

# Kaweah Delta Health Care District Board of Directors Meeting

*Health is our Passion. Excellence is our Focus. Compassion is our Promise.*



**DATE POSTED:** April 17, 2026

## NOTICE

**Date:** Wednesday, April 22, 2026

**Location:** City of Visalia – City Council Chambers

**Address:** 707 W. Acequia Avenue, Visalia, California

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/KelsieD/kaweahdeltahealthcaredistrictboardofdirectorsmeet>

**You can also dial in using your phone.**

Access Code: 460-561-181

United States: [+1 \(646\) 749-3122](tel:+16467493122)

### SCHEDULE:

- **4:00 PM** – Open Session (to approve the Closed Session agenda)
- **4:01 PM** – Closed Session  
Pursuant to:
  - Government Code §54956.9(d)(1) (Existing Litigation)
  - Government Code §54956.9(d)(2) (Anticipated Litigation – Significant Exposure)
  - Health & Safety Code §§1461 and 32155 (Confidential Quality Assurance/Medical Staff Matters)
- **4:30 PM** – Open Session

### AMERICANS WITH DISABILITIES ACT (ADA) NOTICE:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Clerk at (559) 624-2330. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the meeting.

### POSTING NOTICE:

All Kaweah Delta Health Care District regular Board and committee meeting notices and agendas are posted at least **72 hours** prior to the meeting (and **24 hours** prior to special meetings) in the Kaweah Health Medical Center, Mineral King Wing, near the Mineral King entrance, in accordance with Government Code §54954.2(a)(1).

**Mike Olmos • Zone 1**  
Board Member

**Jonna Schengel • Zone 2**  
Board Member

**Dean Levitan, MD • Zone 3**  
Secretary/Treasurer

**David Francis • Zone 4**  
President

**Armando Murrieta • Zone 5**  
Vice President

# Kaweah Delta Health Care District

## Board of Directors Meeting

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### **PUBLIC RECORDS:**

Disclosable public records related to this agenda are available for public inspection at:

**Kaweah Health Medical Center – Acequia Wing, Executive Offices (1st Floor)**

400 West Mineral King Avenue, Visalia, CA 93291

You may also request records by contacting the Board Clerk at (559) 624-2330 or

**kedavis@kaweahhealth.org**, or by visiting the District’s website at [www.kaweahhealth.org](http://www.kaweahhealth.org).

### **KAWEAH DELTA HEALTH CARE DISTRICT**

Dean Levitan, M.D., Secretary/Treasurer

### **Prepared by:**

A handwritten signature in blue ink, appearing to read "Kelsie K. Davis".

Kelsie K. Davis

Board Clerk / Executive Assistant to the CEO

### **DISTRIBUTION:**

Governing Board, Legal Counsel, Executive Team, Chief of Staff, [www.kaweahhealth.org](http://www.kaweahhealth.org)

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This agenda is posted in compliance with the Ralph M. Brown Act, including amendments enacted under Senate Bill 707.

## **KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS MEETING**

City of Visalia – City Council Chambers  
707 W. Acequia, Visalia, CA

**Wednesday April 22, 2026 {Regular Meeting}**

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/KelsieD/kaweahdeltahealthcaredistrictboardofdirectorsmeet>

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Access Code: 460-561-181

United States: [+1 \(646\) 749-3122](tel:+16467493122)

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### **OPEN SESSION (LIMITED PURPOSE – CONVENING ONLY) – 4:00 PM**

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- 1. CALL TO ORDER**
- 2. PUBLIC COMMENT ON CLOSED SESSION ITEMS ONLY** – Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdiction of the Board are requested to identify themselves at this time.
- 3. ADJOURN TO CLOSED SESSION**

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### **CLOSED SESSION – 4:01 PM**

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- 1. CALL TO ORDER**
- 2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION AND RISK MANAGEMENT** – Discussion with legal counsel regarding ongoing litigation matters involving risk

Wednesday April 22, 2026

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# Kaweah Delta Health Care District

## Board of Directors Meeting

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management, patient safety, or related claims. (Pursuant to Government Code 54956.9(d)(1))

A. BURNS-NUNEZ V KDHC	I. GOODES V. KDHC
B. M. VASQUEZ V. KDHC	J. MARTINEZ-LUNA V. KDHC
C. RHODES V. KDHC	K. ALVARADO V KDHC
D. LARUMBLE-TORRES V KDHC	L. MORENO V KDHC
E. SMITHSON V KDHC	M. RICHARDSON V KDHC
F. VELASEQUEZ V KDHC	N. TINOCO V KDHC
G. MEDINA V KDHC	O. MACKEY V KDHC
H. JOHNSON V KDHC	P. ISQUIERDO V KDHC

- 4. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION / QUALITY OF CARE RISK EXPOSURE** – Conference with legal counsel regarding potential exposure to litigation involving adverse patient outcomes, risk management review, and related quality assurance matters. Pursuant to Government Code 54956.9(d)(2); (2 cases.)

*Possible reportable action*

- 5. **EXPOSURE TO LITIGATION AND QUALITY ASSURANCE REVIEW** – Quarterly Conference with legal counsel and risk management regarding a specific adverse event with potential legal exposure, including internal quality review and risk mitigation steps. (Government code 54956.9(d)(2) and Evid. Code 1157.)
- 6. **MEDICAL STAFF CREDENTIALING AND PRIVILEGING** - Medical Executive Committee (MEC) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the MEC be reviewed for approval pursuant to Government Code 54957.

