirection of an ambulance to another medical facility prior to the arrival within 250 yards of the SCHHC campus. It was previously believed that the EMTALA regulations would only be applicable after the patient presented to the campus or was within 250 yards of the campus. After close review of CMS Interpretive Guidelines, the following statement was discovered,

“If an individual is in an ambulance, regardless of whether the ambulance is owned by the hospital, a hospital may divert individuals when it is in “diversionary” status because it does not have the staff or facilities to accept any additional emergency patients at that time.”

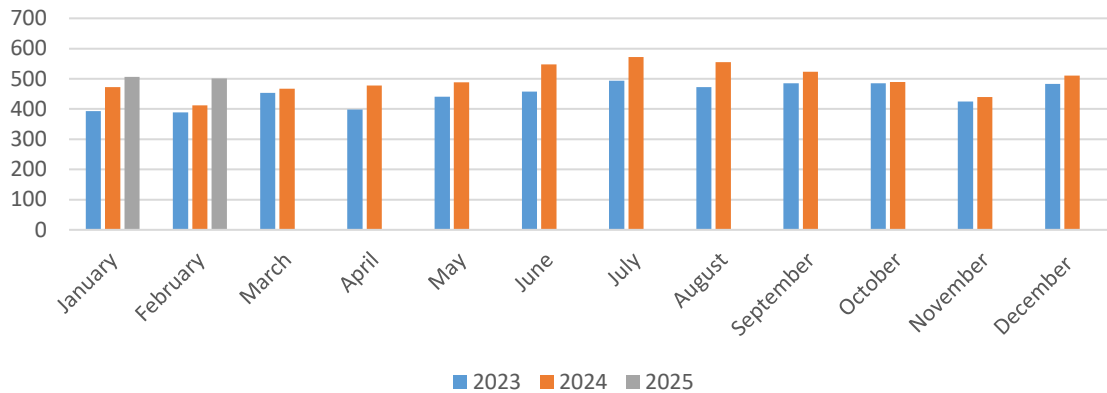
As a result of this discovery, the EMTALA policy has been updated to reflect that the only time a potential patient is to be redirected by SCHHC staff or providers is when in diversionary status. All staff and providers have been notified of this change via email and the subject is being highlighted at Tier I huddles in the Emergency Department.

Respiratory Therapy Equipment Update -

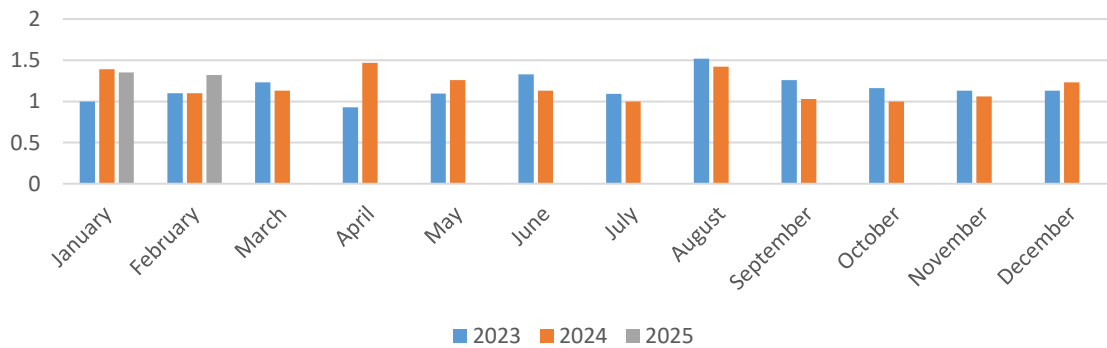
- The two Philips Trilogy Bi-Pap machines that were previously reported as unserviceable and unusable, have been serviced and are in good working order. This reduces the urgency in needing to purchase replacement units, however does not eliminate it. The Philips Trilogy Bi-Pap machines are unserviceable by the manufacturer, however our medical equipment management company, Agiliti, is still able to perform calibrations and small repairs when needed. The purchase of an alternative C-Pap/Bi-Pap machine will be pushed out and included in the 2026-2027 capital budget.

Emergency Department Statistics –

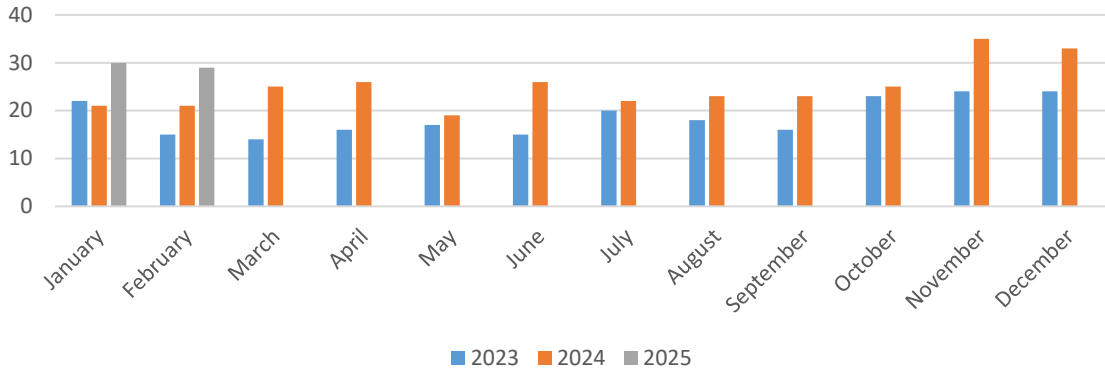
ED Census Tracking 2023-2025



Average ED Admissions to Med-Surg Unit per Day

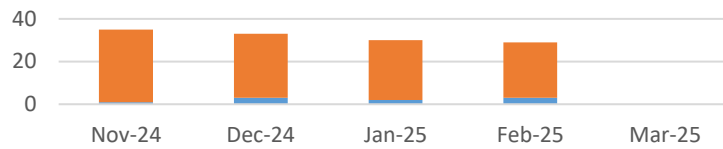


ED Transfers



- February 2025 Transfers – 29 Total Transfers. 26 transfers required due to need for higher level of care and/or services not offered at SCHHC. 3 transfers due to no bed availability at SCHHC (Unable to obtain additional staff to accommodate additional patients).

Reason for ED Transfers



	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Higher Level of Care Required	34	30	28	26	0
No SCHHC Beds	1	3	2	3	0



Chief Financial Officer Report

To: Board of Directors and Southern Coos Management
From: Antone Eek, CFO
Re: CFO Report for Board of Directors Meeting – March 27, 2025

February 2025 Department Achievements/Activities

Accounting and Finance Update:

- Accounts Payable: Kellie, our new AP Coordinator, is doing an outstanding job. We are very fortunate to have her on board.
- Budget Planning:
 - Capital Requests have been sent to Department Leaders.
- Annual Audit Partner:
 - Recommendations have been forwarded to the CEO.
 - The Audit Committee has been selected.

Engineering / EVS Update:

- New EVS Supervisor: A new EVS Supervisor will be starting in two weeks.

Materials Management / Supply Chain Update:

- Materials Management has been diligently working on acquiring new equipment not only for new programs but also in preparation for the new providers who will be joining Southern Coos in the coming months.
- The Materials team has been collaborating with CLA to resolve several issues related to the Sage setup from Wipfli.

Revenue Cycle Update:

February was a productive month for our Revenue Cycle. This marks our second full month using EPIC. While we continue to address various workflow challenges, significant progress has been made.

Key Highlights:

- Discharge Not Final Billed (DNFB):
 - Claims are held for three days post-discharge to ensure that all charges are posted, documentation is validated, and coding is completed. This metric reflects our ability to promptly complete documentation, charging, coding, and billing.
 - February DNFB: 14.2 days (down from 21.8 days in January).
 - Top 25% performers in this category average 9.7 days.
- Candidate for Billing (CFB):
 - This metric represents accounts that are ready to be billed.
 - February CFB: 9.8 days (down from 13.5 days in January).
 - Highest recorded CFB: 22.1 days (January 20, 2025).
 - Issue Identified: Some inpatient and emergency room accounts were not routing correctly to coder work queues. The Revenue Cycle team implemented temporary workarounds to ensure timely coding and billing.
 - We closely monitor this metric daily to ensure accounts are processed in a timely manner.

