



**Board of Directors
Regular Meeting & Executive Session
October 22, 2026 6:00 p.m.**

AGENDA

- I. Regular Meeting Open Session Call to Order 6:00 p.m.**
1. Agenda - Corrections or Additions.....(action)
- II. Consent Agenda**
1. Meeting Minutes
- a. Regular Meeting-09/24/26 3
2. **Motion to Approve Consent Agenda**.....(action)
- III. New Business**
1. Quality and Patient Safety Performance Improvement Plan (QAPI).....(action).9
- IV. Old Business**
1. Strategic Plan Update.....(*Insert SP-1*)
- V. Staff Reports-Discussion**
1. CEO Report.....18
2. CMO Report(*under separate cover*)
3. Retail Pharmacy Report 20
4. CNO Report 22
5. Quality Key Performance Indicators Dashboard.....25
6. CIO Report.....27
7. Multi-Specialty Clinic Report 30
8. SCHD Foundation Report 36
- VI. Monthly Financial Statements: Review & Discussion**
1. CFO Report.....37
2. Financial Statements for Period Ending September 30, 2026.....41
3. September Revenue Cycle Report.....55
4. Monthly Mitigation Dashboard Report for Period Ending September 30, 2026.....57
- VII. Open Discussion**

VIII. Executive Session

Executive Session Under ORS 192.660(2)(c) to consider matters pertaining to the function of the medical staff of a public hospital licensed pursuant to ORS 441.015 Licensing of facilities and health maintenance organizations, and ORS 192.660(2)(d) to conduct deliberations with persons designated to carry on labor negotiations. No decisions will be made in Executive Session.

IX. Return to Open Session

Action from Executive Session

1. Motion to Approve Executive Session Minutes-09/24/26.....(action)
2. Motion to Approve Reports from Executive Session:.....(action)
 - a. Quality & Patient Safety, Risk & Compliance
 - b. Medical Staff Report

X. Adjournment

**Southern Coos Health District
Board of Directors Meeting
Open Session Minutes
September 24, 2026**

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, Director/Quality Committee Liaison, and Robert Pickel, Director/Finance Committee liaison. **Administration:** Raymond Hino, CEO; Harry Jasper, CFO/COO; Alden Forrester, MD, CMO Cori Valet, CNO; Scott McEachern, CIO; Amanda Bemetz, Director Quality Risk & Compliance; David Serle, Clinic Director; Colene Hickman, Revenue Cycle Director. **Absent:** P.J. Keizer, MD, Medical Staff Chief of Staff. **Via Remote Link:** Alix McGinley, Executive Director SCHF. **Others in attendance:** Kim Russell, Executive Assistant. **Press:** None.

1. Agenda - Corrections or Additions

Mary Schamehorn **moved** to accept the agenda as presented. Pam Hansen **seconded**. **All in favor. Unanimous decision.**

2. Public Input

None.

II. Consent Agenda

1. Minutes: Regular Meeting Open Session – 08/27/26

2. Invoice for Legal Services – None.

Mary Schamehorn **moved** to accept consent agenda as presented. Bob Pickel **seconded** the motion. **All in favor. Motion passed.**

III. New Business

1. Resolution 2026-02 Bank Signature Authority – Chief Financial Officer

This resolution is standard procedure to update bank signing authorizations. Mr. Harry Jasper was welcomed to the organization in August and will now share signing authority with the CEO, Board Chairman, and Board Treasurer.

Mary Schamehorn **moved** to approve Resolution 2026-02 as presented. Bob Pickel **seconded** the motion. **All in favor. Unanimous decision. Motion passed.**

2. Resolution 2026-03 To Authorize Real Property Purchase

Members of the Board requested an analysis be completed to assess real estate holdings, specifically, the current non-clinical office space located at 913 2nd Street SE, Bandon, Oregon.

Mary Schamehorn **moved** to approve Resolution 2026-03 To Authorize Real Property Purchase of 913 2nd Street as presented. Pam Hansen **seconded** the motion. **All in favor. Unanimous decision. Motion passed.**

IV. Old Business

1. Policy 800.027 Hospital Scope of Services

Cori Valet, CNO, presented this policy, originally on the August agenda but tabled for review, for decision in September. The 46-page policy has been reviewed by the Board of Directors as well as internally with approval this week by the Policy & Forms Committee.

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

2. Strategic Plan Proposed Charter - Revised

Mr. McEachern presented the revised Charter. The Strategic Plan Charter proposed in August was approved at that meeting with suggested date revisions to the proposed timeline, with a community forum to occur in October if possible and final approval at the November 19 Board Meeting.

V. Staff Reports

1. CEO Report

Raymond Hino, CEO, opened with a staffing update noting the addition of a new Human Resources Director to begin in early November. Negotiations are still in process with a Director of Pharmacy candidate. Mr. Hino thanked the Board for their approval of Resolution 2026-03 to purchase the medical complex currently owned by Douglas Crane at 913 11th Street SE, adjacent to the hospital campus in support of the Master Facility Planning currently in progress. The DNV accrediting survey conducted in August has resulted in (5) NC-1 major non-conformities and (5) NC-2 minor non-conformities found, our best review yet. The Corrective Action Plan has been submitted. Board members commented on the well written plan with special credit given to Rachel Maddux, Quality RN, for her work throughout the process. The Rural Health Transformation Fund program has been approved and we are awaiting the release of funds. Fifty-percent of the \$963,000 will be released in the next 30 days, to be used by September 30, 2027. Positive news has been received regarding the status of the CIN (Clinically Integrated Network) reviewed in previous meetings, now proceeding after a “stall” with the Oregon HCMO (Health Care Market Oversight) Committee with assistance from Oregon legislators. And finally, we are pleased to

participate once again in the Toast of the South Coast community recognition opportunity hosted by The World Newspaper and look forward to public announcements on January 6, 2027.

2. CMO Report

Dr. Forrester, Chief Medical Officer, provided a verbal report due to unplanned time out of office, noting the positive reception of Matthew Hiesterman, DO, general surgeon here last week to onboard. Regarding administrative tasks, the Medical Staff is considering moving from a 2-year credentialing process to a 3-year process. If approved by Medical Staff the revised Medical Staff Bylaws will be brought before the District Board for approval.

3. Retail Pharmacy Report

With no written report, a printed copy of pharmacy financials was provided as a handout. A \$7,800 loss was realized in August due to increased costs though overall results were “revenue positive.” Pharmaceuticals are the largest expense. The Pharmacy team is implementing tools and working with the GPO (Group Purchasing Organization) on non-340B drug costs. On January 1 a new 340B rebate model will be activated. Mr. Jasper added that the review of the GPO top tier pricing is in progress.

4. CNO Report

Cori Valet, CNO, provided highlights from clinical nursing operations in the month of August, noting the new vacancy in the Emergency Department with recruitment in process for the ER Trauma Program Manager position. The current ER RN Manager, Nicolaus Lucas, is currently participating in Trauma training. Ms. Valet recapped clinical education in progress which is largely grant funded. A Pediatric ER education opportunity is scheduled to be held on November 6 hosted by Southern Coos and provided by Randall Children’s Hospital in Portland, open to all regional health providers 8:00-5:00 at the Bandon Community Center. Ms. Valet will be adding department volumes information in future reporting as well as overtime (OT) and double-time (DT) tracking. In the month of August, the ER recorded 76.12 OT hours with 65.45 DT hours due to 278 hours of coverage required, due largely to sick leave and vacation. Med Surg OT and DT hours were reviewed noting leave of absences, jury duty, and bereavement leave impacting 25 shifts. Vacation approval process was discussed. Mr. Jasper added that stakeholder departments are currently researching scheduling software options, some that offer interactive participation from staff and management to fill open shifts, as well as possible “premier partner” status.

5. Quality Key Performance Indicators Dashboard

Amanda Bemetz, Director of Quality Risk and Compliance, reviewed dashboard values noting work with Dr. Webster, Clinic Medical Director, regarding provider Mortality charting. Medication Error Rate was discussed. This is the percentage or proportion of medication mistakes that happen or are prevented from happening

(near miss) during the prescribing, dispensing, preparing, or administering of drugs relative to the total number of opportunities for error or total doses evaluated, with these occurrences recorded in the Clarity reporting system for process improvement. The Clinic Blood Pressure Control metric was discussed noting changes in common blood pressure medication as a contributing factor to the current dashboard reading that is reported to the Accountable Care Organization (ACO) with other Clinic metrics as identified in the written report. There were no further questions or comments.

6. CIO Report

Scott McEachern, CIO, continues his focus on the importance of cybersecurity noting the recent cybersecurity incidents that occurred to two major leading healthcare organizations in pharmaceutical and medical technology sectors, McKesson and Baxter. Southern Coos was not impacted at this time. Southern Coos has been preparing for HIPAA regulatory enforcement updates to occur in early 2027. The Oregon Health Authority (OHA) site inspection of the new specialty clinic space is to occur in early October. Board members inquired about the records transfer project to occur for the patients of Karen Olsen, FNP, who have chosen to move with her from Dr. Crane's practice to the Southern Coos Multi-Specialty Clinic later this year. The process will be coordinated with the Clinic with projected completion scheduled for June 2027. More IV pump demos are scheduled, with one vendor accepting our invitation to participate in the Nursing Skills Days in September and several more to be scheduled in October.

7. Multi-Specialty Clinic Report

David Serle, Multi-Specialty Clinic Director, reviewed highlights from his written report for the month of August. Dr. Hiesterman had a good week onboarding at Southern Coos with 14 consultations and 2 surgical procedures completed his first week. Next will be the onboarding of Karen Olsen, FNP. Mr. Serle noted an error in the written report showing July figures and provided a replacement page for the rolling 12-month provider visit chart, with total number of provider visits in August at 673 and 220 Outpatient Services visits. Discussion included the Clinic supply ordering process currently in review and noted that two surgeons were paid in August during onboarding, where in the future they will alternate, with one surgeon each month. Surgeon salaries are allocated to the Clinic and a portion of the revenue. Mr. Jasper noted that Clinic registrations have increased year-to-year.

8. SCHD Foundation Report

Alix McGinley, SCHF Executive Director, provided a recap following the annual Golf for Health Classic event with current gross revenue at \$125,000, and counting. Thank you to Tom Bedell, Bob Pickel, Ray Hino, Harry Jasper, Pam Hansen and all the other volunteers who helped make the event a huge success once again. Board members expressed appreciation and gave congratulations for another great event.

VI. Financial Review

1. Month-End Report & Statements for Period Ending August 31, 2026

Harry Jasper, CFO/COO reviewed his report provided as a handout. Net assets in August increased with net income at \$198K in August and \$275,000 YTD (year-to-date), noting an overall strong position. Net A/R (accounts receivable) increased to \$794,000. Additional metrics were reviewed from the report. Ms. Hickman added information regarding payer and collections components. Medicare Cost Based Reimbursement was reviewed. Reserves are held each year for potential Medicare overpayment which then results in a required “pay back.” Medicare Cost Based Reimbursement is based on actual, reasonable costs a provider incurs while delivering covered services to Medicare beneficiaries, subject to retrospective reconciliation. Providers, such as a Critical Access Hospital, receive periodic interim payments throughout the year based on estimated or historical costs, but these are interim estimates. Tools may be used during the year to estimate this reimbursement from, or payback to, Medicare. Mr. Jasper added that the Financial Accounting team is working on creating automated reports from the Sage accounting system, to move away from creating “manual” reports, such as those provided to the Board each month and other internal reporting.

2. August Revenue Cycle Report

Colene Hickman, Revenue Cycle Director, summarized her report for the month of August, noting overall stable performance. A/R (accounts receivable) experienced a lag in coding creating a backlog, noting some coding connectivity issues and staffing turnover. Pre-service collections is going very well. Workbooks and dashboard tools are being created for managers to support Revenue Cycle efforts. Ms. Hickman attended the Becker’s Conference in Chicago as a guest speaker, thanking the Board for the opportunity. Scott McEachern also attended this beneficial informational and networking event.

3. Monthly Mitigation Dashboard – Period Ending August 31, 2026

Mr. Hino reviewed highlights, thanking Scott McEachern and Jenny Pearcy for their work on the report, revised from the original meeting packet. In July and August Senior Life Solutions, Surgical Services, and the Retail Pharmacy showed continued improvement. In Surgery, Southern Coos onboarded the two new surgeons, and had a successful podiatry surgery with Dr. Namous. Dr. Hiesterman and Dr. Stewart both expressed interest in expanding Surgical Services. Retail Pharmacy numbers include temporary cost of the consultant who is assisting with 340B program optimization. Mr. Hino confirmed the goal to be profitable before any further expansion of services. The Community Health Needs Assessment and Master Facility Planning data reflected community interest in surgery expansion, with Dr. Forrester adding that Ophthalmology procedures may be an opportunity of service to the community, as it has been in the past.

VII. Open Discussion

Mr. Pickel requested that board meeting reports be distributed the Friday before the meeting.

VIII. Executive Session

At 7:42 p.m. the Board moved to Executive Session Under Executive Session Under ORS 192.660(2)(c) to consider matters pertaining to the function of the medical staff of a public hospital licensed pursuant to ORS 441.015 Licensing of facilities and health maintenance organizations. No decisions will be made in Executive Session.

Others were excused at this time. **Remaining in attendance:** Thomas Bedell, Chairman; Mary Schamehorn, Secretary; Pamela Hansen, Treasurer/Foundation Liaison; Kay Hardin, Director/Quality Committee Liaison, and Robert Pickel, Director/Finance Committee liaison. **Administration:** Raymond Hino, CEO; Amanda Bemetz, Director Quality Risk & Compliance; Alden Forrester, CMO. **Absent:** PJ Keizer, MD, Medical Staff Chief of Staff. **Others in attendance:** Kim Russell, Executive Assistant. **Press:** None.

IX. Return to Open Session

At 8:08 p.m. the meeting returned to Open Session.

1. Consideration of Executive Session Minutes from 08/27/26 Regular Meeting

Bob Pickel **moved** to accept the minutes as presented in Executive Session. Mary Schamehorn **seconded** the motion. **All in favor. Motion passed.**

2. Consideration of Reports from Executive Session

- a. Quality, Risk & Compliance Report
- b. Medical Staff Report

Pam Hansen **moved** to accept the Quality, Risk and Compliance Report and the Medical Staff Credentialing Report as presented in Executive Session. Mary Schamehorn **seconded**. **All in favor. Motion passed.**

X. Adjournment

The meeting adjourned at 8:09 p.m. The next regular meeting will be held on October 22 at 6:00 p.m. at Southern Coos Hospital & Health Center.

Thomas Bedell, Chairman 10-22-2026

Mary Schamehorn, Secretary 10-22-2026



Quality Assurance and Performance Improvement Plan (QAPI)

In Effect Calendar Years 2026 & 2027

Original Effective Date: 2/26/2026

Revision Date: October 1, 2026

Approval Date: [TBD]

Applicable Period: Calendar Years 2026 and 2027

This QAPI Plan was revised in October 2026 and applies to the remainder of calendar year 2026. It will also serve as SCHHC's QAPI Plan for calendar year 2027, subject to approval and further revision as needed.

Purpose

To develop, implement, and maintain an effective, ongoing, organization-wide, data- driven Quality Assessment and Performance Improvement program.

To establish a planned, systematic, and interdisciplinary approach to improving the care, treatment and services provided.

Philosophy

The Quality Assurance and Process Improvement (QAPI) plan is established in accordance with our purpose, beliefs, and values along with the Southern Coos Hospital and Health Center mission of ‘Quality healthcare with a personal touch’. The primary focus of this plan is the continual improvement of the performance of care and services, and improvement in patient outcomes. This process is accomplished by systematically measuring, assessing, and improving our performance, ensuring preventive and corrective action, and implementing best practices.

Design and Scope

Southern Coos Hospital and Health Center (SCHHC) Health Care District is a public entity located in Bandon, Oregon. SCHHC is a 21-bed, publicly owned critical access hospital, and includes a specialty clinic and a health clinic. This is an organization-wide plan. It applies to all departments, care, treatment, service settings (including those services furnished under contract or arrangement), and applicable regulatory and accrediting bodies.

The Quality Management System (QMS) governs all services provided by SCHHC Health Care District to include contracted services. This QMS identifies patients, families, the community at large, Third-Party Payers, regulatory agencies, vendors, Providers, and staff as relevant interested parties.

Governance and Leadership

The Governing Board of Southern Coos Hospital and Health Center; hereafter referred to as “the Governing Board”, is responsible and accountable for the quality of care and services delivered at Southern Coos Hospital and Health Center. The Governing Board participates in management review activities via the Quality and Patient Safety Committee. The Governing Board accepts responsibility for ensuring a patient focus throughout the organization.

The Organized Medical Staff is accountable to the Governing Board for patient safety and the quality of care delivered at SCHHC. Executive Leadership is accountable to the Governing Board for ensuring processes and procedures are in place to provide patient safety, quality patient care, and continuous process improvement. The Governing Board authorizes the establishment of this performance improvement program.

The Governing Board is responsible for assuring:

- That an ongoing program for quality improvement is defined, implemented, and maintained.
- That the organization-wide quality assessment and performance improvement efforts address priorities for improved quality of care, and patient safety and that

- all improvement actions are evaluated.
- That adequate resources are allocated for measuring, assessing, improving, and sustaining the organization's performance and patient safety.

Administration & Management

The Governing Board also delegates the development, implementation, and evaluation of this program to the organization's Executive and Management team. The Executive team and Management are responsible for improving the quality of care, safety, and service provided by organization staff. The Administration and Management team have developed structures and processes to carry out this responsibility.

Leadership

Executive Leadership accepts responsibility for ensuring that the Quality Management System (QMS) meets the requirements of Det Norske Veritas (DNV), Centers for Medicare and Medicaid (CMS), and Oregon State Laws as well as ensuring the integrity of the QMS is maintained when changes to the QMS are planned and implemented. Executive Management will review the activities of the QMS and ensure that processes are delivering intended outcomes and appropriate corrective and preventative actions are instituted and sustained. This process will be measured and monitored through participation in the Quality and Patient Safety Committee (QPSC). Responsibility for reporting on the performance of the QMS and opportunities for improvement to Executive Leadership and the Governing Board will be that of the Director of Quality, Risk, and Compliance.

Feedback, Data Systems and Monitoring

Organizational Goals

Goals for calendar year 2026 (approval/ effective date is reflective of the Quality, Risk, and Compliance department development) are in the 2026 Quality Metrics Workbook. Quality objectives are outlined in this Quality Manual but are subject to change as the needs of the organization or external environment dictate. All changes to the QMS will be approved by the Governing Board.

- DNV Focus Area(s) for P1:
 - ISO 9001:2015; 10.2 Nonconformity and corrective actions
 - To address the number of nonconformities that have remained open over the past several years, the organization will place increased emphasis on nonconformity and the corrective action processes, including the corrective action plan management.
- Throughout the year, the organization will work on improvement activities identified through the QAPI self-assessment, which will serve to further increase the effectiveness of the Quality Management System. The QAPI self-assessment will be updated throughout the year.

Frequency of Data Collection

By approval of this program, the Governing Body has defined the frequencies of data

collection to be ongoing, time limited, episodic, intensive, or recurring. The duration, intensity, and frequency of data collection to measure a specific indicator shall be based on the needs of the organization, external requirements, and the result of data analysis.

Detail of Data Collection

By approval of this program, the Governing Body has determined that data shall be collected in sufficient detail to provide the user of that data with sufficient information to make timely, accurate, and data-driven decisions.

