



**Board of Directors Regular Meeting
& Executive Session
Bandon Professional Center
May 22, 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
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Motion to Approve Consent Agenda.....(action)
- III. New Business**
None.
- IV. Old Business**
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- V. Staff Reports-Discussion**
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8. Strategic Plan Update.....(under separate cover)
- VI. Monthly Financial Statements: Review & Discussion**
1. CEO Year-to-Date Summary.....(under separate cover)
2. CFO Month-End Summary.....(under separate cover)
3. Month-End Statements for Period Ending April 30, 202576
- 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 162.660(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 meeting. No decisions will be made in Executive Session.
1. Review of Executive Session Minutes for Consideration in Open Session
a. Regular Meeting Executive Session 04/24/25

2. Review of Monthly Reports for Consideration in Open Session:
 - a. Quality, Risk & Compliance Report
 - b. Medical Staff Committee Report
3. CEO Evaluation

VIII. Return to Open Session

1. Consideration of Executive Session Minutes from 04/24/25.....(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
Bandon Professional Center
April 24, 2025**

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, Kay Hardin, and Robert Pickel, Directors. **Administration:** Raymond Hino, CEO; Cori Valet, CNO; Antone Eek, CFO; Scott McEachern, CIO; Philip J. Keizer, Chief of Staff. **Absent:** Alden Forrester, MD, CMO. **Others present:** Robert S. Miller, Counsel; David Serle, Clinic Director; Brenda Sund, Controller; Colene Hickman, Revenue Cycle Director; Stacy Nelson, HR Director; Kim Russell, Executive Assistant. **Via Remote Link:** Amanda Bemetz, Quality/Risk/Compliance Director; Alix McGinley, SCH Foundation Executive Director. **Press:** None.

1. Agenda - Corrections or Additions

Under Old Business, a new item was added: Approval for Management to Execute and CEO to be Authorized as Signatory (detailed below).

2. Public Input – None.

Mary Schamehorn **moved** to approve the revised agenda as noted. Bob Pickel **seconded** the motion. **All in favor. Motion passed.**

II. Consent Agenda

1. Open Session Meeting Minutes (Executive Session Minutes are Reviewed in Executive Session):

a. Regular Meeting–03/27/25

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.**

III. New Business – None.

IV. Old Business

1. Authorization for Management to Execute and CEO to be Authorized as Signatory for (1.) 5-Year Certificate of Deposit in Amount of \$3,154,987.70 and (2.) 5-Year Commercial Loan in Amount of \$3,100,000 as Approved in March 2024 for EHR/ERP Project

Mr. Hino provided a review of the detailed written recommendation describing the purpose to comply with bank requirements for formal board authorization for the CEO to perform as signatory to complete the actions approved last year for financing of the Electronic Health Record and Electronic Resource Planning platform conversion, where after one year the financing moves to the combination of a 5-year CD and 5-year commercial loan, resulting in a net borrowing rate of 2.0% as described in this agenda title and motion for approval.

Mary Schamehorn **moved** to authorize CEO Raymond Hino to perform as Signatory for (1) 5-Year Certificate of Deposit in Amount of \$3,154,987.70 and (2) 5-Year Commercial Loan in Amount of \$3,100,000 as Approved in March 2024 for EHR/ERP Project. Pam Hansen **seconded** the motion. **All in favor. Motion passed.**

V. Staff Reports

1. CEO Report

Mr. Hino provided highlights from his report for the previous month. Physician update: Dr. Simmonds is onboarding and in the last 1.5 weeks will have seen 25 patients. As soon as payor credentialing is complete with Regence Blue Cross we have three surgeries ready to be scheduled. Current recruitment includes interviews with 2 Nurse Practitioner candidates, one who is local and another who is interested in temporary to permanent placement. We have contracted with 2 new hospitalist providers recommended by Dr. Forrester. Mr. Hino also touched on Facilities Master Planning and an update on the Bay Area Hospital likely change in ownership status. As previously reported, an RFP process for Architectural and Engineering firms was initiated in March. Proposals are to be reviewed April 25. It is likely that 2 firms will be invited to interview and tour the facility. A recommendation will be presented to the Board for approval at the regular meeting in May. Bay Area Hospital is working with Quorum Health to continue as a non-profit. Opportunities for future collaboration may be possible. The Business Office remodel project has encountered increased costs prompting reconsideration of putting specialty services at the 2nd Street property.

2. CMO Report

Mr. Hino presented the CMO report on behalf of Dr. Forrester who is out of office. Mr. Hino reviewed potential OHSU Telemedicine collaboration with an agreement currently in legal review. This service would help providers more effectively manage adult stroke patients and pediatric emergencies, noting the previous receipt of the USDA's Distance Learning & Telemedicine grant. Bandon Dunes has selected Southern Coos Hospital & Health Center as medical provider for the 125th U.S. Women's Amateur Championship August 1-10. Several ER physicians have already expressed interest. Bandon Dunes will purchase this service and Southern Coos will pay staff for their hours, and physicians will receive a stipend and opportunity for a round of golf that week.

3. CNO Report

Ms. Valet was pleased to open with a positive staffing report, noting the recent hiring of a new Trauma RN, 2 new staff members in the Lab, with one of those filling a position that has been open for 3 years; 1 new MA and a returning Surgical RN. Skills Day was a success with Ms. Valet expressing gratitude for the excellent inter-department collaboration. Inpatient census has increased. Ms. Valet noted that with the total number of patient transfers, only 6 were due to no bed availability.

4. CFO Report

Antone Eek provided a review of department activities for the month of March. A new payroll coordinator has been hired to join our longtime Payroll clerk who will now be Payroll Supervisor to support our growing staff. Our new Accounts Receivable Clerk has been doing an amazing job. Thank you to Jenny Percy for her support through that transition. We hope to post for a 2nd Financial Analyst. The Sage ERP system will be reviewed by CLA to resolve various issues. The clearing and grading of the parking area at 11th Street and June Avenue is completed this week and will accommodate approximately 40 cars for staff, opening the paved parking areas to allow for more patient parking. Revenue Cycle has focused on processes and improvement and we are pleased with charge capture results. The retail pharmacy will have a soft opening next month for employees-only to fine tune operations before opening to the public on June 1. A settlement offer has been received from Trubridge, the legacy A/R system; we are sending a counter offer.

5. CIO Report

Scott McEachern, Chief Information Officer, provided a review of his report for the month of March, opening with the current list of Information Systems department projects, noting that onboarding of Dr. Simmonds, preparations for the new Retail Pharmacy, and the infrastructure build of the 2nd Street building were included in previous reports. Additional projects include preparation of a Voice over Internet Protocol (VOIP) system, a technology that utilizes the internet instead of traditional telephone lines and incorporates AI technology to direct calls rather than the traditional linear phone tree setup that will also allow remote workers to make phone calls on behalf of SCHHC. Mr. McEachern also touched on review of a new Information Systems Help Desk to replace the current “ticketing” system and contract management system evaluations. The printed report includes a table of Clinical Informatics projects by department and status, in Clinical Informatics, Emergency Department, Primary Care, Health Information Management (HIM), Med/Surg, Outpatient Nursing, Pharmacy, Quality, Medical Imaging (Radiology), Respiratory Therapy, Revenue Cycle, and Surgical Services. At the next board meeting, a new Project Management section will be added to the report.

6. Clinic Report

David Serle, Clinic Director, provided an update on Clinic activities for the previous month, noting that by the end of April, Dr. Simmonds will have seen 27 patients. A

Medical Assistant has been hired and recruitment is in process for an RN to support Dr. Simmonds. Provider recruitment focus is currently on Family Nurse Practitioners, for now. Statistics for the month of March indicate a net increase of 17 visits from prior month, with the month of April projected to increase by 17%. Excess of revenue over expense is reported in amount of \$49,000, however Mr. Serle noted a correction to previous reporting for the month of February, indicating that the total number of visits in February were 571, not 581. Chronic Care Management, a Medicare (CMS) critical component of primary care that contributes to better health and care for individuals, is growing with continued growth anticipated. A total of 157 patient satisfaction surveys were received so far for the period January through April 2025 with overall favorable results. Mr. Serle shared that under an area needing improvement, "Providers knew patient medical history," it is believed that this stems from the transition from the former electronic medical record (EMR), to the new EMR recently completed. This will continue to be monitored. Dr. Marriott, an ER physician who lives locally, is now adding one day a week in the clinic to see "walk-in" acute care patients. This will increase to 2 days per week in June.

7. SCHD Foundation Report

Alix McGinley, Executive Director, summarized her report for the previous month, reviewing the upcoming community survey in support of the facility master planning project, grant writing, and goal to increase the number of full-time school nurses from 1 to 2 in the Bandon School District. The community survey will be available with paper surveys and drop boxes placed in various public locations in town, the hospital, and clinic, and will include the option to scan a QR code to complete the survey electronically. The annual major fundraiser, the Golf for Health Classic, has received commitments of \$32,800 and is on track to meet the \$125,000 2025 fundraising goal. The local "Meet & Greet" forums held in Old Town at the Bandon Fisheries Marketplace every Tuesday at noon, will continue with Southern Coos providing speakers every 2nd Tuesday of the month. On May 13, speakers will be Colene Hickman, Director of Revenue Cycle, Patient Access & Patient Financial Services, and Brenna Watkins, Patient Financial Services. Ms. McGinley reminded members of the Chamber of Commerce Dinner on May 14 where CEO Raymond Hino will be guest speaking, and the Chamber "Mixer" event to be hosted by Southern Coos Hospital & Health Center on June 18, to follow the standard Chamber Mixer format with complimentary appetizers, beer and wine. A special insurance certificate has been issued for this one-time event. The Living and Aging Well in Bandon group will now be led by Coos Health and Wellness with support from the Southern Coos Health Foundation. Registration is open via Eventbrite for the Living & Aging Well: Brain Health event, May 24, 10:00 am – 2:00 pm on Saturday, May 24 at the Bandon Community Center.

8. Strategic Plan

Mr. Hino provided a review of the Strategic Plan distributed to board members under separate cover, also available to the public on the hospital website or by request. Mr. Hino thanked Amanda Bemetz for her update of the (Item 9.1) Health

Equity and Social Drivers of Health strategic initiative, noting that the monthly strategic planning workshop with the Executive Team, plus Ms. Bemetz, has resumed, thanking the team for their contributions and updates. Board members noted that there are several initiatives that indicate they are near to the due date and marked “on track” but there are no active notes provided, also recognizing that this serves as an operational tool, not intended as a formal report. Mr. Hino directed members to use their on-line access to review detailed notes in expanded format that is difficult to provide in the paper format. The working document provides an excellent communication tool for the Executive Team. Mr. Hino is working with the platform representative to add the “start date” field.

VI. Monthly Financial Statements Review & Discussion

1. CFO Narrative

Antone Eek, CFO, reviewed highlights from his financial narrative for the month ending March 30, 2025. Gross revenue for the month was slightly below budget of \$5.2M, at \$4.9M. Deductions from Revenue in March were 40.1% and YTD at 38.9%. Operating Revenue was under budget for the month but YTD significantly positive by \$1.9M compared to prior year. Reimbursement from Medicare (or conversely, repayment due) per the Medicare Cost Report, is estimated conservatively throughout the year using a settlement tool, is not recognized until received. Operating Expenses: Labor expense is under budget and overall YTD expenses are also under budget. Operating income is showing a loss but key financial indicators are positive with Days of Cash on Hand increased from prior month, and Days in A/R decreased. Mr. Eek added the need to continue to diversify revenue streams to support financial stability and continue cost control of non-essential spending. Last year, Southern Coos implemented at 5% increase on charges and will do so again in 2026. We continue to optimize staffing, which includes adding staff, while that may seem contradictory to cost savings, it actually supports retention and growth. Increased patient census and improvements in revenue cycle and charge capture are contributing to increased revenue.

2. Month-End Financial Statements Review & Discussion

At this time Mr. Eek directed the group to the Balance Sheet, noting that the net position was achieved without projected service revenue from Geriatric Psychology and the Coast Community Health Center (CCHC) collaborative services that were to be provided before the CCHC transition of ownership to Adapt Integrated Healthcare. The Geriatric Psychology service line is postponed due to contractual issues for the vendor. Mr. Eek also noted that the Debt Ratio is very good due to self-financing of the sterile processing remodel and special financing arrangements for the electronic health record and enterprise resource platform, as reviewed under Old Business. Continued cash flow optimization, investments and growth will serve long term stability. Liabilities and Equity are well managed. **Discussion:** Patient billing and payment options were discussed with cash and checks both accepted, while many hospitals are moving to digital-only payment methods. EPIC (the electronic medical record) stabilization is positive, with Southern Coos at approximately 5 months ahead of schedule compared to similar facilities post-go-

live. Capital purchases were reviewed and it was noted that each year Southern Coos will often not purchase all items on the capital equipment list, working strategically to manage as needed vs. “wish list” items, or to defer those items, that can be deferred, to the next fiscal year budget.

VII. Executive Session

At 7:50 p.m. the board moved into Executive Session under 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. Attendees not staying for Executive Session were excused at this time. Remaining in attendance were Thomas Bedell, Chairman; Mary Schamehorn, Secretary; Pamela Hansen, Treasurer/Foundation Liaison, Kay Hardin, Director/Quality Committee Liaison, and Robert Pickel, Director. **Administration:** Raymond Hino, CEO; P.J. Keizer, Medical Staff Chief of Staff. **Others present:** Amanda Bemetz, Director Quality Risk & Compliance (via remote link); Robert S. Miller, Counsel; Kim Russell, Executive Assistant.

VIII. Return to Open Session

At 8:05 p.m. the meeting returned to Open Session.

1. Executive Session Minutes

- a. Regular Meeting Executive Session 03/27/25

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**
- b. **Medical Staff Report**

2-Year Privileges – New - Effective April 30, 2025

Nicholas Kovacs, MD – Provisional – Emergency Medicine

John Hoffman, MD – Provisional – Radiology

2-Year Privileges – Reappointments*

Bonnie Wong, DO – Courtesy – Family Medicine

Direct Radiology Appointments & Reappointments – After Hours Reading Radiology

None.

Medical Staff Status Change

Gregory Schutt, MD – Emergency Med - Privileges to lapse 04.30.25

Shannon Berry, MD - Emergency Med - Privileges to lapse 04.30.25

Garry Vallier, MD – Ortho Surgery - Privileges to lapse 04.30.25

Shaun Hobson, MD – Ortho Surgery – Privileges to lapse 04.30.25

Jason Bell, MD - Ortho Surgery – Privileges to lapse 04.30.25
Jennifer Hall, MD – Emergency Med. – Provisional to Courtesy
Daniel McGee, MD – Emergency Med. – Provisional to Courtesy
Christoffer Poulsen, DO – Emer. Med. – Provisional to Courtesy
Patrick Kelly, MD – Emergency Med. – Provisional to Courtesy
Charlotte Ransom, MD – Emer. Med. – Provisional to Courtesy
Rebecca Palmer, MD – Emergency Med. – Provisional to Courtesy
Fred Barton, NP – Emergency Med. – Provisional to Courtesy
Patrick Hudson, MD – Emergency Med. – Provisional to Courtesy
Ann Cooley, MD – Emergency Med. – Provisional to Courtesy
Tanya Bucierka, DO – Emergency Med. – Provisional to Courtesy
Jordan Chick, MD – Emergency Med. – Provisional to Courtesy
Honora Considine Cortelyou, MD – Emer. Med. – Provisional to Courtesy

Mary Schamehorn **moved** to accept the Quality, Risk & Compliance and Medical Staff reports as presented. Bob Pickel **seconded** the motion. Kay Hardin abstained. **Four in favor, 1 abstention. Motion passed.**

IX. Open Discussion

Ms. Hardin requested to discuss feedback from a patient which initiated questions and discussion regarding meal services for patients. Mr. Bedell thanked Mr. Hino for the end of week summary email memos, appreciated by all members.

X. Adjournment. The meeting adjourned at 8:17 p.m. The next regular meeting will be held on May 22, 2025.

Thomas Bedell, Chairman 05-22-2025

Mary Schamehorn, Secretary 05-22-25



April 30, 2025

Proposal to provide professional
audit services to:

Southern Coos Health District

Prepared by:

James Mann, CPA

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Direct 303-439-6028

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CPAS | CONSULTANTS | WEALTH ADVISORS

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





April 30, 2025

Antone Eek, CFO
Southern Coos Health District
900 11th St, SE
Bandon, OR 97411
AEek@southerncoos.org

Dear Antone:

Thank you for inviting us to propose. Enclosed please find CLA's (CliftonLarsonAllen LLP) proposal to Southern Coos Health District (SCHD).

At CLA, we exist to create opportunities for our clients, our people, and our communities. The advice you receive — whether through financial statement services, reimbursement, or advisory services — will be shared with the overarching goals of reducing risk, enhancing value, identifying actionable industry insights, strengthening compliance, and helping you meet your mission well into the future.

By getting to know you well, we'll be in a better position to help you. We start with a conversation, ask questions that matter, and listen. Because we're industry specialized, you'll find innovative advice that is clear and actionable, without having to train our team members on the nuances of your industry. We call it the CLA promise, and it's expressed in the values that drive our behavior: curious, collaborative, transparent, inclusive, and reliable. It's simply how we do business.

We want to serve you and we have the qualifications to deliver quality, timely work. Throughout this proposal, we take you on a journey outlining how we'll work together and the value you can expect.

Please contact me if I can provide additional information on our firm or our proposal.

Sincerely,

CliftonLarsonAllen LLP

James Mann, CPA
Principal
303-439-6028
james.mann@CLAconnect.com

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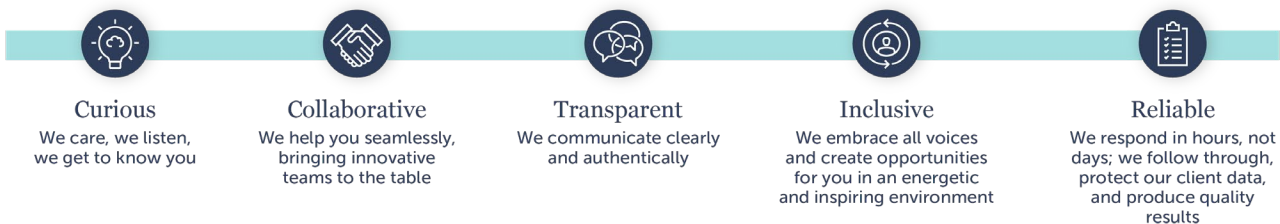


Executive Summary

You deserve to work with people whose values match your own. Our values drive our behavior and lead to service delivery that exceeds expectations and provides you with the [CLA client experience](#).

What does that mean? It means you'll work with a team with the resources to support the whole of your organization. You can count on industry specialized professionals who bring ideas and strategies that are relevant and actionable. Quite simply, you'll encounter value beyond the expected.

We put relationships first. Our family culture is at the center of our success, and we invite different beliefs and perspectives to the table, so we can truly know and help our clients, our communities, and each other. Here's what you can experience.