*Possible reportable action*

- 7. **MEDICAL STAFF QUALITY ASSURANCE/PEER REVIEW** discussion and evaluation of medical staff quality assurance matters, including peer review findings, performance assessments, and related compliance activities. This session is closed pursuant to Government Code 54957 & Evid. Code 1157.

Wednesday April 22, 2026

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### 8. APPROVAL OF THE CLOSED MEETING [MINUTES](#) – [March](#) 2026.

*Possible reportable action*

### 9. ADJOURN CLOSED SESSION

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## OPEN SESSION – 4:30 PM (OR IMMEDIATELY FOLLOWING CLOSED SESSION)

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#### 1. CALL TO ORDER

#### 2. ROLL CALL

#### 3. FLAG SALUTE

#### 4. PUBLIC PARTICIPATION

Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five (5) minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdiction of the Board are requested to identify themselves at this time.

#### 5. CLOSED SESSION ACTION TAKEN

Report on action(s) taken in closed session.

#### 6. RECOGNITIONS

6.1. Presentation of [Resolution 2284](#) to Levi Vieira in recognition as the Kaweah Health World Class Employee of the month – April 2026.

6.2. Presentation of [Resolution 2285](#) to Doug Leeper in recognition of his years of service at Kaweah Health.

#### 7. INTRODUCTIONS

7.1. Maribel Aguilar, Director of Physical Environment

7.2. Randy Marquez, Director of Construction Services

7.3. Max Heckhausen, Vice President Strategy

7.4. Luke Schneider, Vice President Information System Services

#### 8. CHIEF OF STAFF REPORT

Report relating to current Medical Staff events and issues.

Wednesday April 22, 2026

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## Board of Directors Meeting



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### 9. CONSENT CALENDAR

All items listed under the Consent Calendar are considered routine and non-controversial by District staff and will be approved by one motion, unless a Board member, staff, or member of the public requests that an items be removed for separate discussion and action.

#### **Public Participation**

Members of the public may comment on agenda item before action is taken and after the item has been discussed by the Board.

*Action Requested – Approval of all items on the April 22, 2026, Consent Calendar.*

[Consent Calendar Items 9.1 – 9.5 as presented]

Section	Item	Description	Type
9.1. REPORTS	A	<a href="#">Physician Recruitment</a>	Receive and File
	B	<a href="#">Overall Strategic Plan</a>	Receive and File
	C	<a href="#">Orthopedic Services</a>	Receive and File
	D	<a href="#">Maternal Child Health</a>	Receive and File
	E	<a href="#">Patient Throughput</a>	Receive and File
9.2. MINUTES	A	Finance Property Services Acquisition Committee- <a href="#">March 18, 2026</a>	Approve Minutes
	B	Quality Council Committee – <a href="#">March 19, 2026</a>	Approve Minutes
	C	Regular Open Board Meeting – <a href="#">March 25, 2026</a>	Approve Minutes
	D	Special Board Meeting – <a href="#">March 12, 2026</a>	Approve Minutes
9.3. POLICIES		<b>Administrative Policies</b>	
	A	AP 185 <a href="#">Responsible Use of Artificial Intelligence (AI)</a>	New Policy
9.4. MEC	A	<a href="#">MS 55 Peer Review Information Sharing Guidelines</a>	Approve Revisions
	B	<a href="#">MS 8710 Peer Review Process</a>	Approve Revisions
	C	<a href="#">Medical Staff Bylaws</a>	Approve Revisions
9.5. DISTRICT	A	<a href="#">Resolution 2286</a> Appointment to SIH Board	Approve and File
	B	<a href="#">Resolution 2287</a> Signatory Change Child Adolescent Addition to Mental Health Hospital	Approve and File

### 10. [QUALITY STROKE REPORT](#)

Overview of initiatives, outcomes, and emerging priorities related to the Stroke program.

### 11. [PATIENT EXPERIENCE AND SATISFACTION UPDATE](#)

Wednesday April 22, 2026

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Board Member

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Staff presentation and discussion regarding aggregated and de-identified patient experience data, including trends, themes, and opportunities for improvement. No individual patient information will be disclosed.

### 12. FINANCIALS

Presentation and discussion of current financial statements, budget performance, revenue, and expense trends, and year-to-date comparisons for the District.

### 13. **REPORTS**

**13.1. Chief Executive Officer Report** - Report on current events and issues.

**13.2. Board President** - Report on current events and issues.

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## CLOSED SESSION – IMMEDIATELY FOLLOWING OPEN SESSION

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### 1. **CALL TO ORDER**

**2. CEO EVALUATION** – Discussion with the Board and the Chief Executive Officer relative to the evaluation of the Chief Executive Officer pursuant to Government Code 54957(b)(1).

### 3. **ADJOURN**

#### ADA Notice

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#### Agenda Posting and Public Records

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Wednesday April 22, 2026

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# **Agenda item intentionally omitted**

# Resolution 2284



## RESOLUTION 2284

### **Board Resolution Honoring Levi Vieira as World Class Employee of the Month of April**

**WHEREAS**, Kaweah Health recognizes outstanding performance, dedication, and excellence among its staff through the Employee of the Month program;

**WHEREAS**, Levi Vieira, of the Imaging Department, has consistently demonstrated exceptional commitment to their responsibilities, a strong work ethic, and a positive attitude that uplifts their team;

**WHEREAS**, He has made significant contributions during the month of April 2026, including but not limited to providing seamless support and maintaining unshakable professionalism while juggling the chaos that only an exemplary employee can make;

**WHEREAS**, Levi's professionalism, integrity, and enthusiasm embody the core values of Kaweah Health, setting a high standard for colleagues and exemplifying what it means to go above and beyond in the workplace;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors formally recognizes and congratulates Levi as **World Class Employee of the Month** for April 2026, and expresses its sincere appreciation for her outstanding contributions;

**BE IT FURTHER RESOLVED**, that this resolution be entered into the official records of Kaweah Health and that a copy be presented to Levi Vieira as a token of recognition and gratitude.