Aggregation and Analysis of Data

Data on rate-based performance measures are aggregated to determine patterns, trends, and variation (common or special cause). Data may be aggregated for a single point in time or over time, depending on the needs of the organization and the reason for monitoring performance. In general, measurement designed to establish the desired stability of a process, or a desired outcome will be measured over time until target levels of performance are met.

Once a process is considered stable, and/or a desired level of performance has been achieved, then an analysis of performance measures may be conducted in a more episodic fashion.

Data that is event based is analyzed in singular or aggregated form depending on the number of data elements in the performance measure. In general, event-based measurements are monitored on an ongoing basis. Where appropriate and able, data shall be compared against internal and/or external benchmarks to allow for comparative performance over time.

The purpose of data aggregation and analysis is to:

- Establish a baseline level of performance
- Determine the stability of process
- Determine the effectiveness of a process or desirability of an outcome as compared to internal or external targets (benchmarks)
- Identify opportunities for improvement
- Identify the need for more focused data collection
- Determine whether improvement has been achieved and/or sustained.

Compilation of Data

Data shall be compiled in a manner that is usable to those individuals and entities charge both with analyzing the data and taking action on the information derived from data analysis. Where appropriate, statistical tools and techniques shall be used in data display, to assist in appropriate analysis.

Analysis of Data

Data on performance measures will be analyzed to:

- Monitor the effectiveness and safety of services and quality of care
- Identify opportunities for improvement and changes that will lead to improvement

Where appropriate, statistical tools and techniques shall be used in data display, to assist in appropriate analysis.

Intensive Assessments

Data will be intensively assessed when the organization detects or suspects a significant undesirable performance or variation. Intense analysis is called for when:

- Levels of performance, patterns, or trends vary significantly and undesirably from those expected.
- Performance varies significantly and undesirably from that of other organizations or recognized standards.
- A sentinel event has occurred.

Performance Improvement Projects (PIPs) and Systematic Analysis and Systemic Action

Performance Model

The system for improving outcomes of care and services is based on scientific approaches and the concepts and principles of continual improvement. This organization will utilize the Institute for Healthcare Improvement (IHI) recommended Model for Improvement as its scientific methodology. Design of the process and measurement tools will take into consideration the dimensions of performance, which are efficiency, appropriateness, availability, timeliness, effectiveness, continuity, safety, efficiency, respect, and caring.

The organization will undertake efforts to improve existing processes and outcomes and then sustain the improved performance. To accomplish this, the organization has adopted a performance improvement model: Plan, Do, Study, Act (PDSA). The performance improvement model is utilized, formally or informally, in improvement efforts throughout the organization.

The PDSA cycle, an essential component of the [Model for Improvement](#), is shorthand for testing a change by developing a plan to test the change (Plan), carrying out the test (Do), observing and learning from the consequences (Study), and determining what modifications should be made to the test (Act).

Prioritizing Performance Improvement Activities:

The organization will prioritize those performance improvement activities that target processes that:

- Align with the SCHHC Strategic Plan, addressing strategic/critical domains and initiatives
- May be organization-wide in scope, targeted to specific areas, departments, and services, or focused on selected populations.
- Address gaps in performance in any service area.
- Focus on high-risk, high-volume, or problem-prone areas.
- Consider the incidence, prevalence, and severity of nonconformities.
- Departmental process improvement projects as identified.

- Affect health outcomes, patient safety, and quality of care; and
- Address regulatory, accreditation, certification, or other requirements, including but not limited to New CMS OB Standard (s): Emergency services readiness.

Reporting of Performance Improvement Activities

Regular reports on the status and effectiveness of performance improvement activities shall be made to the QPSC, Governing Board as well as the leadership of the organization and its medical staff. Action shall also be taken when planned improvements are not achieved or sustained. Follow-up corrective action may be in the form of an internal corrective action plan reviewed and approved by QPSC. Other performance activities and QAPI resources may include:

- Failure Mode Effect Analysis (FMEA) Root Cause Analysis (RCA), cause mapping, proactive risk assessments, and/ or GAP analysis.
- Documentation will include evidence of ongoing monitoring of the project's progress periodic data collection and analysis, will be noted in internal auditing and/or QPSC meeting minutes.
- Evaluation of the effectiveness of improvement actions that the hospital has implemented.

Departmental Process Improvement Projects: Internal patient care service area(s) will have departmental level process improvements project boards, including applicable reportable CMS quality metrics, e.g. CAUTI, CLABSI, etc.

Internal Audit Program

Review and evaluation of the effectiveness of improvement actions/ projects that the hospital has implemented will be monitored through the PDSA cycle and/or internal audits as applicable. The major processes in the provision of care will be audited at planned intervals established through the organization's internal audit planning process to ensure conformance with standards. These processes include, but are not limited to planning, admission, provision of care, discharge, and Life Safety/ Environment of Care. Internal audits are conducted with clear intent in accordance with ISO standards and healthcare industry best practices to support patient safety, regulatory compliance, and continuous improvement. Audit activities are planned using a risk-based approach and adjusted throughout the year to reflect operational changes, regulatory requirements, and areas of greatest impact.

The Quality Department coordinates and administers the internal audit program in collaboration with organizational leadership, department managers, and subject-matter experts as appropriate. Responsibilities include facilitating audit planning and prioritization, coordinating auditor assignments, supporting development of audit criteria and scope, maintaining audit documentation, facilitating follow-up of identified findings, and reporting audit activities and results through the Quality Management-System. Department leaders and subject-matter experts participate in evaluation of findings, and development and implementation of corrective actions applicable to their areas of responsibility.

Audit frequency is determined through the internal audit planning process based on the significance and risk of the process being evaluated, applicable regulatory or

accreditation requirements, previous audit results, organizational or process changes, identified trends, corrective actions, and other Quality Management System priorities. Audit frequency may be increased, decreased, or otherwise modified when changes in risk, performance, regulatory requirements, or organizational priorities warrant adjustment.

The method used to conduct an internal audit will be appropriate to the process being evaluated and may include, as applicable, record review, direct observation, staff interview, document or policy review, data review, tracers, physical inspection, or other appropriate audit techniques.

Prior to assignment of an internal audit, the Quality Department will establish and document the audit criteria and scope. Audit criteria identify the requirements against which conformity will be evaluated. Audit scope defines the boundaries and extent of the audit and may include applicable departments, services, locations, processes, time periods, populations, samples, and relevant exclusions or limitations. Criteria and scope will be communicated to the assigned auditor.

Assigned auditors are responsible for conducting and documenting the audit in accordance with the established criteria and scope and for communicating any circumstances that prevent completion of the defined scope or indicate that modification of the scope may be appropriate.

Completed internal audits will be reviewed by the Quality Department for conformance with the established audit requirements. Audit findings and identified opportunities for improvement will be communicated to applicable department leadership and reported through the Quality Management System as appropriate. Corrective actions resulting from internal audit findings will be monitored through established organizational processes.

Records of the internal audit program, including applicable audit planning information, criteria, scope, completed audit results, and follow-up activities, will be maintained as documented evidence of implementation of the internal audit program.

The internal audit program requirements will be reviewed as part of the annual review and renewal of the QAPI Plan and revised as necessary based on organizational needs, risks, regulatory requirements, and Quality Management System priorities.

Reporting of Internal Audit Results

Upon completion of an internal audit, the Quality Department reviews the audit results and identifies any deficiencies requiring follow-up. Corrective action tasks are assigned to the appropriate responsible individual through the internal tracer program, and the completed audit is provided to the applicable department manager.

Completed audits and audit scores are reported monthly to the Quality & Patient Safety Committee. Outstanding corrective action tasks are also reported monthly to support follow-up and oversight of identified deficiencies. Audit results, trends, and

corrective actions may be further evaluated through the Quality Management System as appropriate.

Interactions of the Quality Management System (QMS)

The graphics below depict how the QMS interacts with the flow and processes of the organization. The Quality Management System oversees the processes and outputs of the organization. This organization defines relevant interested parties (process inputs) as patients, payers, providers, regulatory bodies, accreditation agencies, and the community at large. Outputs are patient care and services. Management has a responsibility to the patients to produce safe patient care and services, a responsibility to the staff to provide a safe work environment, and to the Governing Board of Directors to provide care in a fiscally responsible and sustainable manner. Management reviews and analyzes process and outcome measures as well as customer input and feedback to ensure continual improvement in the quality of care and services delivered.

References:

CMS Conditions of Participation for Critical Access Hospitals §485.641(b) and § 485.618 Emergency Services.

DNV, Standard QM.7 and ISO 9001:2015

How to improve: Model for improvement. Institute for Healthcare Improvement. (n.d.).

Retrieved from <https://www.ihl.org/resources/how-improve-model-improvement>

QAPI Description and Background, CMS.gov 2025. Retrieved from

<https://www.cms.gov/medicare/provider-enrollment-and-certification/qapi/qapidefinition>

Quality Management System
Interactions

Southern Coos Hospital District Board & Leadership





Strategic Plan Update

DATE: October 16, 2026
TO: Board of Directors
FROM: Scott McEachern, CIO and Harry Jasper, CFO/COO
SUBJECT: SCHHC Strategic Plan Update – October 22, 2026

Change of Date

At the September Board of Directors Meeting, Management presented a Strategic Planning Charter for 2026 – 2027, that originally planned for a Community Meeting, including community stakeholders, to take place in November 2026. It was mutually decided at the meeting to move the date up for the Community Meeting to October 20. It was decided that the meeting would be held at the Sprague Room in the Library, if possible and it was requested that participants would receive 2 weeks prior notice before the meeting. Unfortunately, we were not able to get the Strategic Planning presentation ready in time and we are now asking that the Community meeting be changed back to November. We sincerely apologize for this change of plans, but it is our hope to produce a better product for our strategic plan for our 2026-2027 plan.

Preparation Plans

For the new Strategic Plan, the Co-Executive Sponsors are Harry Jasper, CFO/COO and Scott McEachern, CIO. As the Co-Executive Sponsors, we are recommending a new approach from prior strategic planning sessions.

We are recommending that we kick off our strategic planning process this year by setting a limited number of Wildly Important Goals (WIGs). These goals rest on the Board's clear priorities for the next 3–5 years: building a new hospital, reversing the operating loss, and continuing to grow without compromising the Mission, Vision, and Values. Each WIG would have specific leading measures feeding a scoreboard for managers, executives, and the Board, with weekly and monthly accountability through existing channels such as Tier I and II huddles and one-on-one and team meetings.

We recommend that the next step will be an Executive Management Team meeting to agree on departmental WIGs, such as surgery center volume growth, primary care provider volume, and expanding on the master facilities plan by designing the new hospital and developing a sustainable capital investment strategy. The Strategic Plan will be framed by services and market, financial stability goals, and the Master Facility Plan.

When we meet as a Community of Stakeholders in November, we will start our process by reviewing the WIGs that have been created by the Executive Management Team, and providing additional Board and Stakeholder input into the process.

It is our intent that by starting our Community Meeting with a list of WIGs that are supported by key Southern Coos Hospital Initiatives, that we will have a more productive session with community stakeholders.



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, October

Management Changes:

- I am very pleased to announce that we have hired a new Director of Human Resources for Southern Coos Hospital & Health Center. Her name is Ally Nichols. Ms. Nichols has over 30 years of HR experience, including 15 years at the HR Manager or HR Director level. She also has previous experience in hospital HR, having previously worked at a hospital in Alaska. Ms. Nichols will start her job at Southern Coos Hospital on November 16.
- I am anticipating that by the time of our October Board meeting that we will have completed a hiring decision on a new Director of Pharmacy Services. Jeremy Brown's last day of employment with Southern Coos Hospital will be November 6.

Master Facility Planning Process

- As reported last month, we have made an offer to purchase Dr. Douglas Crane's medical office building on 11th Street. He and his wife have accepted our offer. We are currently in escrow and expect to close soon after an appraisal is completed on the building.
- On October 15, Southern Coos Hospital hosted a Neighborhood meeting of approximately 20 local homeowners to receive a presentation on our hospital's proposal to rezone the neighborhoods in the vicinity of our hospital campus, including some homes on June Street, Indiana Street and Harlem Street. Our rezoning request is to rezone these local neighborhoods from a R-2 residential zone into a newly created Mixed Use zone, allowing for both residential and medical related commercial space. At the meeting we went through the hospital's recently completed Master Facility Planning Process and goals for future expansion of our hospital facilities on our hospital campus. At the meeting it was stated by our hospital attorney, Dan O'Connor, that if the rezoning is approved, it will have no effect on the property taxes of residential properties, as long as they remain residential. If a residential property were to be converted to a medical related facility in the future, then it would change the property tax rate. The next step in the process will be to have our application reviewed by the Bandon Planning Commission.

DNV Accreditation Survey

- Our Plan of Corrective Action for our DNV survey, which was conducted on August 25 and August 26, was approved on October 16. As was reported last month, this year we were cited for 5 NC-1 deficiencies (the more significant ones) and 5 NC-2 deficiencies.

Federal/State Funding – Rural Health Transformation Program Funds

- We receive word on October 2, that Southern Coos Hospital & Health Center has officially been approved for a \$963,000 Transformation Award under Year 1 of the Rural Health Transformation Program (RHTP). We are approved for funds for 3 programs at SCHHC. They are: (1) Emergency Department; (2) School Nurses Program; and (3) Surgery. These funds will provide much needed support to (1) create a Safe Room in our Emergency Department for Behavioral Health patients in crisis, (2) help to make our School Nurses Program into a sustainable program as a School Based Health Center, and (3) support expansion of surgical services at SCHHC, including replacement of our gastroenterology (GI) scopes.
- We also got good news on October 7 that the application of our Clinically Integrated Network, the 11-member rural hospital network called Cascades Rural High Value Network, was approved by the Oregon Health Authority and the Healthcare Market Oversight Program. With this approval we are anticipating approval of Year 1 Rural Health Transformation Program (RHTP) funding to support the start up costs of our network. This alliance of 11 rural hospitals will help our hospital through group purchasing arrangements, new opportunities for Value Based Care contracting and shared knowledge between our 11 independent rural hospitals in the State of Oregon.

Human Resources

- We are pleased to report that we are awarding annual compensation increases for our employees in the month of October. Once again, our Human Resources and Finance departments went through a comprehensive review of market data including a review of specific job titles, geographic areas, organization types, using 2 market data repositories (Salary.com, Milliman). We currently have pay grades for every job title in our hospital, and each pay grade includes 20 steps. The pay grades for each position is based on job responsibilities, education requirements, technical skills, and market/supply demands for the job. Each pay grade is comprised of 20 steps, directly correlated to years of experience (both direct and indirect).

This data driven process keeps SCHHC in compliance with both Federal and State laws, including the 2017 Oregon Pay Equity Law, which requires that employers pay an equal pay rate for employees with the same experience and qualifications, performing the same job. The purpose of the law is to ensure that men and women are paid equally for performing the same job (with the same experience, education and qualifications).

Our process includes an evaluation of the pay rate for each position and a comparison to the market data in the 2 data sets that we use. Every year we evaluate if market rates have changed for any particular position at SCHHC and we will adjust, as necessary, to keep our salaries within market competitive rates.



Retail Pharmacy Report

To: Southern Coos Health District Board of Directors
From: Alden Forrester, MD, MBA
Re: Retail Pharmacy Report to the SCHD Board of Directors, October 22, 2026

Financial Statements

3,454 prescriptions were filled by our retail pharmacy in the month of September, down from 3,578 in the month of August. This change in volume is reflected in lower operating revenue for September compared to August.

The net change in position for retail pharmacy in September was (\$5,048) compared to (\$7,768) in August. It is notable that the pharmacy lost less money in September compared to August despite lower total operating revenue in September compared to August and a slight increase in non-drug expenses in September. The improvement is due to a continued focus on reducing costs related to drug acquisition. Small improvements in drug acquisition spending have large impacts given that drug acquisition is our single biggest expense by far.

The September financial report can be found in Appendix A. As always, my thanks to Jenny Percy for providing that report.

Director of Pharmacy Search

I am sad to report that Jeremy Brown, our current director, notified us that his last day will be November 6. Without Jeremy's leadership and outstanding effort, the remarkable progress our retail pharmacy has made in the last 18 months would not have been possible.

Earlier this month, an employment offer was made to a qualified candidate, however the deadline for acceptance of the offer passed without a response from the candidate. We are currently interviewing other candidates for the position. While we have promising leads, it is almost certain that we will not have a new director on-the-job prior to Jeremy's departure and we are preparing for how to manage pharmacy operations during an interim period between when Jeremy leaves and a new director starts.

Retail Pharmacist Position

We are currently recruiting for a staff pharmacist in the retail pharmacy to fill a full-time position vacated by one of our current pharmacists. Multiple candidates are currently being interviewed; however this combined with Jeremy's impending departure will create multiple open shifts to fill starting in early November. Even if we hire a new full-time pharmacist prior to Jeremy's departure, they will need to relocate and/or give notice to current employers prior to starting work here meaning that there will be a gap in pharmacists available to cover shifts.

Of the options available, we have decided to authorize use of per-diem pharmacists to fill this gap. While this will temporarily increase labor costs significantly, it was felt this would be a better option

than either burning out our remaining pharmacy staff by asking them to cover all the open shifts or significantly reducing our retail pharmacy's hours of operation.