Weekly Billing Progress: Since our December go-live, billing patterns have changed significantly, which is expected as we continue to validate processes to ensure smooth claim submission. Below is a breakdown of the total billed amounts per week:

Week of	Total Billed Amount
12/17/24	\$18,612
12/24/24	\$629,385
01/03/25	\$718,548
01/10/25	\$630,195
01/17/25	\$905,043
01/24/25	\$1,525,521
01/31/25	\$2,220,652
02/07/25	\$1,087,407
02/14/25	\$1,520,811
02/21/25	\$1,447,417

There has been a significant increase in weekly billing, with the last week of January and the first week of February seeing a major clearance of backlog claims, resulting in high collections and adjustments.

Additional Revenue Cycle Insights:

- Outpatient Clinic Collections:
 - Since the EPIC implementation, outpatient clinic reimbursement has increased by 10-11%.
 - This improvement is due to enhanced charge splitting, which aligns with our Critical Access Hospital reimbursement methodology.
- Swing Bed Revenue:
 - Since go-live, our average daily inpatient census has increased, leading to a rise in swing bed admissions and corresponding revenue growth.

Revenue Cycle Conclusion: February was a strong month for our Revenue Cycle team. Despite workflow challenges, we made significant strides in reducing billing cycle times, increasing collections, and optimizing our financial assistance programs. Moving forward, we will continue refining our processes to sustain these improvements and align with industry best practices.

Colene Hickman - Director of Revenue Cycle

Other Items:

- Pharmacy Update:
 - OP Retail Pharmacy:
 - Contractor: Inline
 - Cardinal Contracted Services
 - Licensing:
 - NPI – Complete
 - NCPDP – Complete
 - Board of Pharmacy – Complete
 - DEA – Complete
 - Pharmacy IS System: Liberty
 - Personnel:
 - Director of Pharmacy: Interviews scheduled for 3/26/25.
 - Pharmacists: Interviews in progress.
 - Pharmacy Techs: On hold.
 - Construction Timeline:
 - Construction Start: 3/24/25
 - Inline Completion: 4/7/25
 - UniWeb Completion: 4/3/25
 - Pharmacy IS System Install: Pending
 - Insurance Contracting: Pending



Chief Information Officer Report

To: Southern Coos Health District Board of Directors and Southern Coos Management

From: Scott McEachern, Chief Information Officer

Re: CIO Report for SCHD Board of Directors, March 27, 2025

The **Information Systems** team is working on the following items:

- Our biggest focus lately has mostly been learning the ins and outs of Providence/Epic troubleshooting and support. Every day is a new adventure and we're always learning new things about the process.
- As far as projects go, we've done a lot of work trialing helpdesk systems and secure asset management systems and we've found best the solution with NinjaOne. There is some more work we have to do with trialing the helpdesk piece, but we have made the decision to go with Ninja for asset management.

Clinical Informatics Projects by Department:

- Respiratory Therapy
 - Internal order routing to workqueue for RT orders.
- Quality
 - Clinical Documentation Review
- HC Primary Care
 - Epic build for new service OB/GYN
 - Result scanning workflow for External Results
 - Ambulatory EKG workflow for interpretation documentation
 - Internal and External Referral order entry process
- Med Surg
 - Process steps for transitioning between patient statuses (IP to Swing, DCRA one way) and educational rollout for all staff
- OP Nursing
 - Transition wound care photo tool from Rover to Haiku.
 - Ambulatory ClinDoc Update for OP Nursing.Med/Surg
 - Internal and External Therapy Plan workflow
- Emergency Department
 - ED documentation workflow for follow up contacts.
- Laboratory/Ambulatory Clinic

- Lab test order entry process for lab versus clinic collect
- Clinical Informatics
 - Provider onboarding checklist
 - EMR workflow videos
- Radiology
 - Internal Imaging ordering process
- HIM
 - Care Everywhere ID access for transfers.

Projects

❖ Retail Pharmacy

Our goal is to open the Retail Pharmacy in April 2025. We are currently scheduling demolition, construction, electrical/data installation, and installation of the prefabricated elements of the space. The plumbing was completed on February 27th. We have kicked off the pharmacy information system implementation and started purchasing equipment for the space.

❖ Business Building Conversion to Clinic Space

SCH will convert the current business building to clinical space. Our program manager at Andersen Dabrowski completed the construction documents. We are now gathering quotes for construction, plumbing, electrical/data, equipment, air handling, and materials. We hope to have a complete budget in April.

❖ Second Street Building

The Second Street Building is nearly ready for occupancy. We had an air quality test performed in the building. We will apply two coats of sealant and then install two high-quality stand-alone filters with HEPA and carbon filters in the building. Once the filters are installed, the space will be ready for staff.

❖ Phone Tree Revamp

We are working with a company to revamp the way we manage incoming phone calls to the main hospital line and to the clinic. The project goals are to provide a better patient experience when patients call our hospital and clinic; secondly, we want to reduce the administrative burden on our front desk staff who are tasked with a multitude of different responsibilities.

❖ Revenue Cycle Automation

Information Systems, Clinical Informatics, and Revenue Cycle are working together to automate specific parts of the revenue cycle. We are working with a company that will develop AI-based tools to automate cash posting and reconciliation and automate our coding audits.



Multi-Specialty Clinic Report February 2025

To: Southern Coos Health District Board of Directors and Southern Coos Management
From: David M Serle – Director Medical Group Operations
Re: Multi-Specialty Clinic Report for SCHD Board of Directors Meeting – March 27, 2025

Clinic Encounters

Clinic encounters for February have increased by 8.5% (+45) compared to the previous month of January. Projected encounters for the month of March a 15% (+77) increase when compared to January and a 6% (+32) increase when compared to February.

Year: 2025	Clinic	PT's		No	Total	AVG	No	Cancel	Tele	New		Jan	Feb	Project
Month: February	Days	Sched	Cancel	Show	Seen	Seen	Show	Rate	Rate	HLTH	PT's			
Provider														
Bonnie Wong, DO	12	129	10	1	118	9.8	0.8%	7.8%	3	1		83	118	104
Judith Fitzgibbons, FNP												14	0	0
Paul Preslar, DO	12	159	14	2	143	11.9	1.3%	8.8%	0	17		160	143	133
Shane Matsui, LCSW	19	82	11	5	66	3.5	6.1%	13.4%	6	1		84	66	45
Victoria Schmelzer, CRNA	8	63	3	0	60	7.5	0.0%	4.8%	0	0		63	60	63
Tami Marriott, MD	4	34	2	0	32	8.0	0.0%	5.9%	0	0		25	32	45
Sharon Monsivais, MD												73	0	0
Jennifer Webster, MD	12	164	9	3	152	12.7	1.8%	5.5%	0	11		24	152	163
Holmes												0	0	50
Outpatient Services	20	206	21	2	183	9.2	1.0%	10.2%	0	0		190	183	194
Totals	87	837	70	13	754	8.7	1.6%	8.4%	9	30		716	754	797
Total Clinic Visits Minus OP Services	67	631	49	11	571	8.5	1.7%	7.8%	9	30		526	571	603

Chronic Care Management:

Enrollment for February is up 5% (+2) since January, and reimbursement is up 37% (+\$982.00). Projected enrollment for March is estimated to be up 29% (+12) compared to February, and projected reimbursement is up 40% (\$1,468.00) compared to February.

CCM Chronic Care Management Program (CCM)										
								14 days	7 days	
98% of Medicare										
Allowable	Nat'l Avg	\$ 60.49	\$ 45.93	\$ 131.65	\$ 70.52	\$ 53.05	\$ 201.20	\$ 272.68		
Year: 2025	Enrolled	99490	99439	99487	99489	99484	99495	99496		Medicare
Month: February	Eligible		Additional		Additional					Total
CCM Patients	Billed PT's	CCM	20 Mins	Complex	30 Mins	BHI	TCM - 14	TCM - 7		Allowable
1/30/2025	39	39	7	0	0	0	0	0		\$ 2,680.62
2/28/2025	41	38	23	0	0	2	1	0		\$ 3,662.31
3/31/2025 Projected (as of 3/19/25)	53	53	20	0	0	0	5	0		\$5,130.57

Provider Recruiting:

Onboarding: We were anticipating a start date for her sometime in April. Her start date is contingent on the department being built and being credentialed with payers. Orientation is March 28th for Dr. Simmonds and her per diem RN. We have 37 referrals waiting to be scheduled for a consultation for Dr. Simmonds.