**PASSED AND ADOPTED** this 22<sup>nd</sup> of April 2026, by the Board of Directors of Kaweah Health.

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**David Francis**  
President  
Kaweah Health Board of Directors

**Dean Levitan, MD**  
Secretary/Treasurer  
Kaweah Health Board of Directors

# Resolution 2285



## **RESOLUTION 2285**

### **RESOLUTION HONORING DOUG LEEPER ON THE OCCASION OF THEIR YEARS OF SERVICE**

**WHEREAS**, Doug has faithfully and diligently served Kaweah Health for 10 years; and

**WHEREAS**, throughout their tenure, Doug has demonstrated exceptional dedication, professionalism, and leadership in his role as Chief Information and Cybersecurity Officer; and

**WHEREAS**, he has made significant contributions to Kaweah Health; and

**WHEREAS**, Doug has earned the respect, admiration, and gratitude of colleagues, staff, and the community through his commitment to excellence and his positive influence on workplace culture; and

**WHEREAS**, the Kaweah Health Board of Directors recognizes the lasting legacy and enduring impact Doug leaves behind;

**NOW, THEREFORE, BE IT RESOLVED**, that the Kaweah Health Board of Directors formally commends and thanks Doug for his outstanding service, and extends sincere best wishes for a fulfilling, healthy, and well-deserved move to Loma Linda.

**PASSED AND ADOPTED** this 22nd of April 2026, by the Board of Directors of Kaweah Health.

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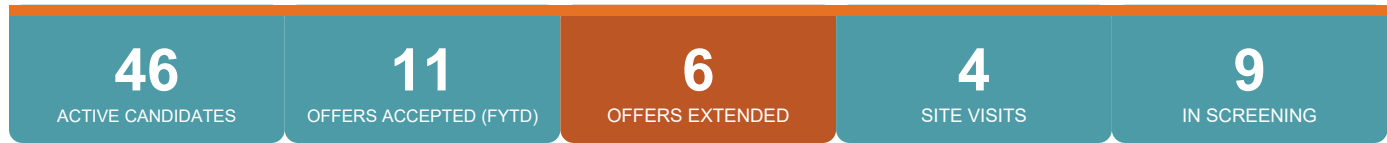
**David Francis**  
President  
Kaweah Health Board of Directors

**Dean Levitan**  
Secretary/Treasurer  
Kaweah Health Board of Directors

# Physician Recruitment

# Physician Recruitment Board Report

April 2026



## PHYSICIAN GROUP TARGETS

### Key Medical Associates

- Pediatrics x1
- Pulmonology x1
- Rheumatology x1

### Orthopaedics Associates

- Orthopedic Surgery (General) x1

### Oak Creek Anesthesia

- Anesthesia – Cardiac x1
- Anesthesia – General x1
- Anesthesia – Regional x1
- Anesthesia – GME Program Dir

### Valley Children's

- Maternal Fetal Medicine x2
- Neonatology x1
- Pediatric Cardiology x1
- Pediatric Hospitalist x1

### Other Recruitment / Group TBD

- CT Surgery x1
- Family Medicine x5
- Gastroenterology x2
- General Cardiology x1
- Neurology IP/OP x1
- OB/GYN x4
- Pediatrics x1
- Adult Psychiatry x1
- Pulmonology OP x1
- Urology x2

## BOARD NARRATIVE — APRIL 2026

During the month of April, the Physician Recruitment Team continued to make progress across several priority specialties, with multiple candidates advancing through the recruitment and contracting process.

Signed letters of intent have been received from an Electrophysiology Cardiologist and a Neurologist, both of whom plan to join Kaweah Health Clinics, as well as a Urologist who intends to establish an independent practice in Visalia. These additions will support increased access across key specialty service lines and further strengthen the local physician network.

Offers have also recently been extended to candidates in OB/GYN (2), Family Medicine, and General Surgery, with discussions ongoing as we continue to address identified community needs.

The recruitment of additional OB/GYN, Family Medicine, Urology, and Gastroenterology physicians remains a top priority for the Kaweah Health Physician Recruitment team.