Appendix A

Southern Coos Health District
PHARMACY-RETAIL (OP)

Southern Coos Hospital & Health Center Profit & Loss Statement As of September 30, 2026

	Month To Date 09/30/2026				07/01/2026 Through 09/30/2026			
	Actual	Operating Budget	Actual minus budget	Budget variance	Actual	Operating Budget	Actual minus budget	Budget variance
Total Patient Revenue								
Retail Pharmacy Revenue								
3020 - RETAIL PHARMACY REVENUE	928,449	609,526	318,923	52.3 %	2,815,449	1,869,213	946,236	50.62 %
Retail Pharmacy Revenue	928,449	609,526	318,923	52.3 %	2,815,449	1,869,213	946,236	50.62 %
Total Patient Revenue	928,449	609,526	318,923	52.3 %	2,815,449	1,869,213	946,236	50.62 %
Total Deductions	681,226	-	681,226	100.0 %	2,048,343	-	2,048,343	100.00 %
Net Patient Revenue	247,223	609,526	(362,303)	(59.4) %	767,106	1,869,213	(1,102,107)	(58.96) %
Other Operating Revenue	25,448	-	25,448	100.0 %	66,741	-	66,741	100.00 %
Total Operating Revenue	272,672	609,526	(336,855)	(55.3) %	833,847	1,869,213	(1,035,366)	(55.39) %
Total Operating Expenses								
Total Labor Expenses								
Salaries & Wages	38,851	-	38,851	100.0 %	113,287	-	113,287	100.00 %
Benefits	7,611	-	7,611	100.0 %	18,728	-	18,728	100.00 %
Total Labor Expenses	46,462	-	46,462	100.0 %	132,015	-	132,015	100.00 %
Purchased Services								
4113 - CONSULTING FEES	-	-	-	-	3,200	-	3,200	100.00 %
4500 - PURCHASED SERVICES	1,189	-	1,189	100.0 %	2,712	-	2,712	100.00 %
Purchased Services	1,189	-	1,189	100.0 %	5,912	-	5,912	100.00 %
Drugs & Pharmaceuticals								
4204 - DRUGS	224,211	-	224,211	100.0 %	688,920	-	688,920	100.00 %
Drugs & Pharmaceuticals	224,211	-	224,211	100.0 %	688,920	-	688,920	100.00 %
Medical Supplies								
4202 - NONBILLABLE SUPPLIES - MEDICAL	1,038	-	1,038	100.0 %	3,457	-	3,457	100.00 %
Medical Supplies	1,038	-	1,038	100.0 %	3,457	-	3,457	100.00 %
Other Supplies								
4301 - OFFICE SUPPLIES	263	-	263	100.0 %	542	-	542	100.00 %
Other Supplies	263	-	263	100.0 %	542	-	542	100.00 %
Other Expenses								
4302 - POSTAGE & FREIGHT	116	-	116	100.0 %	244	-	244	100.00 %
4502 - MARKETING - NON ALLOW-ABLE	502	-	502	100.0 %	1,491	-	1,491	100.00 %
4504 - PRINTING & COPYING	81	-	81	100.0 %	268	-	268	100.00 %
4703 - DUES & SUBSCRIPTIONS	1,046	-	1,046	100.0 %	2,558	-	2,558	100.00 %
4798 - BANK & COLLECTION FEES	1,075	-	1,075	100.0 %	3,082	-	3,082	100.00 %
Other Expenses	2,820	-	2,820	100.0 %	7,643	-	7,643	100.00 %
Depreciation & Amortization								
6162 - DEPRECIATION - MAJOR MOV-ABLE EQUIPMENT	410	-	410	100.0 %	1,230	-	1,230	100.00 %
6152 - DEPRECIATION - BUILDING - CLINIC	1,326	-	1,326	100.0 %	3,977	-	3,977	100.00 %
Depreciation & Amortization	1,736	-	1,736	100.0 %	5,207	-	5,207	100.00 %
Total Operating Expenses	277,719	-	277,719	100.0 %	843,696	-	843,696	100.00 %
Operating Income / (Loss)	(5,047)	609,526	(614,573)	(100.8) %	(9,849)	1,869,213	(1,879,062)	(100.52) %
Change In Net Position	(5,047)	609,526	(614,573)	(100.8) %	(9,849)	1,869,213	(1,879,062)	(100.52) %



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 – October 22, 2026

2026 DAISY Award Ceremony –

A DAISY award ceremony is scheduled for November 12, 2026 at 1:00 pm in the SCHHC main conference room. At this ceremony, we will honor ten (10) extraordinary nurses who have been nominated for the DAISY award for the meaningful impact they made toward our patients, families and/or colleagues. The recipient of the DAISY award will be kept confidential and will be announced and celebrated at the award ceremony. This event is open to all SCHHC staff, board members and family of those nominated. Please join us in celebrating these amazing nurses and the difference they make at Southern Coos Hospital & Health Center.

Clinical Department Staffing –

- **Medical-Surgical department** – FTE variance – Over budget expectation at 2.08 FTE.
 - One full-time RN and 3 per diem RNs orienting to the unit.
 - One per diem CNA has transitioned into the full-time tele-tech/unit coordinator position.
 - One full-time ED Resource RN transitioned into the full-time Charge Nurse position.
 - High patient acuity on the unit requiring additional nursing staff over what was budgeted.
 - Vacancies include one full-time RN and one full-time CNA.
- **Emergency department** – FTE variance – Over by 0.7 FTE.
 - Two new per diem RN's and one full-time LPN orienting to the department.
 - One full-time Resource RN recruited and scheduled to begin orientation 10/20/2026.
 - One full-time Noc Shift RN recruited and scheduled to begin orientation 10/20/2026.
 - Recruitment efforts in place for one full-time RN.
 - Two contract RNs utilized in September.
- **Laboratory department** – FTE variance - Over budgeted expectations by 1.62 FTE.
 - One full-time MLS and one full-time Medical Lab Assistant orienting to the unit.
- **Surgical department** – FTEs variance – Below budgeted expectations at -3.44 FTE.
 - Staff being flexed to other departments/roles and/or called off for low census.
 - One full time sterile processing technician position vacant.
 - One contract sterile processing technician utilized.
 - Recruitment efforts in place for one full-time surgical services housekeeper.
- **Medical Imaging** – FTE variance – Over budgeted expectations by 1.25 FTE.
 - Two contract technologists utilized to fill vacancies in CT/XR and ultrasound. Ultrasound contract ended after the first week of September.
 - Recruitment efforts on-going for one full time CT/XR technologist.
- **Respiratory therapy** – FTE variance – Below budgeted expectations at -2.07.
 - One full-time therapist requiring leave of absence.
 - One respiratory therapist position vacant.

	September 2026 FTE				
	SCH Actual	Contract Actual	Actual Total	Budget	Diff
Med Surg	33.11	0.92	34.03	31.95	2.08
Manager	1	0	1	1	0
CH RN	6.24	0	6.24	3.85	2.39
RN	14.2	0.92	15.12	12	3.12
LPN	1.66	0	1.66	2.45	-0.79
CNA	9.06	0	9.06	8.65	0.41
TeleTech	0.95	0	0.95	4	-3.05
Emergency Dept	14.65	1.23	15.88	15.18	0.7
Manager	1	0	1	1	0
RN	9.04	1.23	10.27	8.78	1.49
LPN	3.03	0	3.03	3.6	-0.57
CNA/US	1.58	0	1.58	1.8	-0.22
Laboratory	12.03	0	12.03	10.41	1.62
Manager	1	0	1	1	0
MLS	2.6	0	2.6	1.37	1.23
MLT	3.08	0	3.08	3.12	-0.04
Lab Assist I	2.67	0	2.67	2.38	0.29
Lab Assist II	1.84	0	1.84	1.47	0.37
Lab Assist III	0.84	0	0.84	1.07	-0.23
Surgical Dept	3.43	0.93	4.36	7.8	-3.44
Manager	1	0	1	1	0
Surgical RN	1.4	0	1.4	3	-1.6
Sterile processor	0	0.93	0.93	1	-0.07
Surgical Tech	1.03	0	1.03	2	-0.97
Housekeeper	0	0	0	0.8	-0.8
Medical Imaging	12.53	3.11	15.64	14.39	1.25
Manager	1	0	1	1	0
Radiology Tech	3.42	1.02	4.44	8.03	-3.59
Rad Tech I	4.27	0	4.27	0.7	3.57
Ultrasound	1.67	0.12	1.79	2.66	-0.87
MI Coordinator	1.51	0	1.51	1	0.51
MI Admin Assist	0.66	0	0.66	1	-0.34
Respiratory Therapy	4.34	0.9	5.24	7.31	-2.07
Manager	1	0	1	1	0
RT	3.34	0.9	4.24	6.31	-2.07
Swing Bed	1.63	0	1.63	1.65	-0.02
Case manager	1.63	0	1.63	1.65	-0.02
Totals	81.72	7.09	88.81	88.69	0.12
% of FTE	92%	8%			

	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Noc 2026	Dec 2026
Medical Imaging												
Xray	424	427	453	408	436	464	475	398	384			
MRI	66	42	69	60	38	65	57	68	57			
Mammography	85	68	83	83	77	92	48	83	73			
CT	179	212	237	206	256	231	253	235	207			
Ultrasound	123	95	155	132	120	169	70	109	158			
Total MI Procedures	877	844	997	889	927	1021	903	893	879			
Overtime hours	54	15	67	18	11	20	10	18	20			
Doubletime hours	9	3	0	2	0	0	3	3	20			
Surgical Services												
Colonoscopy	5	9	9	9	6	6	6	11	2			
EGD	1	2	1	4	4	4	2	2	2			
Podiatry	0	0	0	0	0	0	1	2	0			
Pain Nerve Blocks	9	14	11	0	19	15	10	11	20			
Pain Cryoneurolysis	0	0	0	0	0	1	0	0	1			
Pain RFA	0	0	0	0	0	0	0	0	0			
General Surgery	1	0	0	0	0	1	1	0	0			
Inpatient Procedures	0	0	0	0	0	0	0	0	0			
Total SS Procedures	16	25	21	13	29	27	20	26	25			
Overtime hours	0	0	0	0	0	0	0	0	0			
Doubletime hours	0	0	0	0	0	0	0	0	0			
Respiratory Therapy												
ED procedures	204	186	143	226	139	189	208	156	151			
Inpatient Procedures	500	469	759	556	377	424	425	210	413			
Outpatient procedures	56	227	132	152	104	100	97	81	93			
Total RT Procedures	760	882	1034	934	620	713	730	447	657			
Overtime hours	0	1	2	0	0	4	4	75	6			
Doubletime hours	105	35	20	0	24	18	37	30	6			
Laboratory												
Emergency Dept	1219	1432	1678	1672	1580	1526	1655	1340	1307			
Inpatient Services	684	605	772	512	410	356	402	446	548			
Primary Care	230	229	251	261	188	217	188	183	195			
Employee Health	0	4	2	5	3	1	6	5	13			
Outpatient Nursing	107	108	118	123	115	140	117	135	110			
HR Employee prehire	9	10	6	4	5	6	10	9	4			
External Outpatient testin	2074	2016	2490	2639	2231	2280	2174	1999	1991			
Total Lab Procedures	4323	4404	5317	5216	4532	4526	4552	4117	4168			
Overtime hours	12	44	40	0	136	88	34	39	41			
Doubletime hours	1	0	0	0	0	0	0	0	22			
Med-Surg												
Patient Days (MS & SW)	252	216	299	256	186	204	257	297	270			
Total Admitted Patients	41	56	46	50	58	50	50	50	30			
# of OBS Patients	5	8	5	9	8	7	5	4	5			
# of Admitted Inpts	28	40	29	36	46	37	33	34	20			
# of Admitted SW Patient	8	8	12	5	6	6	12	12	5			
Average IP stay/month	3.7	2.9	4.5	3.4	3.2	4.5	3.6	3.1	4.2			
# of 30 day readmissions	2	0	0	1	5	1	2	1				
Overtime hours	64	18	38	70	58	53	72	164	151			
Doubletime hours	189	129	311	164	57	108	120	149	396			
Emergency Dept												
Monthly census	471	466	506	514	516	536	558	501	480			
Admits to MS	29	49	33	43		44	38	37	24			
Transfers	32	29	39	41	30	27	45	25	25			
Overtime hours	77	69	50	100	44	43	131	73	74			
Doubletime hours	130	142	171	133	20	0	28	65	74			

Emergency Department Transfer Statistics – September 2026 Transfers – All 25 transfers was due to patient need for higher level of care.

	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
No SCHHC Beds	0	0	0	1	1	0	0	0	4	4	1	0
Higher level of care required	17	21	21	31	28	39	40	29	21	41	24	25
Patient request	0	0	0	0	0	0	1	1	2	0	0	0

HOSPITAL

Better than Target

In Acceptable Range

Missed Target

MORTALITY RATE

9.1%
Expected Value: 3.9- 6.8%

READMISSION RATE

15.0%
Target: below 13.9%

AVERAGE LENGTH OF STAY

4.2 days
Target: below 4

HOSPITAL

MEDICATION ERROR RATE

0.0
Target: below 5 per 1000 procedures

HOSPITAL ACQUIRED INFECTION RATE

0.0
Target: below 5 per 1000 procedures

SURGICAL COMPLICATION RATE

0.0
Target: below 5 per 1000 procedures

EMERGENCY DEPARTMENT

72hr RETURN TO ED

5.0%
Target: below 7%

% PATIENTS SEEN W/IN 30 MIN.

87.2%
Target: above 80%

PATIENT EXPERIENCE

INPATIENT- 3mo. Running Avg (May-July)

75.0%
Target: % who would highly recommend hospital: 71%

OUTPATIENT- Prior Month (July)

82.5%
Target: % who would highly recommend hospital: 82%

CLINIC

ACO TARGET: 60th Percentile

40- 60th Percentile

Below 40th Percentile

Exceeds 80th Percentile

ACO- DEPRESSION SCREENING

49.7%
60th Percentile Goal: 54%

ACO- DIABETES POOR CONTROL

11.1%
60th Percentile Goal: below 25%

ACO- BLOOD PRESSURE CONTROL

59.3%
60th Percentile Goal: 72%

ACO- BREAST CANCER SCREENING

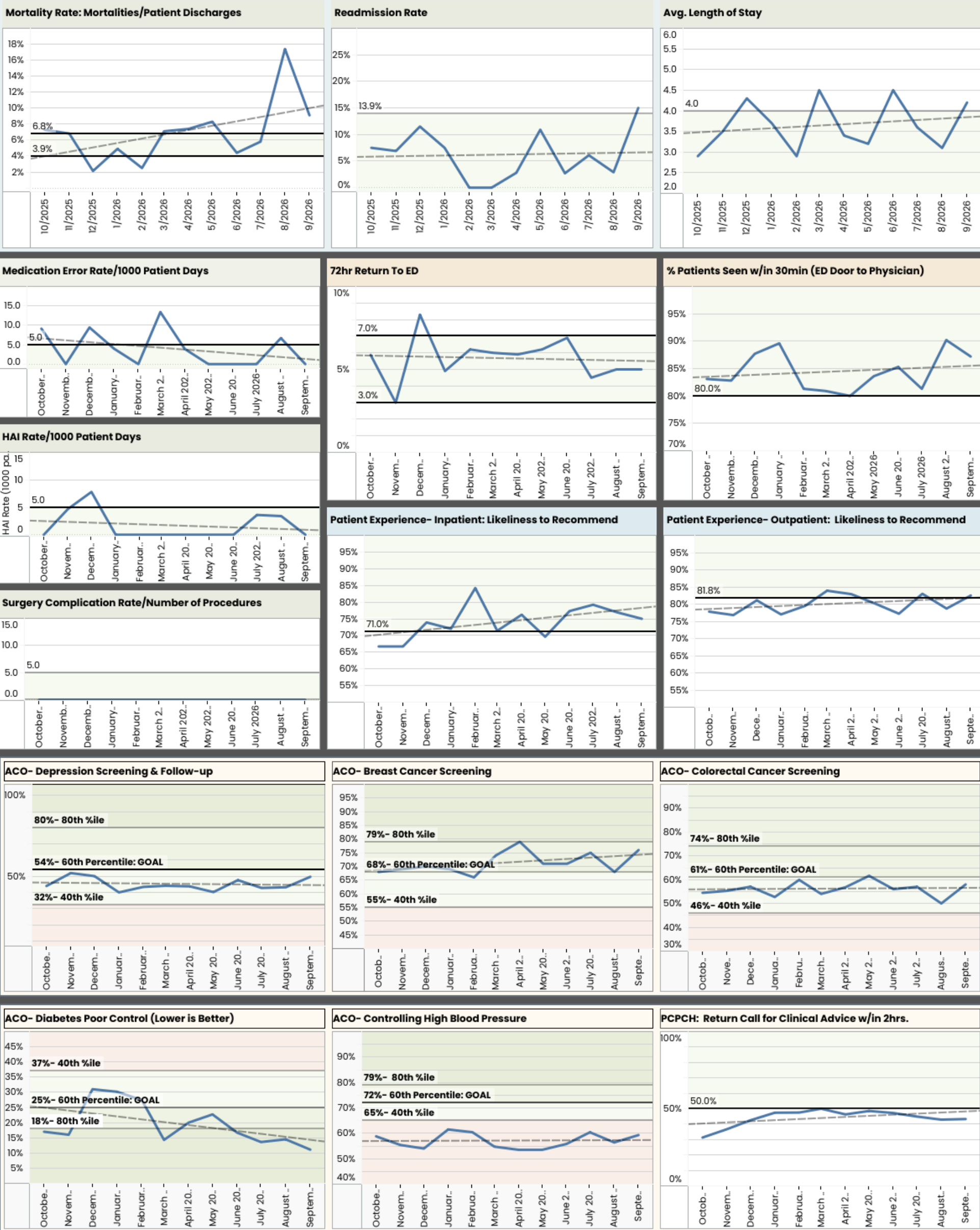
76.0%
60th Percentile Goal: 68%

ACO- COLON CANCER SCREENING

58.0%
60th Percentile Goal: 61%

PCPCH: PATIENT ACCESS

43.3%
Goal: Clinical advice calls returned w/in 2hrs. : 50%





Chief Information Officer Report

DATE: October 22, 2026
TO: SCHD Board of Directors
FROM: Scott McEachern, CHCIO
SUBJECT: CIO Report – October 22, 2026

Cybersecurity

Aesto Health disclosed in early September: Aesto LLC reported 9,540,683 affected individuals to HHS, with the incident indirectly impacting 29 healthcare providers including VillageMD, Everside Health, Marana Health, and Together Women's Health. Aesto helps providers manage and protect EHRs and other legacy medical data — secure data migration, EHR exchange, and long-term archiving — and confirmed on May 26, 2026 that PHI belonging to patients of various covered entity clients stored in its network may have been accessed between roughly December 2 and December 18, 2025. Individual notifications began August 21, 2026.

SCHHC is a customer of Aesto Health and have been in contact with their security representatives. We continue to monitor closely.

HIPAA Journal's H1 2026 report found healthcare providers were the worst-affected regulated entities with 290 breaches, followed by business associates at 59 and health plans at 48, with hacking/IT incidents remaining the leading cause and increasing again in 2026.

Regulatory & Enforcement

HIPPA Updates

Federal updates to the HIPAA (Healthcare Insurance Portability and Accountability Act of 1996) security rule have been delayed and now the Office of Civil Rights (OCR) targets July 2027 for final action. Even so, SCHHC is working toward being prepared for the eventual changes.

Health Care Cybersecurity and Resiliency Act

Last month, I reported on the proposed bill S. 3315, the Health Care Cybersecurity and Resiliency Act of 2026, which passed out of committee in March 2026. This is a bipartisan bill which, if voted into law, the act would make key cybersecurity standards mandatory. Provisions of the law include:

- Mandatory Cybersecurity standards
- Formalizes "Safe Harbor" Provision
- Intensifies Breach Reporting Requirements
- Establishes Cybersecurity grant program for underserved health care providers

The full Senate unanimously passed the Health Care Cybersecurity and Resiliency Act on October 1, 2026, after the HELP Committee's 22-1 vote. The bill requires encryption of ePHI, MFA, ongoing monitoring for cyber events, and penetration testing, with best practices aligned to national frameworks such as the NIST Cybersecurity Framework. It passed by unanimous consent rather than a recorded roll-call vote and now awaits House consideration.

Health Infrastructure and Accountability Act

Sens. Mark Warner (VA) and Ron Wyden (OR) reintroduced the Health Infrastructure Security and Accountability Act on September 17, 2026, (previously introduced in 2024). It includes heightened standards for systemically important entities and requires written annual statements signed by the CEO and CISO attesting to compliance. It would direct \$1.3 billion toward hospital protections and require HHS to adopt minimum standards within two years, with covered entities required within three years to conduct and document a security risk analysis and attest to compliance.

Projects

Note: the following list of projects are the projects that the CIO office has some involvement in or is leading. The list is not an exhaustive list of all district projects underway at this time.

PROJECT DETAIL								
Project	Dept	Origin	Funding Source	Total Budget	Spend to Date	Remaining	Start Date	Expected Go-Live
Conversion of Business Office	Clinic	FY26 Carryover	Operating Budget	\$150,000	\$141,062	\$8,938	10/1/2025	10/20/2026
Telcor Interface	Laboratory	FY26 Carryover	Operating Budget	\$72,000	\$17,342	\$54,658	7/1/2026	10/31/2026
IV Pump Selection	Nursing	FY27 New	Capital Budget	\$150,000	-	-	7/20/2026	12/31/2026
Records Transfer – Karen Olsen	Clinic	FY27 New	Operating Budget	N/A	-	-	8/14/2026	11/30/2026
Evident Legacy Archive	District-wide	FY26 Carryover	Capital Budget	N/A for FY27	-	-	8/1/2024	10/31/2026

Notes

1. Conversion of Business Office:

- a. The new specialty clinic has passed county inspection. As of this writing, we are submitting final documentation to the Oregon Health Authority on Monday, October 19, and should have final OHA approval shortly thereafter.