Your time is valuable: We know how to deliver quality, timely work, and we take care of the details so you can focus on what really matters: the important decisions that drive your success.



Firm Overview

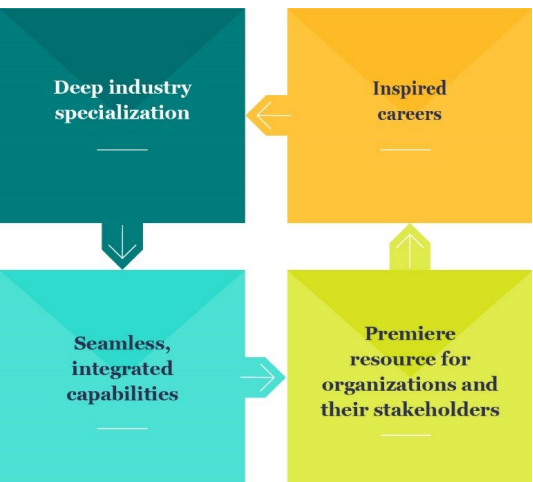
About CLA

It takes balance.™ With CLA by your side, you will find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go.



As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

Opportunities for you



You'll find resources you would expect in the largest firms, with the personal touch of people who live and work in your community.

You'll access leaders and professionals in communities across the country, rather than from one central headquarters. We work together to look at your organization holistically, and then help you address challenges by offering support where you need it, from traditional audit and tax to outsourcing and wealth advisory.

As you navigate opportunities and challenges in a competitive and constantly changing environment, we'll embrace change, learn from it, and design processes to make interactions easier, more transparent, and seamless.



Opportunities for our people

At CLA, people find meaningful work in a fun, compelling, and energizing culture. Our people design their own customized careers through our inspired careers strategic advantage. In 2024 our total headcount was relatively the same as in 2023, and we continue to witness a remarkable retention rate of 89%. Inspired by their careers, our family members develop client relationships that bring deeper knowledge and help you shine. We're one family, working together to create opportunities.

What's more, CLA is building a [diverse, inclusive, and equitable culture](#) that welcomes different beliefs and perspectives. We want to be representative of the communities we serve and foster an environment of inclusion and belonging, resulting in enhanced value for our clients, our communities, and each other.

Inclusive: *We embrace all voices and create opportunities by removing barriers and helping our people build inspired careers.*

Opportunities for our community

CLA's community impact team unifies the work and missions of our diversity, equity, and inclusion council and the CLA Foundation with a laser focus on advancing education, employment, and entrepreneurship within CLA and throughout our society.

Since 2015, our [CLA Foundation](#) has granted more than \$13 million from nominations made by and funds raised from CLA family members. Each grant recipient's work aligns with the foundation's mission to create career opportunities through education, employment, and entrepreneurship by connecting diverse networks inclusive of all genders and races, veterans, and the disability community.

Read more in CLA's annual [Promise Report](#).



Health care experience

Transform complexity into opportunity. Let our experienced team help you navigate the business of health care amid today's rapidly changing environment:

- Evolving care delivery models
- Adapting to the changing payment landscape
- Consolidation, disruptors, and new market entrants

As one of the nation's leading health care practices, we work closely with providers across the entire health care continuum, which enables us to help you with the financial and operational challenges of today and the strategic challenges of the future.



To break it down further, we serve:

- 900+ hospitals and health systems, including approximately 80 critical access hospitals
- 3,200+ senior living providers including nursing facilities, life plan communities (formerly known as CCRCs), seniors' housing communities, HUD housing, etc.
- 200+ home care, hospice, and other community-based providers
- 5,800+ physicians, dentists, and medical practices, including 150 FQHCs
- 1,000+ life science companies

Hospitals experience

We work with more than 1,000 hospitals and health systems across the country, using a dynamic process that integrates the perceptions of frontline staff, patients, managers, executive leaders, and the board. Working collaboratively and keeping the lines of communication open, we impact the future of health care by building deep and lasting relationships with our clients.



Although we provide audit and other financial services, we see ourselves primarily as health care professionals. We understand the expectation to constantly improve quality of care. CLA's team of knowledgeable, accessible, and responsive professionals provide customized services that support your evolving needs and enhance your organization's performance.



We've helped organizations across the health care spectrum with:

- Preparing for and implementing health care reform
- Strengthening hospital and physician relationships
- Transitioning through payment reform activities
- Access to capital
- Maintaining public image

Insight to strengthen your health care organization

When you're ready to go beyond the numbers to find value-added strategies, we offer resources to help you respond to challenges and opportunities including:

- [National webinars](#) — Offer complimentary professional development opportunities for your team.
- [Health care innovation and insight blog](#) — Get help navigating the continuously changing health care landscape including new payment models, emerging innovations, and new regulatory and legislative policies.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

Curious: *We care, we listen, we get to know you.*

Support at every turn

With [dedicated services specific to health care providers](#), you have access to guidance on all aspects of your business.

- [Affordable Care Act \(ACA\) reporting and compliance](#)
- [Credentialing Services](#)
- [CLA Intuition® financial strategic planning](#)
- [Coding, compliance, and clinical documentation strategy](#)
- [Continuing care at home program development](#)
- [Electronic health records \(EHR\) assessment and implementation](#)
- [Grant compliance](#)
- [HIPAA risk assessment](#)
- [Hospital and physician affiliation consulting](#)
- [Patient-Driven Payment Model \(PDPM\) assessment and compliance](#)
- [Practice assessments](#)
- [Revenue cycle management](#)
- [Strategic planning](#)
- [Talent solutions](#)
- [340B drug pricing program services](#)
- [Business opportunity assessments](#)
- [System optimization and selection](#)





Service Approach

Easing the transition

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms. Our seamless transition helps reduce your team's time, and we don't charge for it. We consider it an investment in our relationship.

The CLA Seamless Assurance Advantage (SAA)

The CLA Seamless Assurance Advantage (SAA) is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.







A different approach

SAA is unlike any conventional audit process. SAA does not depend on physical location. It reduces the time our professionals spend on site, creates fewer disruptions, enables more efficient use of resources (yours and ours), and allows for more impactful interactions with your people.

Insights through analytics

CLA uses strategic data analysis to examine whole data sets to gain a deeper understanding of your organization. Insights that were once impossible can now come into focus to help you measure performance, enhance strategic decision making, and understand your competitive opportunities.





Effective technology

CLA embraces technologies that help solve client problems and create a seamless experience. Assurance Information Exchange (AIE) is a web-based application developed by CLA to digitally request and obtain audit documents through a secure and efficient online portal.

Financial statement audit approach



Phase 1: Planning and strategy

The main objective of the planning phase is to identify significant areas and design efficient audit procedures.

- Conduct an entrance meeting. James and staff will meet with SCHD personnel to agree on an outline of responsibilities and time frames
 - Establish audit approach and timing schedule
 - Determine assistance to be provided by SCHD personnel
 - Discuss application of generally accepted accounting principles
 - Address initial audit concerns
 - Establish report parameters and timetables
 - Progress reporting process
 - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by SCHD, and establish deadlines

We will document our planning through:

- **Entity profile** — This profile will help us understand SCHD's activities, organizational structure, services, management, key employees, and regulatory requirements.
- **Preliminary analytical procedures** — These procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General risk analysis** — This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client assistance, a listing of significant provisions of laws and regulations, and other key planning considerations.



- **Account risk analysis** — This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by client listing** — This document will contain a listing of schedules and reports to be prepared by SCHD personnel with due dates for each item.
- **Assurance Information Exchange (AIE)** — CLA uses a secure web-based application to request and obtain documents. This application allows clients to view detailed information, including due dates for all items CLA is requesting. Clients can attach electronic files and add commentary directly on the application.

A key element in planning this audit engagement will be the heavy involvement of principals and managers. We will clearly communicate any issues in a timely manner and will be in constant contact as to what we are finding and where we expect it will lead.

Using the information we have gathered and the risks identified, we will produce an audit program specifically tailored to SCHD that will detail the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

Phase 2: Systems evaluation

We will gain an understanding of the internal control structure of SCHD for financial accounting and relevant operations. Next, we will identify control objectives for each type of control material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

- Electronic data, including general and application controls reviews and various user controls
- Financial reporting and compliance with laws and regulations

We will test controls over certain key cycles, not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

Our assessment of internal controls will determine whether SCHD has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

We will finalize our audit programs during this phase. We will also provide an updated prepared by client listing based on our test results and anticipated substantive testing.

During the internal control phase, we will also perform a review of general and application information services/information technology (IS/IT) controls for applications significant to financial statements to conclude whether IS general controls are properly designed and operating effectively.



Based on our preliminary review, we will perform an initial risk assessment of each critical element in each general control category, as well as an overall assessment of each control category. We will then assess the significant computer-related controls.

For IS/IT-related controls we deem to be ineffectively designed or not operating as intended, we will gather sufficient evidence to support findings and will provide recommendations for improvement. For IS controls we deem to be effectively designed, we will perform testing to determine if they are operating as intended through a combination of procedures, including observation, inquiry, inspection, and re-performance.

Phase 3: Testing and analysis

The extent of our substantive testing will be based on results of our internal control tests. Audit sampling will be used only in those situations where it is the most effective method of testing.

After identifying individually significant or unusual items, we will decide the audit approach for the remaining balance of items by considering tolerable error and audit risk. This may include (1) testing a sample of the remaining balance; (2) lowering the previously determined threshold for individually significant items to increase the percent of coverage of the account balance; or (3) applying analytical procedures to the remaining balance. When we elect to sample balances, we will use TeamMate to efficiently control and select our samples.

Our workpapers during this phase will clearly document our work as outlined in our audit programs. We will provide SCHD with status reports and be in constant communication with SCHD to determine that all identified issues are resolved in a timely manner. We will hold a final exit conference with SCHD to summarize the results of our fieldwork and review significant findings.

Phase 4: Reporting and follow up

Reports to management will include oral and/or written reports regarding:

- Independent Auditors' Report
- Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards
- Written Communication to Those Charged with Governance, which includes the following areas:
 - Our responsibility under auditing standards generally accepted in the United States of America
 - Changes in significant accounting policies or their application
 - Unusual transactions
 - Management judgments and accounting estimates
 - Significant audit adjustments
 - Other information in documents containing the audited financial statements
 - Disagreements with SCHD
 - SCHD's consultations with other accountants
 - Major issues discussed with management prior to retention
 - Difficulties encountered in performing the audit
 - Fraud or illegal acts

Once the final reviews of working papers and financial statements are completed, our opinion, the financial statements, and management letter will be issued.



SCHD will be given a draft of any comments we propose to include in the management letter. Items not considered major may be discussed verbally with management instead of in the management letter. Our management letter will include items noted during our analysis of your operations.

We will make a formal presentation of the audit results to those charged with governance, if requested.

Communication process

Effective communication is critical to a successful engagement. This includes weekly status meetings where observations, potential exceptions, and leading practices are discussed. To avoid surprises at the end of the engagement, we discuss and document our observations, clarify fact patterns, and confirm management's understanding and agreement with our findings.

CLA adheres to all auditing standards related to reporting observations, recommendations, and findings. All significant deficiencies and material weaknesses will be reported to the audit committee/governance in writing. Best practices, observations, and other matters will be reported to management in a management letter that can be used as a tool to track the implementation of our recommendations.

Report to those charged with governance — In addition to observations and recommendations, we will inform the audit committee of:

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any
- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

We are sensitive and understanding of the fact that we report to those charged with governance, and our audit professionals maintain objectivity and independence in issuing audit opinions. If we identify significant fraud, illegal acts, or significant delays during the audit process, we will alert the audit committee immediately.

Information related to overall fiscal health or other concerns of your organization observed during audit testing will be presented in the exit presentation and as part of the management letter. We will also help you create opportunities for improvement through recommendations and suggestions for strengthening your policies, accounting procedures, and processes.



Data analytics

In addition to standard auditing methodology, a distinguishing aspect of CLA's audit services incorporates the power of data analytics to multiply the value of the analyses and the results we produce for clients. CLA's data methodology is a six-phase, systematic approach to examining an organization's known risks and identifying unknown risks. Successful data analysis is a dynamic process that continuously evolves throughout the duration of an engagement and requires collaboration of the engagement team.

Data analytics are utilized throughout our audit process, our **Risk Assessment, Data Analytics and Review ("RADAR")** is a specific application of general ledger data analytics that has been implemented on all audit engagements. RADAR is an innovative approach created and used only by CLA that aims to improve and replace traditional preliminary analytics that were being performed.

The phases in our data analytics process are as follows:

1. Planning

In the planning stage of the engagement, the use of data analysis is considered and discussed to determine that analytics are directed and focused on accomplishing objectives within the risk assessment. Areas of focus, such as journal entries, cash disbursements, inventory, and accounts receivable are common.

2. Expectations

We consider the risks facing our client and design analytics to address these risks. Through preliminary discussions with management and governance, we develop and document expectations of financial transactions and results for the year. These expectations will assist in identifying anomalies and significant audit areas in order to assess risk.

3. Data acquisition

Sufficient planning, a strong initial risk assessment, and an adequate understanding of your systems will serve as the foundation necessary to prepare our draft data request list. We will initially request information in written format and conduct follow-up conversations helping CLA practitioners share a mutual understanding of the type of data requested and the format required. If there are going to be any challenges/obstacles related to obtaining data, or obtaining data in the preferred format, they will generally be discovered at this point.

4. Technical data analysis

Technical analysis of the data requires the skillful blend of knowledge and technical capability. Meaningful technical analysis provides the engagement team with a better understanding of the organization. The additional clarity assists the engagement team to better assess what is "normal" and, in turn, be better suited to spot anomalies, red flags, and other indications of risk. Analytics generally fall into five categories, each looking into the data set in a different way and deployed with a different purpose.



5. Interpret results and subsequent risk assessment

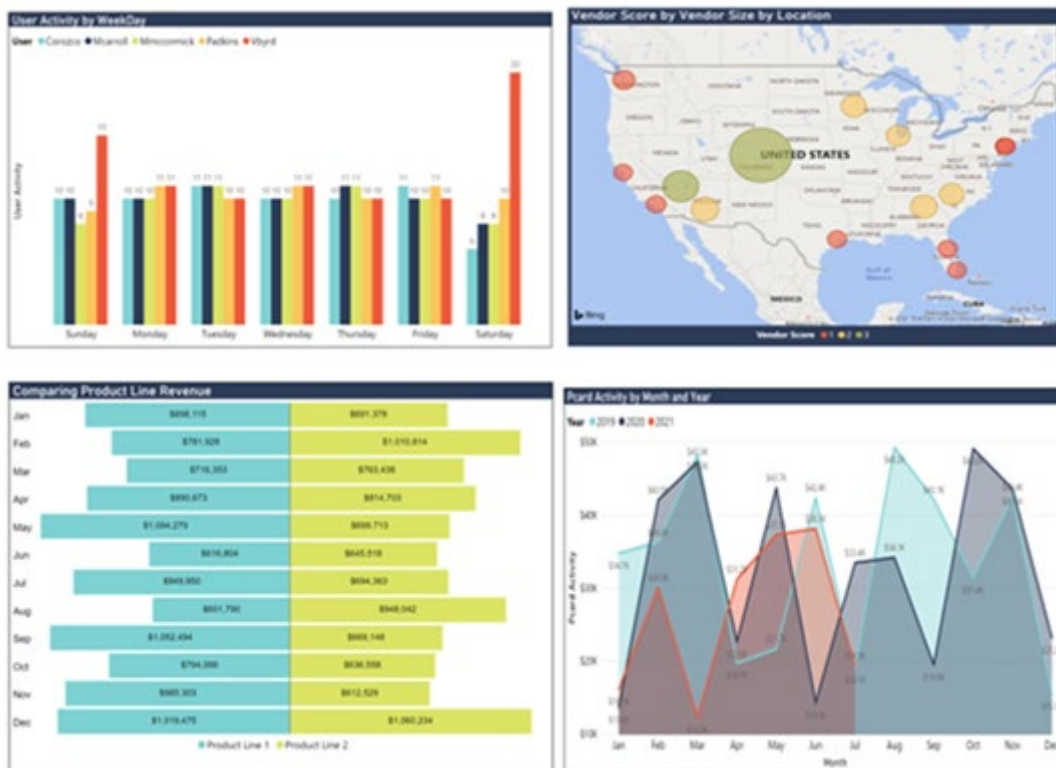
Trends and anomalies will be identified through the performance of the above referenced analytics. Comments regarding the interpretation of those trends and anomalies will be captured. When trends are identified, they are reconciled against expectations. For anomalies identified, the approach to further audit procedures will be considered.

6. Response and document

The last process is to capture responses and determine that our procedures are properly documented. Abstracts, charts, or summaries of both trends and anomalies are retained in audit documentation to support our identification of risks. Our analysis can be tailored and customized to help analyze an array of information, including client-specific and proprietary data. Key benefits of data analytics include:

- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100% data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unlimited data access allows us to access and analyze data from virtually any computing environment
- Eliminates the need to extrapolate information from errors (a common effort when manually auditing data) and allows for more precise conclusions

The below figure illustrates typical data analytics scenarios.



Engagement Timeline

Count on clear communication and regular updates.

Proposed work plan

Per our discussions we have designed a plan that meets your needs and key deadlines. In our planning meeting, we will discuss this timeline with you in greater detail and adjust as appropriate.

May/June	Pre-interim work and planning meeting Review prior year workpapers Request initial planning documents from SCHD Perform interim audit fieldwork
August/September	Field audit work begins
By October 31	Draft reports
Mid November	Presentation to SCHD
Ongoing	Planning and update meetings

Reliable: Look for us to respond in hours, not days. We strive to deliver service that exceeds your expectations.



Your Service Team

The true value in working with our team is developing a personal and professional relationship with leaders who understand your industry, challenges, and opportunities — with the full support of an entire CLA family behind them.

Meet your service team below.



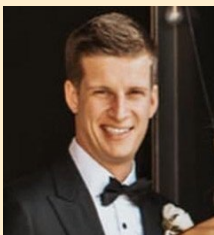
James Mann, CPA

Principal | Relationship and Audit Engagement Principal



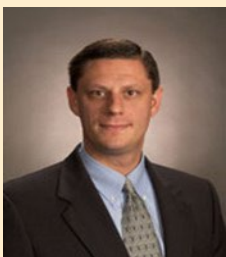
Dan Frein, CPA

Principal | Oregon Compliance Principal



Will Mark, CPA

Manager | Assurance Manager



Trent Fast, CPA

Principal | Second Review Principal

Collaborative: Support from a responsive local team complemented by national resources. We consider the whole of your organization, bringing innovative teams to the table.



References

Our clients say it best. And their independent, authentic perspective is invaluable in learning about the experience you'll have when working with us. We encourage you to connect with our clients to hear it firsthand.