# Active Physician Pipeline

April 2026



Phase Key:	Site Visit	Screening	Offer Extended	Offer Accepted	Leadership Call	Applied
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#	Specialty	Group	Phase	Start Date
1	Cardiology (EP)	TBD	Site Visit	
2	EP Cardiology	TBD	Site Visit	
3	Interventional Radiology	Mineral King Radiology	Site Visit	
4	Ped Hospitalist	Valley Children's	Site Visit	
5	Hand Surgeon	Orthopedic Assoc	Screening	
6	Cardiology (EP)	TBD	Screening	
7	Pulmonology	TBD	Screening	
8	Rheumatology	TBD	Screening	
9	OB/GYN	TBD	Screening	
10	Family Medicine	TBD	Screening	
11	Family Medicine	TBD	Screening	
12	Orth Surgeon (Hand)	Orthopedic Assoc	Screening	
13	Cardiac Anesthesia	Oak Creek	Screening	
14	OB/GYN	TBD	Offer Extended	
15	General Surgery	TBD	Offer Extended	
16	Family Medicine	TBD	Offer Extended	
17	PM&R;	TBD	Offer Extended	
18	Urology	1099 – KH Direct	Offer Extended	
19	OB/GYN	1099 – KH Direct	Offer Extended	TBD
20	EP Cardiology	TBD	Offer Accepted	
21	Urology	1099 – KH Direct	Offer Accepted	
22	Neurology	Venice Hills Medical Assoc.	Offer Accepted	
23	Internal Medicine	TBD	Offer Accepted	
24	Family Medicine	TBD	Offer Accepted	
25	Family Medicine	TBD	Offer Accepted	
26	Endocrinology	1099 – KH Direct	Offer Accepted	TBD
27	Neurology	1099 – KH Direct	Offer Accepted	TBD
28	Ortho – Spine	1099 – KH Direct	Offer Accepted	
29	ENT	Valley ENT	Offer Accepted	
30	General Surgery	SAMGI	Offer Accepted	02/27/26
31	Orth Surgeon (Hand)	Orthopedic Assoc	Leadership Call	
32	Urology	TBD	Leadership Call	
33	Family Medicine	TBD	Leadership Call	
34	Neurology	TBD	Leadership Call	
35	General Surgery	TBD	Leadership Call	
36	Pulmonology	1099 – KH Direct	Leadership Call	
37	Orth Surgeon (Hand)	Orthopedic Assoc	Applied	

#	Specialty	Group	Phase	Start Date
38	Orth Surgeon (Hand)	Orthopedic Assoc	Applied	
39	Neurology	TBD	Applied	
40	Pediatrician	TBD	Applied	
41	Gastroenterology	TBD	Applied	
42	Neurology	TBD	Applied	
43	Family Medicine	TBD	Applied	
44	Hospitalist	TBD	Applied	
45	Uro/Gyn	TBD	Applied	
46	Gastroenterology	TBD	Applied	

## Overall Strategic Plan



# FY 2026 Strategic Plan

## Monthly Performance Report

April 22, 2026



[kaweahhealth.org](http://kaweahhealth.org)

### Kaweah Health Strategic Plan: Fiscal Year 2026

**Our Mission**

Health is our passion.  
 Excellence is our focus.  
 Compassion is our promise.

**Our Vision**

To be your world-class healthcare choice, for life.

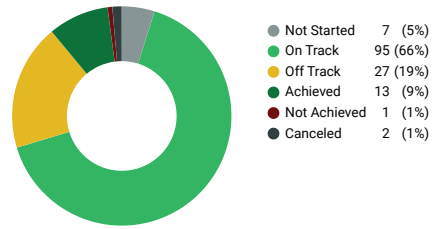
**Our Pillars**

Achieve outstanding community health.  
 Deliver excellent service.  
 Provide an ideal work environment.  
 Empower through education.  
 Maintain financial strength.

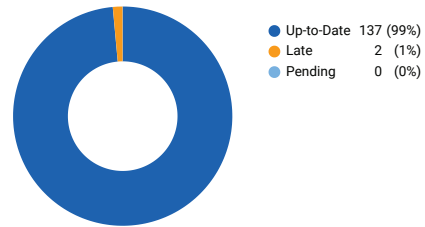
**Our Five Strategic Plan Initiatives**

Ideal Environment  
 Strategic Growth and Innovation  
 Outstanding Health Outcomes  
 Patient Experience and Community Engagement  
 Physician Alignment

**Kaweah Health Strategic Plan FY2026 Overview: Status**



**Kaweah Health Strategic Plan FY2026 Overview: Updates**



### Ideal Environment

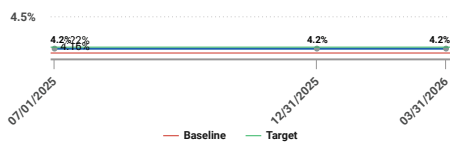
**Champions: Dianne Cox and Hannah Mitchell**

**Objective:** Foster and support *healthy and desirable working environments* for our Kaweah Health Teams

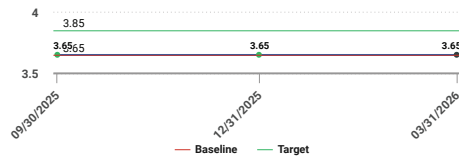
#### FY2026 Strategic Plan - Ideal Environment Strategies

#	Name	Description	Status	Assigned To	Last Comment
1.1	Integrate Kaweah Care Culture	Integrate Kaweah Care culture into the various aspects of the organization.	On Track	Hannah Mitchell	The Executive Team and Directors of Organizational Development, Patient and Community Experience, Marketing, Medical Staff and GME meet on a monthly basis to further projects and initiatives surrounding the culture. Details are presented at the Board sub-committees for Patient Experience and Human Resources. The outcome will be measured by the performance of our employee engagement survey in June 2026 and the physician portion of the safety survey in spring 2027.
1.2	Ideal Practice Environment	Ensure a practice environment that is friendly and engaging for providers, free of practice barriers.	On Track	Teresa Boyce	Further information will be provided in the next update, as there has been a transition in Medical Staff Office Leadership. However, it appears that work efforts continue and KPIs have been approved.
1.3	Growth in Nursing School Partnerships	Increase the pool of local RN candidates with the local schools to increase RN cohort seats and increase growth and development opportunities for Kaweah Health Employees	On Track	Kelly Pierce	Working with COS on expanding the Apprenticeship Model with potential guaranteed seats for staff.