- b. The county inspector stated that we could begin moving into the space so on Friday, October 16, Engineering started moving in Senior Life Solutions and Pain Management.
 - c. Staff may begin working in the space and seeing patients once we receive the final approval from OHA.
- 2. **Telcor Interface:** This interface is going live on October 20.
- 3. **IV Pump Selection:** Cori Valet, CNO, and I are co-sponsoring this initiative. We have currently held demos for two vendors: B. Braun and Fresenius Kabi. Nurses from all shifts were able to demo the equipment. We have created an evaluation matrix that we are sending to all involved.
- 4. **Records Transfer – Karen Olsen:** Karen has about 2 years of paper patient records and have developed a work plan for ingesting into Epic.
- 5. **Evident Legacy Archive:** This project was part of the Epic EHR transition. We are in the process of validating the archive data through quality control methodology. HIM is leading this effort. We have finished the majority of the Quality Assurance and will roll out to providers in November.

Rural Health Transformation Program Transformation Direct Awards

As mentioned in other reports in this packet, SCHHC received final approval on our Direct Awards. We will begin these projects before next board meeting.



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 – October 22, 2026

Clinic Operations – September 2026

Provider Recruiting/Onboarding: As of 10/16/26

Primary Care

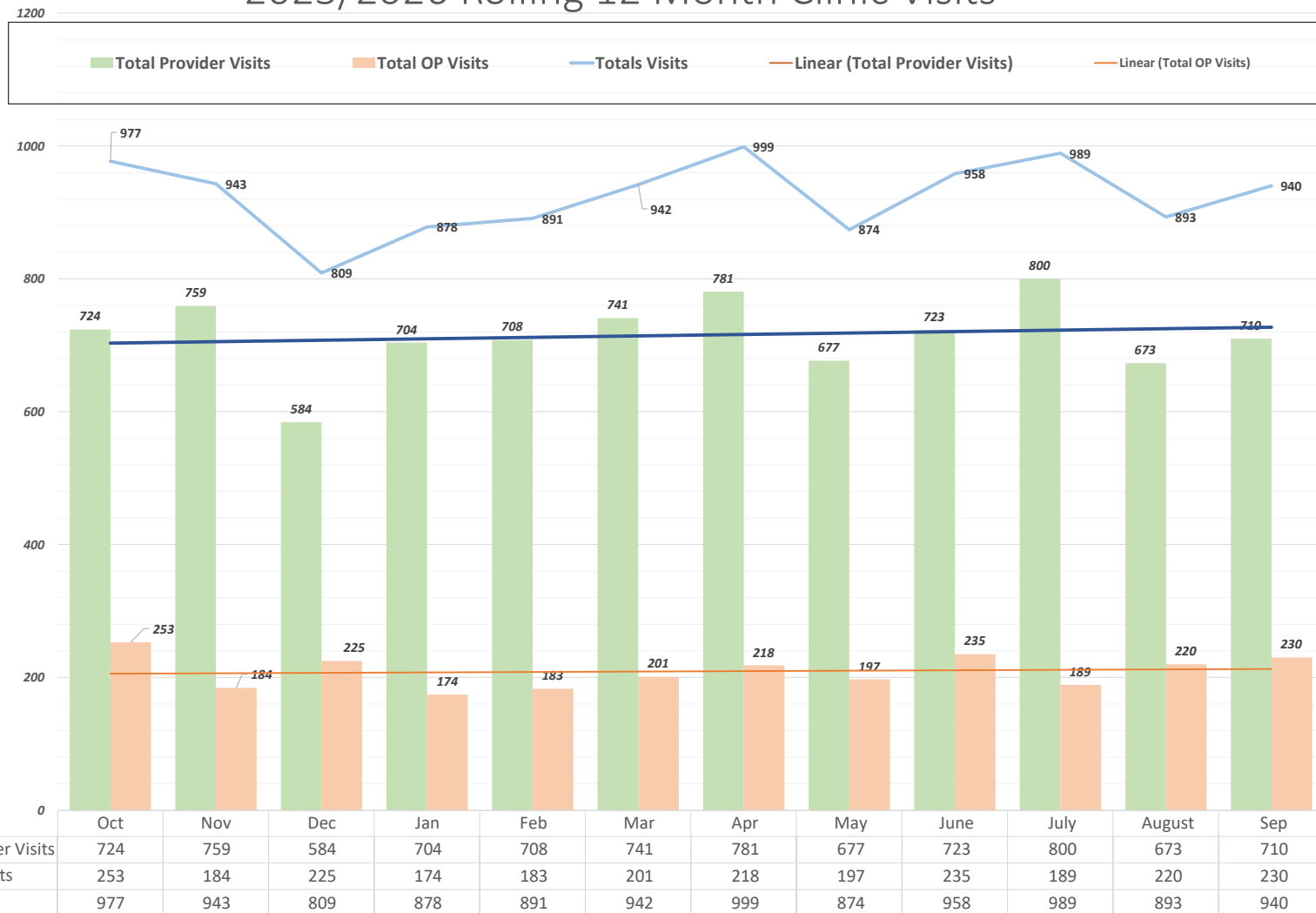
- Karen Olsen, NP – Start Date November 2, 2026 (will see her first patients starting November 16th) Her schedule will be Monday -Tuesday, and Thursday (10) hours/Day for a total of 30 hours per week.

See Attached Graphs/Grids

1. Clinic Visits
2. Provider Visit Totals/Visit Type
3. General Surgery Statistics
4. Clinic Provider Income Summary
5. Income Statement

Clinic Visits

2025/2026 Rolling 12 Month Clinic Visits

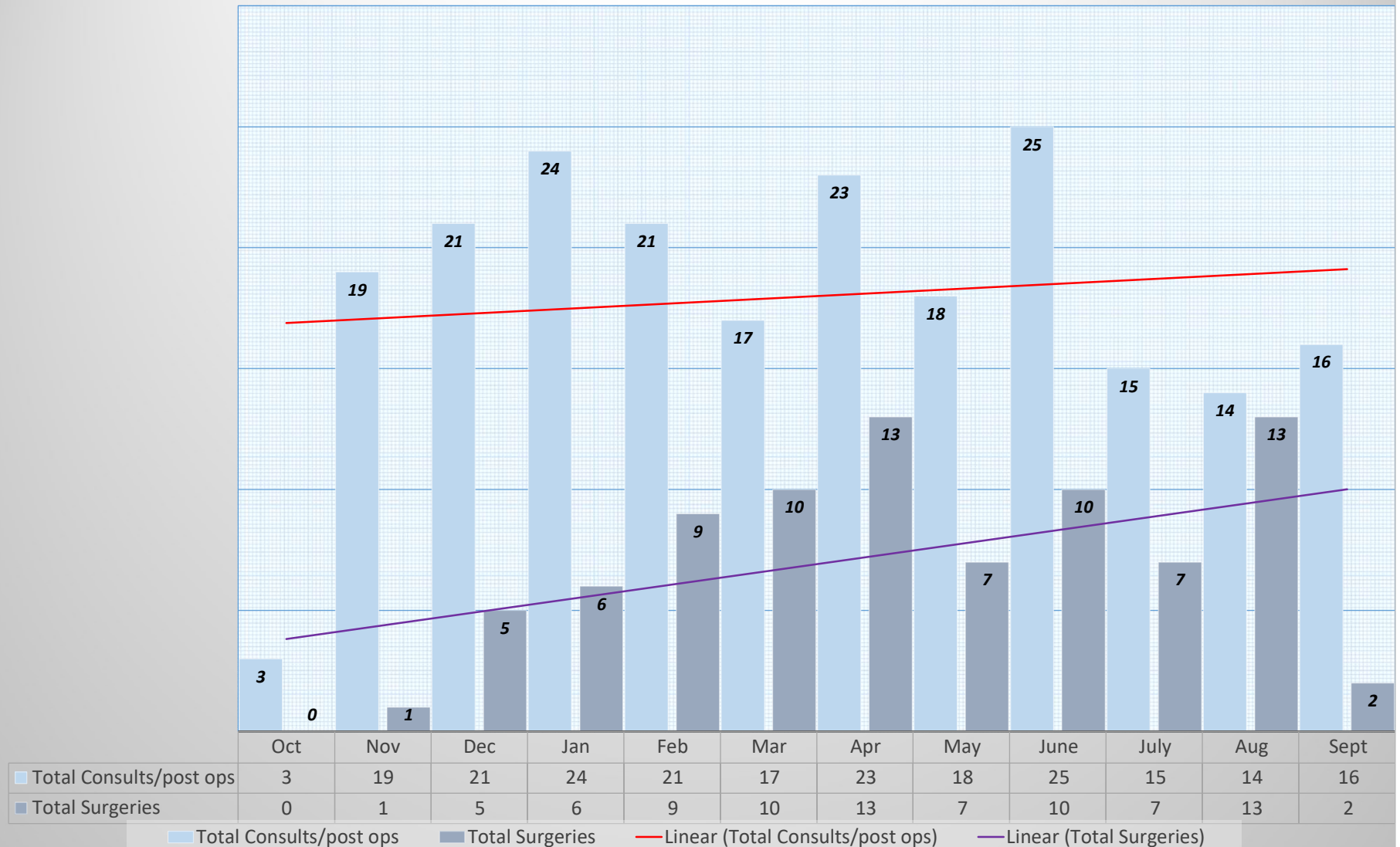


FY 2025/2026 Rolling 12 Month - Provider Visit Totals/Visit Type

Year: 2026										
Month: September	Clinic	PT's		No	Total	AVG	No Show	Cancel	Tele	New
Provider	Days	Sched	Cancel	Show	Seen	Seen	Rate	Rate	HLTH	PT's
Jennifer Webster, MD	11.3	136	7	1	128	11.4	1%	5%	9	0
Paul Preslar, DO	10.0	131	13	4	114	11.4	3%	10%	0	0
Natalie Speck, MD	11.0	134	11	1	122	11.1	1%	8%	9	18
Felisha Miller, FNP	15.0	142	17	3	122	8.1	2%	12%	0	15
Kim Bagby, FNP										
Shane Matsui, LCSW	16.0	75	8	2	65	4.1	3%	11%	3	4
Henry Holmes	5.0	49	4	1	44	8.8	2%	8%	0	0
Tami Marriott, MD	5.0	56	2	3	51	10.2	5%	4%	0	0
Victoria Schmelzer, CRNA	7.0	51	2	1	48	6.9	2%	4%	0	3
Brett Schulte, MD										
Monte Stewart, MD										
Matthew Heisterman, DO	2.5	16	0	0	16	6.4	0%	0%	0	14
Total Provider Visits	80.3	790	64	16	710	8.8	2%	8%	21	54
<i>Total Outpatient Services</i>										
	21	256	20	6	230	11.0	2%	8%	0	0
Total Visits	101	1,046	84	22	940	9.3	2%	8%	21	54

2025			2026								
October	November	December	January	February	March	April	May	June	July	August	Sept
159	123	129	93	162	149	187	94	138	152	97	128
132	135	128	153	118	154	166	102	106	145	99	114
					100	153	118	96	125	100	122
107	92	103	79	73	118	111	94	141	80	118	122
130	154	26	124	103							
87	74	80	79	78	85	63	74	69	80	73	65
37	61	62	48	66	53	49	54	62	68	90	44
33	34	35	33	21	31	9	39	37	51	28	51
36	67	0	71	66	34	20	84	49	84	54	48
3	19	21	24	21	17	23	18	25	15	7	
										7	
											16
724	759	584	704	708	741	781	677	723	800	673	710
253	184	225	174	183	201	218	197	235	189	220	230
977	943	809	878	891	942	999	874	958	989	893	940

FY 2025/2026 General Surgery Statistics (Oct 2025-Sep 2026)



Clinic Provider Income Summary

All Providers

For The Budget Year 2027

For The Budget Year 2027								Current Budget YTD	
	ACT JUL	BUD JUL	ACT AUG	BUD AUG	ACT SEP	BUD SEP	ACT FYTD	FYTD26 Budget	Variance
Provider Productivity Metrics									
Clinic Days	94	0	80	0	83	0	257	0	257
Total Visits	800	0	673	0	710	0	2,183	-	2,183
Visits/Day	8.5	0.0	8.4	0.0	8.6	0.0	8.5	0.0	8.5
Total RVU	2233	0	1748	0	1725	0	5,706	-	5,706
RVU/Visit	2.79	-	2.60	-	2.43	-	2.61	-	2.61
RVU/Clinic Day	23.68	-	21.88	-	20.84	-	22.20	-	22.20
Gross Revenue/Visit	636	-	608	-	601	-	616	-	616
Gross Revenue/RVU	228	-	234	-	247	-	236	-	236
Net Rev/RVU	96	-	99	-	104	-	99	-	99
Expense/RVU	80	-	127	-	110	-	103.35	-	103.35
Diff	16	-	(28)	-	(6)	-	(4)	-	(4)
Net Rev/Day	2,263	-	2,165	-	2,158	-	2,199	-	2,199
Expense/Day	1,893	-	2,772	-	2,292	-	2,295	-	2,295
Diff	370	-	(607)	-	(134)	-	(96)	-	(96)
Patient Revenue									
Outpatient									
Total Patient Revenue	508,527	-	409,069	-	426,962	-	1,344,558	-	(1,344,558)
Deductions From Revenue									
Total Deductions From Revenue (Note A)	295,156	-	236,047	-	248,240	-	779,443	-	(779,443)
Net Patient Revenue	213,371	-	173,022	-	178,722	-	565,115	-	565,115
Total Operating Revenue	213,371	-	173,022	-	178,722	-	565,115	-	565,115
Operating Expenses									
Salaries & Wages	121,290	-	141,275	-	122,804	-	385,369	-	385,369
Benefits	7,267	-	10,923	-	10,937	-	29,127	-	29,127
Purchased Services	-	-	-	-	-	-	-	-	-
Medical Supplies	1,118	-	8,731	-	704	-	10,553	-	10,553
Other Supplies	-	-	-	-	-	-	-	-	-
Maintenance and Repairs	-	-	-	-	-	-	-	-	-
Other Expenses	233	-	349	-	475	-	1,057	-	1,057
Allocation Expense	48,542	-	60,225	-	54,857	-	163,624	-	163,624
Total Operating Expenses	178,450	-	221,503	-	189,777	-	589,730	-	589,730
Excess of Operating Rev Over Exp	34,921	-	(48,481)	-	(11,055)	-	(24,615)	-	(24,615)
Non-Operating Income	-	-	-	-	-	-	-	-	-
Non Operating Revenue	-	-	-	-	-	-	-	-	-
Total Non-Operating Income	-	-	-	-	-	-	-	-	-
Excess of Revenue Over Expenses	34,921	-	(48,481)	-	(11,055)	-	(24,615)	-	(24,615)

Southern Coos Hospital & Health Center
Income Statement
As of September 30, 2026

	Month Ending 9/30/2026			Year To Date 9/30/2026		
	Hospital Actual	Clinic Providers Actual	Actual	Hospital Actual	Clinic Providers Actual	Actual
Total Patient Revenue						
Inpatient Revenue	633,638	-	633,638	2,404,837	-	2,404,837
Outpatient Revenue	3,994,008	426,962	4,420,970	12,228,016	1,344,558	13,572,574
Swingbed Revenue	492,058	-	492,058	1,212,463	-	1,212,463
Retail Pharmacy Revenue	928,449	-	928,449	2,815,449	-	2,815,449
Total Patient Revenue	6,048,153	426,962	6,475,115	18,660,765	1,344,558	20,005,323
Total Deductions	2,448,405	248,240	2,696,645	8,520,313	779,443	9,299,756
Revenue Deductions %	40.5 %	58.1 %	41.6 %	45.7 %	58.0 %	46.5 %
Net Patient Revenue	3,599,747	178,722	3,778,469	10,140,452	565,115	10,705,567
Other Operating Revenue	87,968	-	87,968	271,527	-	271,527
Total Operating Revenue	3,687,715	178,722	3,866,437	10,411,978	565,115	10,977,093
Total Operating Expenses						
Total Labor Operating Expenses	2,345,027	133,741	2,478,768	6,848,153	414,496	7,262,649
Total Other Operating Expenses	1,117,144	56,036	1,173,180	3,300,700	175,234	3,475,934
Total Operating Expenses	3,462,171	189,777	3,651,948	10,148,853	589,730	10,738,583
Operating Income / (Loss)	225,545	(11,055)	214,490	263,126	(24,615)	238,511
Net Non Operating Revenue	114,489	-	114,489	366,022	-	366,022
Change In Net Position	340,034	(11,055)	328,979	629,148	(24,615)	604,533



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, October 9, 2026

Volunteer Expansion

We are holding our first quarterly meeting for all volunteers including Gift Shop, Events, and Ambassadors for Health volunteers on October 21 from 2:00 to 4:00 p.m. While volunteers find purpose in the services they provide, we see an opportunity to strengthen connections across the group. Each quarterly meeting will include a “Get to Know You” activity and a brief presentation from a community partner. At this meeting, Hearts with a Mission will share an overview of how we can support patients and the wider community. The goal is to help volunteers build relationships and develop a stronger sense of belonging.

We also have four new applicants completing background checks. One applicant is Jessica Burg, the Cranberry Queen, who will help plan and carry out Women’s Health Day.

Golf for Health Classic (GFHC)

The 19th Annual Golf for Health Classic was a success! Festivities began with a new event: a two-person scramble at Shorty’s Golf Course at Bandon Dunes. Twenty-four players participated, and the winning team was delighted with their Shorty’s golf flag.

The Major Sponsor Reception at Bandon Dunes was once again a highlight, welcoming approximately 80 guests for an evening of great food, drinks, and company. Next year, invitations will also be extended to both boards and the Executive Team, giving them an opportunity to continue building relationships with the generous supporters of the Southern Coos Hospital and Southern Coos Health Foundation. The major sponsor golf glove sets were a hit, and sponsors felt appreciated for their support.

Thirty-two teams took part in Saturday’s tournament. The larger field slowed play somewhat, but it was an enjoyable day overall. The morning putting contest was a fan favorite, ending in a sudden death playoff with two hole-in-ones. The Cowboy and the Hippy returned for lunch, and the afternoon putting contest delivered another hole-in-one—earning one lucky participant our first-ever \$1,000 prize!

A sincere thank-you to our volunteers, who looked great in their new event smocks. We couldn’t do it without you!

Here are the final gross results: the Golf for Health Classic raised **\$126,979!** This included \$116,323 in sponsorships and in-kind contributions, \$9,102 from our auction, and \$1,554 from golfers and other event activities. Next meeting we will have our net results as we are still processing invoices.

Additional Updates

Art Show: Yesterday’s Art Show was a successful event and resulted in a few sales.

Bandon Dunes Charitable Foundation: The grant application is due at the end of this month. Alix is working with Cori Valet and Scott McEachern on a funding request for replacement IV pumps.

Coffee for a Cure: This event takes place Friday, October 16, from 5:00 to 6:00 a.m. 100% of proceeds are donated to SCHF and kicks off our year-end fundraising appeal to update the mammography machine.