Dr. Marriott, who currently works every Friday, will be expanding to 2 days per week. Dr. is appreciated by the staff that work with her as well as the patients. Dr. Holmes is currently covering for Dr. Wong as a locum and doing an excellent job. He has a very easy-going personality and works well under pressure. He enjoys working with EPIC and saw 14 patients on his second day in the clinic.

A proposal has been made for Dr. Nelson, who is a full-time FP, who was interviewed several weeks ago. If we can negotiate an agreement with her the soonest, she would be available would be sometime in August.

Patient Satisfaction January 2025 to March 21, 2025

NET PROMOTER SCORE

90.9 n-size: 11



ALERT PERFORMANCE

OPEN ALERTS

1

CLOSED ALERTS

0

QUESTION SUMMARY

Question	YTD	Last 3 Month:	Last Month	n-size	Score	Bench mark	Gap
Clean and good condition	90.9	90.9	80.0	11	90.9	85.3	5.6
Confident in care team	90.9	90.9	100.0	11	90.9	85.6	5.3
NPS: Facility would recommend	90.9	94.9	100.0	11	90.9	84.3	6.6
Staff explained things	90.9	95.5	100.0	11	90.9	76.5	14.4
Staff listened	90.9	90.9	100.0	11	90.9	85.9	5.0
Staff members courtesy/respect	90.9	97.4	100.0	11	90.9	86.4	4.5
Include in care discussions	81.8	86.4	80.0	11	81.8	84.6	-2.8
Were you seen timely manner	81.8	77.3	80.0	11	81.8	77.1	4.7
Easy to get appt	72.7	74.4	40.0	11	72.7	64.7	8.0
Providers knew medical history	54.5	59.0	60.0	11	54.5	74.3	-19.8

QUALITATIVE SUMMARY

Promoter

- Recognition ●
- Collective Team ●
- Courtesy/Respect ●
- Emotional Support ●
- Nurse/Nurse Aide-Courtesy/Respect ●

Passive

- Common Areas ●
- Doctor ●
- Gender ●

We exceeded the benchmark in most categories, and we were 19.8 below the benchmark target of 74.3 with “providers knew medical history”. This is not surprising but still not acceptable. We are having challenges with building charts prior to a patient’s visit especially if we are adding on a patient same day to a provider who is already full. We also were 2.8 below the target benchmark of 84.6.



Southern Coos Health Foundation Report

To: Southern Coos Health District Board of Directors and Southern Coos Management

From: Alix McGinley, Executive Director, SCHF

Re: SCH Foundation Report for SCHD Board of Directors, March 17, 2025

Women's Health Day (WHD)- Our 22nd annual Women's Health Day will be held on Saturday, March 29th at the Bandon Community Center (The Barn). This year's focus is on holistic physical and financial health. Keynote address speaker Dr. Neil Nathan and presentation by Stephanie Polizzi in addition to our Healthcare Panel and Financial Panel and of course vendors for a day of fun, learning and connection. We currently have 125 ladies registered and \$2,850 in sponsorships with another \$750 in asks. Our Bandon School District School Nurses, Lizzy Deters and Lena Hawthorne will have a short presentation about the program followed by a SCHF ask from participants. In addition, any overages from sponsors/donors will be given to support the School Nurse program.

Golf for Health Classic (GFHC)- The 18th anniversary 2025 Golf for Health Classic is September 19th and 20th. Our goal for this year's signature event is \$125,000.00. We already have almost \$30k in promises for this year's tournament! Sponsor packets are available, and webpage is updated. GFHC beloved Friday night reception will remain at Bandon Dunes but will move to the space above McKee's Pub. If you have or would like to sponsor our SCHF biggest fundraiser of the year, please contact Alix. First major round of sponsorship request will begin first week of April after completion of WHD

Meet & Greet-SCHHC & SCHF Lecture Series

SCHHC/SCHF is slotted in for the second Tuesday of each month. Our second lecture for 2025 at the Bandon Fisheries Warehouse Meet & Greet was presented by CEO Raymond Hino regarding our Master Facilities Plan (MFP). This event was well attended, and topic was well received. Next up Clinic Director David Serle and Dr. Jennifer Webster will be our April 9th. Alix will follow in May or June to introduce the Grateful Patient Program. If you have an idea for speaker or topic, please let Alix or Amy Moss Strong know.

SCHF Quarterly Art Show & Gift Shop

Our next Art Show is entitled "The Road Less Traveled" reception will be Sunday, April 13th from 2pm-4pm, refreshments and "Uncorked" will provide music. Our current Show brought in over \$200 so far.

Gift Shop is going well and continues to bring in our community. Karen Reber is getting ready for our SCHHC Gift Shop "pop-up" at Women's Health Day! The ladies LOVE shopping at the event!

New/continuation of fundraising programs-


*Framework for new initiatives to enhance patient engagement, employee involvement and add new revenue streams are coming along well. Grateful Patient kick off candidate has emerged and is onboard for being the face of program rollout in 2Q25.

*Parking spot raffle and auction will close on March 31st

*Employee Annual Giving program and Capital Campaign initiatives to follow.

As an aside- **SCHHC** will host the Bandon Chamber of Commerce "After Hours" event on June 18th. Ray will be one the speakers for the Annual BCC dinner on May 15th.



DATE: March 21, 2025
TO: Board of Directors
FROM: Raymond T. Hino, CEO 
SUBJECT: February 2025 Financial Report

Executive Summary

Similar to when we had a large operating loss in September of 2024, I feel that it is necessary for me to provide the Board with some additional information and detail regarding this month's Financial Report for the month of February 2025. I am seeking to understand and to explain to the Board of Directors what happened in the month of February and what is being done about it.

Review of September Financial Report and Follow Up Actions

I think that its important to begin with a follow-up report on the last time that I made a special report to the Board of Directors regarding a Hospital Financial Report.

- In October of 2024, I reported to the Board of Directors that a large operating loss was attributed to (1) low inpatient census, and (2) closure of our surgery department due to a sterile processing remodel project.
- Additionally, I reported to the Board that Days Cash on Hand had been reduced due to (1) paying for the Sterile Processing Department project out of cash reserves, rather than financing, and (2) beginning to make withdrawals of funds for the Epic and Sage projects.
- And, finally, I reported that the increase in Accounts Receivable Days was due to the conversion of our revenue cycle department from Trubridge to our own internal department.
- I concluded the report in October 2024 to state that our action plan was to (1) increase our Days Cash on Hand through increased cash collections, receipt of property tax revenues and through a Medicare Cost Report receivable, (2) Complete the Sage and Epic implementations, (3) Complete the Retail Pharmacy project, (4) Continue the Coast Community Health Center collaboration, (5) Hire a new surgeon to replace Dr. Sharon Monsivais, and hire full time providers in our clinic. I also stated that all other initiatives would be paused as we focused on our recovery plan.
- I am pleased to report to you that most of what I reported in October of 2024 has been completed, or is nearly complete. (1) Days Cash on Hand did increase to close to previous levels (although with the current state of our revenue cycle implementation they have dipped again); (2) Unfortunately, we did not have a receivable on our Medicare Cost Report, and instead had a payable, due primarily to the cost of re-opening the surgery department last year, (3) the Epic implementation is now complete; (4) the Sage implementation is still in progress, due to a complication with our Training and Implementation vendor, (5) the Retail Pharmacy project is expected to be completed in April 2025, (5) we continue to collaborate with Coast Community Health Center, (6) We have hired a new surgeon to replace Dr. Monsivais. Her name is Veronica Simmonds, and lastly (7) inpatient admissions have increased and improved. Much of the credit for increasing inpatient admissions and swing bed admissions goes to Dr. Alden Forrester, who has been focused on each of these areas.

Review of February Financial Report and Follow Up Actions

The February 2025 Financial Report has a large operating loss due, in part, to some of these factors:

- Gross Revenue was fine for the month and was not a factor in the poor performance, as it was at 99.5% of budget at \$4,720,191, and quite notably, was 113% of February 2024.
- The largest variance on the February 2025 Financial Statement is Total Deductions of \$2,185,347 or 46.3% of Gross Revenue. By comparison, last year in February 2024, the Revenue Deductions % was 34.5%. If this year's Revenue Deductions % was 34.5% then we would have had a small bottom-line loss in net position of \$746, or essentially a "break even" month.
- Other operating expenses are also very high for the month at \$1,104,530. Some of the reasons for the high "other" operating expenses has been due to: (1) Epic and Sage implementations, (2) high legal bills, due largely to the Coast Community Health Center collaboration project, as well as the Trubridge contract revenue cycle dispute, and (3) high costs held in reserve for the Trubridge dispute.