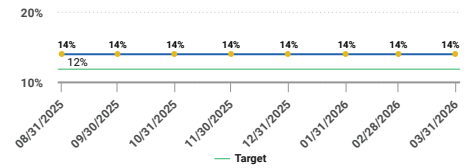
Employee Engagement Survey Score Greater Than 4.22%



Physician and APP Engagement Survey Score Greater Than 3.85%



Decrease Overall Turnover Rate



### Strategic Growth and Innovation

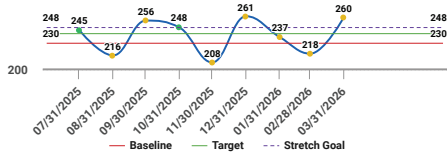
#### Champions: Max Heckhausen and Kevin Bartel

**Objective:** *Grow intelligently* by expanding existing services, adding new services, and serving new communities. Find new ways to do things to **improve efficiency and effectiveness**.

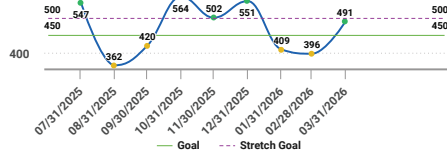
#### FY2026 Strategic Plan - Strategic Growth and Innovation Strategies

#	Name	Description	Status	Assigned To	Last Comment
2.1	Grow Targeted Service Line Volumes	Grow volumes in key service lines, including Orthopedics, Endoscopy, Urology and Cardio Thoracic services.	On Track	Kevin Bartel	Target goals met in March for orthopedic and endoscopy volumes. Volume for CTS Impella procedures has exceeded FY26 target goal.
2.2	Enhance Medical Center Capacity and Efficiency	Enhance existing spaces to grow capacity for additional and expanded services and focus on operational efficiency within the surgery areas.	On Track	Kevin Morrison	Still progressing toward adding additional outpatient procedure spaces.
2.3	Expand access for patients through Clinic Network Development	Strategically expand and enhance the existing ambulatory network to increase access at convenient locations for the community.	On Track	Ivan Jara	Outpatient clinic access continues to grow through the development of new locations, new specialties, and the expansion of current services. Current efforts include physician recruitment (Primary and Specialty Care), advanced practice provider recruitment, new clinic locations (Specialty, Rural, and Commercial), and federal/state programs and grants.
2.4	Innovation	Implement and optimize new tools and applications to improve the patient experience, communication, and outcomes.	On Track	Kevin Bartel	Ambulatory rollout of Oracle's clinical AI application is now successfully supporting 30 providers, with consideration now being assessed for this tool to support in the ED as well. Full utilization of call center platform is in place to support a broader scope of service lines/departments. WellApp (platform supporting enhancement for patient scheduling, registration and billing) is fully implemented throughout the clinics, with additional AI scheduling platforms being explored to improve the overall patient experience.
2.5	Enhance Health Plan Programs	Improve relationships with health plans and community partners and participate in local/state/federal programs and funding opportunities to improve overall outcomes for the community.	On Track	Sonia Duran-Aguilar	No changes to status or work. Monthly meetings take place with Medi-Cal Managed Care Health Plans (Anthem BC and HealthNet) to foster strong working relationships that result in revenue generating programs and grant funding. Collaboration with these plans span across several projects to include CalAIM Enhanced Care Management (ECM), CalAIM Community Supports (CS), Equity Practice Transformation (EPT) and MOVES grant (funded by Centene Foundation). Currently updating contracts for CalAIM to add Population of Focus for Children and Youth ages 18-22. Currently working on Community Health Worker (CHW) benefit and reimbursement analysis for providing services with both Anthem BC and HealthNet.

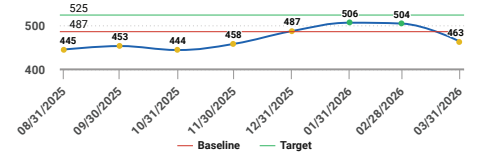
Perform 241 Orthopedic Surgery Cases Per Month



Perform 450 Endoscopy Cases Per Month



Increase Enrollment to 640 Lives in Enhanced Care Management



### Outstanding Health Outcomes

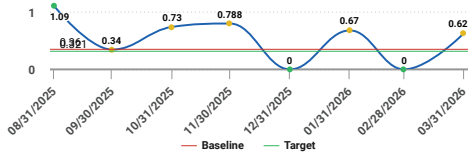
Champions: Dr. Paul Stefanacci

**Objective:** To consistently deliver high quality care across the health care continuum.

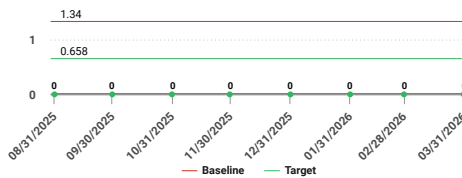
#### FY2026 Strategic Plan - Outstanding Health Outcomes Strategies