Chief Financial Officer Report

To: Southern Coos Health District Board of Directors
From: Harry S. Jasper, MAcc, CFO/COO
Re: CFO Report for SCHD Board of Directors, October 22, 2026

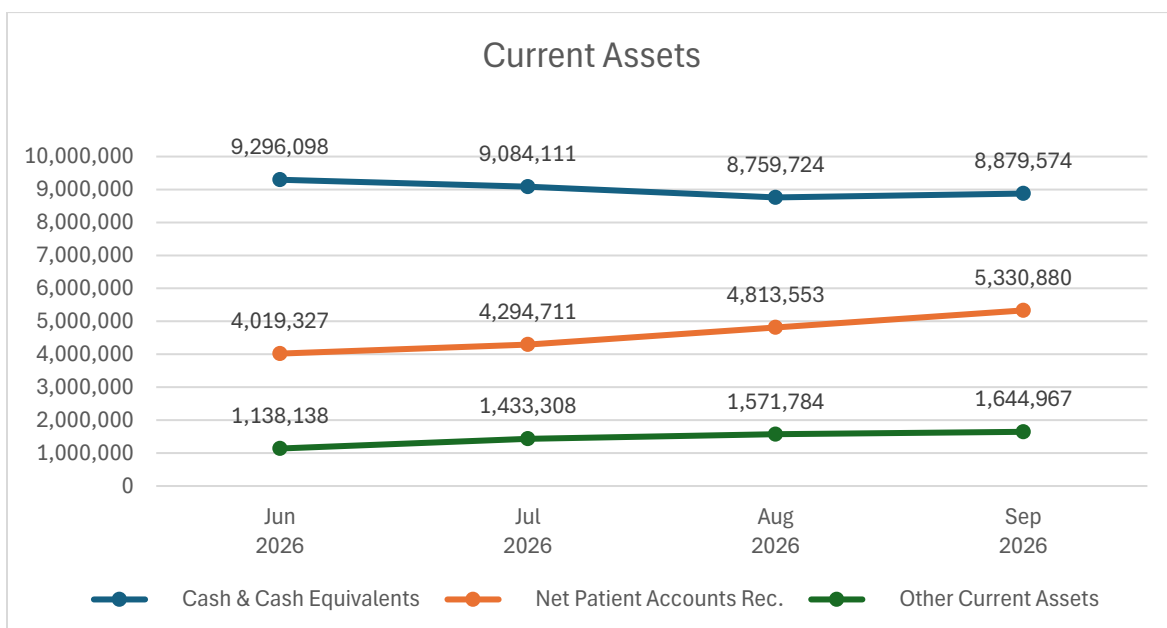
I am pleased to report on our fiscal year-to-date financials through 09/30/2026, our 1st quarter for FY27. These are my overall observations along with highlights:

Balance Sheet:

Our financial position remains strong through the first three months of our fiscal year, FY27, including an overall increase in Total Assets of \$945,643, with Total Liabilities increasing by \$341,112 and an overall increase in Net Assets of \$604,531.

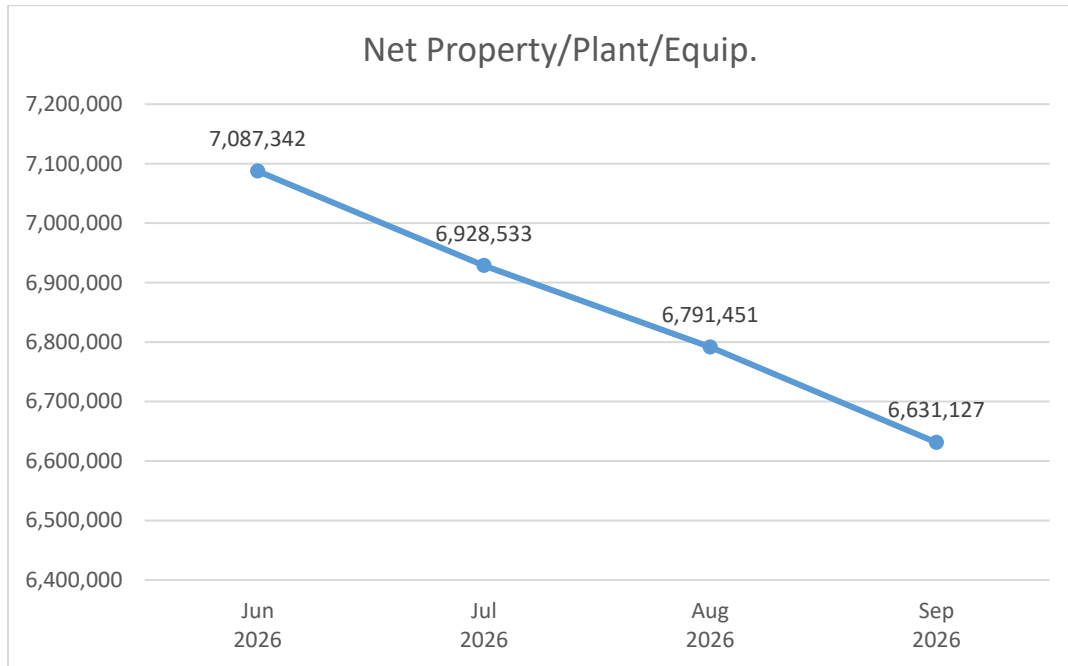
- **ASSETS: Cash and Cash Equivalents** increased this month compared to August by \$119,850, a reversal from the prior month's downward trend. Unfortunately, **Net Patient A/R** has continued to climb to \$5,330,880, an increase of \$517,327. The increase in **Net Patient A/R** continues to be primarily caused by a backlog in coding, which Colene is working on addressing with our outsourced coding partner, Coding Concepts. We are also experiencing an increase in A/R related to our Senior Life Solutions (SLS) Services.

NOTE: The charts below represent several Balance Sheet accounts, which illustrate current changes month-over-month since our prior fiscal year ended in June of this year.

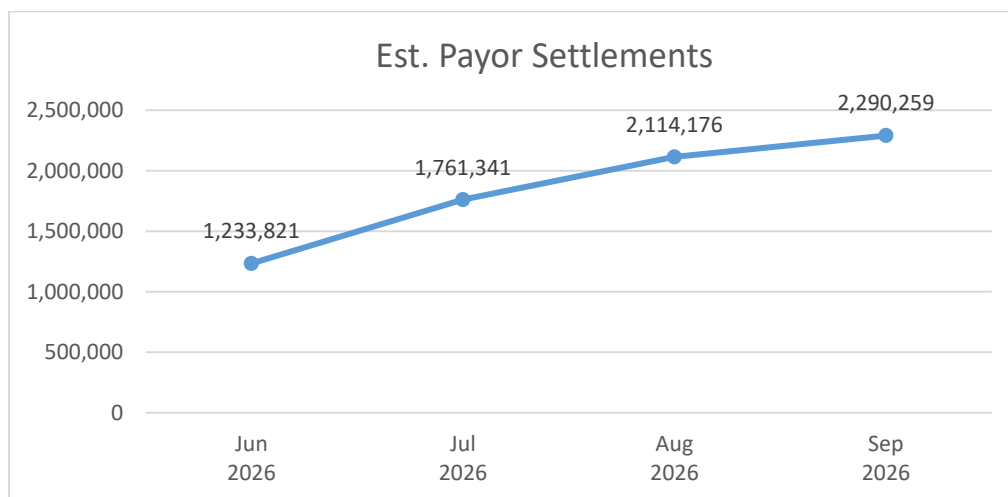


- **Net Property Plant & Equipment (PP&E)** has decreased year-to-date by \$456,215. This occurs as our facility and equipment age and depreciation is taken absent capital acquisitions and

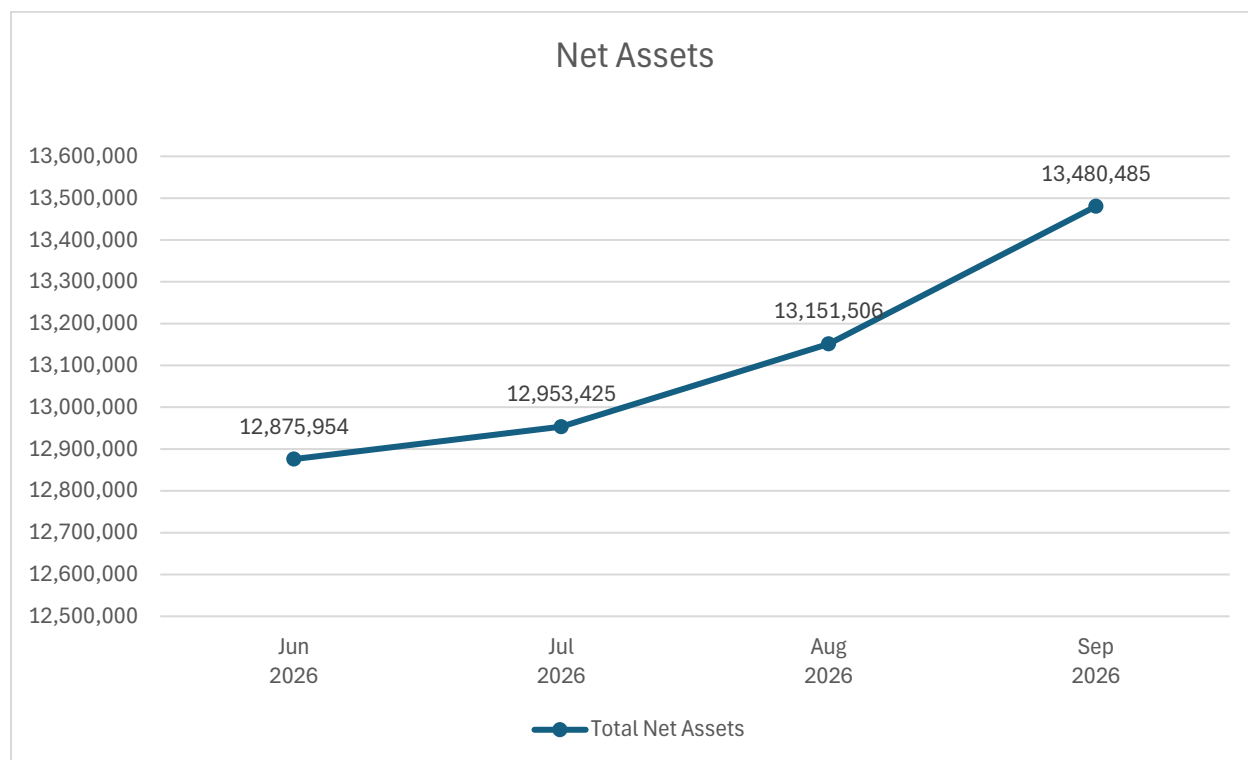
improvements. When we purchase capital items this fiscal year as part of the RHTP (Rural Health Transformation Program) and as part of our Capital Budget, this balance is expected to increase.



- **LIABILITIES: Estimated Payor Settlements** increased by an additional \$176,083 in September. We are experiencing a significant increase in our Patient Revenue in FY27 while our Operating Expenses over the same period have increased at a less significant rate, 17.1% and 5.7%, respectively. Our Estimated Payor Settlements liability is increasing, as would be expected under these circumstances. We will have more reliable figures when we review our preliminary FY26 Medicare and Medicaid Cost Reports next month, which are expected to be filed in December of this year.



- **NET ASSETS:** The overall results are positive with **Net Assets** totaling \$13,480,485 at September 30th. This reflects an increase of \$604,530, equal to our year-to-date **Change in Net Assets** detailed in our Income Statement.



Income Statement:

Overall **Net Income** (or **Change in Net Position**) was positive in September at \$328,979, including a continued positive **Operating Income** of \$219,489. Below are highlights of each section of our Income Statement.

- **PATIENT REVENUES:** **Total Patient Revenue** overall was strong in September at \$6,475,115 or above budget by 4.4% or \$274,435. Year-to-date we are above budget by 5.2% or \$989,904; again this month, as we were in August, the primary cause of this is our **Retail Pharmacy Revenue** which year-to-date is above budget by 50.6% or \$946,236. **Inpatient, Outpatient, & Swing Bed Revenues** are showing mixed year-to-date amounts compared to budget. **Inpatient** revenue is down in September by 34.8% or \$337,495 compared to budget; **Swing Bed Revenue** is above budget in September by 26.5% or \$103,008; and, year-to-date overall **Outpatient Revenue** is above budget by 4.6% or \$597,596.
- **TOTAL DEDUCTIONS:** **Total Deductions** in September of \$2,696,645 were less than budgeted by 1.6% or \$45,090. Year-to-date **Total Deductions** are \$9,299,756 which is above budget by 10.6% or \$891,768.
- **OPERATING EXPENSES:** overall we are over budget in September by \$107,783. Year-to-date **Total Operating Expenses** remain 1.2% or \$130,190 under budget. Most expense

categories are under budget, except **Benefits, Drugs & Pharmaceuticals, Medical Supplies, Lease & Rental Expenses**, and **Other Expenses** (year-to-date only).



SOUTHERN COOS
HOSPITAL
& HEALTH CENTER

Unaudited
Financial Statements
& Reports
September 2026
Fiscal Year 2027

Southern Coos Hospital & Health Center

Balance Sheet Trends

	FY26 Ending	FY25 Ending	FY24 Ending	Sep 2026	Aug 2026	Jul 2026	Jun 2026	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026	Dec 2025	Nov 2025	Oct 2025
1 Total Assets															
2 Total Current Assets															
3 Cash - Operating	2,593,992	1,812,826	1,400,507	1,706,883	1,610,654	2,358,937	2,593,992	2,562,024	2,024,699	1,734,751	922,882	615,196	1,223,709	1,502,524	1,230,611
4 Investments - Unrestricted	3,968,402	3,984,313	4,076,428	4,438,987	4,415,365	3,991,469	3,968,402	3,946,440	3,923,823	3,902,007	3,430,442	3,411,971	4,138,430	4,113,714	4,088,888
5 Investments - Restricted	233,704	3,419,943	3,744,080	233,704	233,705	233,705	233,704	2,782,879	2,782,879	2,782,879	2,782,879	2,782,879	2,782,878	3,419,943	3,419,943
6 Investments - Board	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
7 Cash & Cash Equivalents	9,296,098	11,717,082	11,721,015	8,879,574	8,759,724	9,084,111	9,296,098	11,791,343	11,231,401	10,919,637	9,636,203	9,310,046	10,645,017	11,536,181	11,239,442
8 Net Patient Accounts Rec.	4,019,327	3,536,706	3,907,633	5,330,880	4,813,553	4,294,711	4,019,327	4,036,178	4,997,789	4,675,082	4,099,430	4,169,365	3,733,449	3,798,199	3,693,145
9 Other Current Assets	1,138,138	990,065	798,202	1,644,967	1,571,784	1,433,308	1,138,138	881,280	872,461	659,943	668,527	636,044	437,674	682,871	1,407,460
10 Total Current Assets	14,453,563	16,243,853	16,426,850	15,855,421	15,145,061	14,812,130	14,453,563	16,708,801	17,101,651	16,254,662	14,404,160	14,115,455	14,816,140	16,017,251	16,340,047
11 Net Property/Plant/Equip.	7,087,342	8,243,887	6,423,952	6,631,127	6,791,451	6,928,533	7,087,342	7,223,628	7,336,315	7,550,458	7,611,661	7,748,861	7,861,243	7,966,794	8,085,587
12 Total Assets	21,540,905	24,487,740	22,850,802	22,486,548	21,936,512	21,740,663	21,540,905	23,932,429	24,437,966	23,805,120	22,015,821	21,864,316	22,677,383	23,984,045	24,425,634
13 Total Liabilities & Net Assets															
14 Total Current Liabilities															
15 Accounts Payable	1,348,501	1,551,870	1,344,652	1,045,238	1,171,163	1,638,118	1,348,501	1,503,501	1,740,769	1,576,017	1,401,677	1,328,946	1,360,904	1,432,300	1,544,686
16 Accrued Payroll & Benefits	1,918,860	1,741,066	1,411,152	1,573,151	1,380,321	1,244,176	1,918,860	1,752,542	1,583,485	1,453,076	1,331,300	1,284,800	1,979,388	1,712,202	1,608,783
17 Line of Credit Payable	0	3,139,376	0	0	0	0	0	2,511,501	2,511,501	2,511,501	2,511,501	2,511,501	2,511,501	3,139,376	3,139,376
18 Interest & Other Payable	132,327	268,479	100,992	166,570	155,155	143,741	132,327	131,344	161,731	182,653	181,362	196,194	98,694	114,295	120,694
19 Est. Payor Settlements	1,233,821	534,781	997,650	2,290,259	2,114,176	1,761,341	1,233,821	1,714,790	1,724,016	1,517,734	36,586	72,963	107,866	580,426	791,394
20 Cur. Portion Long-Term Debt	453,184	656,838	635,560	389,290	409,880	432,868	453,184	453,059	450,438	460,720	463,883	491,414	520,141	548,096	600,445
21 Total Current Liabilities	5,086,693	7,892,410	4,490,006	5,464,508	5,230,695	5,220,244	5,086,693	8,066,737	8,171,940	7,701,701	5,926,309	5,885,818	6,578,494	7,526,695	7,805,378
22 Total Long-Term Debt	3,578,258	4,228,131	4,535,131	3,541,555	3,554,311	3,566,994	3,578,258	3,611,386	3,645,183	3,751,058	3,789,740	3,791,112	3,828,711	3,983,560	4,005,355
23 Total Liabilities	8,664,951	12,120,541	9,025,137	9,006,063	8,785,006	8,787,238	8,664,951	11,678,123	11,817,123	11,452,759	9,716,049	9,676,930	10,407,205	11,510,255	11,810,733
24 Total Net Assets	12,875,954	12,367,199	13,825,665	13,480,485	13,151,506	12,953,425	12,875,954	12,254,306	12,620,843	12,352,361	12,299,772	12,187,386	12,270,178	12,473,790	12,614,901
25 Total Liabilities & Net Assets	21,540,905	24,487,740	22,850,802	22,486,548	21,936,512	21,740,663	21,540,905	23,932,429	24,437,966	23,805,120	22,015,821	21,864,316	22,677,383	23,984,045	24,425,634

Southern Coos Hospital & Health Center

Balance Sheet Summary

	Year To Date 09/30/2026	Year Ending 06/30/2026		Year Ending 06/30/2025
	Current Year Balance	Prior Year	Current vs. Prior	Actual
Total Assets				
Total Current Assets				
Cash and Cash Equivalents	8,879,574	9,296,098	(416,524)	11,717,082
Net Patient Accounts Receivable	5,330,880	4,019,327	1,311,553	3,536,706
Other Assets	1,644,967	1,138,138	506,830	990,065
Total Current Assets	15,855,421	14,453,563	1,401,859	16,243,853
Net PP&E	6,631,127	7,087,342	(456,216)	8,243,887
Total Assets	22,486,548	21,540,905	945,643	24,487,740
Total Liabilities & Net Assets				
Total Liabilities				
Current Liabilities	5,464,508	5,086,693	377,815	7,892,410
Total Long Term Debt, Net	3,541,555	3,578,258	(36,704)	4,228,131
Total Liabilities	9,006,063	8,664,951	341,111	12,120,541
Total Net Assets	13,480,485	12,875,954	604,532	12,367,199
Total Liabilities & Net Assets	22,486,548	21,540,905	945,643	24,487,740