Nor-Lea Hospital District	
Client Contact	Allyson Roberts, CFO
Phone Number Email	575-396-6611, Allyson.roberts@nlgh.org
Address	1600 N. Main, Lovington, NM, 88260
Services Provided	Audit, single audit, and reimbursement services

Roosevelt General Hospital	
Client Contact	Andrea King, CFO
Phone Number Email	575-306-3406, alking@myrgh.org
Address	42121 US 70, Portales, NM 88130
Services Provided	Audit, single audit, and reimbursement services

Coquille Valley Hospital	
Client Contact	Jeff Lang, CEO
Phone Number Email	541-396-1050, jeff.lang@cvhospital.org
Address	940 E 5 th Street, Coquille, OR 97423
Services Provided	Audit, single audit, financial modeling, revenue cycle advisory and reimbursement services

Transparent: We place honesty and integrity at the center of all communication. We welcome you to start an open and candid conversation with those who know us best.



Your Investment

Having upfront conversations builds relationships.

The value we can provide your organization starts with helping you uncover revenue opportunities and put dollars in your pocket. While we are addressing your compliance needs, our insights and strategies also represent a return on your investment.

Based on our understanding of your requirements, we propose the following fees:

Professional Services	Year 1	Year 2	Year 3
Perform annual audit of SCHD for the year ended June 30*	\$39,000	\$40,500	\$42,000
Technology and client support fee (5%)	\$1,950	\$2,025	\$2,100
Total	\$40,950	\$42,525	\$44,100

*Any direct expenses will be passed through at amounts incurred

Our fixed-fee quote is designed with an understanding that:

- SCHD personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are not significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.

The 5% technology and client support fee supports our continuous investment in technology and innovation to enhance your experience and protect your data.

Fee increase

Our fees are based on professional standards and regulations currently in effect and barring any changes in the nature or requirements of the engagement, our annual fees will increase in accordance with the increases in our payroll and overhead costs. In addition, costs could increase due to substantial changes in your office locations, asset size and/or operational structure. If fee increases are expected outside of the ranges provided above, we would discuss with management prior to the completion of the work.



No surprises

Our clients don't like fee surprises. Neither do we. If changes occur, we will discuss a revised fee proposal with you before beginning any work. For any "out-of-scope" work, we will provide an estimate for your approval.

We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise — we do not bill for routine inquiries or advice.

We are committed to creating a long-standing relationship. If you have concerns about the fee structure, give us a call and let's discuss.

Transparent: Clear, authentic communication and market-based fees.



Appendix

A. Your service team biographies





James L. Mann, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Broomfield, Colorado

303-439-6028
james.mann@CLAconnect.com



Profile

James is a principal in the CLA health care group. He specializes in serving providers in the hospital/health system and community health center sub-industries, providing audit, reimbursement, and other consulting services. James has more than 18 years of experience in public finance, starting out with delivering audit, cost report, and tax return services to health care clients across the continuum of care. Over the years, James moved into manager and principal positions with responsibility for planning, executing, and supervising the completion of these services. While James's main focus has been on the audit side, he has significant experience related to reimbursement through preparing cost reports, as well as consulting with clients on reimbursement-related issues. James has also specifically focused his entire career in the health care industry, with clients ranging from community health centers to multi-billion-dollar national health systems. The significant reimbursement and other experience from these clients allows James to be one of the main contacts for a client in all types of situations, not just the core services like the audit, tax, and cost report preparation.

Technical experience

- Audits of various health care sub industries:
 - Hospitals and health systems
 - Federally Qualified Health Centers
 - Physician groups
 - Skilled nursing facilities, CCRCs, and other senior living organizations
- Preparation of cost reports (Medicare/Medicaid)
- Preparation and supervision of nonprofit tax returns for all types of health care organizations
- Building benchmarking tools for client/industry comparison

Education and professional involvement

- Bachelor of accounting from University of North Dakota, Grand Forks, North Dakota
- Certified Public Accountant
- Healthcare Financial Management Association (HFMA), Colorado Chapter
- Wyoming Healthcare Financial Management Association, *Past President*
- Colorado Society of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- American Institute of Certified Public Accountants





Daniel Frein, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Bellevue, Washington

425-250-6037
dan.frein@CLAconnect.com



Profile

Dan is a principal with the health care group of CLA, specializing in assurance, third-party payment (Medicare and Medicaid), and financial advisory services. He is located in our Bellevue, Washington office and has served as the primary advisor for nonprofit and governmental hospitals, health systems, health plans, senior living providers, and physician organizations across the country.

Dan has more than 20 years of experience in public accounting and consulting, concentrating exclusively in the health care industry. He provides advisory services related to a variety of financial, third-party payment, and operational consulting areas. He routinely manages significant engagements for health care facilities, including health insurance companies, health systems, hospitals, medical group practices, long-term care organizations, and home health agencies. Dan has also prepared and reviewed numerous Medicare, Medicaid, and similar cost reports and has been involved with a variety of third-party payment consulting engagements.

Technical experience

- Health care industry: payments from Medicare, Medicaid, and other payers
- Health care organization risk assessments and redesigning internal control structures to monitor and manage risks
- Creation and maintenance of numerous elaborate computer spreadsheets routinely used in financial models, forecasts, budget preparation, reimbursement analyses, operational and process improvement, and service integration studies by clients

Education and professional involvement

- Bachelor of science in accounting, *cum laude*, from Minnesota State University-Mankato, Mankato, Minnesota
- Certified Public Accountant in the state of Washington
- American Institute of Certified Public Accountants (AICPA), member
- Healthcare Financial Management Association (HFMA), member

[CLAconnect.com](https://www.claconnect.com)

CPAS | CONSULTANTS | WEALTH ADVISORS

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



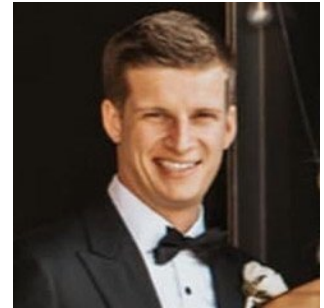


Will Mark, CPA

CLA (CliftonLarsonAllen LLP)

Manager
Fargo, North Dakota

612-940-0699
will.mark@CLAconnect.com



Profile

Will is a manager with more than seven years of experience in auditing and consulting private, nonprofit, and governmental health care organizations.

Technical experience

- Audits of various healthcare organizations:
 - Federally Qualified Health Centers
 - Hospitals and health systems
 - Physician groups
 - Skilled nursing facilities, CCRCs, and other senior living organizations
- Preparation of cost reports (Medicaid)
- Preparation and supervision of nonprofit tax returns for all types of health care organizations

Education and professional involvement

- Bachelor's degree in accounting from the University of North Dakota, Grand Forks, North Dakota
- American Institute of Certified Public Accountants
- Certified Public Accountant in the states of Minnesota and Colorado
- Minnesota and Colorado Society of Certified Public Accountants

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





Trenton Fast, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Owatonna, Minnesota

507-446-7118
trenton.fast@CLAconnect.com



Profile

Trent is a principal with the national assurance technical group (NATG) of CLA, serving as the NATG industry leader for the health care industry. His role as the health care industry leader in the NATG includes overseeing the quality review process for the group, implementation of accounting standards, and serving as a technical resource as well as providing consultation and guidance for many health care organizations as needed.

Trent has more than 20 years of experience in public accounting, concentrating exclusively in the health care industry. He has developed knowledge in serving both acute and post-acute providers operating as nonprofit, for-profit entities, or governmental entities with a focus on health systems and hospitals (including critical access hospitals), life plan communities/CCRCs, federally qualified health centers, senior living, and housing providers, as well as medical group practices, home health and hospice agencies, health insurance providers, and mental health providers.

Technical experience

- Audits under the Uniform Guidance and in accordance with Government Auditing Standards
- Application of Governmental Accounting Standards Board standards to health care organizations
- Application and implementation of FASB and GASB accounting standards updates to health care organizations
- Health care industry: payments from Medicare, Medicaid, and other payers

Education and professional involvement

- Bachelor of science in accounting from Bemidji State University, Bemidji, Minnesota
- Certified Public Accountant in the state of Minnesota
- American Institute of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- Healthcare Financial Management Association
- Iowa Chapter of Healthcare Financial Management Association, *past treasurer*

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



B. Quality control procedures and peer review report



In the most recent peer review report, dated November 2022, we received a rating of pass, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided on the following page.

- In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:
- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in the *Uniform Guidance*.



Report on the Firm's System of Quality Control

To the Principals of CliftonLarsonAllen LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "Firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards, may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1[®] and SOC 2[®] engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP
Charlotte, North Carolina
November 18, 2022

cbh.com



April 30, 2025

Proposal for Audit Services

SOUTHERN COOS HEALTH DISTRICT

Submitted By:

Eide Bailly LLP

Kevin Smith, CPA
Partner

Martin Yanushev, CPA
Senior Manager



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What inspires you, inspires us.
eidebailly.com

1. Letter of Interest

WE WANT TO WORK WITH YOU

Thank you for giving Eide Bailly the opportunity to propose on audit services for Southern Coos Health District (the District). We understand your needs and have provided similar services to the healthcare industry for more than 100 years. We're confident the District will benefit from the experience we can provide. Eide Bailly has the qualifications to be the firm of choice for the following reasons:

➤➤➤ **Extensive Healthcare Industry Experience:** Business is about more than numbers, and we are active in the industries we serve. We stay abreast of current issues impacting the healthcare industry and grow our knowledge by attending workshops and trainings. We'll work closely with your management team to identify issues and provide responsive solutions tailored to your organization.

Healthcare is one of Eide Bailly's largest industry groups, and we serve 3,500 healthcare organizations throughout the nation. More than 400 professionals are dedicated to serving the healthcare industry, including specialists in assurance, third-party reimbursement, tax, financing, operational improvement, revenue cycle, compliance, medical record support, strategic reimbursement, information technology and other services.

As a valued client, you'll also experience:

- **Exceptional Service, National Resources:** While you'll be served by professionals in our Boise and Seattle Eide Bailly offices, the District will also have access to national resources, including more than 3,500 professionals with diverse skill sets and experiences across the firm.
- **Proactive Communication:** Your Eide Bailly service team will keep you informed of changes affecting your organization.
- **Partner Involvement:** You will experience partner and senior staff involvement not only during the audit engagement, but also throughout the year as issues, questions and opportunities arise.
- **Timeliness:** We'll meet your deadlines. Our professionals are trained to anticipate, identify and respond to your needs in a timely manner. We'll work closely with your management team to customize our services to your needs. We believe in clear, up-front and open communication with no surprises. We understand and will comply with the schedules and scope for the audit, as outlined in your request for proposal (RFP) and will perform all work within the timeframes outlined.



EXPERIENCE

Our experienced professionals are committed to the industries we serve. We focus on training, and we like to think of ourselves as thought leaders.

PEOPLE

We're a team of collaborators and innovators. Our culture is the heart of our firm, and we're always working together to do things differently and better.

COMMUNICATION

Open, honest, frequent communication ensures that you're not in for any surprises. We'll stay in touch throughout the year so you feel understood, connected and confident.

CORPORATE RESPONSIBILITY

We consider ourselves good corporate citizens—caring for our people, giving back to our communities, and taking care of our environment.

▶▶▶ **Unmatched Client Service is Our Passion:** Our history of high staff continuity — significantly higher than most firms — means you'll work consistently with the same team, all of whom have been chosen because of their experience serving and advising healthcare entities similar to the District. Working with Eide Bailly means all your service needs will be addressed within a single, core team, resulting in greater efficiency and scale.

▶▶▶ **Thought Leadership:** We are leaders in the healthcare industry, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're business advisors who want to help guide the strategy and operations of your organization, and we'll make sure you feel connected and understand the process. Our professionals work closely together so you receive valuable service from people who understand your needs and know your business.

▶▶▶ **We Want to Work with You:** We've developed the following proposal with Southern Coos Health District in mind, and we'll provide timely, personalized audit services for you. We'll also get to know you and your staff and take the time to understand your specific challenges and opportunities. We deliver honest and insightful advice beyond what is normally experienced in the public accounting industry. Our tagline, **what inspires you, inspires us**, is more than words to add to marketing materials. We gain energy from those we serve, which turns into a passionate interest in our clients' success.

The following pages highlight our firm's strengths and solutions we can provide for the District. We believe this demonstrates why Eide Bailly merits serious consideration. You'll be a highly valued client, and we would be proud to work with Southern Coos Health District, building a trusting relationship with your team. Please contact us if you would like to discuss any aspect of this proposal.

Sincerely,



Kevin Smith, CPA
Partner
208.383.4755
ksmith@eidebailly.com

Martin Yanushev, CPA
Senior Manager
206.866.9101
myanushev@eidebailly.com



2. Firm Profile

WHAT INSPIRES YOU, INSPIRES US

Your experience will be different than working with other CPA firms because we offer knowledge and skills backed by more than 100 years of service. Our professionals deliver industry and subject matter expertise resourcefully, ensuring we're providing guidance that directly reflects your needs. Our clients benefit from local, personal service and, at the same time, enjoy access to more than 3,500 professionals with diverse skill sets and experiences.

Navigating a Path to Success Together

By embracing change and focusing on innovative ideas, we've grown along with our clients to become one of the top 20 accounting firms in the nation. Accounting is about numbers, but our business is about relationships.

We'll be there for you every step of the way. Talented, down-to-earth people work at our firm, and we're inspired to deliver outstanding expertise and care. We're driven to help you take on the now and the next with inspired ideas, solutions and results.

Our work with clients is more than an engagement. It's a relationship, built on values and trust — and results. When working with Eide Bailly, you'll:

- Work with professionals who truly care about your business and will take the time to get to know you and your organization.
- Gain insight from our industry and service specialists to accomplish your objectives, address challenges and leverage new opportunities.
- Make better business decisions knowing you're guided by advisors who care about your success.
- Appreciate our hands-on service style; we're always looking for new ways to solve your problems or help you embrace opportunities.

AT A GLANCE



TOP 20 CPA FIRM



50+ OFFICES IN U.S. & INDIA



425+ PARTNERS



3,500+ STAFF MEMBERS



FOUNDED IN 1917

Size and Structure

Eide Bailly is a Limited Liability Partnership domiciled in Minnesota with more than 50 offices in 17 states. The firm is led by our Management Team and Board of Directors.

One Firm Approach

You'll work with a specialized service team that will meet your needs, along with providing impactful conversations and best practices in the industry. Our healthcare industry practice operates as one firmwide team as we pool the best professional resources throughout all our offices for the service of healthcare clients. This strategy allows us to focus specifically on your needs and the unique aspects of your industry, resulting in greater efficiency and effectiveness in each service we provide.

Core Services

Eide Bailly is a full-service CPA firm performing traditional CPA firm services of attest (audits, reviews, compilations) and tax. We also focus on management advisory services including vendor added reseller (VAR) of software and many other nontraditional services. Our core services offered include the following:

Advisory	
<ul style="list-style-type: none"> Internal Audits Digital & Technology Services Enterprise Risk Management Financial Services Fraud & Forensic Advisory 	<ul style="list-style-type: none"> HR Consulting Business Valuation Transaction Advisory & Services Outsourced & Managed Services Risk Advisory & Cybersecurity
Audit & Assurance	Tax
<ul style="list-style-type: none"> Audits Reviews Compilations Single Audits Employee Benefit & Retirement Plan Audits International Financial Reporting Standards Agreed-Upon Procedures SEC Services System and Organization Controls (SOC 1, 2 & 3) 	<ul style="list-style-type: none"> Cost Segregation Fixed Asset Services Business Credits & Incentives International Tax State & Local Tax Exempt Organization Tax IRS Dispute Resolution & Collections R&D Tax Credits Tax Consulting Tax Planning & Compliance Wealth Transition Services
Professional Services for Healthcare	
<ul style="list-style-type: none"> 340b Compliance Reviews ACO and Healthcare Operational Consulting Business Intelligence Community Health Needs Assessment Compliance and Coding Review Contract Reviews Medicare Provider Enrollment Physician Compensation 	<ul style="list-style-type: none"> Population Health Management Pricing Studies Revenue Cycle Rural Health Clinic Reimbursement Studies Strategic Financing Services Strategic Reimbursement Services Tax Regulation Tax Structure and Analysis

We invite you to visit our website and learn more about the many services we offer: www.eidebailly.com.



3. Relevant Experience

HEALTHCARE INDUSTRY EXPERIENCE

INSPIRED TO HANDLE THE BUSINESS OF HEALTHCARE

We are leaders in the industries we serve, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're here to help guide the strategy and operations of your organization, and we aim to make sure our clients feel connected and understand the process.

We've significantly developed and expanded our healthcare practice to meet the changing needs of the industry. We've grown our practice to be one of the top industry groups of the firm and top healthcare practices within CPA firms nationwide. Our client base includes organizations such as hospitals and health systems, rural community and critical access hospitals (CAH) and clinics, medical, dental, and ancillary practices, skilled nursing and senior living facilities, home health agencies and more.

Healthcare is one of Eide Bailly's largest industry groups, as we serve 3,500 healthcare organizations throughout the nation. More than 400 professionals are dedicated to serving the healthcare industry, including specialists in assurance, tax, third-party reimbursement, transaction services, outsourced and managed services, strategy and financial planning, operational improvement, revenue cycle, compliance, technology and analytics, and other services.

Our services include a variety of healthcare consulting activities that focus on billing and revenue cycle activities, business office operations, organizational strategy, operations improvement, transaction services, medical record support, strategic reimbursement, information technology (IT) and other business activities.

As a result, we've welcomed a significant number of experienced professionals such as former chief financial officers, business office managers, registered nurses, pharmacists and others with functional experience to work directly with operational areas within our healthcare clients to improve overall efficiencies and profitability.

At a Glance

HEALTHCARE

100+
YEARS OF EXPERIENCE

3,500
HEALTHCARE CLIENTS

400+
DEDICATED STAFF

In order to most effectively deliver quality service to our healthcare clients, Eide Bailly has built its healthcare practice to function on a firmwide level rather than office by office. As a result, our clients are not bound by geographic locations. While we may bring in individuals from various Eide Bailly offices to provide you with appropriate expertise, we plan to primarily utilize staff from our Boise office to manage the work. Our firm has made significant investments to integrate the most effective communication technology, enabling us to work with our clients more efficiently across the country. These initiatives will reduce travel and other costs and provide direct access, if needed, to professionals regardless of your needs.

With healthcare being such a significant part of our firm's practice, we're able to invest extensively in internal and external education via internal webinars and annual summits that discuss industry specific issues, and we make other investments in education via direct involvement in various healthcare related organizations. This dedication to the industry helps our clients in practical ways every day. We stay current on regulatory and operational issues affecting our clients and deliver pertinent information to our clients on a timely basis. This enables our clients to focus more of their time on their mission rather than spending all their time navigating the waters of regulatory compliance.

With our focus on innovation and ensuring our clients' success, we continually invest in our firm's resources to provide our clients with strategic solutions. Specific services we're working on with our clients focus on revenue cycle, reimbursement, compliance and governance. Our clients are given information key to stakeholders so they can make changes when the issue is at hand.