#	Name	Description	Status	Assigned To	Last Comment
3.1	Safety Program Enhancement	Improve the Patient Safety Program through enhanced proactive evidence based strategies.	On Track	Cindy Vander Schuur	Data currently calculated and reported monthly. Monthly Serious Safety Event Rate (SSER) data will need to be collected for 9-12 months in order to establish a reliable and accurate baseline calculation to support the Patient Safety Program. No barriers.
3.2	Reduce Hospital Acquired Infections (HAI)	Reduce the Hospital Acquired Infections (HAIs) to the selected national percentile in FY26 as reported by the Centers for Medicare and Medicaid Services.	Off Track	Shawn Elkin	<p>Unfortunately, we are currently exceeding our CLABSI target by 107% and our CAUTI target by 28%. We are meeting our goal for central venous catheter utilization, maintaining a 9% margin below the threshold. However, indwelling urinary catheter utilization remains 17% above goal.</p> <p>One notable and consistent success is our performance with MRSA bloodstream infections, with zero cases reported so far this fiscal year.</p> <p>The CAUTI/CLABSI Committee is actively working to implement interventions aimed at reducing unnecessary blood cultures through diagnostic stewardship. The committee has also reviewed the increased use of femoral central venous catheters during February and March and is collaborating with providers to develop strategies to significantly reduce their use.</p> <p>The rise in indwelling urinary catheter utilization is largely attributed to hesitancy in applying the nurse-driven protocol, due to concerns about potential negative responses from physicians, despite prior Medical Staff approval. Additionally, the current protocol includes extensive exclusion criteria, making catheter removal more difficult. Revisions to the protocol are underway, including integration with related policies such as bladder management to create a more streamlined, unified process. An algorithm is also being developed to visually guide clinical decision-making for indwelling urinary catheter use and bladder management.</p>
3.3	Reduce Surgical Complications	Reduce the Patient Safety Indicator (PSI) 90 composite rate to the selected national percentile in FY26 as reported by the Centers for Medicare and Medicaid Services.	Off Track	Chris Patty	Date range represented December 1, 2025 - February 28, 2026; score is 0.979. Goal is Midas national 50th percentile of 1.33; lower scores are better.

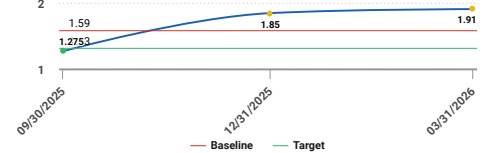
Decrease Standardized Infection Ratio (SIR) CAUTI to less than or equal to .321



SIR MRSA FYTD <= .0658



Decrease the CMS composite score consisting of 9 weighted individual PSIs defined by CMS to 1.33



## Patient Experience and Community Engagement

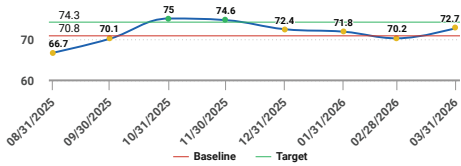
Champions: Max Heckhausen and Deborah Volosin

**Objective: Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.**

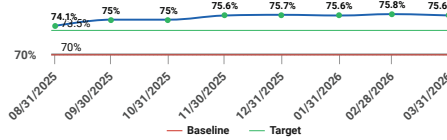
### FY2026 Strategic Plan - Patient Experience and Community Engagement Strategies

#	Name	Description	Status	Assigned To	Last Comment
4.1	Empowering Leaders to Enhance Patient Experience	To improve patient experience, it is essential to cultivate a leadership culture that prioritizes patient-centered care. This strategy focuses on equipping leaders at all levels with the necessary skills, tools, and authority to drive meaningful improvements in patient interactions, service delivery, and overall satisfaction.	On Track	Deborah Volosin	BOD, ET, and Leadership review monthly dashboards. Managers receive dashboards, along with priorities, on their units monthly.
4.2	Fostering a Culture of Empathy and Human Understanding	Creating a culture of empathy and human-centered care is essential for enhancing patient experience and community trust.	On Track	Deborah Volosin	Empathy and Human Understanding are topics that PX tries to keep top of conversation in every meeting.
4.3	Transforming the Patient Environment for a Better Experience	A well-designed and patient-friendly physical environment plays a critical role in patient experience and overall well-being. This strategy focuses on improving the hospital's physical spaces to promote comfort, accessibility, and a sense of healing	On Track	Deborah Volosin	Marketing designed new murals for the hospital halls. Compassion is Spoken Here (English/Spanish) murals have started being installed.
4.4	Strengthening Community Engagement	Building strong relationships with the community is essential for fostering trust, improving health outcomes, and increasing access to care. This strategy focuses on actively engaging with community members through outreach programs, partnerships, and educational initiatives.	On Track	Deborah Volosin	In the months of January, February, March - there were XX community touchpoints. These include VEDC, Industrial Roundtable, CAC meetings, Exeter Lab Ribbon Cutting, sponsored community events, speakers bureau, ambassador meetings, and service club memberships.
4.5	Adopting a Patient-Centered Approach to the Entire Healthcare Experience		On Track	Deborah Volosin	Director of PCX reports out at monthly Leadership meetings on PX scores and priorities. She also shares patient stories and invites patients/families to come and share their stories during the meetings.

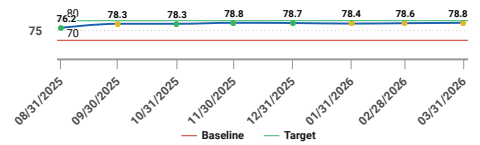
Achieve a score of 74.3 in HCAHPS Overall Rating



Achieve an Organizational-wide score of 73.5 in Human Understanding



Achieve a score of 80 in "Cleanliness of Clinic"



### Physician Alignment

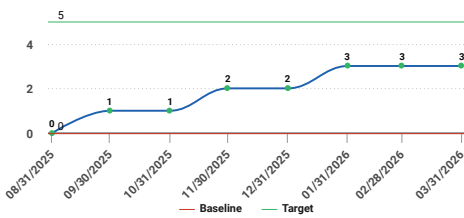
Champions: Tom Boggs and JC Palermo

Objective: Develop services and opportunities that improve alignment with and support for contracted and affiliated physician practices.