Revenue Deduction Increase in February

I have been working with our Finance and Revenue Cycle teams to understand what happened that increased our Revenue Deductions so much in 1 month. Here is the explanation:

- The Epic electronic health record system is, of course, a medical records information system. But it is also key to collecting and documenting medical information that is used to charge for our services, and ultimately to bill for our services.
- A good management decision was made to pause any billing activities, immediately after the Epic "Go Live" on December 7, 2024. We were still billing claims after December 7, but they were for services and charges that occurred under the previous CPSI Trubridge system. The reason for this was that we did not want to send out claims using bad data that would ultimately be denied and then harder to collect. Clean claims are paid faster. So, our goal is to always collect all of the necessary data before sending out a claim.
- Page 10 in the February 2025 Monthly Financial Presentation shows this delay in sending our billing claims. The page is titled "EPIC Stabilization Graph Package As of 3/14/245, and the Graph is titled "Charging & Billing Activity." In this graph you can see that no claims (bills) were sent out until the week of December 23 to December 27 (the first yellow bar that is discernable). Claims activity was purposely kept low until the week of January 27 to January 31. In that week, almost \$3.0 Million was sent out in claims (in 1 week). And since then, claims have been sent out close to, or well above \$2.0 Million every week.
- The high volume of claims being sent out from January 27 to February 28 is a large part of the reason for the high Revenue Deductions for the month of February.
- The connection is that 1 of the factors when determining the Revenue Deductions each month is the notification that we receive from the payers called a "Remittance Advice." In the Remittance Advice, the payers notify SCHHC how much they are going to pay on each claim and how much they are going to deny on each claim. We enter that data directly into the deductions calculation.

If we sent out \$10.0 Million in claims in a single month (when a normal month had been running \$4.0 Million), then our Remittance Advice deductions can easily be double what they are in a normal month, and that is exactly what happened in February 2025.

- Even if our normal “write off” percentage is about 35%. And the reason for that is that these are “hard” dollar numbers, and so is the denominator in the Revenue Deduction % calculation. If gross revenue usually stays at around \$4.5 Million per month, then an increase in Revenue Deductions up to \$2.2 million in 1 month is going to increase the Revenue Deduction % up past 45%.
- The Revenue Deduction Amount directly affects the bottom-line profitability for our hospital.

What Can Be Done About This Going Forward?

Not all of the news about Revenue Cycle is bad. In fact, overall, the performance of our Clinical Team and our Revenue Cycle team is very good.

- The first point of reference is the graph on page 5 in the February 2025 Monthly Financial Presentation, entitled “EPIC Stabilization Graph Package As of 3/14/25,” and the Chart entitled “SO. COOS HB STABLIZATION.” You will note that all but 2 of the indicators are in the Green category, and in 6 out of 11 categories SCHHC is outperforming the Top Hospital performers.
- And are revenues per day are dramatically increasing, which is trending in a very positive direction for SCHHC. The more revenue we generate the better our chances of having a positive bottom line every month.
- The graph on page 11 of the February 2025 Monthly Financial Presentation, entitled “EPIC Stabilization Graph Package As of 3/14/25,” and the Chart entitled “Payment Breakdown,” shows Epic payments now reaching over \$1.0 Million per week, compared to \$600,000 per week under our former CPSI Trubridge system.
- With respect to Revenue Deductions, the major reason for our poor financial performance this month, we can say a couple of things. One is that we did know that the Epic conversion was going to have a negative effect on our financial performance. Our goal has always been to rebound as quickly as possible, and to achieve even better financial performance due to improved charge capture.
- It is still too early to tell what affect Revenue Deductions are going to have on our March financial performance and for the months ahead. One thing that will work in our favor is if we continue to keep up with our claims processing and not get behind.
- We will closely monitor contractual adjustments, shown on page 12 of the February 2025 Monthly Financial Presentation, entitled “EPIC Stabilization Graph Package As of 3/14/25,” and the Chart entitled “Adjustment Breakdown.” The first week of March we had our lowest contractual adjustments in 5 weeks. That is a good sign. But the following week, they climbed to \$500,000 in 1 week. By keeping track of this graph, we will have a good idea of where we stand with Contractual Adjustments and Revenue Deductions.

- The ideal scenario for Southern Coos Hospital & Health Center is that Revenues continue to climb (shown by the green bars on page 10), Payments continue to climb (shown on page 11), and Contractual Adjustments continue to fall (shown on page 12).
- Our Finance Team and I will be prepared to address the February Financial Performance in additional detail at our Board meeting on March 27.



To: Board of Directors and Southern Coos Management

From: Antone Eek, CFO

RE: February 2025 Month End Financial Results

Revenue Performance:

- Gross Revenue: Achieved \$4,720,000, just under the budgeted \$4,789,000.

Revenue Deductions:

- Deductions from Revenue: Amounted to \$2,185,000, accounting for 46.3% of gross revenue, above the budgeted 35.7%.
- YTD Revenue Deductions stood at 38.8%, compared to the 36.2% budgeted.
- Medicare Cost Report Settlement for FY25: Anticipated receivable of \$730,000.

Operating Revenues:

- Total Operating Revenues: Registered at \$2,536,000, under a budget of \$3,182,000, and marked a slight decrease of \$248,000 from the same period last year.
- Total Operating Revenues YTD FY25 came in at \$22,456,000, which was an increase of \$1,589,000 over YTD FY24 for the same month.

Operating Expenses:

- Labor Expenses totaled \$2,074,000, coming in below the budgeted \$2,271,000.
 - Open positions and unfilled new FTE's drove this favorability.
- Other Operating Expenses reached \$1,105,000, above a budget of \$828,000.
 - Higher expenses in the following drove this variance:
 - Purchase Services related to Epic and Sage project management
 - Dues & subscriptions related to Epic
 - Estimated Trubridge Settlement
 - YTD operating expenses of \$24,429,000 remain under a budget of \$25,894,000

Operating Income/Loss:

- Operating Loss of \$642,000 compared to a budgeted gain of \$84,000.

Change in Net Position:

- A loss of \$556,000 compared to the budgeted gain of \$194,000

Financial Health Indicators:

- Days Cash on Hand: Decreased to 63.7 from 64.2 in January.
- Accounts Receivable (A/R) Days Outstanding: Decreased to 56.5 days, down from 60.9 days in the prior month.

Southern Coos Hospital & Health Center
Statements of Revenues, Expenses, and Changes in Net Position
As of February 28, 2025

	Month Ending 02/28/2025				Month Ending 02/29/2024	Year To Date 02/28/2025				Prior Year To Date 02/29/2024
	Actual	Operating Budget	Actual minus budget	Budget variance	Actual	Actual	Operating Budget	Actual minus budget	Budget variance	Actual
Total Patient Revenue										
Inpatient Revenue	654,691	1,012,753	(358,062)	(35.4) %	742,588	6,656,763	8,075,342	(1,418,579)	(17.6) %	6,130,877
Outpatient Revenue	3,528,544	3,672,545	(144,002)	(3.9) %	3,141,420	27,540,048	29,116,159	(1,576,112)	(5.4) %	23,920,553
Swingbed Revenue	536,956	103,846	433,111	417.1 %	298,691	2,435,268	895,305	1,539,964	172.0 %	2,282,742
Total Patient Revenue	4,720,191	4,789,144	(68,953)	(1.4) %	4,182,699	36,632,079	38,086,806	(1,454,727)	(3.8) %	32,334,172
Total Deductions	2,185,347	1,708,331	477,015	27.9 %	1,443,346	14,202,794	13,802,356	400,438	2.9 %	11,522,132
Revenue Deductions %	46.3 %	35.7 %	10.6 %	29.8 %	34.5 %	38.8 %	36.2 %	2.6 %	7.1 %	35.6 %
Net Patient Revenue	2,534,845	3,080,813	(545,968)	(17.7) %	2,739,354	22,429,284	24,284,449	(1,855,165)	(7.6) %	20,812,040
Other Operating Revenue	1,263	101,543	(100,280)	(98.8) %	45,172	26,902	812,344	(785,443)	(96.7) %	54,837
Total Operating Revenue	2,536,108	3,182,356	(646,248)	(20.3) %	2,784,526	22,456,186	25,096,794	(2,640,608)	(10.5) %	20,866,877
Total Operating Expenses										
Total Labor Operating Expenses	2,073,809	2,270,842	(197,032)	(8.7) %	1,897,298	17,121,384	18,901,646	(1,780,262)	(9.4) %	15,760,091
Total Other Operating Expenses	1,104,530	827,952	276,578	33.4 %	743,987	7,307,282	6,991,893	315,390	4.5 %	5,594,169
Total Operating Expenses	3,178,339	3,098,794	79,546	2.6 %	2,641,285	24,428,666	25,893,539	(1,464,872)	(5.7) %	21,354,260
Operating Income / (Loss)	(642,231)	83,562	(725,794)	(868.6) %	143,241	(1,972,480)	(796,745)	(1,175,736)	147.6 %	(487,383)
Net Non Operating Revenue	85,867	110,923	(25,056)	(22.6) %	125,860	948,283	867,532	80,751	9.3 %	1,042,948
Change In Net Position	(556,364)	194,486	(750,849)	(386.1) %	269,101	(1,024,197)	70,787	(1,094,984)	(1,546.9) %	555,565