National Perspective

We will bring a valuable perspective to the District by bringing best practices to bear on the ever-changing environment you face in running your organization. The broader the foundation of knowledge you have to base your decisions on, the better those decisions will be. In addition, we'll continue to keep in touch with you through a variety of means, including our quarterly healthcare newsletter, as well as single-issue e-blasts and webinars to communicate timely information on late-breaking industry developments.

Additionally, one of our partners, **Renee Gravalin**, was recently re-elected to serve on the AICPA Healthcare Expert Panel, where she is one of 12 members reviewing accounting and auditing guidance and their specific impacts to the healthcare industry. Eide Bailly professionals are also frequent speakers across the nation at local, regional, and national meetings for such organizations as state hospital and long-term care associations, Healthcare Financial Management Association (HFMA), National Rural Health Association (NRHA), American College of Healthcare Executives (ACHE), Offices of Rural Health, etc. We believe our background and expertise put us in a strong position to provide reliable information for consideration to aid in the District's success.

The Advisory Board Company

The Advisory Board is an excellent resource for healthcare entities looking for ideas and benchmarks to help improve their operations. Eide Bailly is a member of and sponsors this important thought leadership organization and works with and utilizes the Advisory Board's expert researchers and seasoned consultants to help identify cutting-edge solutions to the toughest challenges your facility faces. We're one of the few accounting firms with this level of involvement with this important resource, providing for leading-edge thought leadership.

Keeping Clients Informed

Because we're committed to the healthcare industry, we provide our professionals with specific, ongoing training related to relevant issues. This investment ensures our people stay current on the unique challenges and opportunities within the healthcare industry so they're in the best position to help clients address these issues.

Eide Bailly offers a variety of healthcare related educational opportunities, including periodic email updates on emerging issues through our industry groups on topics such as regulatory changes, reimbursement, industry trends, etc. Additionally, we provide numerous webinars specific to CAHs, rural health clinics, accounting updates, compliance matters and general business issues.

Eide Bailly Insights: Another source of added value Eide Bailly brings to its clients is industry thought leadership communication. The Insights are a forum for ideas, a place to share leading best practices and a source of thought leadership as a catalyst to help our clients address difficult challenges and emerging issues. This thought leadership includes white papers, articles and other publications and webcasts focusing on financial reporting, audit and operational topics that are on demand for viewing at your convenience.

Webinars: We host frequent webinars dedicated to helping you and your organization navigate complex issues. Each webinar covers a different topic to help evaluate the steps necessary to achieve success and remain ahead of the curve.

➤➤➤ BUSINESS OF HEALTHCARE: WHAT ARE YOUR RISKS?

In this four-part webinar series, our experienced professionals and industry leaders will discuss the significant business and compliance risks you may face and how to best manage these as part of your risk management, compliance and internal audit plan. We have linked the recorded sessions below:

Recording

Beyond Survival: Strategic Initiatives for Health Systems

We will discuss the distinctive challenges faced by health systems and provide comprehensive and actionable insights into strategic initiatives that go beyond mere survival, fostering sustainable growth and excellence.

[Link](#)

Recording

Green Energy NOW

This webinar will explore the impact of the Inflation Reduction Act of 2022 (IRA) on the capital improvements in the healthcare space.

[Link](#)

Recording

Capital Markets and Budgeting: What Does the Future Hold?

This panel will discuss the challenges faced by health systems as they navigate the changing healthcare landscape and the evolution of care delivery, along with the current and potential state of capital markets and the cost of accessing capital for investments.

[Link](#)

Recording

OIG Update: A Compliance "Grab Bag" of Emerging Focus Areas

This webinar will discuss operational aspects to compliance, offer practical tips for enhancing your program, and cover the latest OIG guidance in addition to their monthly workplan updates.

[Link](#)



ADDITIONAL CAH SERVICES

CAH REIMBURSEMENT MODEL

We understand the reimbursement issues faced by rural hospitals. We also recognize the importance for our CAH clients to be able to reasonably estimate the settlement amount from Medicare for the current cost reporting period throughout the year. In response, we have developed a Critical Access Hospital Reimbursement Model (CAH Model) to assist our clients with this estimate. The CAH Model may eliminate the need and investment in Interim Cost Reports.

The CAH Model is a Microsoft Office Excel-based spreadsheet model. Eide Bailly's CAH Model is customized to a hospital's unique operations. Data to be used includes information from previously filed cost reports and current year data. The CAH Model estimates settlements using a CAH's current volumes and costs. Since the tool uses current year-to-date operations (ongoing basis), it is designed to flex accordingly when a CAH experiences a significant swing in volume or costs during the current year. Clients appreciate the minimal time it takes to update the model monthly. The monthly trial balance is imported into the model, monthly statistics are entered, and in seconds, clients can see what their financial position is relative to Medicare. The CAH model is a powerful tool that provides clients with the Medicare data that they need when they need it.

The CAH Model is designed to work for all CAHs. It is updated regularly to reflect changes in regulations as well as to incorporate suggestions from others using the CAH Model. It should be noted that laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. While the CAH Model does not guarantee perfect results, our clients utilizing the CAH Model have been able to generate reliable financial information. This enables them to more effectively manage their operations and reflect the estimate for third-party payor settlements to be included in the monthly financial statements for internal reporting.

We'll plan on preparing an interim cost report, but the CAH model may be an effective long-term tool. We believe this would effectively replace an interim cost report; the cost would typically be an initial annual price of \$6,250. Going forward, the update fee would be \$3,125 each year after the initial year with inflation increases. Please contact us for more information or CAH model assistance.

SERVICE EXPERIENCE

EXPERTISE THAT MATTERS

Eide Bailly has a reputation for providing quality work at a fair price. Our clients repeatedly tell us we provide a very high level of service-to-cost and they appreciate having an extensive variety of resources available to them as needs arise. When it comes to fees, we believe in clear, up front and open communication with no surprises. We'll maintain a reliable relationship with you for independence and objectivity, proactive planning and consulting, in addition to thoughtful, creative thinking on issues important to you. We'll never bill you for routine consultations; we consider this to be a further investment in our relationship with you and an encouragement for you to reach out to us regularly.

Assurance Experience

Since 1917, we've provided assurance services to clients across all industries. These services account for approximately **32 percent of our work**, and include audits, compilations, reviews and financial statement forecasts and projections, as well as assistance in understanding financial statements, conducting internal audits and evaluation and testing of internal controls. Our clients experience regular contact with senior-level staff, as well as work with a consistent team from year to year, with appropriate rotation.

Usually an audit is required for industry compliance, or at the request from a lender, inactive or absent owner, vendor or other party in need of verifying your financial statements. At Eide Bailly, however, we view an audit as a valuable management tool — the opportunity to help you improve profitability and strengthen your business and administrative practices. Our clients appreciate this viewpoint and the opportunity to work with auditors who share their vast knowledge throughout the process, as well as throughout the year.

We focus on providing value beyond traditional assurance services. Clients tell us they appreciate our timeliness, attention to detail, industry expertise and peer-to-peer approach. We're accessible and maintain client contact with frequent phone calls, emails and meetings to discuss what is going on in your organization.

National Assurance Office

Eide Bailly's National Assurance Office (NAO) oversees the quality and compliance of the audit practice. This group of assurance partners and senior managers performs a variety of quality control functions, such as:

- **Consults** with engagement teams, financial statement reviews and engagement quality control reviews.
- **Monitors** new accounting and auditing standards and assists in the development of related internal communications and training materials.
- **Develops and delivers** internal continuing professional education (CPE).
- **Assists** with the performance of the firm's internal inspection processes and formal root cause and action plan development for both internal inspection and peer review findings.

Your audit team has access to this group on an as-needed basis to help research and consult on any unique auditing or compliance issues that may arise. The NAO is a firm resource to support the audit team; therefore, we do not charge our clients for time spent by this group supporting the audit team.



4. Audit Approach and Timeline

RISK-BASED AUDIT APPROACH

We take a top-down, risk-based approach to planning and performing the financial statement audit. During our planning phase, we identify/re-examine specific risks and allocate resources based on our understanding of your business and operations. Our people are trained to focus on anticipating, identifying and responding to client needs in a timely manner, and we understand the importance of completing the audit on a timely basis. We'll work closely with your staff to develop an audit plan tailored to your needs. The value of our audit approach includes the following:

- Careful and considerate planning of our work to avoid interruption to your staff.
- Anticipate information needs so additional schedule requests during interim and final fieldwork are minimized or eliminated.
- On-time delivery of reports and management letter.
- Significant level and frequency of partner involvement with the District's management team during the audit, providing a greater opportunity to better understand your organization, internal controls and processes so we can provide benefits that extend beyond the audit process.

At Eide Bailly, we tailor our approach based on the needs of each client. Our audit approach is designed to collaborate with the District to achieve optimal results. The approach consists of four major components: Planning and Pre-Work, Fieldwork, Reporting and Ongoing Communication. The objectives and timing of each component are described in the following:

Planning and Pre-Work

- Gain knowledge of organization and environment.
- Perform analytical procedures to identify audit risk areas.
- Consider fraud through inquiry and brainstorm.
- Review internal controls.
- Develop audit budget by individual areas.
- Determine audit procedures by area, based on results of audit planning.
- Determine confirmation needs.
- Prepare listing of audit information requested from the District.

- Review minutes, resolutions and ordinances.

Fieldwork

- Audit areas based on risk assessment.
- Obtain and prepare schedule and analyses supporting the financial information.
- Discuss findings with management, if applicable.
- Discuss proposed journal entries with management, if applicable.

Reporting

- Prepare draft of financial report and management letter.
- Provide report to management for review and comment.
- Present final report to designated representatives.

Ongoing Communication

- Obtain interim financial statements throughout the year for review.
- Analyze significant changes and identify areas to further tailor our audit plans and to keep us up to date with continuing changes.
- Compare the interim results to year-end results for the past few years to identify potential issues in the financial reporting process.
- Participate periodically at your Board meetings, and any other meetings, at the Board's request.

AUDIT SCHEDULE

Eide Bailly commits to you that if your team is prepared for the audit when our team is in the field, we will meet your deadlines. We will work closely with your team through the planning stages to clearly define expectations and the items required from your team in order to facilitate an efficient audit to enable us to meet your deadline. The following table identifies the structure of our audit for the District reports and the timing of each section:

Proposed Engagement Timeline

Activity	Timing
Planning and Pre-Work	June/July
Fieldwork	August/September
Exit Conference	October
Reporting	November
Ongoing Communication	Throughout the Year

We will meet your deadlines. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for the financial and single audits and the steps involved along the way to meet these deadlines. An audit project plan will be developed between our team and the District and then followed closely, and we will work with the District's management team to customize our auditing services and specific timelines to your needs. We believe in clear, up-front and open communication with no surprises.

USE OF TECHNOLOGY

Eide Bailly staff utilizes progressive and effective software to streamline processes and make them as efficient as possible. These technologies include:

EB Bridge

Our client portal, EB Bridge, is designed to strengthen the relationship between Eide Bailly and our clients, facilitating collaboration and connection between our clients and employees. EB Bridge enables clients to engage effectively throughout their interactions with improved processes, better document management, and a more efficient annual client access review.



Suralink

Suralink is an interactive Provided by Client (PBC) software solution which improves the client experience for document exchange. This addition to our suite of tools saves a substantial amount of time managing PBC documents, creating increased efficiencies during your engagement.

Data Extraction Software

TeamMate Analytics: Eide Bailly designs our approach to incorporate the use of TeamMate Analytics to maximize efficiency while conducting a very effective audit. Through TeamMate Analytics, we can extract information from related databases and create databases that check for duplicate payments, summarize payments, extract journal entries from specific accounts, develop expectations for analytical procedures and recalculate system calculations, among a host of other procedures developed by our audit team.

DataSnippet: Eide Bailly's audit approach is enhanced by the use of DataSnippet, a powerful Excel add-in that improves efficiency and fosters effective auditing practices. This innovative tool allows us to leverage artificial intelligence (AI) for automated document matching. With configurable templates for standardized audit procedures, DataSnippet streamlines workpaper preparation and review while enhancing collaboration within our audit practice.

CCH ProSystem fx Engagement by Wolters Kluwer

This software is used to perform the audit, retains the electronic workpapers and supporting documentation, performs project tracking and facilitates quality engagement review.

Flexibility to Meet Your Needs

Eide Bailly performs all engagements in a paperless environment. As a technology-driven firm, we've seen no issues in performing audit procedures off-site from our clients. We utilize tools, such as using Microsoft Teams, which allows us to communicate with our clients face to face, while sharing screens, to make the process as seamless as possible. We host webinars to educate our clients on changing circumstances and how to successfully navigate those changes. We have no concerns completing this audit remotely should the District desire it. We'll discuss with management which approach, remote versus on-site, works best for you.



5. Team Qualifications

AN EXPERIENCED SERVICE TEAM

We're passionate about our work—and your success. We've selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the healthcare industry.

Leadership Team

Kevin Smith will lead the engagement team and serve as the Audit Engagement Partner and **Martin Yanushev** will serve as the Senior Manager. These professionals are licensed to practice public accounting and bring strong credentials and a desire to work with the District. If awarded this engagement, these individuals will serve as your primary contacts. We have provided professional profiles for the proposed leadership team showcasing their education and experience in **Appendix A**. Additional resources will support the project team as necessary.

Senior and Staff Associates

Once we determine the timing that works best for you, we'll assign a senior and staff associates to your engagement. Our seniors are experienced in public accounting, and specialize in the healthcare industry. All members of our staff are required to comply with necessary continuing professional education (CPE) requirements, and most members of our staff significantly exceed their required amount.

Peer Review

Eide Bailly is a member of the American Institute of Certified Public Accountants, which requires a third-party peer review of our audit and accounting practice every three years. A copy of our firm's most recent peer review is included in **Appendix B** of this proposal. The quality review included several healthcare industry engagements and received a rating of 'Pass'.

Staff Continuity

To help ensure a strong business relationship and to minimize disruptions, we keep staffing changes to a minimum. Compared to the national average, Eide Bailly experiences a higher retention rate, which translates to providing our clients with consistent service teams. We'll strive for continuity of staff for your engagement. With this continuity comes quality as team members' knowledge of your organization grows from year to year.





6. References

CLIENT REFERENCES

As a top 20 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service.

The clients below have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

➤➤➤ Similar Clients

Wallowa Memorial Hospital

Matthew Perren

Director of Finance

541.426.5454

matthew.perren@wchcd.org

Harney County Health District

Catherine White

Chief Financial Officer

541.573.5187

cwhite@harneydh.com

Bonner General Health

Skyler Twidt

Chief Financial Officer

208.265.1277

skyler.twidt@bonnergeneral.org

7. Cost Proposal

EXPECTED FEES

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we'll obtain your agreement on fees before commencing work, so there are no surprises or hidden fees.

We propose the following fees based on our understanding of the scope of work and the level of involvement of the District's staff:

Engagement Services and Fees

Professional Services	2025	Optional Years	
		2026	2027
Financial Statement Audit	\$35,000	\$37,450	\$40,100

Out-of-Pocket Fees

In addition to the professional fees listed above, you will be billed for actual out-of-pocket expenses such as travel time, mileage, lodging and meals. A 5% technology fee will also be applied to support and enhance the quality work we provide by investing in technology.

Billing Policy Regarding Inquiries

We know clients appreciate access to all their service team members. We embrace this opportunity for constant communication and will ensure our team members are available when you have questions and issues. This service is included in the scope of the engagement. If a particular issue surfaces that falls outside the scope of this engagement, we'll bring it to your attention and obtain approval before proceeding.

Our typical consulting hourly rate range is dependent on the complexity of research and/or work required. Current billing rates for Eide Bailly personnel serving the healthcare industry are as follows. Ranges have been provided as there are varying experience levels of the individuals in these positions.

Hourly Rates by Staff Level

Staff Level	2025
Partner	\$480-615/hr.
Senior Manager	\$360-460/hr.
Manager	\$260-350/hr.
Senior Associate	\$195-250/hr.
Associate	\$170-215/hr.

Future Year Pricing Guarantees

Our fee increases for future years are consistent with inflationary increases in the industry. They are contingent upon no major changes to the District, and that significant accounting and auditing rule changes and procedures remain consistent with current requirements. Fees don't include additional time that could be incurred due to changes to the scope of the engagement.



The Right Choice for Southern Coos Health District

EXCEEDING EXPECTATIONS AND ACHIEVING GOALS

To us, work isn't just work; we see it as a chance to help you solve problems, achieve goals and pursue passions. After thoughtfully reviewing your needs and taking the time to understand your business, we think we're the best fit for this opportunity.

We can connect you with the knowledge, resources and solutions that help bring confidence to your business decisions.

If you have questions or would like additional information, don't hesitate to contact us. We want to make sure you have everything you need to make your decision.



Kevin Smith, CPA
Partner

208.383.4755

ksmith@eidebailly.com



Martin Yanushev, CPA
Senior Manager

206.866.9101

myanushev@eidebailly.com

We Want to Work with You

We're driven to help clients take on the now and the next with inspired ideas, solutions and results. We look forward to working with you.

Appendix A: Team Profiles

**KNOWLEDGEABLE AND
EXPERIENCED TEAM**

KEVIN R. SMITH, CPA

Partner

INSPIRATION: To me, quality client service means being proactive with my clients' needs and exceeding their expectations.

208.383.4755 | ksmith@eidebailly.com



Kevin provides his clients with a variety of services, including audits, reviews and compilations of financial statements, business consulting and agreed-upon procedures. He serves a variety of industries, including healthcare organizations, government entities, nonprofit organizations and single audits.

When you work with Kevin, you can expect proactive service, timely response and attention to details. He loves to help clients succeed and be part of the solution.

In his free time, Kevin enjoys getting outside whenever he can to work in the yard or his garden. During the summer, he enjoys doing projects around their house, riding horses, boating and spending time with family.

Client Work

Works with healthcare, government and nonprofit clients in Idaho, Washington, and Oregon including large critical access hospitals and rural health clinics.

Memberships

American Institute of Certified Public Accountants, Member

Idaho Society of Certified Public Accountants, Member

Idaho Chapter of Healthcare Financial Management Association, Past Officer

Idaho Health Care Association, Associate Member

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Administration, Accounting - Idaho State University, Pocatello

Annual Healthcare-Specific Continued Education

MARTIN YANUSHEV, CPA

Senior Manager

206.866.9101 | myanushev@eidebailly.com



Since 2011 Martin has worked in public accounting, providing services to the healthcare entities.

Martin's clients can expect him to take the time to understand the situation and look for opportunities to improve their financial and operational performance.

Located in Seattle, Washington, Martin enjoys spending time outdoors and volunteering in the community.

Client Work

Works with critical access hospitals, health systems, senior living, federally qualified health centers and has experience in consulting and reimbursements.