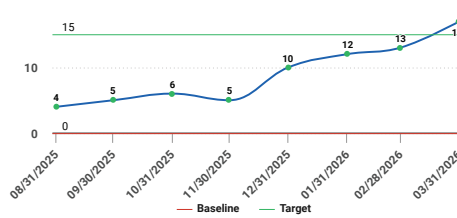
#### FY2026 Strategic Plan -Physician Alignment - Strategies

#	Name	Description	Status	Assigned To	Last Comment
5.1	Recruit Physicians and Advanced Practice Providers	Refine and execute recruitment strategy and employment options for physicians and advanced practice providers that will assist with recruitment of providers to support community needs and Kaweah Health's growth.	On Track	JC Palermo	The Recruitment Policy has been revised, and new recruitment guardrails have been put in place. These changes will provide more flexibility in offer creativity when drafting offers for physician candidates.
5.2	Develop and Provide Practice Support for Physicians	Continue to develop services and opportunities that improve alignment with and support for contracted and affiliated physician practices.	On Track	Jag Batth	We continue to see increasing volumes of EBUS and ION cases with our pulmonologists. We're in the process of designing new space in the old OB suites on the 2nd floor to help accommodate this growth. The MitraClip program is tentatively targeted to launch in the April/May timeframe. We're also continuing to evaluate utilization of robotic surgery cases. Our new cardiothoracic surgeon will be using the robot downstairs, and we'll assess the potential need for a second robot over the next year or so. In addition, we're closely reviewing block utilization and overall OR efficiency. We've launched a new monthly meeting with providers and the Surgery Director to strengthen alignment around incentives and improve overall OR practices.
5.3	Physician Alignment through Integrated Delivery Network (i.e. Sequoia Integrated Health)	With our physician community partners, continue to develop and strengthen relationships with health plans through Sequoia Integrated Health.	On Track	Marc Mertz	Kaweah is working closely with SHP leaders on strategies to improve risk coding and stars scores for the Kaweah clinics.

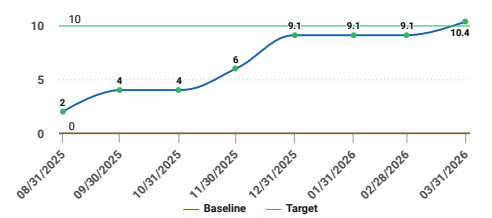
Recruit 5 Primary Care Physicians



Recruit 15 Specialty Providers



Recruit 10 Advanced Practice Providers



# Orthopedic

# REPORT TO THE BOARD OF DIRECTORS

## Orthopedic Service Line

Kevin Bartel, DPT, Director of Surgical Service Lines  
Contact Number: 559-624-3441

Jeffery Cater, Director of Surgical Services

April 22, 2026

## Summary Issue/Service Considered

1. Providing exceptional, comprehensive orthopedic patient care through quality outcomes, operational efficiency, and cost effective care.
2. Ensuring that the Orthopedic Service continues to provide a full continuum of services to the Kaweah medical center & community, including continued efforts to recruit and onboard orthopedic specialties that will serve to keep care local.
3. Ensuring Kaweah is compliant with CMS reporting requirements of patient outcomes, and positioned optimally with health plan requirements (i.e. Blue Distinction certification) to participate fully in the surgical treatment of their members at our facility.
4. Supported by the presence of a full time orthopedic traumatologist, provide thorough orthopedic surgical care for complex trauma patients in order to keep patients local for care.
5. Optimizing operating room efficiency through scheduling considerations, workflow efficiencies and surgeon block utilization to support orthopedic surgeons in growing surgery volumes.
6. Pursuing reduction in direct costs through effective and successful negotiation of contracts with our implant vendors and consistent implant cost review with the orthopedic surgeons, which includes implementation and oversight of an updated Physician Owned Distributorship (POD) policy.
7. Targeted approach to orthopedic provider and service marketing opportunities based on market share analyses, service awards and recognitions, and new developments in service line treatment opportunities.
8. Develop strategies and action plans to reduce the gap between our existing Length of Stay (LOS) and the Geometric Mean Length of Stay (GMLOS) for orthopedic patients.

**Analysis of financial/statistical data (with focus on current FY2026 data through 8 months, annualized out for the year):**