Cash to Debt Ratio	0.99	1.07	(0.08)	0.97
Debt Ratio	0.40	0.40	0.00	0.49
Current Ratio	2.90	2.84	0.06	2.06
Debt to Capitalization Ratio	0.22	0.22	0.00	0.23

(1) Cash & cash equivalents / total liabilities

(2) Total liabilities / total assets

(3) Total current assets ÷ total current liabilities

(4) Long-term debt ÷ (long-term debt + unrestricted fund balance)



Southern Coos Hospital & Health Center

Balance Sheet

	Year To Date 09/30/2026	Year Ending 06/30/2026		Year Ending 06/30/2025
	Current Year Balance	Prior Year	Change	Actual
Total Assets				
Total Current Assets				
Cash and Cash Equivalents				
Cash Operating	1,706,883	2,593,992	(887,109)	1,812,826
Investments - Unrestricted	4,438,987	3,968,402	470,585	3,984,313
Investments - Reserved Certificate of Deposit	-	-	-	3,186,239
Investment - USDA Restricted	233,704	233,704	-	233,704
Investment - Board Designated	2,500,000	2,500,000	-	2,500,000
Cash and Cash Equivalents	8,879,574	9,296,098	(416,524)	11,717,082
Net Patient Accounts Receivable				
Patient Accounts Receivable	10,439,128	8,754,752	1,684,375	8,116,920
Allowance for Uncollectibles	(5,108,248)	(4,735,425)	(372,822)	(4,580,214)
Net Patient Accounts Receivable	5,330,880	4,019,327	1,311,553	3,536,706
Other Assets				
Other Receivables	87,921	38,485	49,437	29,598
Inventory	630,111	499,745	130,365	346,070
Prepaid Expense	566,250	510,019	56,231	530,442
Property Tax Receivable	360,685	89,889	270,797	83,955
Other Assets	1,644,967	1,138,138	506,830	990,065
Total Current Assets	15,855,421	14,453,563	1,401,859	16,243,853
Net PP&E				
Land	461,528	461,527	-	461,527
Property and Equipment	23,514,522	23,504,796	9,726	23,375,034
Accumulated Depreciation	(17,864,528)	(17,339,942)	(524,586)	(15,682,145)
Construction In Progress	519,605	460,961	58,644	89,471
Net PP&E	6,631,127	7,087,342	(456,216)	8,243,887
Total Assets	22,486,548	21,540,905	945,643	24,487,740
Total Liabilities & Net Assets				
Total Liabilities				
Current Liabilities				
Accounts Payable	1,045,238	1,348,501	(303,263)	1,551,870
Accrued Payroll and Benefits	1,573,151	1,918,860	(345,709)	1,741,066
Line of Credit Payable	-	-	-	3,139,376
Interest and Other Payable	166,570	132,327	34,243	268,479
Estimated Third Party Payor Settlements	2,290,259	1,233,821	1,056,439	534,781
Current Portion of Long Term Debt	389,290	453,184	(63,895)	656,838
Current Liabilities	5,464,508	5,086,693	377,815	7,892,410
Total Long Term Debt, Net				
Long Term Debt	3,541,555	3,578,258	(36,704)	4,228,131
Total Long Term Debt, Net	3,541,555	3,578,258	(36,704)	4,228,131
Total Liabilities	9,006,063	8,664,951	341,111	12,120,541
Total Net Assets	13,480,485	12,875,954	604,532	12,367,199
Total Liabilities & Net Assets	22,486,548	21,540,905	945,643	24,487,740

Southern Coos Hospital & Health Center
Income Statement Trends

Prior Fiscal Year

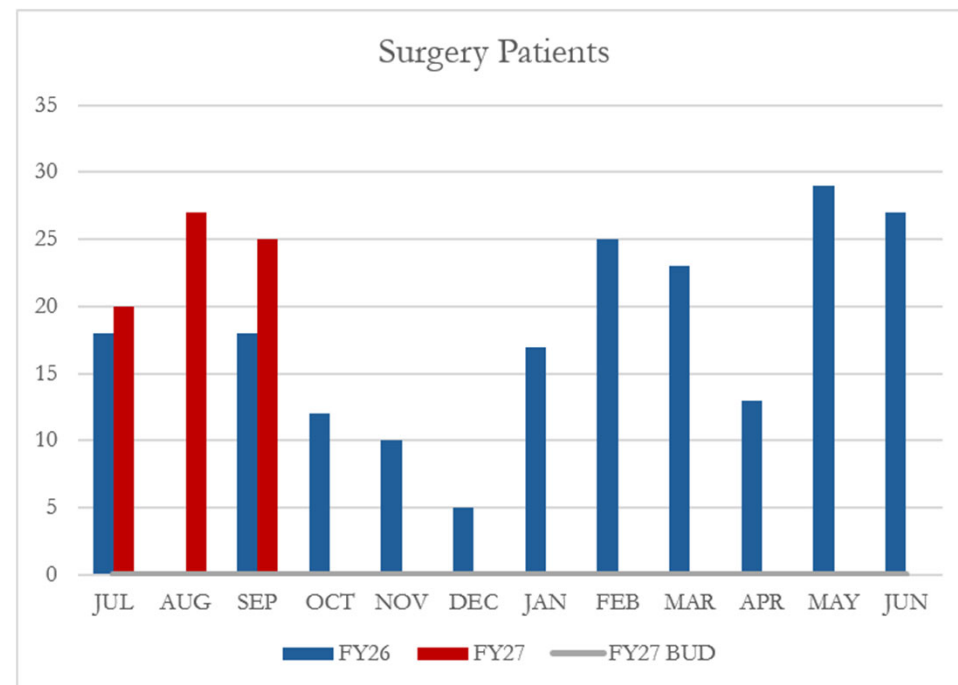
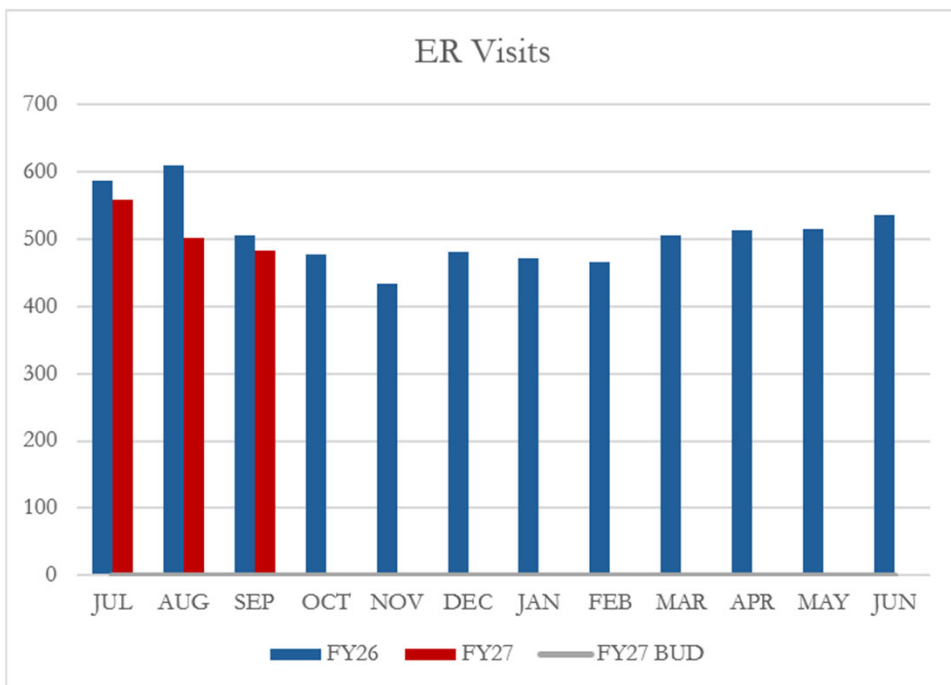
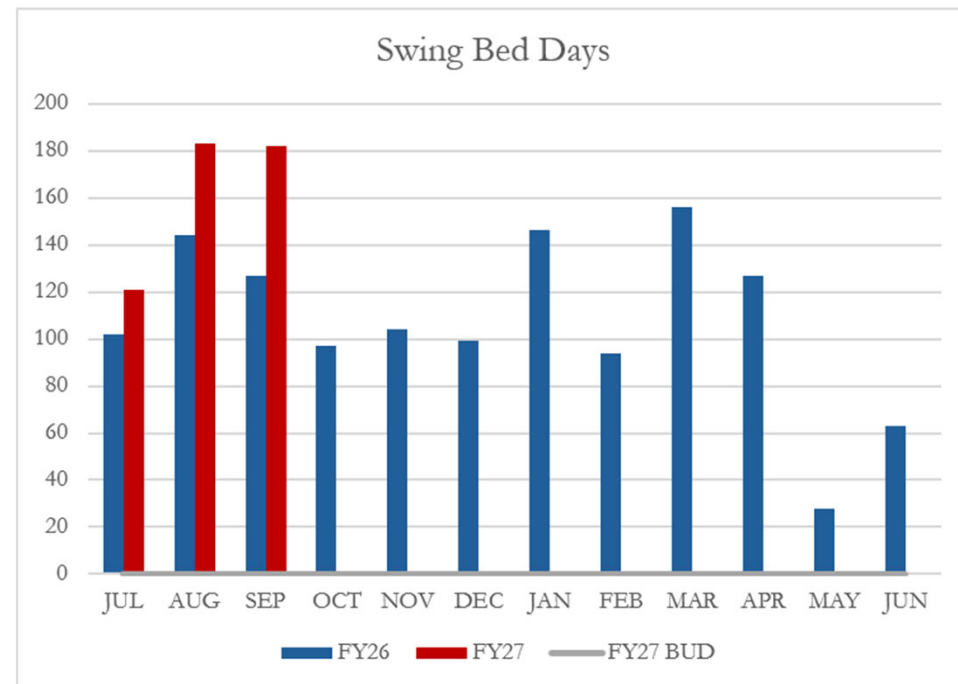
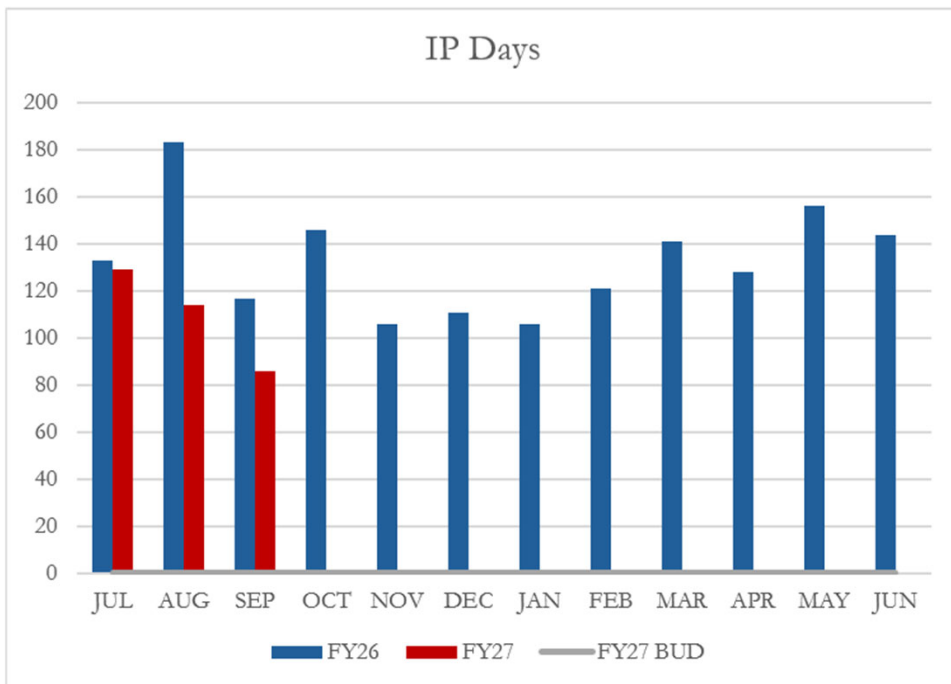
		3 Months	3 Months	3 Months	3 Months	3 Months	3 Months												
		FYTD25	FYTD26	Budget FYTD27	FYTD27	3 Month To 3 Month Compare	FYTD27 Average	Sep 2026	Aug 2026	Jul 2026	Jun 2026	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026	Dec 2025	Nov 2025	Oct 2025
1	Total Patient Revenue																		
2	Inpatient Revenue	1,991,550	2,995,533	2,978,141	2,404,837	-19.7%	801,612	633,638	829,018	942,181	1,001,042	1,128,655	970,873	1,061,136	936,964	850,911	782,878	802,131	867,194
3	Outpatient Revenue	10,033,859	12,048,093	12,974,977	13,572,574	12.7%	4,524,191	4,420,970	4,344,263	4,807,341	4,386,818	3,720,140	4,501,173	4,385,955	3,618,235	3,420,630	3,694,473	3,378,933	4,319,262
4	Swingbed Revenue	806,596	988,151	1,193,089	1,212,464	22.7%	404,155	492,058	434,495	285,911	152,188	91,465	303,323	433,047	231,923	394,130	263,804	276,817	252,197
5	Retail Pharmacy Revenue	-	1,046,418	1,869,214	2,815,449	169.1%	938,483	928,449	952,483	934,517	814,207	721,003	717,498	677,573	538,827	527,035	610,819	476,226	494,630
6	Total Patient Revenue	12,832,005	17,078,195	19,015,421	20,005,324	17.1%	6,668,441	6,475,115	6,560,259	6,969,950	6,354,255	5,661,263	6,492,867	6,557,711	5,325,949	5,192,706	5,351,974	4,934,107	5,933,283
7	Total Deductions	4,793,386	7,248,238	8,407,989	9,299,756	48.4%	3,099,919	2,696,645	3,052,457	3,550,654	2,430,650	2,505,757	2,956,996	3,079,036	2,012,021	2,056,926	2,005,495	1,873,105	2,487,643
8	Deductions/Patient Revenue	37.4%	42.4%	44.2%	46.5%	9.2%	46.5%	41.6%	46.5%	50.9%	38.3%	44.3%	45.5%	47.0%	37.8%	39.6%	37.5%	38.0%	41.9%
9	Net Patient Revenue	8,038,619	9,829,957	10,607,432	10,705,567	8.9%	3,568,522	3,778,469	3,507,802	3,419,296	3,923,605	3,155,506	3,535,871	3,478,675	3,313,928	3,135,780	3,346,479	3,061,002	3,445,640
10	Other Operating Revenue	19,789	18,142	130,103	271,526	1396.7%	90,509	87,968	96,605	86,953	376,659	23,523	239,972	18,215	17,197	87,771	2,191	78,607	116,767
11	Total Operating Revenue	8,058,408	9,848,099	10,737,535	10,977,093	11.5%	3,659,031	3,866,437	3,604,407	3,506,249	4,300,264	3,179,029	3,775,843	3,496,890	3,331,125	3,223,551	3,348,670	3,139,609	3,562,407
12	Total Operating Expenses																		
13	Total Labor Expenses																		
14	Salaries & Wages	4,060,815	4,738,563	5,155,019	4,981,262	5.1%	1,660,421	1,693,949	1,655,925	1,631,388	1,629,746	1,678,318	1,630,155	1,653,470	1,456,158	1,682,236	1,721,461	1,579,262	1,681,154
15	Contract Labor	1,400,028	1,610,401	1,548,737	1,352,146	-16.0%	450,715	423,782	447,813	480,551	540,808	540,963	437,512	439,739	520,505	528,579	619,974	511,039	513,474
16	Benefits	657,388	755,457	827,798	929,241	23.0%	309,747	361,036	345,862	222,343	384,784	372,807	348,976	352,468	338,082	219,731	279,776	292,866	300,310
17	Total Labor Expenses	6,118,231	7,104,421	7,531,554	7,262,650	2.2%	2,420,883	2,478,768	2,449,600	2,334,282	2,555,338	2,592,088	2,416,643	2,445,677	2,314,745	2,430,546	2,621,211	2,383,167	2,494,938
18	Total Labor/Net Revenue	76.1%	72.3%	71.0%	67.8%	-6.2%	67.8%	65.6%	69.8%	68.3%	65.1%	82.1%	68.3%	70.3%	69.8%	77.5%	78.3%	77.9%	72.4%
19	Purchased Services	906,848	673,725	657,619	610,766	-9.3%	203,589	234,545	193,347	182,874	303,592	280,859	365,995	252,886	206,177	189,751	122,829	211,000	217,928
20	Drugs & Pharmaceuticals	276,965	650,806	830,188	1,102,122	69.3%	367,374	356,828	385,867	359,427	395,325	229,279	344,014	284,762	265,181	248,918	321,958	240,301	253,227
21	Medical Supplies	315,649	293,848	317,403	368,174	25.3%	122,725	118,265	108,727	141,182	118,615	79,406	102,107	121,669	82,369	99,955	123,498	96,382	99,220
22	Other Supplies	70,068	117,027	140,238	64,545	-44.8%	21,515	27,237	(13,324)	50,632	93,075	23,585	57,353	41,024	55,032	62,876	34,837	44,338	49,997
23	Lease & Rental Expense	7,095	1,266	7,876	33,956	2582.2%	11,319	13,347	5,996	14,613	7,923	11,992	17,745	(2,728)	15,216	7,732	-	-	1,266
24	Repairs & Maintenance	67,482	60,511	65,456	45,719	-24.4%	15,240	15,048	15,221	15,450	19,804	13,602	9,979	13,761	18,221	15,601	18,126	14,541	48,332
25	Other Expenses	335,527	579,787	545,875	565,715	-2.4%	188,572	179,636	173,159	212,920	193,436	235,859	187,289	167,029	121,641	169,814	195,997	168,250	189,010
26	Utilities	75,836	92,842	91,190	90,497	-2.5%	30,166	29,204	30,123	31,170	31,185	29,207	28,888	32,645	24,188	32,932	29,122	31,945	19,761
27	Insurance	64,976	71,010	74,324	72,390	1.9%	24,130	24,130	24,130	24,130	(35,945)	24,130	30,130	24,210	24,210	24,211	23,629	23,629	23,814
28	Depreciation & Amortization	313,846	510,846	607,049	522,051	2.2%	174,017	174,940	172,320	174,791	167,384	174,574	170,981	181,542	217,404	179,651	225,510	179,511	186,412
29	Total Operating Expenses	8,552,524	10,156,090	10,868,773	10,738,585	5.7%	3,579,528	3,651,948	3,545,166	3,541,471	3,849,732	3,694,581	3,731,124	3,562,477	3,344,384	3,461,987	3,716,717	3,393,064	3,583,905
30	Op. Expenses/Op. Revenue	106.1%	103.1%	101.2%	97.8%	-5.3%	97.8%	94.5%	98.4%	101.0%	89.5%	116.2%	98.8%	101.9%	100.4%	107.4%	111.0%	108.1%	100.6%
31	Operating Income / (Loss)	(494,116)	(307,991)	(131,238)	238,508	-177.4%	79,503	214,489	59,241	(35,222)	450,532	(515,552)	44,719	(65,587)	(13,259)	(238,436)	(368,047)	(253,455)	(21,498)
32	Operating Income/Loss	-6.1%	-3.1%	-1.2%	2.2%	-160.2%	2.2%	5.5%	1.6%	-1.0%	10.5%	-16.2%	1.2%	-1.9%	-0.4%	-7.4%	-11.0%	-8.1%	-0.6%
33	Property Taxes	265,409	290,376	306,025	303,531	4.5%	101,177	101,177	101,177	101,177	105,920	101,177	101,177	101,177	101,177	101,177	101,177	101,177	114,333
34	Non-Operating Revenue	29,923	103,827	124,123	36,935	-64.4%	12,312	4,042	28,325	4,568	53,087	54,778	102,908	25,505	36,876	33,526	85,983	29,668	53,948
35	Interest Expense	(71,102)	(120,587)	(75,773)	(45,028)	-62.7%	(15,009)	(14,351)	(14,560)	(16,117)	(25,218)	(29,556)	(27,280)	(30,072)	(30,888)	(31,724)	(47,441)	(43,326)	(33,930)
36	Investment Income	178,596	112,328	73,737	70,583	-37.2%	23,528	23,621	23,896	23,066	37,327	22,617	46,958	21,565	18,480	52,664	24,716	24,826	58,581
37	Gain / Loss on Asset Disposal	-	(1,523)	(567)	-	-100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Net Non Operating Revenue	402,826	384,421	427,545	366,021	-4.7%	122,007	114,489	138,838	112,694	171,116	149,016	223,763	118,175	125,645	155,643	164,435	112,345	192,932
39	Change In Net Position	(91,290)	76,430	296,307	604,530	692.6%	201,510	328,979	198,079	77,472	621,648	(366,536)	268,482	52,588	112,386	(82,793)	(203,612)	(141,110)	171,434
40	Gross Margin	-1.1%	0.8%	2.8%	5.5%	1029.9%	5.5%	8.5%	5.5%	2.2%	14.5%	-11.5%	7.1%	1.5%	3.4%	-2.6%	-6.1%	-4.5%	4.8%