Memberships

American Institute of
Certified Public Accountants

Washington Society of
Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Business
Administration - Gonzaga
University, Spokane

Master of Accountancy -
Gonzaga University, Spokane

Appendix B: Peer Review

PEER REVIEW



Report on the Firm's System of Quality Control

To the Partners of Eide Bailly LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eide Bailly LLP (the "Firm") applicable to engagements not subject to Public Company Accounting Oversight Board ("PCAOB") permanent inspection in effect for the year ended April 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1® and SOC 2® engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Eide Bailly LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2023, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Eide Bailly LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Atlanta, Georgia
January 9, 2024



Caring for our external and internal clients with a passion to go the extra mile.

Respecting our peers and their individual contributions.

Conducting ourselves with the highest level of integrity at all times.

Trusting and supporting one another.

Being accountable for the overall success of the firm,
not just individual or office success.

Stretching ourselves to be innovative and creative, while managing the related risks.

Recognizing the importance of maintaining a balance between work and home life.

Promoting positive working relationships.

And, most of all, enjoying our jobs ... and having fun!



What inspires you, inspires us.
eidebailly.com



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, May 2025

Providers:

- Following the departure of Dr. Noel Pense, hospitalist, last month, we have added 2 Locum Tenens hospitalist physicians to our hospitalist schedule. They are Laine Murphy, MD and Nikki Schultz, MD. Dr. Murphey worked his first shifts earlier this month in May. Dr. Schultz worked for us as a Locums hospitalist last year. She is returning and will be on the schedule in June and July.
- We have made an offer to a full-time Family Nurse Practitioner, currently living in Coos Bay. I will have an update on whether or not she has accepted our offer by the night of our May Board of Directors meeting.

DNV Survey:

- Earlier this month, I signed a 3-year contract with DNV to continue our process of being a DNV accredited hospital. Once signed, we will be officially scheduled for our 2025 survey. According to the terms of the agreement, this year's survey will be a maximum of 6 surveyor days (as opposed to a maximum of 5 surveyor days for years 5 and 6) and this year will be our ISO 9001 Certification survey, as previously announced.

Coast Community Health Center:

- I continue to meet weekly with Kendra Newbold at Coast Community Health Center (CCHC) and to work towards supporting them in their journey to be acquired by Adapt Integrated Health Care Federally Qualified Health Center (FQHC) of Roseburg, Oregon. Per Kendra, the anticipated finalization of the transaction is expected to be in July or August. The Laboratory Agreement between SCHHC and CCHC is endorsed by Adapt Integrated Health Care. In Roseburg, they contract with Mercy Medical Center for their laboratory services. Completion of the laboratory agreement is contingent upon the completion of a laboratory interface between CCHC's Epic system and SCHHC's Epic system.
- In the meantime, Waterfall Clinic, another Federally Qualified Health Center in Coos Bay has also inquired about contracting with SCHHC for Laboratory Services. We are continuing to work through the details of the cost effectiveness of and financial feasibility of providing these services.

Bay Area Hospital

- We received notification from Brian Moore, CEO of Bay Area Hospital (BAH), on April 24, that the Non-binding Letter of Intent between BAH and Quorum Health for a partnership affiliation was extended beyond the original March 31, 2025 deadline, in part to create a structure whereby BAH will

remain as a Not for Profit hospital, as opposed to a For Profit Hospital. In my view, this is a better model for BAH and the community to ensure that accountability to the local Coos Bay – North Bend community remains. The previous plan proposed by the United Food & Commercial Workers Labor Union has been withdrawn.

Expansion Plans:

- We had hoped to complete the Request for Proposals (RFP) for selection of Architectural and Engineering firms, in time for a final selection and approval by the Board at our May Board meeting. That process has taken longer than originally anticipated. Two (2) finalist firms are being invited to Bandon for on-site interviews on June 2. A final recommendation for approval will be brought to the Board in June.
- We continue distribute Community Surveys on Health to the local community via drop boxes in Bandon and at our hospital and clinic, along with Facebook announcements. We have also distributed them at speaking engagements, including the Bandon Meet & Greet and my presentation at the Chamber of Commerce Annual meeting earlier this week. Our goal is to collect between 200 and 300 surveys.

Hospital Volume of Services:

- I am pleased to report that our volume of patient care services remains high and continues to grow. In April and May we have seen volume spikes in our service levels that have not been seen for many years. In April our inpatient census peaked at 15 patients in a single day, and our census has remained high in the low to mid-teens ever since. This has been near 50% growth from our historical averages of 8 patients per day. We have also seen increased utilization in our Emergency Department and our ancillary services. On May 4 of this month we saw 34 patients in the Emergency Department in a single day. That is more than double our average volume. I was particularly encouraged to hear that the majority of patients came in that day by personal vehicles, not by ambulances. This tells me that more people are choosing to come to SCHHC. Despite the unusually high volume, our staff handled the patient load extremely well (Kudos to our Emergency Department team!) Only 1 patient left due to long waits that day. And finally, Cheryl Johnson, our Respiratory Therapy Manager told me that, in the ten (10) years that she has worked at SCHHC, April was the busiest month that she has ever seen for Respiratory Therapy.

Community Engagement

- As reported last month, I was 1 of the guest speakers at the Bandon Chamber of Commerce Annual Meeting on May 14. It was a great opportunity to update community business leaders on all that has been accomplished at SCHHC in the past year and our plans for this year, including an update on the new Retail Pharmacy at SCHHC and our Master Facility Plan.



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, May 2025

Recruiting:

Dr. Wong has submitted her 90-day notice of resignation. We continue to move forward with recruiting efforts for primary care and are currently looking at three nurse practitioners to fill spots in our clinic.

We also have contracts out to three hospitalist physicians to provide occasional back up coverage for our hospitalist team. This is in addition to Dr. Murphey who worked his first shifts with us earlier this month.

We are currently exploring an opportunity for a general surgeon to work here 5 days a month. This would allow us to begin the development of a general surgery program at a level of expense significantly lower than some of the other opportunities we have investigated. Should the program prove successful, we could look to expand the program to cover more days per month.

DNV Survey:

Work continues collaboratively across all SCHHC departments including medical administration, medical staff, quality, IT, and health information to prepare for the upcoming DNV survey this fall. I am very thankful for the amazing amount of progress made to date and the teamwork demonstrated across departments and disciplines.

Medical Staff Bylaws and Rules and Regulations:

We are currently proceeding with a comprehensive review and update of the Medical Staff Bylaws and Medical Staff Rules and Regulations. The purpose of this review and update is to bring both documents in line with current processes of the medical staff and to comply with current regulatory guidelines. Once approved by the Medical Staff, these documents will be brought to the Board for review and approval. Tentatively this should occur at either the July or August Board meeting depending on the extent of revision required and the length of debate by the Medical Staff prior to approval of revisions.

OHSU Telemedicine Collaboration:

This continues to move forward. Legal review of the affiliation agreement with OHSU is complete and the next step is to return the agreement with changes suggested by our attorneys to OHSU for their review and hopefully signature. Once this is complete, the credentialing of OHSU providers for patients seen in our facilities can begin, equipment can be purchased and services initiated.

Bandon Dunes:

Work continues on the logistics of providing medical support for the 125th US Women's Amateur Championship this August. We are working on developing collaborative advertising to highlight our participation in this prestigious event.

As mentioned in last month's report, we are exploring other opportunities for collaboration with Bandon Dunes and more information will be provided to the board if and when Bandon Dunes indicates a willingness to proceed with the proposed initiatives.



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 – May 22, 2025

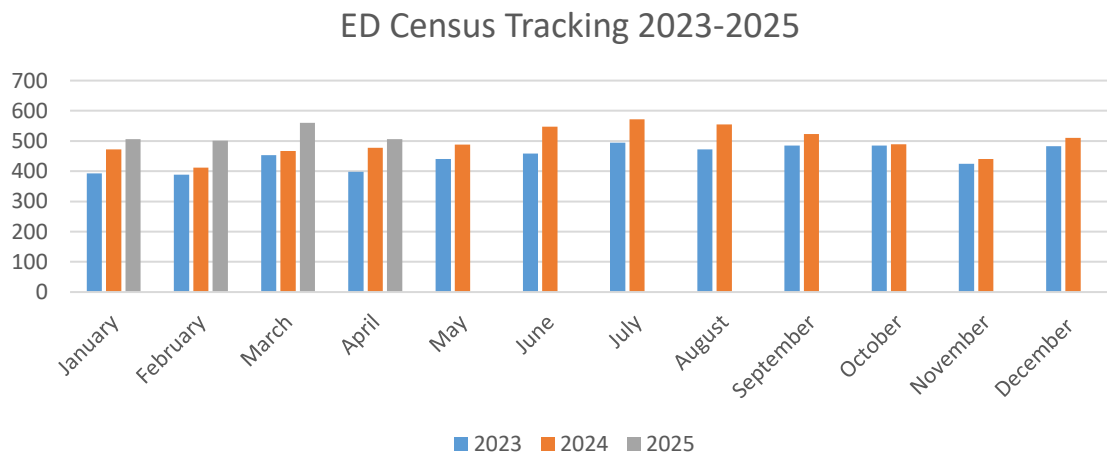
Clinical Department Staffing –

- Medical Imaging department remains dependent on contracted technologists. Positions open include MRI technologist, Ultrasound technologist, and two CT technologists. Currently there are multiple staff technologists who are out on various leaves of absence, which means that the department is almost entirely staffed by contract technologists during daytime hours. Most services have remained available with the exception of general ultrasound services being unavailable May 6-13.
- No other clinical department staff changes

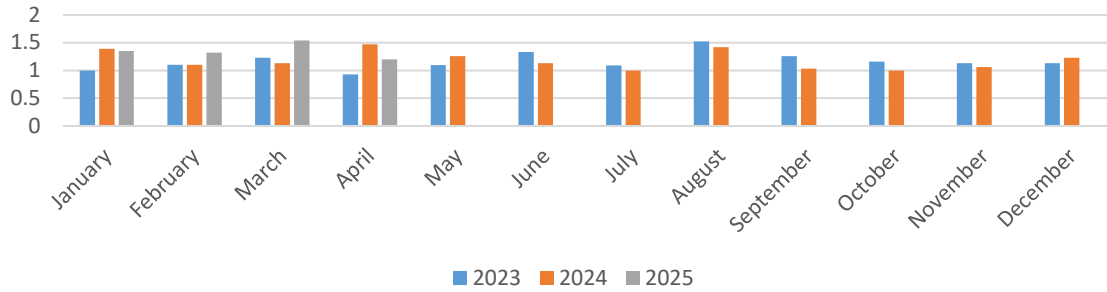
Laboratory Services -

- The Siemens Dimension analyzer has been suffering more frequent quality testing failures, which results in an increase in down-time due to servicing. These services do effect the timeliness of lab tests being resultated as some must be sent to other labs during down time. As a precaution for emergent cardiac patients who may require specific cardiac enzyme testing during the periods of service, the emergency department was place on partial diversion for cardiac patients. This action was required on four (4) occasions between 04/01/2025 and 05/15/2025, when the Dimension analyzer required service. Each incident of partial diversion lasted approximately 2 hours.

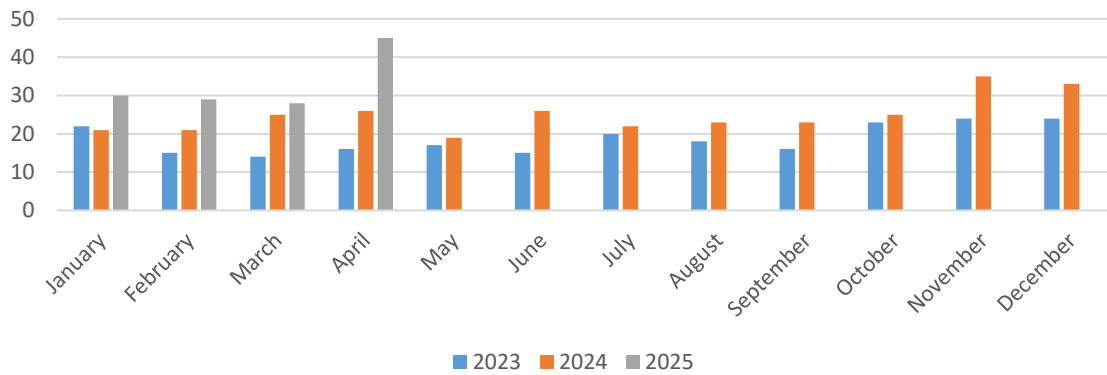
Emergency Department Statistics –



Average ED Admissions to Med-Surg Unit per Day

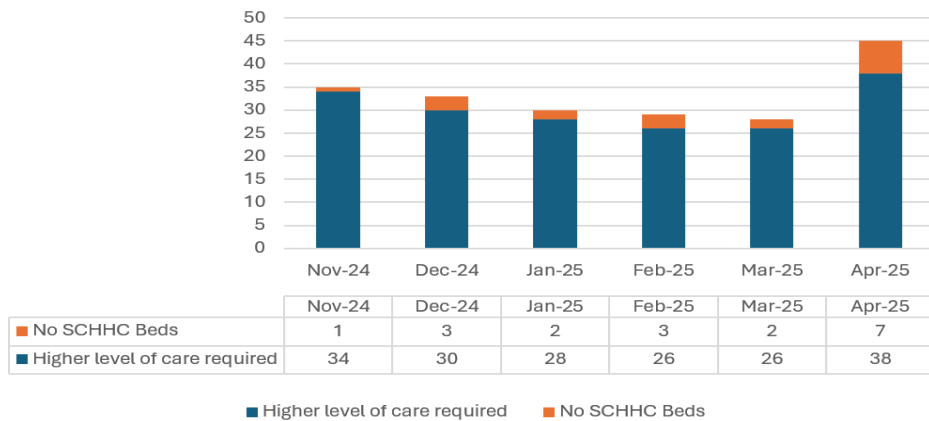


ED Transfers



- April 2025 Transfers – Total Transfers = 45. Thirty-eight (38) transfers required for higher level of care and/or services not offered at SCHHC. Seven (7) transfers due to no bed availability at SCHHC (Unable to obtain additional staff to accommodate additional patients).

Reason for ED Transfers





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, May 22, 2025

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

1. We selected a new Help Desk solution called ServiceDesk. We are working on configuring the application and will roll out by the end of June 2025. The new help desk will allow the IS team to more effectively manage incoming support tickets and provide faster service to our staff. In addition, the solution offers project management tools.
2. In collaboration with the CEO office, executive assistant, and several managers, we selected a new contract management system, Cobblestone. We are in the early stages of configuring the system. This initiative is driven by a DNV requirement to easily access SCHHC's contracts and provide a list on demand to surveyors. This system will give us the ability to do both and much more, including better approval routing, improved search functionality, and the ability to create alerts for contract expirations.
3. Our IS manager, Trevor Jurgenson, installed the final pieces of the wifi system at the 2nd Street Building.
4. In April 2025, our help desk analysts, led by Chris Cox, Jeff Weymouth, and Kyle Gonzales, fielded 175 tickets.
5. We are testing a new phone agent for our main phone line. We are now in our 3rd week of limited testing. The agent is live from 8am to 2pm. The team meets every day for a debrief. As of now, we have averaged about 100 calls per daily testing session.
 - a. Negative sentiment (based on analysis of the text of the phone calls): .09%
 - b. Deferred calls (higher percentage is better): Average of 62%

SCHHC AI Strategic Council

Artificial Intelligence (AI) tools such as ChatGPT have flooded the market over the past several years. Just like many other software or digital tool, these AI tools offer the prospect of increased productivity, increased efficiency, and decreased administrative burden.

Yet as AI tools proliferate, and as vendors add AI tools to existing software products, there are many considerations that healthcare organizations must take into account. First, the potential for cyberattacks has exponentially increased. This is because of the difficulty in understanding the full scope of the attack surface. Second, not all of these tools are created equally, so SCHHC must have a process by which to evaluate each tool and software we may integrate into our digital ecosystem. Third, studies have demonstrated that AI tools that are not trained effectively, may introduce bias into their responses.





As a healthcare organization, we are obligated by HIPAA law to keep our patient data, Protected Health Information, or PHI, secure, confidential, and safe. Therefore, I am working with a consultant associated with Microsoft Philanthropy to stand up an AI Strategic Council. The council is comprised

of representatives from across the organization. We had our first meeting on May 8th, and had our second meeting on May 19th.

The goals of the AI Strategic Council are as follows:

1. Provide strategic oversight and guidance for the responsible, ethical, safe, and effective development, deployment, and utilization of AI technologies and technologies that may utilize AI tools, across SCHHC.
2. Ensure that the SCHHC's AI initiatives:
 - Align with its strategic priorities,
 - Adhere to all relevant legal and regulatory requirements,
 - Uphold ethical principles, and,
 - Promote innovation while mitigating potential risks to patient safety, privacy, and equity.