* Other Operating Income YTD:

- \$14k - Levy Payment from CMS
- \$7k – Advanced Health CCO (Coordinated Care Organization) Risk Share
- \$1k – SWOREIPA Quality Incentives
- \$5k – GPO Rebates



**Southern Coos Hospital & Health Center
Balance Sheet Summary**

	Year To Date 02/28/2025	Year Ending 06/30/2024		Year Ending 06/30/2023
	Current Year Balance	Prior Year	Current vs. Prior	Actual
Total Assets				
Total Current Assets				
Cash and Cash Equivalents	9,924,128	11,721,015	(1,796,887.00)	12,771,743
Net Patient Accounts Receivable	5,303,996	3,907,633	1,396,363.00	2,813,679
Other Assets	426,339	798,202	(371,863.00)	678,642
Total Current Assets	15,654,463	16,426,850	(772,387.00)	16,264,064
Net PP&E	9,130,591	6,423,952	2,706,639.00	6,677,893
Total Assets	24,785,054	22,850,802	1,934,252.00	22,941,957
Total Liabilities & Net Assets				
Total Liabilities				
Current Liabilities	7,468,459	4,490,006	2,978,453.00	4,057,278
Total Long Term Debt, Net	4,515,126	4,535,131	(20,004.00)	5,217,539
Total Liabilities	11,983,585	9,025,137	2,958,449.00	9,274,817
Total Net Assets	12,801,469	13,825,665	(1,024,197.00)	13,667,140
Total Liabilities & Net Assets	24,785,054	22,850,802	1,934,252.00	22,941,957
Cash to Debt Ratio	0.82	1.21	(0.39)	1.84
Debt Ratio	0.48	0.39	0.09	0.40
Current Ratio	2.10	3.66	(1.56)	4.01
Average Age of Plant	9.29	12.30	(3.01)	14.87
Debt to Capitalization Ratio	0.25	0.25	0.00	0.29














EPIC Stabilization Graph Package

As of 3/14/25

Week #14

SO. COOS HB STABILIZATION

HB KEY METRICS										
Metric	Status	As of 3/14		As of 3/7		13wk	Baseline	Top	Median	Bottom
Total AR	◆	57.5 Days*	\$9.3M	60.4 Days*	\$9.7M		50 Days*	58.2 Days*	63.2 Days*	65 Days*
Epic AR	●	49.7 Days*	\$8M	52.1 Days*	\$8.3M			41.6 Days*	45.3 Days*	49.2 Days*
Legacy AR	◆	7.7 Days*	\$1.2M	8.3 Days*	\$1.3M			10.1 Days*	12.5 Days*	15.5 Days*
Cumulative Charge Variance	◆	111.8%	\$1.7M	111.5%	\$1.5M		\$1M/wk	\$759.4K	\$214.2K	-\$58.5K
Cumulative Payment Variance	◆	-0.2 Weeks	-\$97.9K	-0.8 Weeks	-\$496.5K		\$620.2K/wk	-\$396.7K	-\$832.3K	-\$1.1M
CFB	◆	8.7 Days	\$1.4M	13 Days	\$2M			6.4 Days	9 Days	11.6 Days
Claim Edit	■	2.2 Days	\$359.5K	1.9 Days	\$293.1K			1.5 Days	2.2 Days	5.2 Days
Uncoded CFB	◆	0.8 Days	\$129K	2.6 Days	\$400.8K			1.2 Days	1.7 Days	2.3 Days
Open Denial	◆	1 Days	\$163.1K	0.5 Days	\$80.1K			1.3 Days	1.9 Days	2.9 Days
Epic Payment Average	◆	126%	\$781.1K	105%	\$651.3K			95.3%	87.3%	81.9%
Primary Denial Rate	◆	12.1%	13.1% (Curr)	12.7%	10.3% (Curr)			11%	14.9%	19.8%

*Total, Epic, and Legacy AR Days are calculated using combined Legacy+Epic ADR and not Epic-only ADR



EPIC Stabilization Graph Package

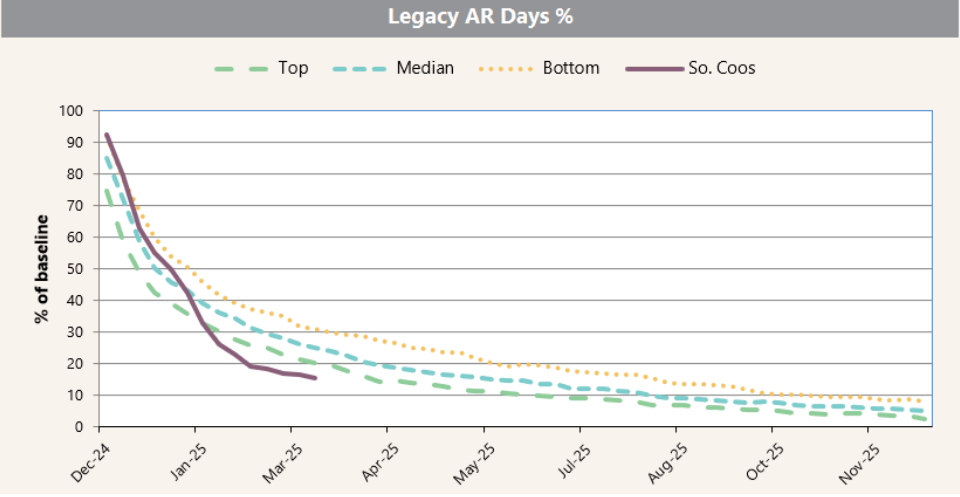
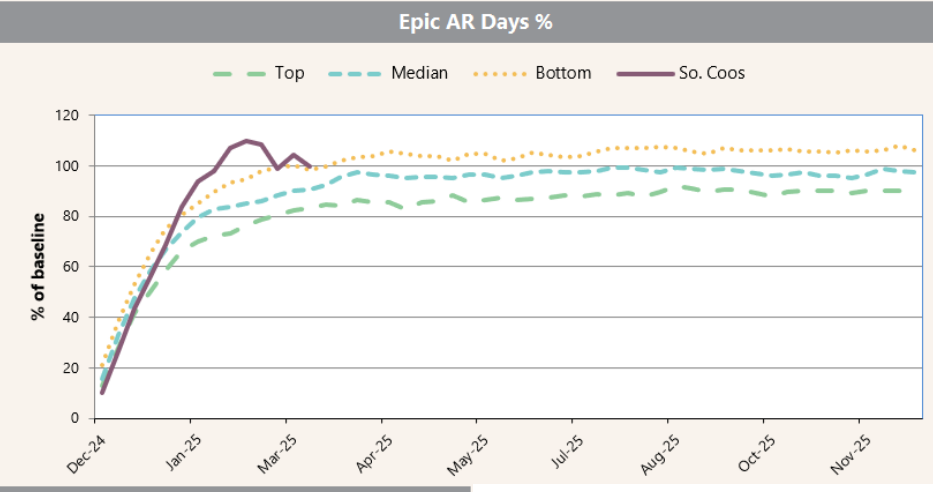
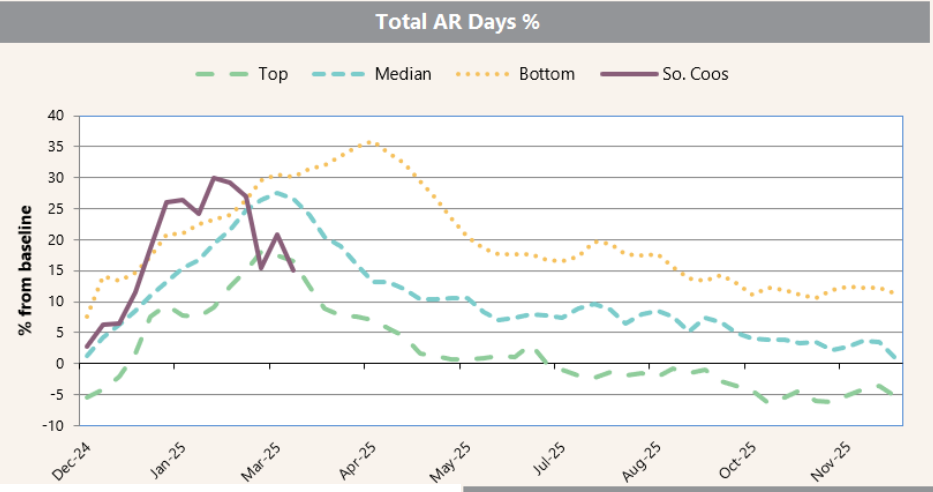
As of 3/14/25