Southern Coos Hospital & Health Center
Statements of Revenues, Expenses, and Changes in Net Position
As of September 30, 2026

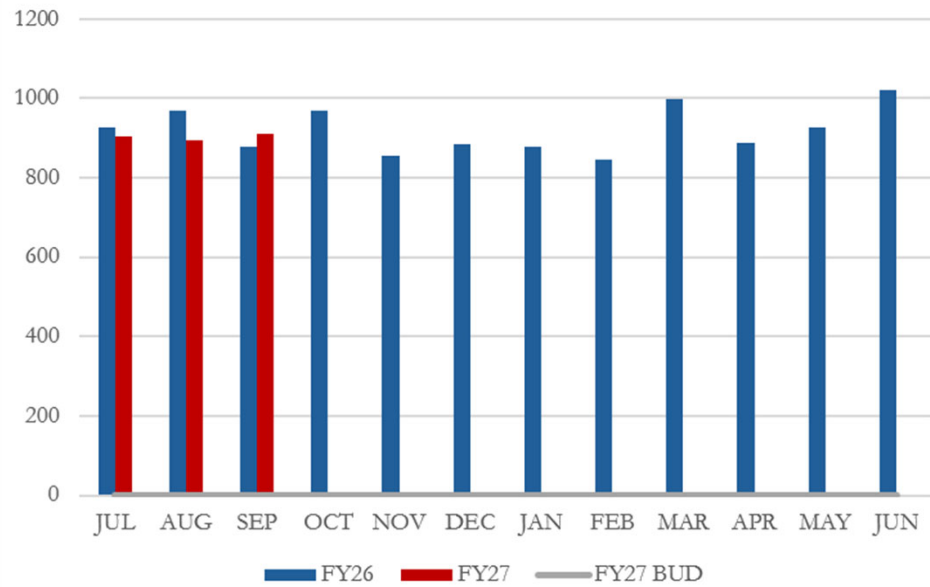
	Month Ending 09/30/2026				Month Ending 09/30/2025	Year To Date 09/30/2026				Prior Year To Date 09/30/2025
	Actual	Operating Budget	Actual minus budget	Budget variance	Actual	Actual	Operating Budget	Actual minus budget	Budget variance	Actual
Total Patient Revenue										
Inpatient Revenue	633,638	971,133	(337,495)	(34.8) %	809,703	2,404,837	2,978,140	(573,303)	(19.2) %	2,995,534
Outpatient Revenue	4,420,970	4,230,970	189,999	4.5 %	3,850,184	13,572,574	12,974,977	597,596	4.6 %	12,048,092
Swingbed Revenue	492,058	389,051	103,008	26.5 %	364,719	1,212,463	1,193,089	19,375	1.6 %	988,151
Retail Pharmacy Revenue	928,449	609,526	318,923	52.3 %	368,618	2,815,449	1,869,213	946,236	50.6 %	1,046,418
Total Patient Revenue	6,475,115	6,200,680	274,435	4.4 %	5,393,224	20,005,323	19,015,419	989,904	5.2 %	17,078,195
 Total Deductions	 2,696,645	 2,741,735	 (45,090)	 (1.6) %	 2,320,196	 9,299,756	 8,407,989	 891,768	 10.6 %	 7,248,238
Revenue Deductions %	41.6 %	44.2 %	(2.6) %	(5.9) %	43.0 %	46.5 %	44.2 %	2.3 %	5.2 %	42.4 %
Net Patient Revenue	3,778,469	3,458,945	319,525	9.2 %	3,073,027	10,705,567	10,607,430	98,136	0.9 %	9,829,957
Other Operating Revenue	87,968	42,425	45,543	107.3 %	5,878	271,527	130,103	141,423	108.7 %	18,142
 Total Operating Revenue	 3,866,437	 3,501,370	 365,068	 10.4 %	 3,078,905	 10,977,093	 10,737,534	 239,560	 2.2 %	 9,848,099
 Total Operating Expenses	 2,478,768	 2,455,942	 22,826	 0.9 %	 2,371,532	 7,262,649	 7,531,555	 (268,906)	 (3.6) %	 7,104,421
Total Labor Operating Expenses	2,478,768	2,455,942	22,826	0.9 %	2,371,532	7,262,649	7,531,555	(268,906)	(3.6) %	7,104,421
Total Other Operating Expenses	1,173,180	1,088,223	84,957	7.8 %	1,108,761	3,475,934	3,337,218	138,716	4.2 %	3,051,668
Total Operating Expenses	3,651,948	3,544,165	107,783	3.0 %	3,480,293	10,738,583	10,868,773	(130,190)	(1.2) %	10,156,089
 Operating Income / (Loss)	 214,489	 (42,796)	 257,285	 (601.2) %	 (401,387)	 238,510	 (131,240)	 369,750	 (281.7) %	 (307,991)
Net Non Operating Revenue	114,489	139,787	(25,297)	(18.1) %	120,657	366,022	428,679	(62,658)	(14.6) %	384,259
Change In Net Position	328,979	96,991	231,987	239.2 %	(280,731)	604,532	297,440	307,092	103.2 %	76,268

Southern Coos Hospital & Health Center
Statements of Revenues, Expenses & Changes in Net Position
As of September 30, 2026

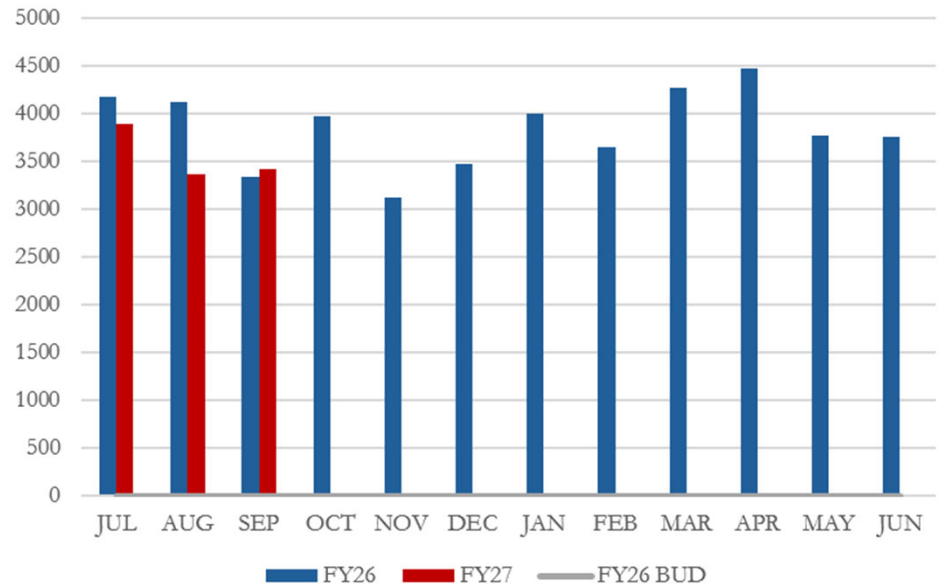
	Month Ending 09/30/2026				Month Ending 09/30/2025	Year To Date 09/30/2026				Prior Year To Date 09/30/2025
	Actual	Operating Budget	Actual minus budget	Budget variance	Actual	Actual	Operating Budget	Actual minus budget	Budget variance	Actual
Total Patient Revenue										
Inpatient Revenue	633,638	971,133	(337,495)	(34.8) %	809,703	2,404,837	2,978,140	(573,303)	(19.2) %	2,995,534
Outpatient Revenue	4,420,970	4,230,970	189,999	4.5 %	3,850,184	13,572,574	12,974,977	597,596	4.6 %	12,048,092
Swingbed Revenue	492,058	389,051	103,008	26.5 %	364,719	1,212,463	1,193,089	19,375	1.6 %	988,151
Retail Pharmacy Revenue	928,449	609,526	318,923	52.3 %	368,618	2,815,449	1,869,213	946,236	50.6 %	1,046,418
Total Patient Revenue	6,475,115	6,200,680	274,435	4.4 %	5,393,224	20,005,323	19,015,419	989,904	5.2 %	17,078,195
Total Deductions	2,696,645	2,741,735	(45,090)	(1.6) %	2,320,196	9,299,756	8,407,989	891,768	10.6 %	7,248,238
Net Patient Revenue	3,778,469	3,458,945	319,525	9.2 %	3,073,027	10,705,567	10,607,430	98,136	0.9 %	9,829,957
Other Operating Revenue										
3100 - OTHER OPERATING REVENUE	37,364	42,425	(5,061)	(11.9) %	5,878	111,633	130,103	(18,470)	(14.2) %	18,142
4206 - DRUGS - 340B SAVINGS	50,604	-	50,604	100.0 %	-	159,894	-	159,893	100.0 %	-
Other Operating Revenue	87,968	42,425	45,543	107.3 %	5,878	271,527	130,103	141,423	108.7 %	18,142
Total Operating Revenue	3,866,437	3,501,370	365,068	10.4 %	3,078,905	10,977,093	10,737,534	239,560	2.2 %	9,848,099
Total Operating Expenses										
Total Labor Expenses										
Salaries & Wages	1,693,949	1,680,985	12,965	0.8 %	1,587,425	4,981,263	5,155,019	(173,757)	(3.4) %	4,738,563
Contract Labor	423,782	505,023	(81,241)	(16.1) %	499,908	1,352,145	1,548,738	(196,592)	(12.7) %	1,610,401
Benefits	361,037	269,934	91,102	33.7 %	284,199	929,241	827,798	101,443	12.2 %	755,457
Total Labor Expenses	2,478,768	2,455,942	22,826	0.9 %	2,371,532	7,262,649	7,531,555	(268,906)	(3.6) %	7,104,421
Purchased Services	234,545	214,441	20,104	9.4 %	261,989	610,767	657,619	(46,853)	(7.1) %	673,725
Drugs & Pharmaceuticals	356,828	270,714	86,114	31.8 %	210,050	1,102,121	830,189	271,933	32.8 %	650,805
Medical Supplies	118,265	103,501	14,764	14.3 %	93,175	368,174	317,404	50,770	16.0 %	293,848
Other Supplies	27,237	45,730	(18,493)	(40.4) %	41,318	64,544	140,238	(75,693)	(54.0) %	117,028
Lease & Rental Expense	13,347	2,568	10,779	419.7 %	-	33,957	7,875	26,080	331.1 %	1,266
Repairs & Maintenance	15,048	21,344	(6,296)	(29.5) %	25,696	45,719	65,456	(19,736)	(30.1) %	60,511
Other Expenses	179,637	178,003	1,634	0.9 %	192,710	565,715	545,875	19,840	3.6 %	579,786
Utilities	29,203	29,735	(532)	(1.8) %	38,373	90,497	91,189	(692)	(0.8) %	92,843
Insurance	24,130	24,237	(107)	(0.4) %	23,628	72,389	74,324	(1,936)	(2.6) %	71,011
Depreciation & Amortization	174,940	197,950	(23,010)	(11.6) %	221,822	522,051	607,049	(84,997)	(14.0) %	510,845
Total Operating Expenses	3,651,948	3,544,165	107,783	3.0 %	3,480,293	10,738,583	10,868,773	(130,190)	(1.2) %	10,156,089
Operating Income / (Loss)	214,489	(42,796)	257,285	(601.2) %	(401,387)	238,510	(131,240)	369,750	(281.7) %	(307,991)
Net Non Operating Revenue										
Property Taxes	101,177	99,791	1,386	1.4 %	96,792	303,531	306,026	(2,495)	(0.8) %	290,375
Non-Operating Revenue	4,042	40,475	(36,433)	(90.0) %	35,000	36,935	124,123	(87,188)	(70.2) %	103,828
Interest Expense	(14,351)	(24,709)	10,358	(41.9) %	(36,569)	(45,029)	(75,774)	30,745	(40.6) %	(120,587)
Investment Income	23,621	24,045	(424)	(1.8) %	25,596	70,585	73,738	(3,153)	(4.3) %	112,328
Gain / Loss on Asset Disposal	-	185	(184)	(100.0) %	(162)	-	566	(567)	(100.0) %	(1,685)
Net Non Operating Revenue	114,489	139,787	(25,297)	(18.1) %	120,657	366,022	428,679	(62,658)	(14.6) %	384,259
Change In Net Position	328,979	96,991	231,987	239.2 %	(280,731)	604,532	297,440	307,092	103.2 %	76,268