Clinical Informatics Projects by Department

-  *Complete*
-  *In Progress*
-  *Education/Monitoring*
-  *Reviewing*



CI Tickets Summary

Month	Open	Waiting	Closed	Total
March 2025	0	1	36	37
April 2025	0	2	31	33
May 2025	4	5	37	46









Clinical Informatics

-  EMR Workflow Videos – *In Progress*
-  Data Extraction – Archive Setup/Validation – *In Progress*
-  Facility Data Request – *In Progress*


Emergency Department

-  ED Divert Designations – *Reviewing*
-  Provider EPIC Onboarding 5/23 - *Reviewing*




HC Primary Care

-  Epic Build for New Service OB/GYN – *Monitoring*
-  Provider Onboarding Support – Dr. Simmonds – *Education/Monitoring*
-  Result Scanning Workflow for External Results – *Education/Monitoring*
-  Ambulatory EKG Workflow for Interpretation Documentation – *In Progress*
-  Internal and External Referral Order Entry Process – *Education/Monitoring*
-  Provider Template Modifications – *In Progress*
-  Telehealth Video Visit Workflow – *In Progress*
-  Care Gaps Documentation - *Reviewing*



HIM

-  Care Everywhere ID Access for Transfers – *In Progress*
-  Misfile Queue Routing - *Reviewing*

Laboratory / Ambulatory Clinic

-  Lab Test Order Entry Process for Lab vs. Clinic Collect – *Complete*
-  Ambulatory Preappointment Lab Testing Scheduling – *Reviewing*
-  Lab Pathology Ordering Workflow – *Reviewing*


Med Surg

-  Patient Status Transition Process (IP to Swing, DCRA One Way) – *Monitoring*
-  Blood Transfusion Workflow – *Complete*




OP Nursing

-  Internal and External Therapy Plan Workflow – *Education/Monitoring*
-  Wound Care Acute/Ambulatory Workflow – *In Progress*

Pharmacy

-  Medication Waste Documentation/Settings – *In Progress*
-

Quality

-  Clinical Documentation Review – *In Progress*
 -  Medici AUR reporting – *In Progress*
 -  Quality Measures Clinical Documentation - *Reviewing*
-

Radiology

-  Internal Imaging Ordering Process – *Education/Monitoring*
-



Respiratory Therapy

-  Internal Order Routing to Workqueue for RT Orders – *In Progress*
-

Revenue Cycle

-  Authorization and Referral Workqueue Routing – *Education/Monitoring*
-

Surgical Services

-  Anesthesia Workflow Review – Personalization Setup – *Reviewing*
-  Surgical Case Referral/Scheduling Workflow – *In Progress*



Multi-Specialty Clinic Report

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 – May 22, 2025

Provider Recruiting/Onboarding: As of 5/16/25

Hiring/Onboarding Status: FNP's

- Felisha Miller has accepted a verbal offer on 5/15/25
 - Potential start date, middle to end of August
- Kim Bagby – Traveling FNP is going through hospital credentialing.
 - End of June depending on hospital credentialing and payer credentialing

Year: 2025	Clinic	PT's		No	Total	AVG	No	Cancel	Tele	New									
Month: April							Show												Rate
Provider							Days												Sched
Bonnie Wong, DO	4	51	2	1	48	12.0	2.0%	3.9%	4	1									
Paul Preslar, DO	11	142	10	3	129	11.7	2.1%	7.0%	0	22									
Shane Matsui, LCSW	21	97	10	2	85	4.0	2.1%	10.3%	9	3									
Victoria Schmelzer, CRNA	9	63	2	1	60	6.7	1.6%	3.2%	0	2									
Tami Marriott, MD	2	28	5	0	23	11.5	0.0%	17.9%	0	0									
Jennifer Webster, MD	13	178	26	3	149	11.5	1.7%	14.6%	5	17									
Henry Holmes, MD	6	96	3	8	85	14.2	8.3%	3.1%	0	1									
Veronica Simmonds, MD	8	35	0	1	34	4.3	2.9%	0.0%	0	32									
Outpatient Services	22	259	15	1	243	11.0	0.4%	5.8%	0	0									
Totals	96	949	73	20	856	8.9	2.1%	7.7%	18	78									
Total Clinic Visits Minus OP Services	74	690	58	19	613	8.3	2.8%	8.4%	18	78									

Clinic Visits:

- Total clinic visits are up 11% from the previous month (+85)
- Provider visits minus OP services are up 7.5% (+43)
- Total clinic visits for May are projected to be 1.1% higher than April (+10)
- Provider visits minus OP services are projected to be up 10% (+62)
- Dr. Simmonds:
 - 34 visits included for April
 - 60 visits projected for May
 - 30 plus referrals to be scheduled

Clinic Provider Income Summary

All Providers

For The Budget Year 2025

									Current Budget YTD	
	ACT JAN	BUD JAN	ACT FEB	BUD FEB	ACT MAR	BUD MAR	ACT APR	BUD APR	FY25 Budget	Variance
Provider Productivity Metrics										
Clinic Days	73	120	67	115	59	115	74	119	1060	(356)
Total Visits	526	1,251	581	1,357	570	1,527	613	1,648	10,728	(4,842)
Visits/Day	7.3	10.4	8.7	11.9	9.7	13.3	8.3	13.8	10.1	(1.8)
Total RVU	1,142	2,616	1,452	2,727	1,334	2,991	1,386	3,245	22,737	(9,142)
RVU/Visit	2.17	2.09	2.50	2.01	2.34	1.96	2.26	1.97	2.12	0.19
RVU/Clinic Day	15.76	21.80	21.68	23.81	22.61	26.01	18.73	27.27	21.45	(2.15)
Gross Revenue/Visit	693	380	629	370	692	358	617	365	384	143
Gross Revenue/RVU	319	182	252	184	296	183	273	186	181	47
Net Rev/RVU	135	79	106	79	125	78	116	79	79	18
Expense/RVU	110	81	88	71	127	70	162	63	96	25
Diff	25	(2)	19	8	(2)	8	(46)	16	(17)	(7)
Net Rev/Day	2,135	1,713	2,305	1,886	2,827	2,039	2,174	2,160	1,691	179
Expense/Day	1,737	1,758	1,899	1,691	2,882	1,833	3,028	1,727	2,058	275
Diff	398	(45)	406	195	(55)	206	(854)	433	(367)	(97)
Patient Revenue										
Outpatient										
Total Patient Revenue	364,678	475,000	365,686	502,517	394,363	546,731	377,962	602,298	4,121,059	(1,017,746)
Deductions From Revenue										
Total Deductions From Revenue (Note A)	209,923	269,404	211,239	286,569	227,551	312,190	217,069	345,208	2,328,781	(542,455)
Net Patient Revenue	154,755	205,596	154,447	215,947	166,812	234,540	160,893	257,090	1,792,278	(475,291)
Total Operating Revenue	154,755	205,596	154,447	215,947	166,812	234,540	160,893	257,090	1,792,278	(475,291)
Operating Expenses										
Salaries & Wages	72,413	106,550	75,807	98,454	98,153	106,550	143,756	103,852	1,191,440	(215,986)
Benefits	3,654	14,847	4,645	13,410	5,301	14,847	7,250	14,368	130,544	(54,511)
Medical Supplies	(163)	875	0	875	(202)	875	8,327	875	8,429	2,354
Other Supplies	317	610	0	610	0	610	0	610	6,098	(5,151)
Maintenance and Repairs	0	21	0	21	0	21	0	21	212	(212)
Other Expenses	70	3,292	0	3,292	0	3,292	0	3,292	32,917	(22,010)
Allocation Expense	49,615	84,801	46,805	76,984	66,789	84,603	64,751	82,504	811,470	(242,158)
Total Operating Expenses	125,906	210,996	127,257	193,646	170,041	210,799	224,084	205,521	2,181,110	(537,675)
Excess of Operating Rev Over Exp	28,849	(5,400)	27,190	22,301	(3,229)	23,742	(63,191)	51,569	(388,832)	62,384
Total Non-Operating Income	150	394	(450)	394	(2,854)	394	0	394	3,938	(4,237)
Excess of Revenue Over Expenses	28,999	(5,006)	26,740	22,694	(6,083)	24,135	(63,191)	51,963	(384,894)	58,147

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

0

Chronic Care Management:

Chronic Care Management Program (CCM)									
Year: 2025	Enrolled	99490	99439	99487	99489	99484	99495	99496	Total
Month: April	Eligible		Additional		Additional				Services Eligible
CCM Patients	Billed PT's	CCM	20 Mins	Complex	30 Mins	BHI	TCM	TCM	To be Billed
1/30/2025	39	39	7	0	0	0	0	0	85
2/28/2025	41	38	23	0	0	2	1	0	105
3/30/2025	65	53	26	0	0	0	1	1	146
4/30/2025	56	52	10	0	0	1	0	3	122
Totals	201	182	66	0	0	3	2	4	458

Enrolled Eligible Billed PTs are down:

- 16% from the previous month (9)
- YTD 43% (+17)



Southern Coos Health Foundation Report

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

From: Alix McGinley, Executive Director, SCHF

Re: SCH Foundation Report for SCHD/SCHF Board of Directors, May 2025

Living & Aging Well (L&AW)- Our 2nd annual Living & Aging Well event is scheduled for Saturday, May 24th from 10am-2pm at The Barn. This will be our last year hosting this program which will be handed over to the capable hands of Lualhati Anderson of Older Adult Behavioral Health Initiative of Coos & Curry. This year's topic is Brain Health; Alix will be emcee and presenting a follow-up to IKAIGI (sense of purpose) along with guest speakers Dr. Tim Lynch, Cheryl O'Dell and Lualhati Anderson. This is a free event and SCHHC and SCHF will be event sponsors going forward to keep us connected to the 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. To date we have received or have promises for \$46,300 for this year's tournament! New sponsors this year include Table Rock Motel, Hennick's Home Center and Colene Hickman Photography so far. Sponsor packets are available, and webpage is updated. First contacts have been made to all big sponsors and are beginning for all other sponsors and donations for our auction.

Meet & Greet-SCHHC & SCHF Lecture Series

SCHHC/SCHF is slotted in for the second Tuesday of each month. Our May 2025 presenter at the Bandon Fisheries Warehouse Meet & Greet was Colene Hickman with support from Brenna Watkins our SHEBA certified Medicare counselor and Carolyn Randolph. Presentation was very informative, and audience were very engaged and a quite a few stayed after event to talk with Colene and her team.

SCHF Quarterly Art Show & Gift Shop

Our current Art Show is entitled Roads Less Traveled, featured artist Michael William Ousley. This has been a very successful event and featured artist is donating 50% of his sales.

Gift Shop is still going strong and has a steady stream of regulars who love to come in to buy gifts. Karen Reber is doing an excellent job and with the help of Steve and her beloved volunteers, our Gift Shop is a destination!

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 3Q25. Employee Annual Giving program and Capital Campaign initiatives to follow.

*Two grants were submitted to the Three Rivers Foundation and Judith Ann Mogan Foundation (JAMF) for our Bandon School Nurse program. Goal is to have both RNs fulltime next school year, will only be possible if funds are granted. Continued fundraising for this program will continue with each Women's Health Day.

*Reminder- **SCHHC** will host the Bandon Chamber of Commerce “After Hours” event on June 18th which will include a ribbon cutting ceremony for our new community pharmacy. This event is open to everyone, please mark your calendars and invite our community to join in.



Monthly Financial Statements

To: Board of Directors and Southern Coos Management

From: Antone Eek, CFO

RE: April 2025 Month End Financial Results - Presented May 22, 2025

Revenue Performance:

- Gross Revenue: Achieved \$5,230,000, exceeding the budget of \$4,743,000.

Revenue Deductions:

- Deductions from Revenue: April amounted to \$2,107,000 or 40.3%, slightly up from March of 40.1%. YTD Deductions stand at 39.1% compared to a budget of 36.1%. Accounts receivable increased by \$747,000 to \$9,510,000 in April and cash collections were down from March which resulted in an increased reserve on open AR. Efforts continue to reduce claim processing time and cleanup of aging receivables.
- Medicare Cost Report Settlement for FY25: Anticipated receivable of \$500,000 to be finalized in November.

Operating Revenues:

- Total Operating Revenues: Totaling \$3,129,000 were slightly under a budget of \$3,171,000 but marked an increase of \$165,000 from the same period last year.
- Total Operating Revenues YTD FY25 stand at \$28,530,000, which is a significant increase of \$2,120,000 over YTD FY24 for the same month.

Operating Expenses:

- Labor Expenses totaled \$2,288,000, coming in below the budgeted \$2,265,000.
 - Open positions and unfilled new FTEs continue to drive YTD favorability.
- Other Operating Expenses reached \$933,000, exceeding the budget of \$839,000.
 - Higher expenses drugs & pharmaceuticals and surgical services drove this variance.
 - YTD operating expenses of \$30,660,000 remain under a budget of \$32,303,000.

Operating Income/Loss:

- Operating Loss of \$(93,000) compared to a budgeted gain of \$67,000.

Change in Net Position:

- A gain of \$61,000 compared to the budgeted gain of \$178,000

Financial Health Indicators:

- Days Cash on Hand: A correction has been made to include the funds in the CD as part of cash on hand calculations. April increased to 71.9 from 68.6 in March.
- Accounts Receivable (A/R) Days Outstanding: Increased to 57.7 days, up from 53.4 days in March.

Southern Coos Hospital & Health Center
 Statements of Revenues, Expenses, and Changes in Net Position
 As of April 30, 2025

	Month Ending 04/30/2025				Month Ending 04/30/2024	Year To Date 04/30/2025				Prior Year To Date 04/30/2024
	Actual	Operating Budget	Actual minus budget	Budget variance	Actual	Actual	Operating Budget	Actual minus budget	Budget variance	Actual
Total Patient Revenue										
Inpatient Revenue	836,483	1,014,773	(178,290)	(17.6) %	900,566	8,374,541	10,169,811	(1,795,270)	(17.7) %	7,859,992
Outpatient Revenue	3,778,884	3,618,495	160,389	4.4 %	3,456,287	35,000,916	36,741,099	(1,740,183)	(4.7) %	30,594,128
Swingbed Revenue	614,566	109,335	505,230	462.1 %	300,782	3,398,842	1,120,355	2,278,487	203.4 %	2,855,198
Total Patient Revenue	5,229,933	4,742,603	487,329	10.3 %	4,657,635	46,774,299	48,031,265	(1,256,966)	(2.6) %	41,309,318
Total Deductions	2,106,999	1,673,324	433,676	25.9 %	1,697,064	18,281,690	17,327,282	954,408	5.5 %	14,957,292
Revenue Deductions %	40.3 %	35.3 %	5.0 %	14.2 %	36.4 %	39.1 %	36.1 %	3.0 %	8.4 %	36.2 %
Net Patient Revenue	3,122,933	3,069,279	53,654	1.7 %	2,960,571	28,492,609	30,703,983	(2,211,374)	(7.2) %	26,352,027
Other Operating Revenue	5,813	101,543	(95,730)	(94.3) %	2,895	37,292	1,015,431	(978,139)	(96.3) %	57,737
Total Operating Revenue	3,128,747	3,170,822	(42,076)	(1.3) %	2,963,466	28,529,900	31,719,413	(3,189,513)	(10.1) %	26,409,764
Total Operating Expenses										
Total Labor Operating Expenses	2,287,820	2,264,511	23,309	1.0 %	1,844,259	21,570,474	23,625,249	(2,054,774)	(8.7) %	19,621,702
Total Other Operating Expenses	933,499	839,415	94,085	11.2 %	1,011,953	9,089,368	8,677,356	412,012	4.7 %	7,425,403
Total Operating Expenses	3,221,319	3,103,926	117,394	3.8 %	2,856,212	30,659,842	32,302,605	(1,642,762)	(5.1) %	27,047,105
Operating Income / (Loss)	(92,573)	66,897	(159,469)	(238.4) %	107,254	(2,129,942)	(583,191)	(1,546,751)	265.2 %	(637,341)
Net Non Operating Revenue	153,975	110,923	43,052	38.8 %	182,216	1,166,123	1,089,379	76,744	7.0 %	1,304,837
Change In Net Position	61,403	177,820	(116,417)	(65.5) %	289,470	(963,819)	506,188	(1,470,007)	(290.4) %	667,496
Collection Rate %	59.7%	64.7%	(7.7%)	(7.7%)	63.6%	60.9%	63.9%	(4.7%)	(4.7%)	63.8%
Compensation Ratio %	65.6%	64.2%	2.2%	2.2%	55.5%	67.3%	67.3%	0.1%	0.1%	64.4%
Operating Margin	(3.2%)	2.1%	(250.8%)	(250.8%)	0.6%	(7.5%)	(1.8%)	306.8%	306.8%	(2.4%)
OP EBIDA Margin \$	67,371	234,197	(166,826)	(71.2%)	121,957	(668,760)	1,089,815	(1,758,575)	(161.4%)	389,131
OP EBIDA Margin %	2.2%	7.4%	(5.2%)	(70.8%)	4.1%	(2.3%)	3.4%	(5.8%)	(168.2%)	1.5%
Total Margin (%)	2.0%	5.6%	(3.6%)	(65.0%)	6.7%	(3.4%)	1.6%	(5.0%)	(311.7%)	2.5%

* Other Operating Income YTD:
 - \$14k - Levy Payment from CMS
 - \$13k – Advanced Health CCO (Coordinated Care Organization) Risk Share
 - \$1k – SWOREIPA Quality Incentives
 - \$5k – GPO Rebates



Southern Coos Hospital & Health Center

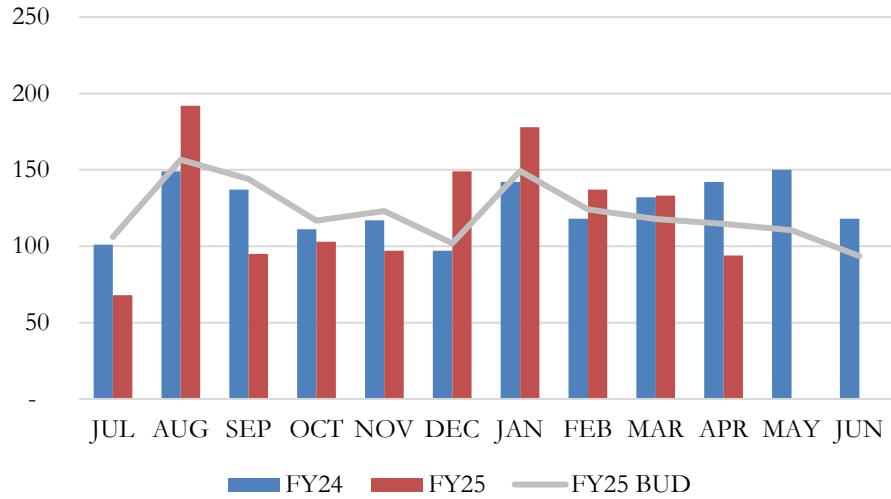
Balance Sheet Summary

	Year To Date 04/30/2025	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	10,419,796	11,721,015	(1,301,219.00)	12,771,743
Net Patient Accounts Receivable	5,324,870	3,907,633	1,417,238.00	2,813,679
Other Assets	770,895	798,202	(27,308.00)	678,642
Total Current Assets	16,515,561	16,426,850	88,711.00	16,264,064
Net PP&E	8,968,493	6,423,952	2,544,541.00	6,677,893
Total Assets	25,484,054	22,850,802	2,633,252.00	22,941,957
Total Liabilities & Net Assets				
Total Liabilities				
Current Liabilities	8,051,569	4,490,006	3,561,563.00	4,057,278
Total Long Term Debt, Net	4,570,638	4,535,131	35,508.00	5,217,539
Total Liabilities	12,622,207	9,025,137	3,597,071.00	9,274,817
Total Net Assets	12,861,847	13,825,665	(963,819.00)	(29,800,017)
Total Liabilities & Net Assets	25,484,054	22,850,802	2,633,252.00	(20,525,200)

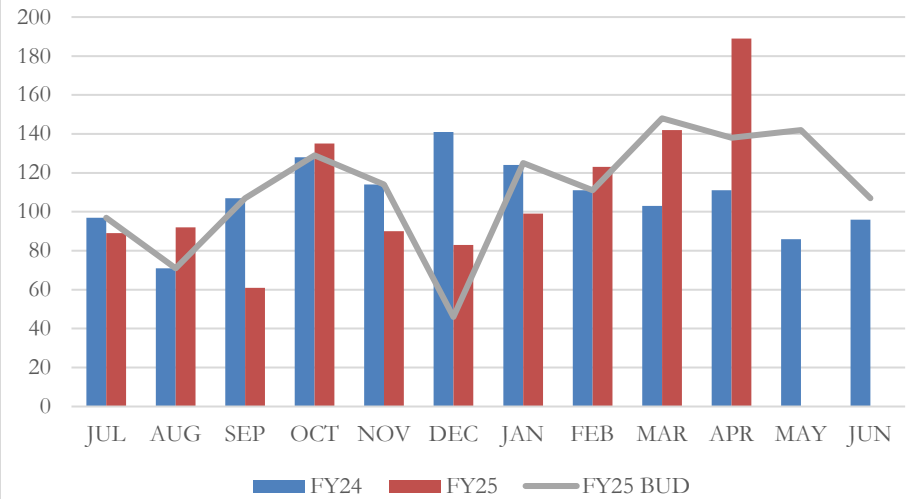
Cash to Debt Ratio	0.83	1.30	(0.47)	1.38
Debt Ratio	0.50	0.39	0.11	0.40
Current Ratio	2.05	3.66	(1.61)	4.01
Average Age of Plant	9.03	12.30	(3.27)	13.67
Debt to Capitalization Ratio	0.25	0.25	0.00	0.29