Definitions	
Total AR	Total outstanding Accounts Receivable (Epic + Legacy) / Days calc: AR divided by combined (Epic + Legacy) average daily revenue (13 weeks)
Epic AR	Epic outstanding Accounts Receivable / Days calc: AR divided by combined (Epic + Legacy) average daily revenue (13 weeks)
Legacy AR	Legacy outstanding Accounts Receivable / Days calc: AR divided by combined (Epic + Legacy) average daily revenue (13 weeks)
Cumulative Charge Variance	Total charges posted (Epic + Legacy) compared to the historical weekly charge average summed over the weeks live / Dollar difference between the two values and percent of total expected
Cumulative Payment Variance	Total payments posted (Epic + Legacy) compared to the historical weekly payment average summed over the weeks live / Dollar difference between the two values and difference divided by historical weekly payment average
CFB	Total of all discharged but not final billed balances, minus min hold balances / Days calc: amount divided by Epic average daily revenue (up to 13 weeks)
Claim Edit	Total of all billed account balances that are held for claim errors / Days calc: amount divided by Epic average daily revenue (up to 13 weeks)
Uncoded CFB	Total of all discharged but not final coded balances, minus min hold balances / Days calc: amount divided by Epic average daily revenue (up to 13 weeks)
Open Denial	Total of all account balances that have an open denial from insurance / Days calc: amount divided by Epic average daily revenue (up to 13 weeks)
Epic Payment Average	Average of Epic payments posted over the last 4 weeks / Percent of historical payment average
Primary Denial Rate	(4-Week Avg) Percent (by count) of payments received in the last 4 weeks that indicate a denial (Current Week) Percent (by count) of payments received this week that indicate a denial



EPIC Stabilization Graph Package

As of 3/14/25



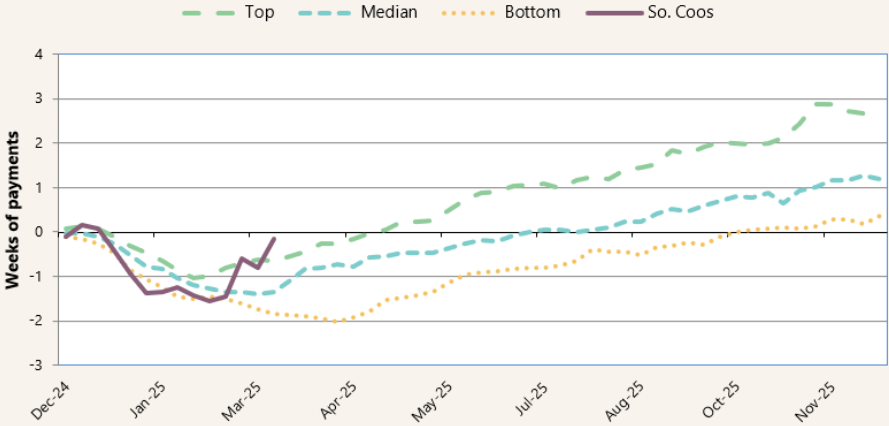
Note: There were initial issues with IP and SWB accounts flowing to WQs appropriately, which caused an initial spike in EPIC AR Days



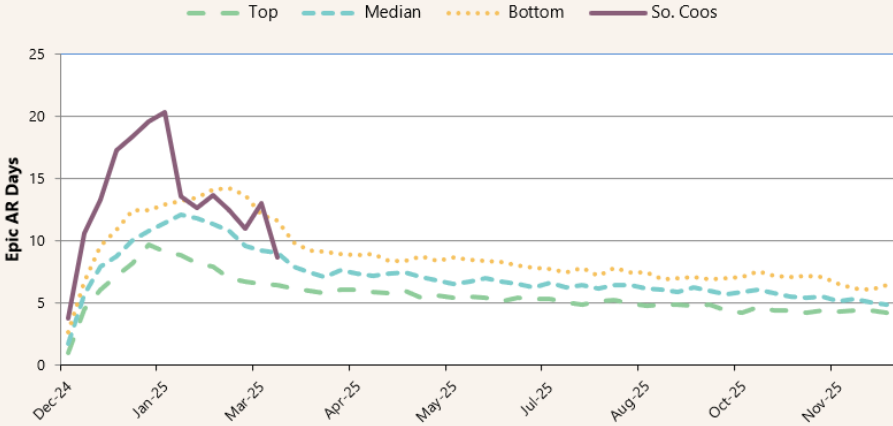
EPIC Stabilization Graph Package

As of 3/14/25

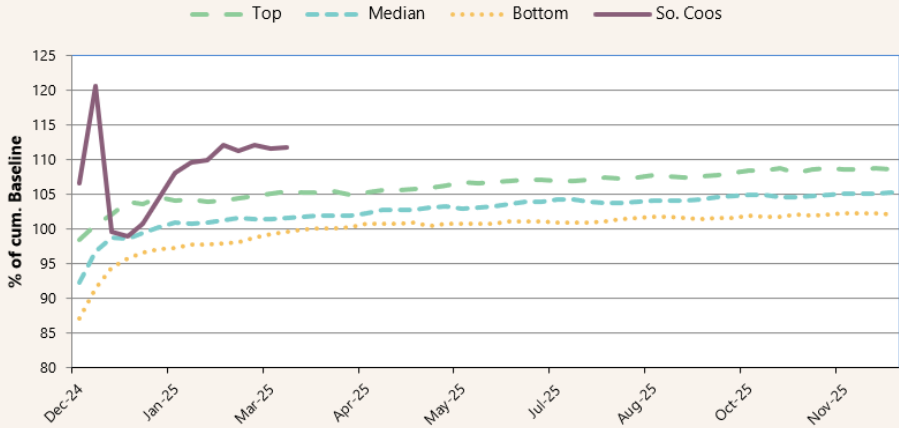
Cumulative Payments Variance



CFB Days



Total Cumulative Charges %



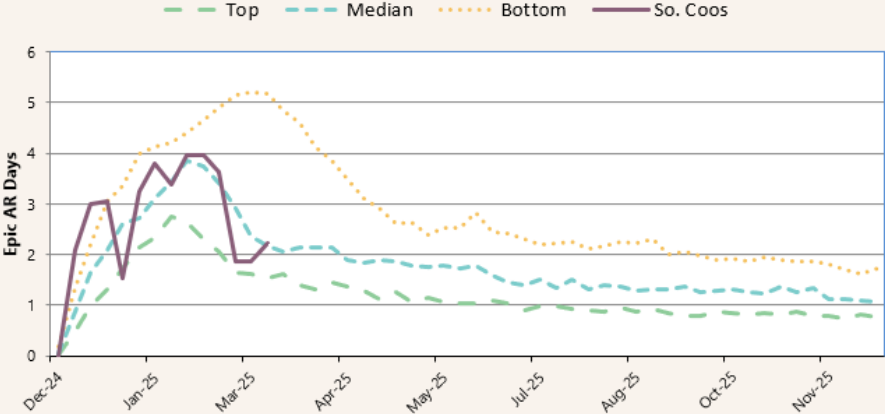
Note: The initial spike in charges was adding CPSI IP/SWB accounts into EPIC so they could be billed out of the new system, the dip was when the charges were removed from CPSI.