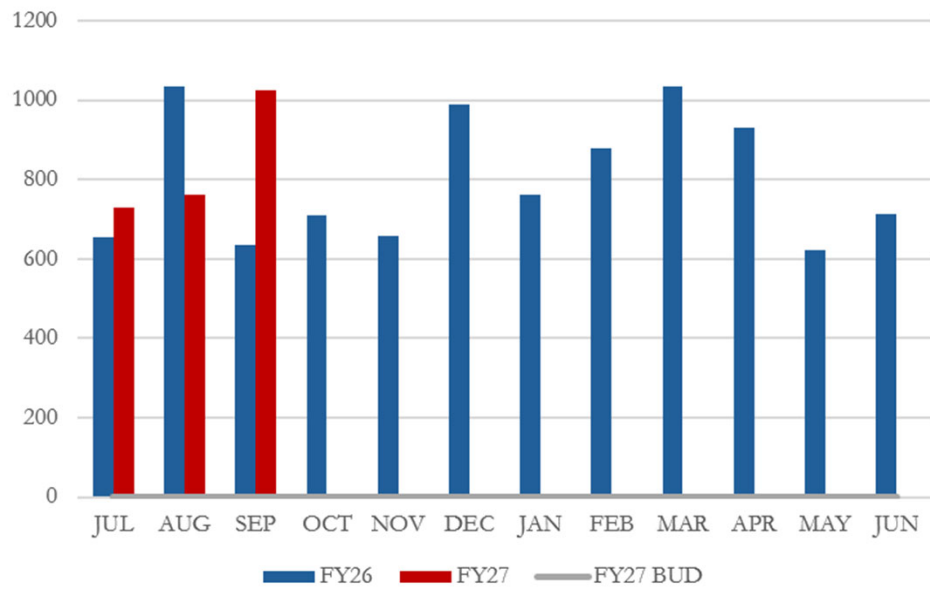
Imaging Visits



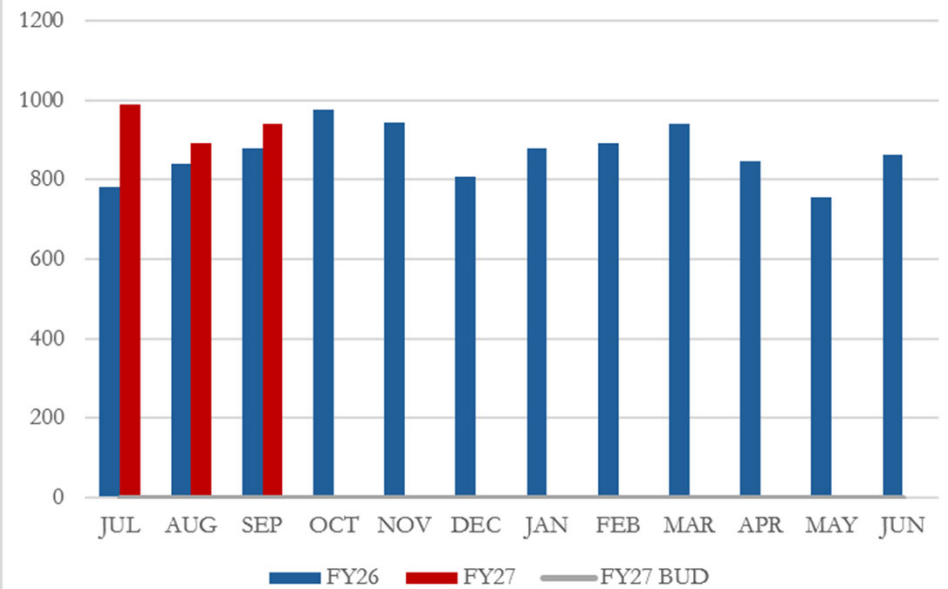
Lab Tests



RT Procedures



Clinic Visits



Southern Coos Hospital & Health Center

Volume and Key Performance Ratios
For The Period Ending September 2026

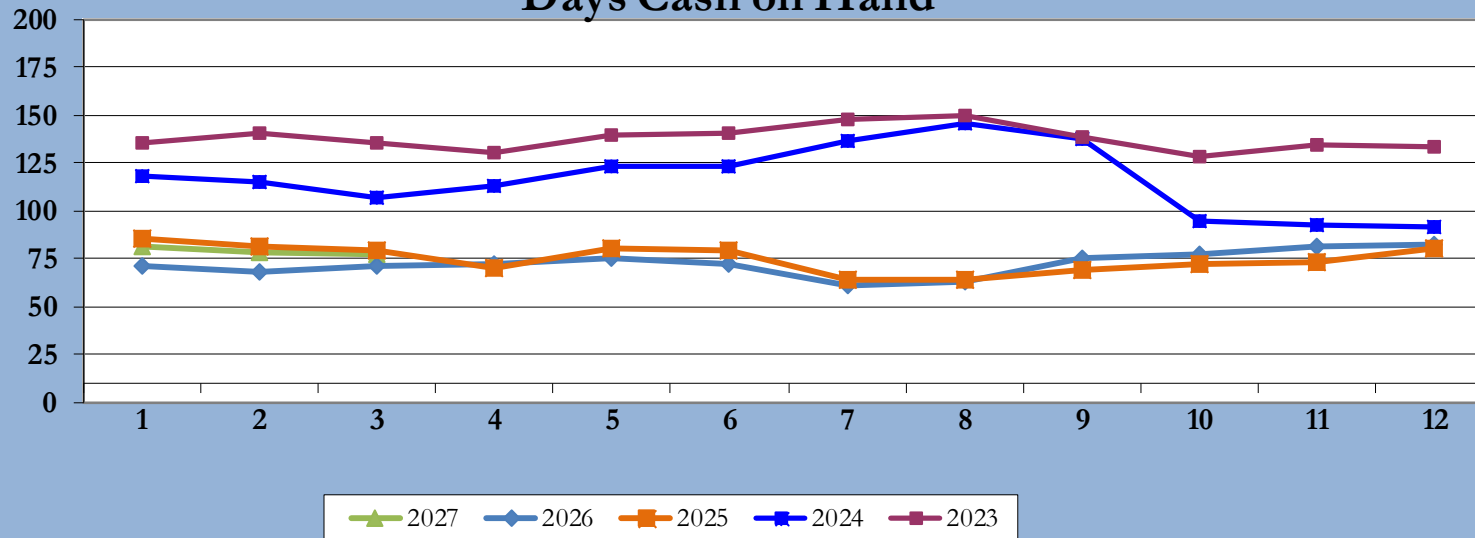
		Month					Year to Date				
		Actual	Budget	Prior Year	Variance to Bud	Variance to Prior Year	Actual	Budget	Prior YTD	Variance to Bud	Variance to Prior Year
Volume Summary	IP Days	86	-	117	0.0%	-26.5%	329	-	433	0.0%	-24.0%
	Swing Bed Days	182	-	127	0.0%	43.3%	486	-	373	0.0%	30.3%
	Total Inpatient Days	268	-	244	0.0%	9.8%	815	-	806	0.0%	1.1%
	Avg Daily Census	8.9	-	8.1	0.0%	9.8%	8.9	-	8.8	0.0%	1.1%
	Avg Length of Stay - IP	3.7	-	4.0	0.0%	-7.3%	3.5	-	3.5	0.0%	0.5%
	Avg Length of Stay - SWB	36.4	-	12.7	0.0%	186.6%	21.1	-	9.8	0.0%	115.3%
	ED Registrations	483	-	506	0.0%	-4.5%	1,542	-	1,703	0.0%	-9.5%
	Clinic Registrations	940	-	880	0.0%	6.8%	2,822	-	2,577	0.0%	9.5%
	Ancillary Registrations	1,623	-	1,521	0.0%	6.7%	4,883	-	4,837	0.0%	1.0%
	Total OP Registrations	3,046	-	2,907	0.0%	4.8%	9,247	-	9,117	0.0%	1.4%
										0.0%	
Key Income Statement Ratios	Gross IP Rev/IP Day	7,368	-	6,921	0.0%	6.5%	7,310	7,310	6,918	0.0%	5.7%
	Gross SWB Rev/SWB Day	2,704	-	2,872	0.0%	-5.9%	2,495	-	2,649	0.0%	-5.8%
	Gross OP Rev/Total OP Registrations	1,451	-	1,324	0.0%	9.6%	1,468	-	1,321	0.0%	11.1%
	Collection Rate	68.1%	0.0%	53.8%	0.0%	26.6%	62.3%	0.0%	54.8%	0.0%	13.7%
	Compensation Ratio	64.1%	0.0%	77.0%	0.0%	-16.8%	66.2%	0.0%	72.1%	0.0%	-8.3%
	OP EBIDA Margin \$	403,079	-	(179,566)	0.0%	-324.5%	774,211	-	202,854	0.0%	281.7%
	OP EBIDA Margin %	10.4%	0.0%	-5.8%	0.0%	-278.8%	7.1%	0.0%	2.1%	0.0%	242.4%
	Total Margin	8.5%	0.0%	-9.1%	0.0%	-193.3%	5.5%	0.0%	0.8%	0.0%	611.1%
Key Liquidity Ratios	Days Cash on Hand	77.5	80.0	70.7	-3.1%	9.6%					
	AR Days Outstanding	54.6	50.0	49.6	9.2%	10.1%					

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
Key Income Statement Ratios	Total OP Registrations	Total number of OP patient visits
	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

September 2026 Days Cash on Hand



Calculation:

Total Unrestricted Cash on Hand

Daily Operating Cash Needs

Definition:

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

Desired Position:

Upward trend, above the median

Benchmark

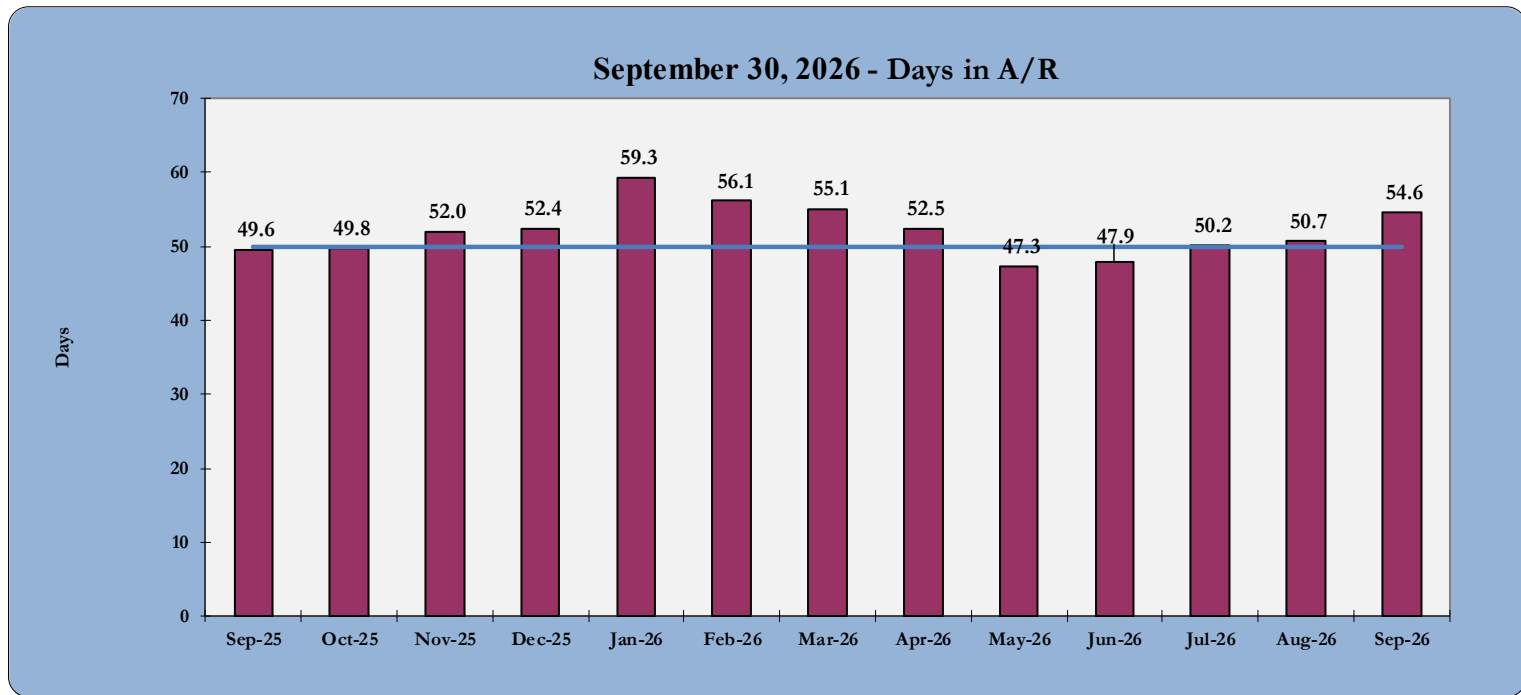
80 Days

How ratio is used:

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

Year	Average
2027	78.9
2026	72.5
2025	74.8
2024	116.3
2023	137.8

Fiscal	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
2027	81.1	78.2	77.5									
2026	71.6	67.6	70.7	72.5	75.1	72.4	60.4	63.2	74.9	77.1	81.7	82.7
2025	85.4	81.4	79.0	70.5	79.9	79.7	64.2	63.7	68.6	71.9	72.8	80.1
2024	117.7	114.5	106.8	113.1	123.1	123.3	136.1	145.3	137.0	94.5	92.8	91.4
2023	135.9	140.8	135.2	130.5	139.4	140.7	147.8	149.7	138.9	127.8	134.2	133.3



Calculation: $\frac{\text{Gross Accounts Receivable}}{\text{Average Daily Revenue}}$

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

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

Benchmark 50

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

	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
A/R (Gross)	8,636,661	8,656,663	8,532,097	8,333,957	8,934,107	8,853,251	9,390,115	9,690,344	8,527,555	8,561,401	9,005,783	9,471,824	10,204,266
Days in AR	49.6	49.8	52.0	52.4	59.3	56.1	55.1	52.5	47.3	47.9	50.2	50.7	54.6
	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
A/R (Gross)	8,636,661	8,656,663	8,532,097	8,333,957	8,934,107	8,853,251	9,390,115	9,690,344	8,527,555	8,561,401	9,005,783	9,471,824	10,204,266
Days in Month	30	31	30	31	31	28	31	30	31	30	31	31	30
Monthly Revenue	5,024,606	5,438,653	4,457,881	4,741,155	4,665,671	4,787,122	5,880,138	5,775,369	4,940,254	5,540,048	6,035,433	5,607,776	5,546,666
3 Mo Avg Daily Revenue	174,258	173,975	163,969	159,105	150,703	157,711	170,366	184,749	180,389	178,634	179,519	186,775	186,846
Days in AR	49.6	49.8	52.0	52.4	59.3	56.1	55.1	52.5	47.3	47.9	50.2	50.7	54.6

**SOUTHERN COOS HOSPITAL & HEALTH CENTER
CAPITAL PURCHASES SUMMARY FY2027**

FY27 Capital Budget - Projects under \$15,000

Total Budget	\$	40,919
Projects Completed / Capitalized	\$	22,696
Projects In Progress	\$	-
Remaining Budget	\$	18,223

FY27 Capital Budget - Projects over \$15,000

Total Budget	\$	1,955,162
Projects Completed / Capitalized	\$	-
Projects In Progress	\$	20,000
Remaining Budget	\$	1,935,162

FY27 Capital Budget - Grant Funded

Total Grant	\$	-
Projects Completed / Capitalized	\$	-
Projects In Progress	\$	-
Remaining Budget	\$	-



Revenue Cycle Report

To: Board of Directors and Southern Coos Management
From: Colene Hickman, Director Revenue Cycle
Re: Report for Board of Directors Meeting – October 22, 2026

Summary

Thank you to Harry Jasper for presenting this month's Revenue Cycle report on my behalf while I am on vacation.

September cash collections increased to \$3.30 million, while the overall denial rate remained stable at 13%. Pre-service collections were 5%, and DNFB remained unchanged at 14 days.

EPIC AR Days increased from 50.3 to 54 days, and insurance AR over 90 days increased from 20% to 21%. Contributing factors included slower coding turnaround over the past several months; however, the coding backlog was resolved by month-end.

AR was also affected by SLS claims, which must be billed in date order and require seven days between the remittance date and submission of the next claim. We continue to optimize this process by moving toward a monthly billing cadence rather than daily submission, which should improve claim throughput. We expect to see the results of these changes in October and November.

Key Takeaways

- Cash collections increased to \$3.30 million in September.
- AR Days increased to 54, driven in part by slower coding turnaround and the required billing sequence for SLS claims.
- The coding backlog was resolved by the end of September.
- We continue to optimize SLS billing by moving toward a monthly cadence, with improved claim throughput expected in October and November.
- The denial rate remained stable at 13%, while DNFB held at 14 days.

Metric	Goal	Top 25%	Feb	Mar	Apr	May	June	July	August	September	Change
EPIC AR Days	50	49.3	54.1	53.3	52.2	47.3	48.2	49.5	50.3	54	↑
Aged Ins AR over 90 Days by Percentage	12%	14%	16%	15%	16%	21%	20%	19%	20%	21%	↑
Cash Collections	-	-	3,220,626	2,984,391	3,285,873	3,941,514	3,207,760	3,272,285	3,074,968	3,304,444	↑
DNFB (Discharge not Final Billed) Days	10	10	10	9	14	13	8	13	14	14	—
Pre-Service Collection %	9%	9%	5%	3%	4%	1%	7%	3%	6%	5%	↑
Overall Denial Rate %	10%	12%	13%	13%	12%	12%	12%	13%	13%	13%	—

Adjustment Activity

Net adjustment activity decreased from \$2.11 million in August to \$1.65 million in September, primarily due to lower contractual adjustments. Contractual denial write-offs also decreased from approximately \$50,000 to \$38,600, while charity adjustments increased to approximately \$70,600.

Adjustment Category	July	August	September
Administrative	(\$25,752.00)	(\$30,263.56)	(\$7,623.08)
Charity	(\$174,436.00)	(\$47,892.21)	(\$70,620.41)
Contractual	(\$2,469,376.00)	(\$1,973,009.38)	(\$1,529,022.25)
Denials - Contractual Write-Off	(\$49,574.00)	(\$50,155.73)	(\$38,565.46)
Denials - Non Contractual Write-Off	(\$3,906.00)	(\$1,970.04)	(\$1,628.95)
Late Charges	(\$2,393.00)	(\$1,821.75)	(\$1,893.77)
No Pay Cash	(\$3,964.00)	(\$1,809.40)	(\$676.21)
Other Operating Revenue	\$11.00	\$1.54	\$0.00
Refund			\$678.01
Net Adjustment Activity	(\$2,729,390.00)	(\$2,106,920.53)	(\$1,649,352.12)

Preventable Denial Activity

Preventable denial adjustments decreased from \$50,156 in August to \$38,565 in September. Medical necessity remained the largest category at approximately \$26,000 and included a mix of laboratory, pain management, radiology, and Emergency Department services. The \$11,739 authorization adjustment was related to one inpatient claim that was appealed and ultimately upheld by the payer. Waiver/ABN and payer charge-audit adjustments showed significant improvement, with minimal or no activity in September.

Adjustment Reason	July	August	September
Customer Satisfaction W/O	\$0.00	(\$934.93)	\$0.00
Denial Adj	(\$19,132.00)	(\$267.96)	(\$41.75)
Disallowed Charges/Payer Charge Audits	(\$375.00)	(\$7,005.60)	\$0.00
Invalid Waiver/ABN	(\$814.00)	(\$2,321.07)	(\$233.75)
Medical Necessity	(\$19,132.00)	(\$25,933.04)	(\$25,986.30)
No Authorization	(\$7,612.00)	(\$5,483.62)	(\$11,738.76)
No Waiver/ABN Obtained	\$0.00	(\$6,296.85)	\$0.00
Provider Out of Network	\$0.00	(\$1,291.00)	\$0.00
Timely Filing Technology Adj	\$0.00	(\$181.33)	\$0.00
Timely Filing	(\$1,773.00)	(\$440.33)	(\$564.90)
Net Adjustment Activity	(\$48,838.00)	(\$50,155.73)	(\$38,565.46)

Revenue Cycle Department Updates

- The Referrals and Authorizations team continues to standardize workflows and clarify responsibilities with the clinic while managing approximately 1,500 referrals each week.
- HIM is working to standardize document-management workflows, including point-of-care scanning, OnBase processing, indexing, and correction of misfiled documents.
- Our two financial counselors are preparing for Medicare Open Enrollment. We are also in discussions with OHP to become a community partner, which would allow us to assist patients and community members with Medicaid applications. With upcoming changes related to HR 1, this would be a valuable resource for our community.



Mitigation Dashboard Report

DATE: September 22, 2026
TO: SCHD Board of Directors
FROM: Scott McEachern, CHCIO
SUBJECT: FY26 Initiatives Mitigation Report – October, 22, 2026

Q1 FY27

	FY27			
Operating Gain/Loss by Dept	July	August	September	3mo Average
SLS	\$ 270,350	\$ 96,710	\$ 253,071	\$ 206,710
Surgery	\$ (51,628)	\$ (50,675)	\$ (60,854)	\$ (54,386)
Retail Pharm	\$ 2,967	\$ (7,769)	\$ (5,047)	\$ (3,283)
Total	\$ 221,689	\$ 38,266	\$ 187,171	\$ 149,042
Overall Operating Gain/(Loss)	\$ (35,223)	\$ 59,244	\$ 328,979	\$ 117,667
Gain (Loss) Excluding Initiatives	\$ (256,912)	\$ 20,978	\$ 141,808	\$ (31,375)
Retail Pharm 340B Savings	\$ (19,950)	\$ 21,343	\$ 25,448	\$ 8,947
Revised Retail Pharm Gain/Loss without 340B Savings	\$ (16,983)	\$ 13,574	\$ 20,401	\$ 5,664
Revised Operating Gain/Loss Excluding Initiatives without 340B Savings	\$ (273,895)	\$ 34,552	\$ 162,210	\$ (25,711)

Notes:

- SLS: revenue for SLS is up to \$253K reflecting more effective charge capture practices. Revenue Cycle and SLS staff meet weekly to review charges; the Revenue Cycle Director also reviews at the end of every month.
- Surgery continues to see a loss consistent with past three months. We expect this to increase going forward with the onboarding of Drs. Hiesterman and Stewart.
- The retail pharmacy maintains its position, hovering just under break-even.
- The impact of the 340b program continues to add value to the retail pharmacy's bottom line. We are hovering at just about \$20-25K of savings per month.



Reference Data for FY26 (Sorry so small)

Operating Gain/Loss by Dept	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Q1 2026 Average	Q2 2026 Average	Q3 2026 Average	Q4 2026 Average	Rolling 3 month Ave
SLS	\$ -	\$ (9,500)	\$ (9,500)	\$ (9,500)	\$ (8,235)	\$ (30,916)	\$ (37,419)	\$ (47,030)	\$ (63,684)	\$ 239,122	\$ (22,215)	\$ (39,963)	\$ (6,333)	\$ (16,217)	\$ (49,378)	\$ 58,981	\$ 42,803
Surgery	\$ (76,237)	\$ (70,922)	\$ (77,832)	\$ (114,173)	\$ (95,487)	\$ (176,669)	\$ (72,273)	\$ (37,995)	\$ (30,465)	\$ (78,689)	\$ (122,915)	\$ (63,204)	\$ (74,997)	\$ (128,776)	\$ (46,911)	\$ (88,269)	\$ (49,050)
Retail Pharm	\$ (29,619)	\$ (17,896)	\$ (23,617)	\$ (50,246)	\$ (36,142)	\$ (41,442)	\$ 31,876	\$ (24,375)	\$ (31,700)	\$ (26,897)	\$ (32,237)	\$ 50,623	\$ (23,711)	\$ (42,610)	\$ (8,066)	\$ (2,837)	\$ (27,657)
Total	\$ (105,856)	\$ (98,318)	\$ (110,949)	\$ (173,919)	\$ (139,864)	\$ (249,027)	\$ (77,816)	\$ (109,400)	\$ (125,849)	\$ 133,536	\$ (177,367)	\$ (52,544)	\$ (105,041)	\$ (187,603)	\$ (104,355)	\$ (32,125)	\$ (33,904)
Overall Operating Gain/(Loss)	\$ 8,495	\$ 84,901	\$ (401,387)	\$ (21,499)	\$ (253,455)	\$ (368,047)	\$ (238,435)	\$ (13,259)	\$ (65,587)	\$ 44,719	\$ (515,558)	\$ 623,156	\$ (102,664)	\$ (214,334)	\$ (105,760)	\$ 50,772	\$ (11,376)
Gain (Loss) Excluding Initiatives	\$ 114,351	\$ 183,219	\$ (290,438)	\$ 152,419	\$ (113,591)	\$ (119,020)	\$ (160,619)	\$ 96,141	\$ 60,262	\$ (88,817)	\$ (338,191)	\$ 675,700	\$ 2,377	\$ (26,731)	\$ (1,405)	\$ 82,897	\$ 22,529