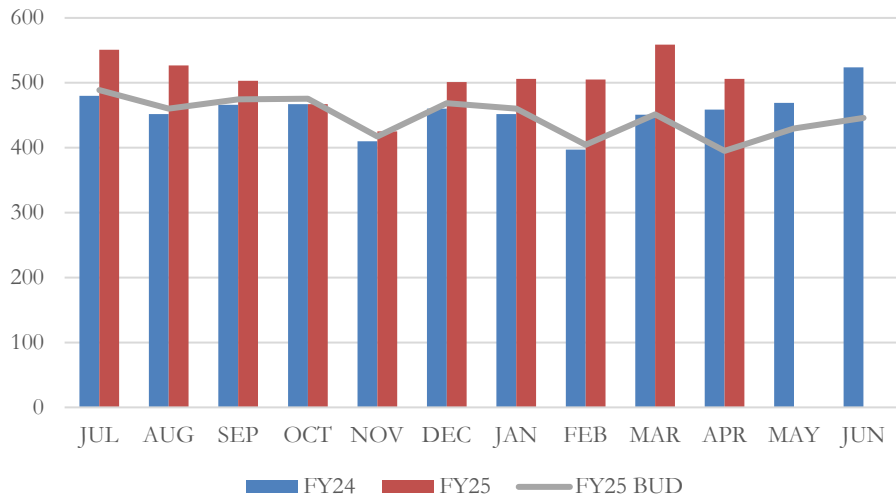
IP Days



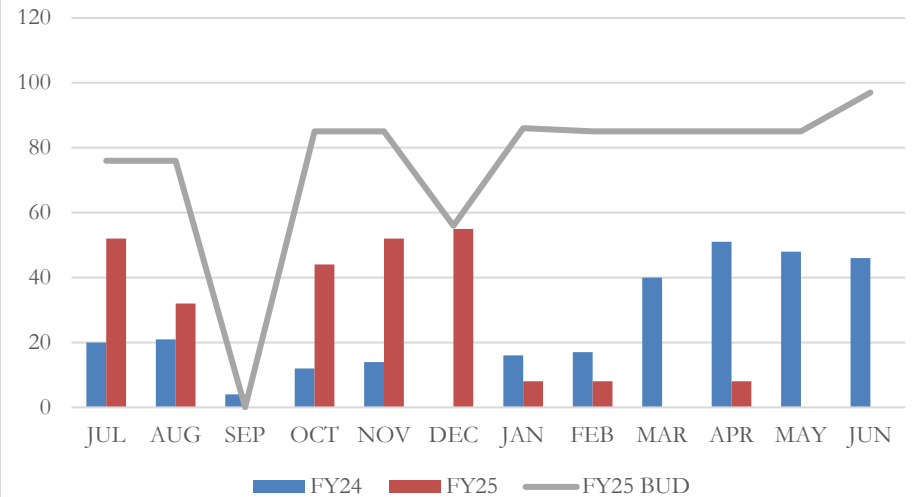
Swing Bed Days



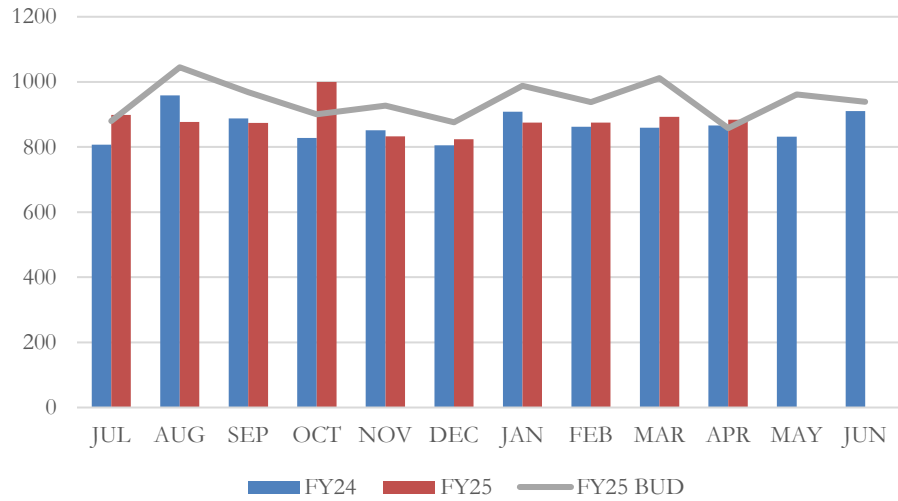
ER Visits



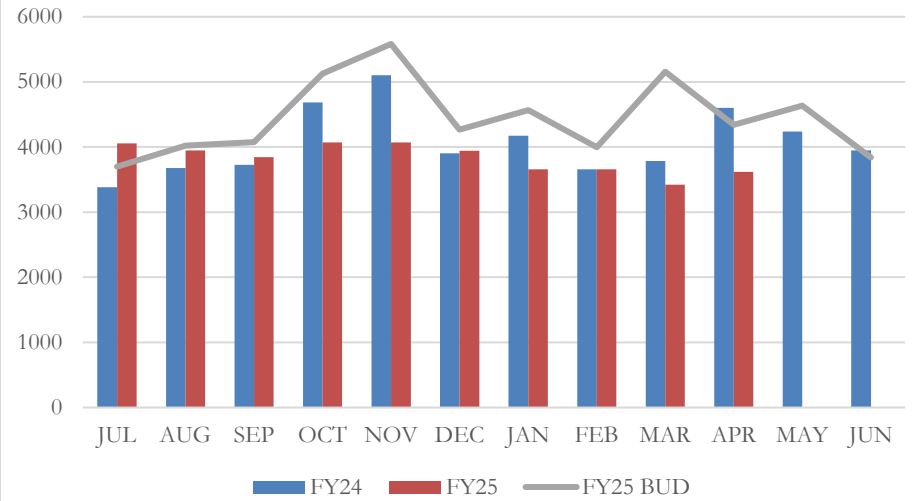
Surgery Patients



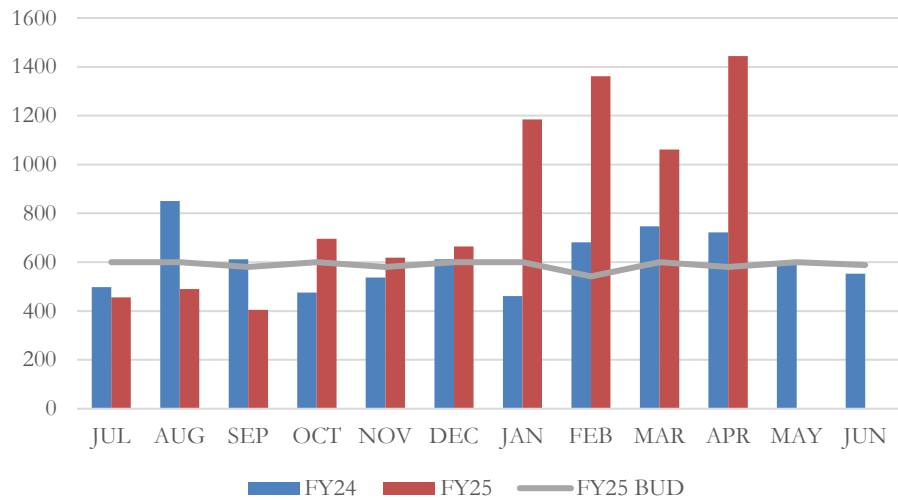
Imaging Visits



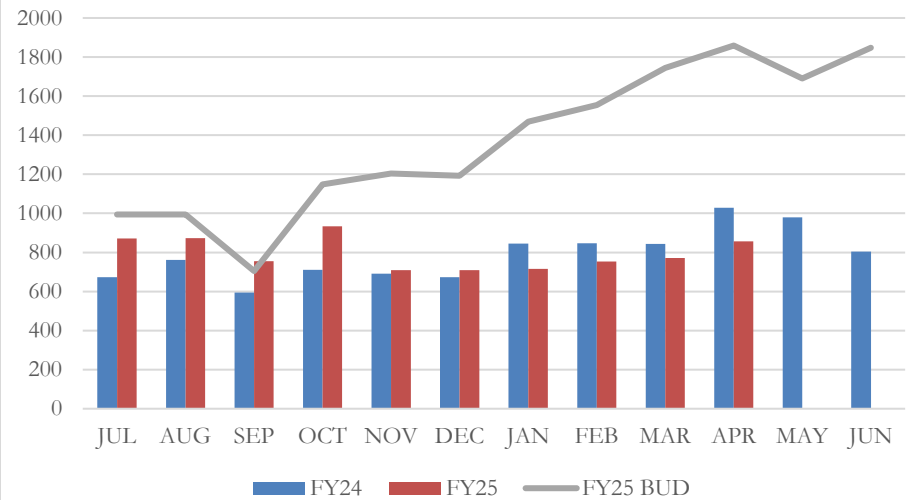
Lab Tests



RT Procedures



Clinic Visits



EPIC Stabilization Graph Package

As of 5/9/25

Week #22

SO. COOS HB STABILIZATION

HB KEY METRICS										
Metric	Status	As of 5/9		As of 5/2		13wk	Baseline	Top	Median	Bottom
Total AR	◆	54.1 Days*	\$9.1M	56.6 Days*	\$9.4M		50 Days*	50.8 Days*	55.2 Days*	64.7 Days*
Epic AR	■	48.7 Days*	\$8.2M	50.9 Days*	\$8.5M			42.9 Days*	47.7 Days*	51.9 Days*
Legacy AR	◆	5.4 Days*	\$912K	5.7 Days*	\$950.9K			6.5 Days*	8.3 Days*	11.9 Days*
Cumulative Charge Variance	◆	114.2%	\$3.1M	113.5%	\$2.9M		\$1M/wk	\$1.3M	\$598.5K	\$201.9K
Cumulative Payment Variance	◆	1.5 Weeks	\$953.6K	1 Weeks	\$623.5K		\$620.2K/wk	\$140K	-\$289.9K	-\$920.9K
CFB	●	10.5 Days	\$1.8M	9.4 Days	\$1.6M			6 Days	7.5 Days	8.4 Days
Claim Edit	◆	1.8 Days	\$300.3K	2.9 Days	\$479.4K			1.3 Days	1.9 Days	2.6 Days
Uncoded CFB	●	3 Days	\$511.2K	2.2 Days	\$369.6K			1 Days	1.3 Days	2 Days
Open Denial	◆	1.6 Days	\$266.9K	1.4 Days	\$235.9K			1.8 Days	2.7 Days	4 Days
Epic Payment Average	◆	99.9%	\$619.8K	94.6%	\$586.5K			106.8%	99.5%	95.8%
Primary Denial Rate	◆	12.3%	16.8% (Curr)	10.9%	9.3% (Curr)			10.4%	12.8%	17.4%

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



EPIC Stabilization Graph Package

As of 5/9/25

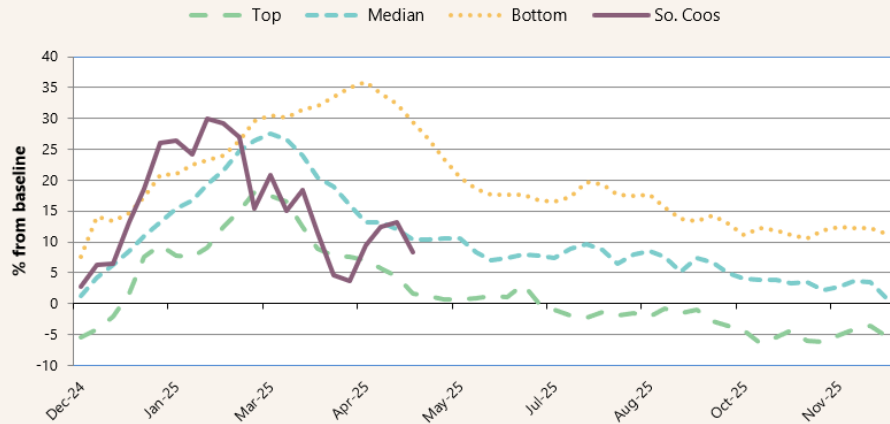
Definitions	
Total AR	Total outstanding Accounts Receivable (Epic + Legacy) / Days calc: AR divided by combined (Epic + Legacy) average daily revenue (13 weeks)
Epic AR	Epic outstanding Accounts Receivable / Days calc: AR divided by combined (Epic + Legacy) average daily revenue (13 weeks)
Legacy AR	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



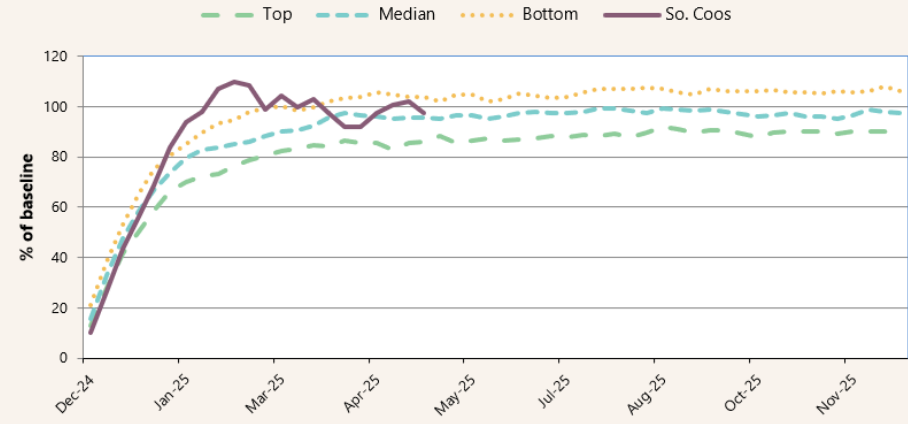
EPIC Stabilization Graph Package

As of 5/9/25

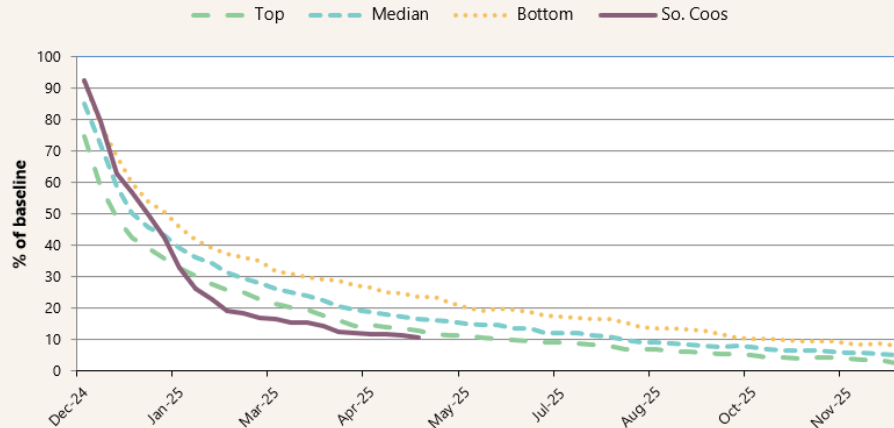
Total AR Days %



Epic AR Days %



Legacy AR Days %



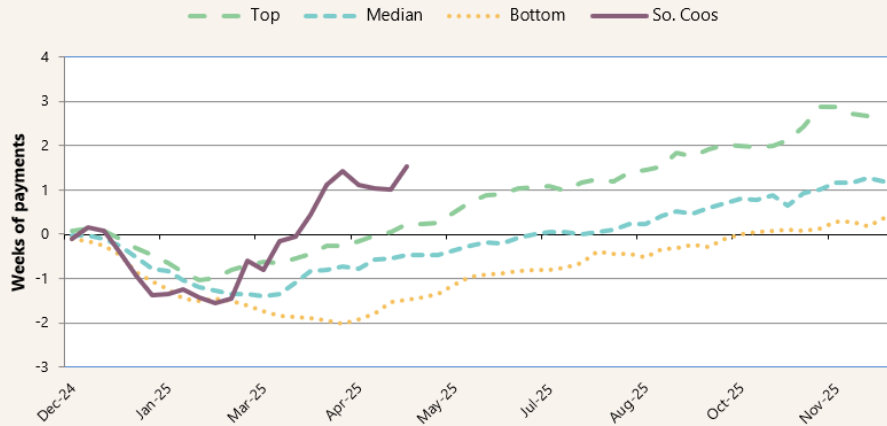
Note: There were initial issues with IP and SWB accounts flowing to WQs appropriately, which caused an initial spike in EPIC AR Days



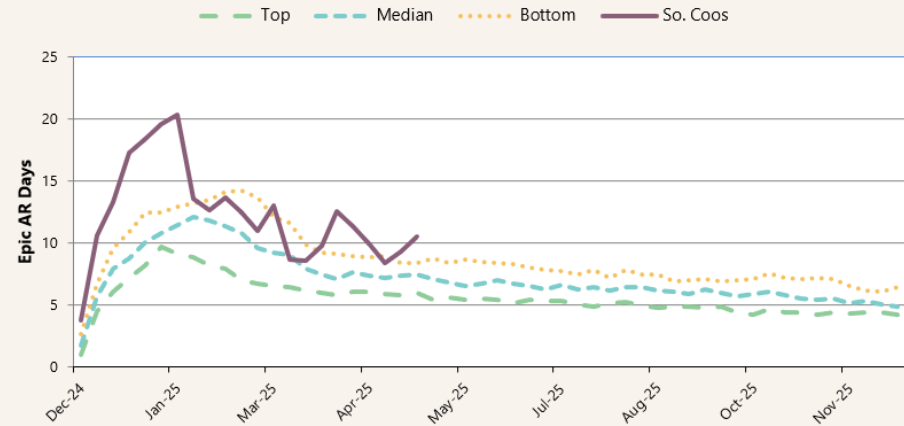
EPIC Stabilization Graph Package

As of 5/9/25

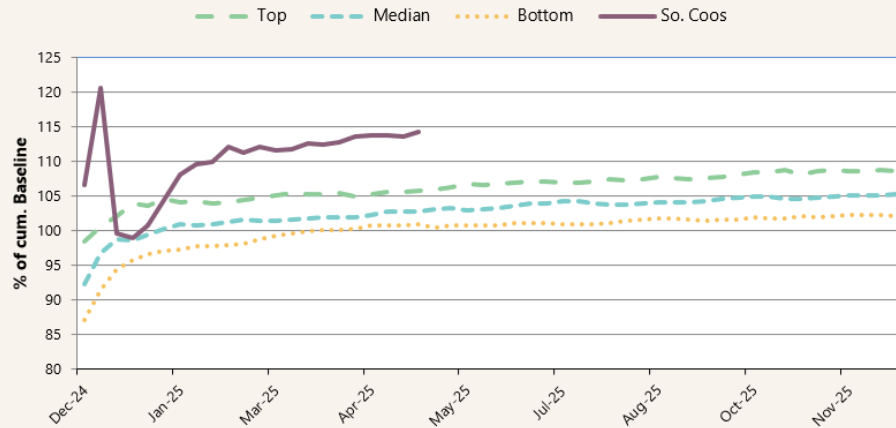
Cumulative Payments Variance



CFB Days



Total Cumulative Charges %



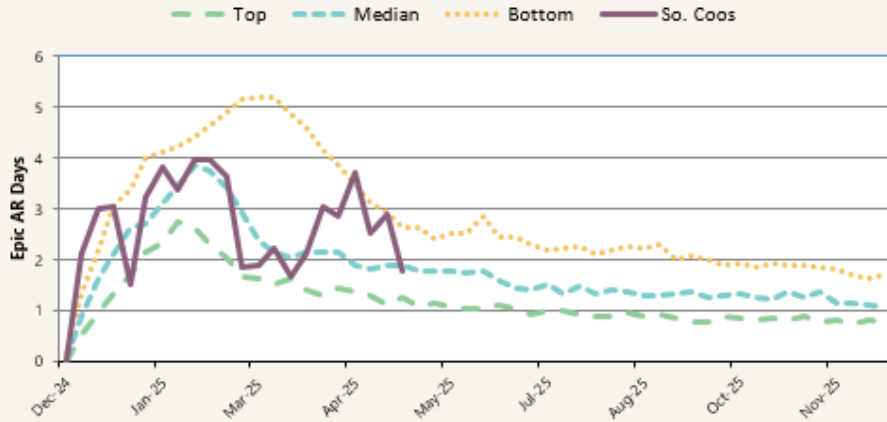
Note: The initial spike in charges was adding CPSI IP/SWB accounts into EPIC so they could be billed out of the new system, the dip was when the charges were removed from CPSI.