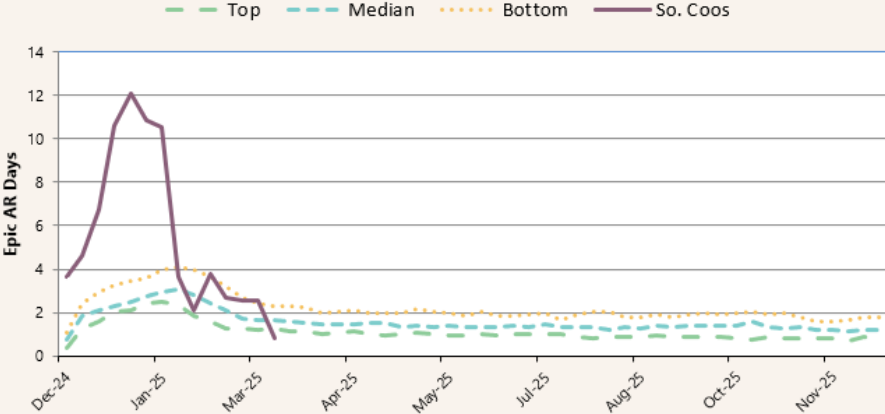
EPIC Stabilization Graph Package

As of 3/14/25

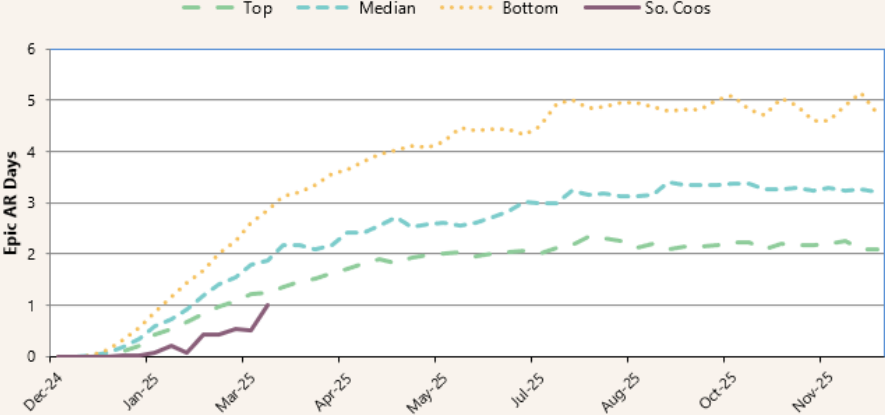
Claim Edit Days



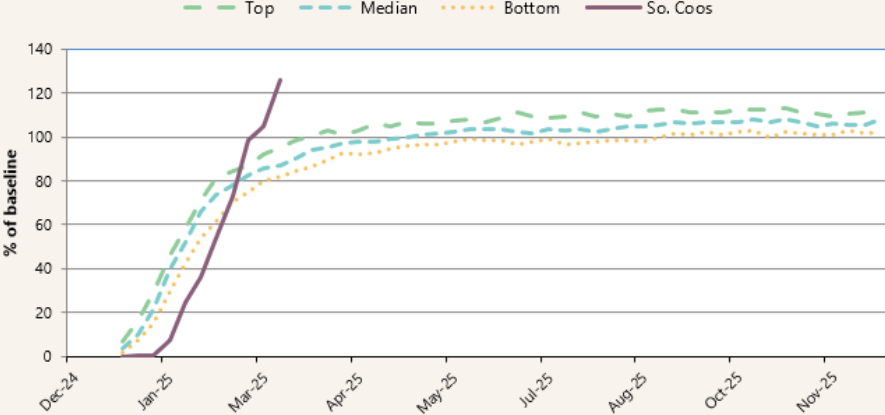
Coding Days



Open Denial Days

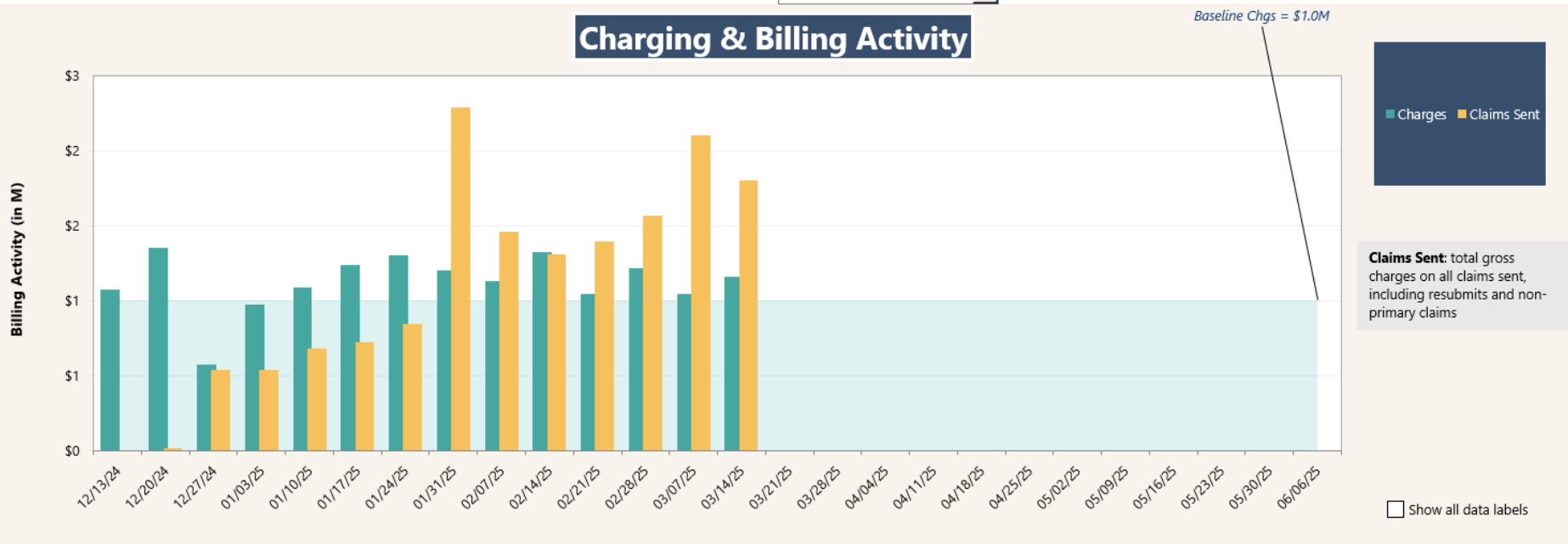


Epic Pmt Avg



EPIC Stabilization Graph Package

As of 3/14/25



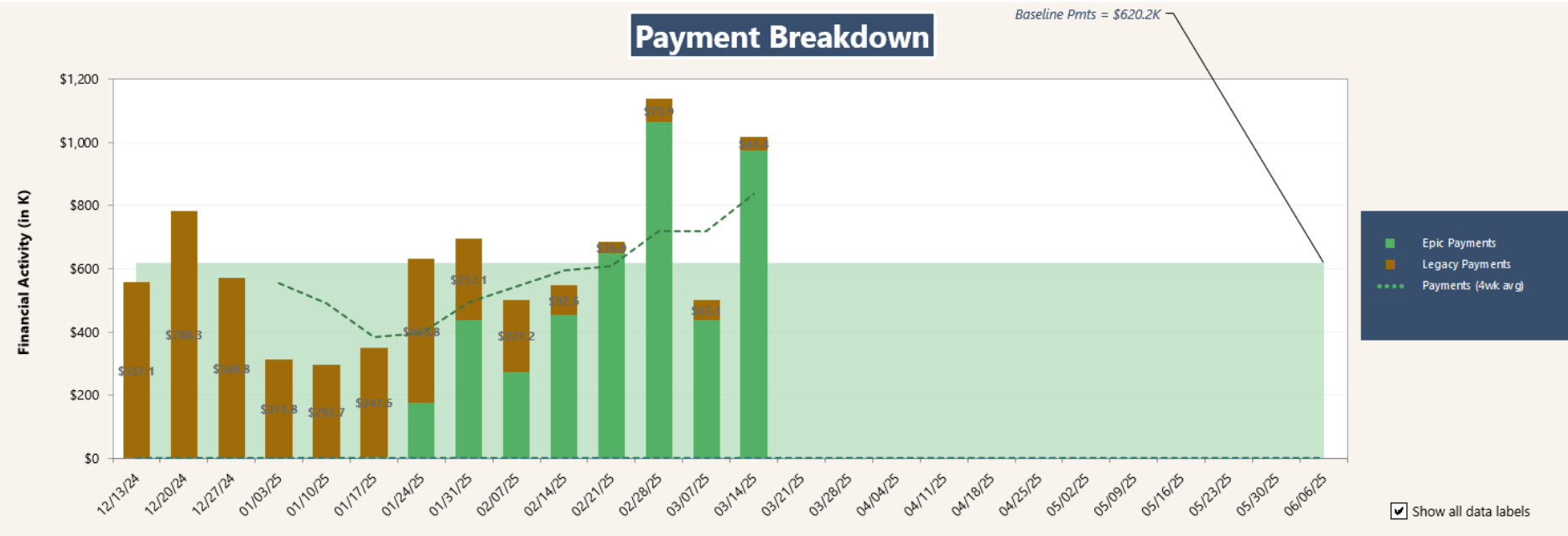
Note:

- Charges for the weeks of Christmas and New Year's were lower than average due to lower volumes. Overall, SCHHC has recognized an increase in charges
- Claims were temporarily held until the last week of January while staff worked through processes and workflow challenges, we continue to optimize processes.



EPIC Stabilization Graph Package

As of 3/14/25



Note:

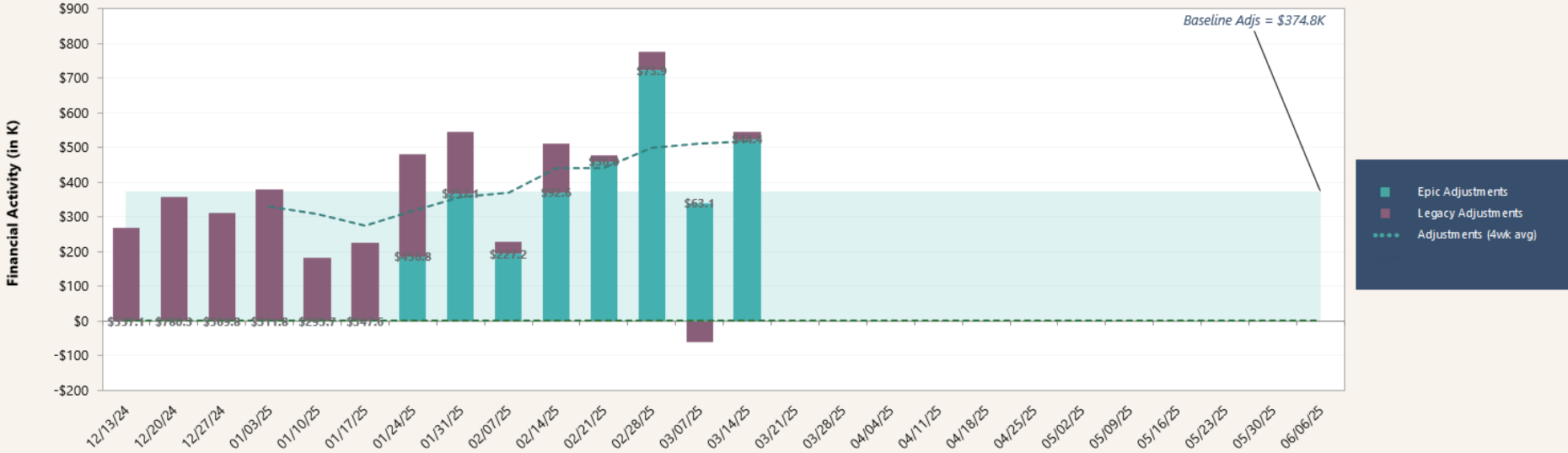
- A significant increase in payments (cash) was seen in February due to payments 30 days following the large push in claims at the end of January



EPIC Stabilization Graph Package

As of 3/14/25

Adjustment Breakdown



Note:

- With a spike of cash payments in February, we also had a large number of contractuals posted, which was expected as payments catch back up
- The number of contractual adjustments out of CPSI is dropping as total AR is worked down



Approved Projects:

Project Name	Department	Budgeted Amount	Total Spending	Amount Remaining	Date Completed	Notes
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Budgeted Non-Threshold Capital Purchases (<\$15,000)

Abbott ID Now Analyzer	Clinic	10,000		10,000		
60' Refrigerated Chef Base	Dietary	6,000		6,000	In Progress	
Gas Griddle	Dietary	5,000		5,000	In Progress	
Convection Oven	Dietary	7,000		7,000	In Progress	
OBN Gurney	ER	6,500		6,500		
New Desk/Workspace	ER	10,000		10,000		
Cast Cart	ER	5,500	5,163	337	8/31/2024	
Mindray Monitor Upgrade	ER	6,000		6,000	Completed	Included in EPIC project
Exam Lights	ER	13,000		13,000		
Phone System VOIP upgrade	Information Systems	5,000	-	5,000	N/A	Project came in under \$5k - expensed per policy
Ortho MTS Workstation (Blood Bank)	Lab	8,000		8,000		
ID TipMaster	Lab	5,000		5,000		
Freezer	Lab	10,000		10,000		
Centrifuges (x4)	Lab	8,000		8,000		