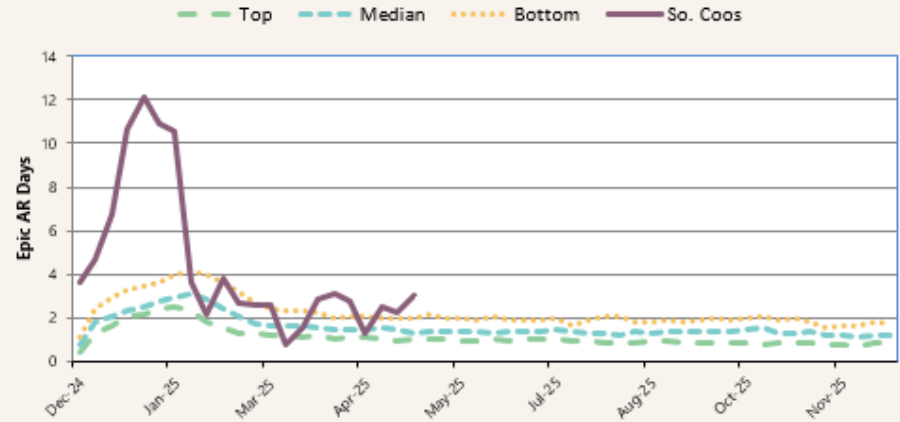
EPIC Stabilization Graph Package

As of 5/9/25

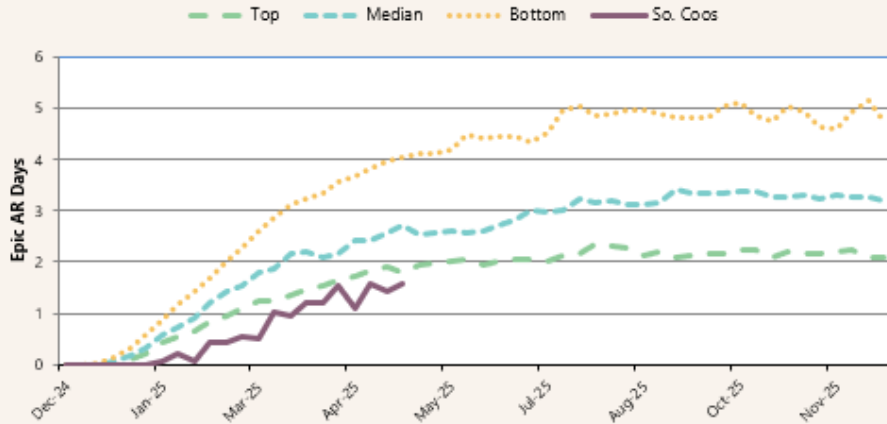
Claim Edit Days



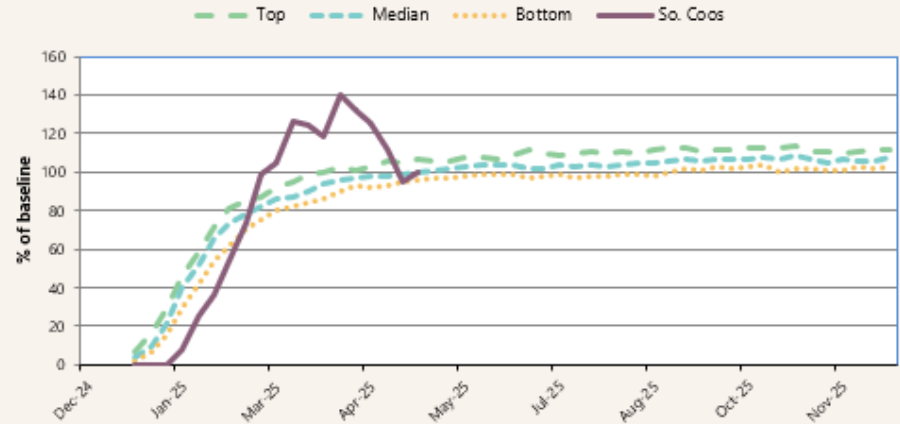
Coding Days



Open Denial Days

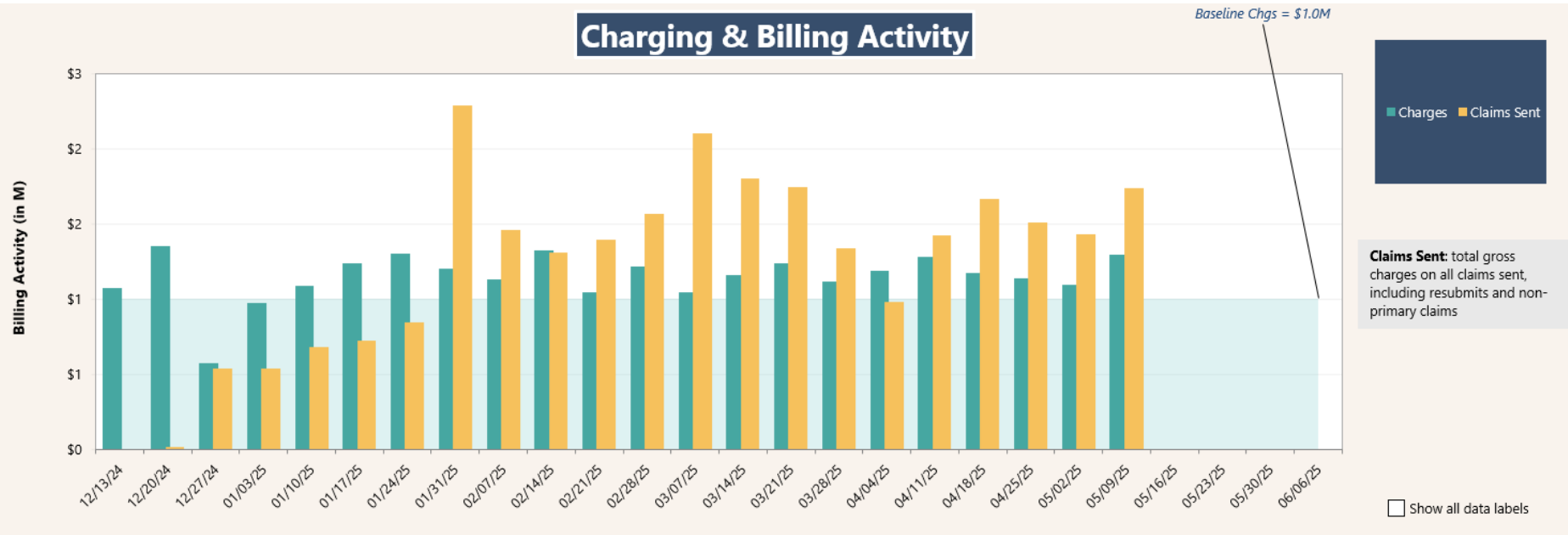


Epic Pmt Avg



EPIC Stabilization Graph Package

As of 5/9/25



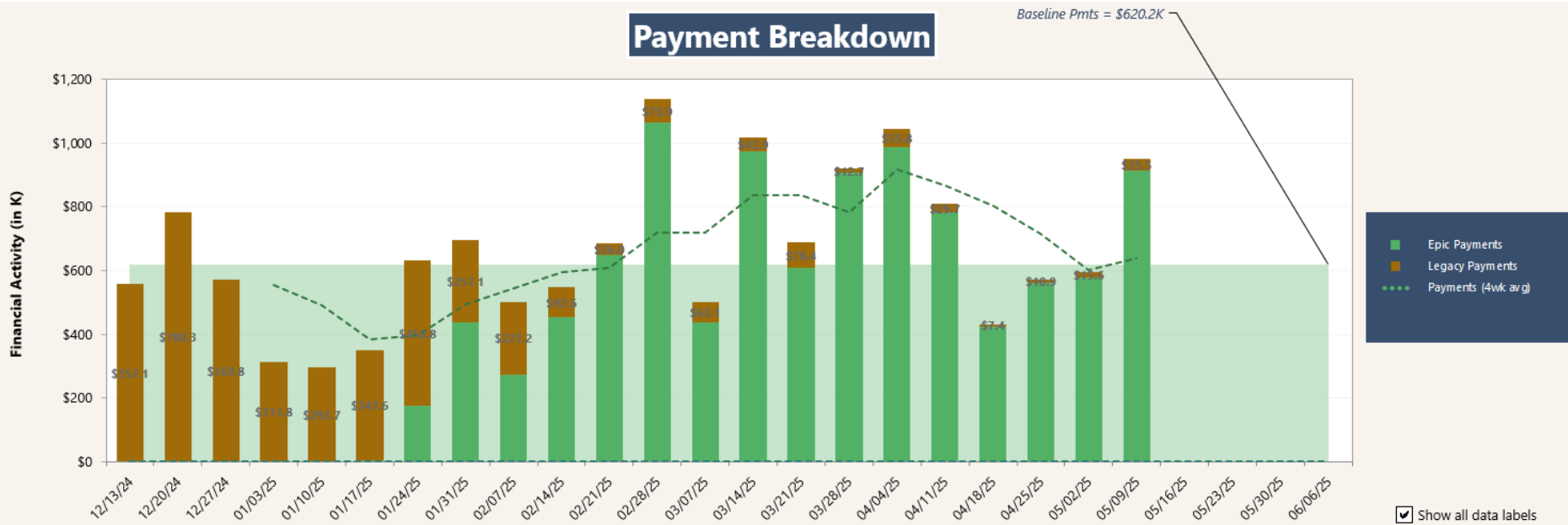
Note:

- 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 5/9/25



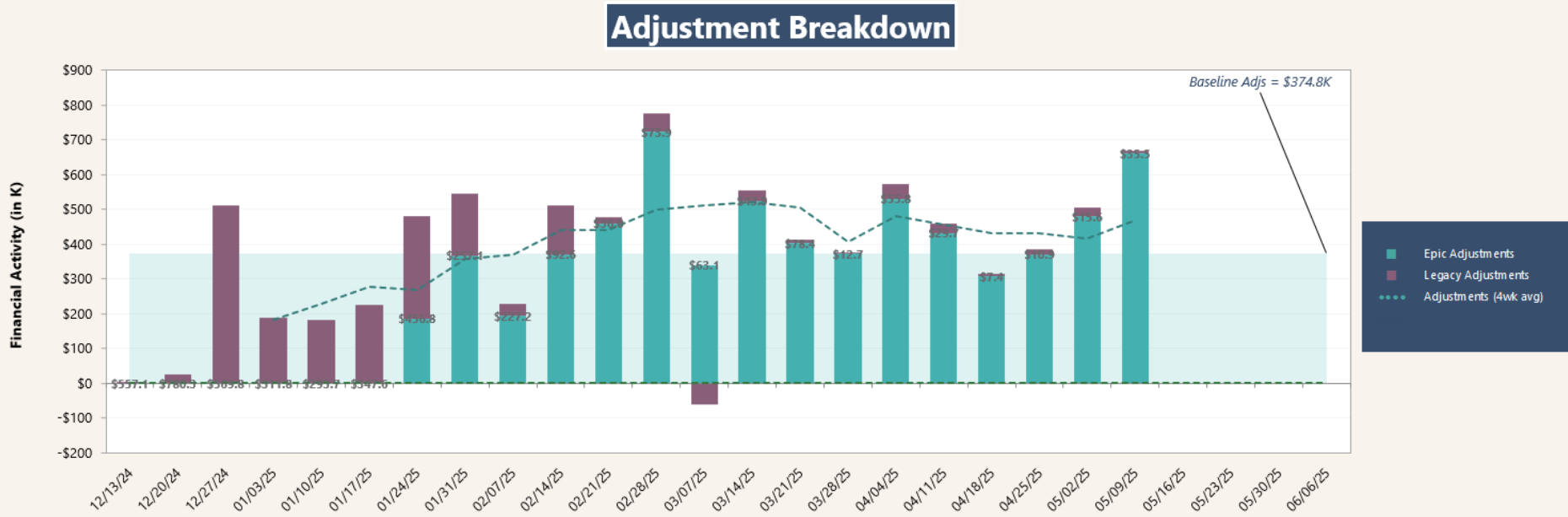
Note:

- 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 4/12/25



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



Southern Coos Hospital & Health Center

Volume and Key Performance Ratios
For The Period Ending April 2025

		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	94	115	142	-18.0%	-33.8%	1,246	1,254	1,246	-0.6%	0.0%
	Swing Bed Days	189	138	111	37.0%	70.3%	1,103	1,086	1,107	1.6%	-0.4%
	Total Inpatient Days	283	253	253	12.0%	11.9%	2,349	2,340	2,353	0.4%	-0.2%
	Avg Daily Census	9.1	8.1	8.2	12.0%	11.9%	19.1	19.0	19.1	0.4%	-0.2%
	Avg Length of Stay - IP	2.4	2.8	3.5	-13.8%	-30.4%	3.8	4.1	4.0	-7.8%	-7.2%
	Avg Length of Stay - SWB	14.5	17.3	13.9	-15.7%	4.8%	12.3	11.8	12.0	3.8%	1.9%
	ED Registrations	506	395	459	28.1%	10.2%	5,050	4,496	4,494	12.3%	12.4%
	Clinic Registrations	856	459	762	86.5%	12.3%	6,506	4,656	5,095	39.7%	27.7%
	Ancillary Registrations	1,577	1,194	1,194	32.1%	32.1%	12,755	11,437	11,437	11.5%	11.5%
	Total OP Registrations	2,939	2,048	2,415	43.5%	21.7%	24,311	20,589	21,026	18.1%	15.6%
Key Income Statement Ratios	Gross IP Rev/IP Day	8,899	8,856	7,607	0.5%	17.0%	7,332	8,109	7,741	-9.6%	-5.3%
	Gross SWB Rev/SWB Day	3,252	792	1,091	310.4%	198.1%	2,390	1,032	966	131.7%	147.4%
	Gross OP Rev/Total OP Registrations	1,286	1,767	1,431	-27.2%	-10.2%	1,440	1,784	1,455	-19.3%	-1.1%
	Collection Rate	59.7%	64.7%	63.6%	-7.7%	-6.1%	60.9%	63.9%	63.8%	-4.7%	-4.5%
	Compensation Ratio	65.6%	64.2%	55.5%	2.2%	18.3%	67.3%	67.3%	64.4%	0.1%	4.4%
	OP EBIDA Margin \$	67,371	193,980	121,957	-65.3%	-44.8%	(668,870)	944,969	315,745	-170.8%	-311.8%
	OP EBIDA Margin %	2.2%	6.1%	4.1%	-64.8%	-47.6%	-2.3%	3.0%	1.2%	-178.7%	-296.1%
	Total Margin	2.0%	4.3%	6.7%	-54.7%	-70.9%	-3.4%	1.1%	2.2%	-396.7%	-250.2%
Key Liquidity Ratios	Days Cash on Hand	71.9	80.0	135.2	-10.1%	-46.8%					
	AR Days Outstanding	57.7	50	46.7	6.8%	23.6%					



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
CAPITAL PURCHASES SUMMARY FY2025

Approved Projects:

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

Abbott ID Now Analyzer	Clinic	10,000		10,000	
60' Refrigerated Chef Base / Gas Griddle / Convection Oven	Dietary	18,000	16,576	1,424	Completed
OBGYN Gurney	ER	6,500	7,787	(1,287)	Completed
New Desk/Workspace	ER	10,000		10,000	
Cast Cart	ER	5,500	5,163	337	Completed
Mindray Monitor Upgrade	ER	6,000		6,000	Completed
Exam Lights	ER	13,000	1,806	11,194	In Progress
Phone System VOIP upgrade	Information Systems	5,000	-	5,000	Expensed - Under \$5k
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	Completed
Suction Flow Meters	Med Surg	6,000		6,000	
Instrument Sets	Surgery	13,000	10,162	2,838	Completed

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

Copier Replacement	Information Systems		12,600	(12,600)	Completed
RT - Ventilation System	RT		7,590	(7,590)	Completed
Clinic Exam Tables (2)	Clinic		8,731	(8,731)	In Progress
Radiology Scanner	Radiology		9,000	(9,000)	Completed
Colposcope	OBGYN		6,295	(6,295)	Completed
Maintenance Trailer	Plant Operations		5,075	(5,075)	Completed

Totals - Non Threshold Projects

136,000

101,593

34,407



**SOUTHERN COOS HOSPITAL & HEALTH CENTER
CAPITAL PURCHASES SUMMARY FY2025**

Approved Projects:

Project Name	Department	Budgeted Amount	Total Spending	Amount Remaining	Status
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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	14,194	10,806	Completed
Parking Lot Resurface	Engineering	30,000	53,115	(23,115)	Completed
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	
BACT Alert 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	Completed
Arthroscopy Tower Light Source	Surgery	20,000		20,000	

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

OP Pharmacy	Pharmacy		138,892	(138,892)	In Progress
2nd Street Building Office Space	Administration		34,882	(34,882)	In Progress
Business Building Remodel to Clinic Space	Administration		19,555	(19,555)	In Progress
Master Facilities Plan	Administration		4,113	(4,113)	In Progress
Clinic Exam Tables	Clinic		18,713	(18,713)	Completed

Totals - Threshold Projects

1,052,000

299,009

752,991

Grand Total

1,188,000

400,602

787,398