Reclining Chairs	Med Surg	12,000	10,808	1,192	1/31/2025	
Suction Flow Meters	Med Surg	6,000		6,000		
Instrument Sets	Surgery	13,000		13,000		

Un-Budgeted Non-Threshold Capital Purchases (<\$15,000)

Copier Replacement	Information Systems		12,600	(12,600)	In Progress	
RT - Ventilation System	RT		7,590	(7,590)	1/31/2025	

Totals - Non Threshold Projects

136,000	36,161	99,839
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**SOUTHERN COOS HOSPITAL & HEALTH CENTER
CAPITAL PURCHASES SUMMARY FY2025**

Approved Projects:

Project Name	Department	Budgeted Amount	Total Spending	Amount Remaining	Date Completed	Notes
Budgeted Threshold Projects (>\$15,000)						
Meal Carts	Dietary	18,000		18,000		
Floor Replacement for Various Departments	Engineering	36,000		36,000		
Vital Sign Machines (10 EA)	Engineering	45,000		45,000		
Building Automation (HVAC)	Engineering	95,000		95,000		
ER Signage	Engineering	25,000	8,264	16,736		Completed - Pending Invoices
Parking Lot Resurface	Engineering	30,000	11,015	18,985	In Progress	
Air Handler	Engineering	150,000		150,000		
Gurney (x3)	ER	45,000		45,000		
Storage Server Replacement	Information Systems	15,000		15,000		
DataCenter Battery Backup Replacement	Information Systems	19,000		19,000		
Blood Culture Incubator w/ Synapsys (BD FX 40)	Lab	20,500		20,500		
Bacterioscan	Lab	23,500		23,500		
Biosafety Cabinet Type II Class 2B (Hood)	Lab	25,000		25,000		
BACTAlert Combination System	Lab	35,000		35,000		
Bariatric Bed	Med Surg	31,000		31,000		
Cardiac Monitors	Med Surg	29,000		29,000		
Second Ultrasound Machine	Radiology	170,000		170,000		
Ultrasound Echo Bed	Radiology	20,000		20,000		
Vyntus PFT	Respiratory	75,000		75,000		
Liposuction Equipment	Surgery	50,000		50,000		
Sonosite Ultrasound	Surgery	25,000		25,000		
Medication Management System	Surgery	25,000		25,000		
Glide Scope	Surgery	25,000	15,544	9,456	8/31/2024	
Arthroscopy Tower Light Source	Surgery	20,000		20,000		

Un-Budgeted Threshold Projects (>\$15,000)

OP Pharmacy	Pharmacy		42,982	(42,982)	In Progress	
				-		

Totals - Threshold Projects

1,052,000 77,805 974,195

Grand Total

1,188,000 113,966 1,074,034