- Overall, orthopedic case volumes in FY2026 were up 4% prior year (including both surgery and non-surgical patient care). The Orthopedic Service Line is anticipating to achieve a FY2026 contribution margin (CM) of \$13 million, consistent with what was achieved in FY2025.
  - Volume and contribution margin breakdown:
    - Inpatient orthopedic surgery: 31% of cases, 72% of total CM
    - Inpatient orthopedic medical: 9% of cases, 8% of total CM
    - Outpatient orthopedic surgery: 60% of cases, 20% of total CM
  - \*\*Trend year over year shows that outpatient surgery volume and percentage of CM continues to grow
- FY2026 inpatient orthopedic surgical case volume increased by 3% from the prior year. The direct cost per case was \$24,406 (a 3% decrease), while net revenue per case dropped to \$33,159 (a 3% decrease), resulting in a contribution margin per case of \$8,753—a 4% decrease from the previous year.
  - Decrease in net revenue (compared with prior year) due to some payer mix changes and variability of patient complexity (case mix index) which drives revenue per case.
  - Total hip and knee surgeries, which in FY2019 accounted for 40% of inpatient orthopedic cases and 40% of the contribution margin, have steadily declined. In FY2026, they now represent only 2% of inpatient orthopedic cases and 0% of the inpatient contribution margin.
  - Orthopedic inpatient spine procedures generated a \$4.4 million contribution margin (similar to prior year), accounting for 24% of total orthopedic cases and 48% of the contribution margin.
  - Hip and femur procedures produced a \$1 million contribution margin, making up 26% of inpatient orthopedic cases and 11% of the total orthopedic contribution margin.
- Inpatient medical orthopedic volume declined by 1% compared to the prior year. Contribution margin per case was \$3,395 (a 10% increase from FY2025), while direct cost per case decreased to \$9,990 (a 2% decrease from prior year). The total contribution margin for inpatient medical orthopedic was \$998,000—an 8% increase due to improved CM per case.
  - Contributing factors include a lower average length of stay (ALOS) at 4.81 days (a 6% reduction from FY2025), leading to reduced direct costs related to the hospital stay.
  - Additionally, a favorable shift in payer mix contributed to improved margins, with all payer types in FY2026—except for cash pay—generating positive contribution margins.
- Outpatient orthopedic surgery volume increased by 6% compared to the prior year. Net revenue per case declined by 2% from prior year, and direct cost per case decreased by 1%, resulting in a contribution margin per case of \$1,296.
  - Key drivers of this positive margin include continued migration of total hip and knee replacement volume to the outpatient setting, where they yield a CM of \$3,131 per case. While total hip and knee surgery volume at Kaweah increased

- in FY2026 compared with prior year, overall volume at Kaweah has declined due to more of these cases being shifted to the ASC setting.
- Payer mix changes also played a role, with higher volumes of surgical cases from Medicare (CM per case of \$3,165) and reduced volumes from Medi-Cal Managed Care (which yields a significant loss per case of -\$7,860).

## Quality/Performance Improvement Data

### **Surgical Site infections and Complications**

Orthopedic Surgical Quality Improvement continues to be tracked internally, and reviewed quarterly to identify trends that can be addressed. For inpatient and observation surgical cases performed in FY2025, orthopedic hip and knee total joint replacement surgeries resulted in zero (0) reported incidence of surgical site infections. For FY2025 spinal fusion cases, surgical site infections had an SIR of 0.51, meaning we experienced 51% of the anticipated infections based on the number of cases performed. For FY2025 hip fracture surgeries, surgical site infections had an SIR of 0.96, meaning we experienced 96% of the anticipated infections based on the number of cases performed. The FY2025 complication rate for orthopedic hip & knee total joint replacement surgery for qualified inpatient stays was at 1.23% for all cases, exceeding the benchmark goal of 1.27%.

### **Orthopedic trauma and transfer cases**

The orthopedic service continues to work closely with the trauma department to meet the needs of our community by performing trauma cases that come in through the Emergency Department, and tracking the volume and reasons why any orthopedic trauma cases are transferred to outside facilities. In calendar year 2025, our orthopedic service performed 538 trauma-related surgeries (increased from 456 in CY2024).

Regarding transfers, of the 128 total orthopedic outbound transfers in CY2025, 105 of these were conditions of the upper extremity and hand (for which we currently don't have trauma coverage capabilities). All transfer cases are tracked and reviewed on a quarterly basis to evaluate for appropriateness. The presence of a dedicated orthopedic traumatologist, who started at Kaweah in September 2024, has benefited the service by improving our ability to keep trauma and surgery volume at Kaweah.

### **Average Length of Stay**

The FY2025 average length of stay (ALOS) for orthopedic inpatient surgical cases overall is 4.94 days, compared with the geometric mean length of stay of 3.88 days. This difference of 1.05 days, termed "opportunity days", has decreased slightly from prior year FY2024 when the opportunity days was 1.11 days, which ultimately indicates we are trending towards improved efficiency with discharging these patients timely year over year.

### **Orthopedic Market Share**

FY2025 orthopedic market share for patients who live in our primary service area – which includes upper and lower extremity, spine, foot/ankle and hand surgical cases – was 38.7%, decreased from FY2024 market share of 42% (market share data is delayed approximately 9 months). Decreases in market share in FY2025 were seen in lower extremity and spine surgeries. Actively working with our Market Share analysis vendor (Clarify Health) to identify and target areas of marketing and outreach opportunities to enhance our orthopedic service line visibility and market share while engaging with community referring providers. We are working directly with orthopedic surgeons to align on the vision for service line growth, which includes

improving the ability for patients to access their providers more timely, as well as identifying opportunities to recruit additional specialties (i.e. spine and total joint surgeons) to the area.

### **Patient Satisfaction**

Kaweah Health partners with NRC for all surveys and reporting of patient experience and satisfaction with care provided at Kaweah medical center. For hospital patients who were provided and replied to the survey prompt “I was treated with courtesy and respect by my Doctor”, orthopedic surgeons had a positive score of 94% in calendar year 2025.

### **Implant Cost / Rosa Robot**

Performance and trends of our orthopedic surgeons are carefully monitored for implant cost per case, as this collaborative review helps to control the direct costs for Kaweah. This initiative is focused on specific orthopedic procedures that include hip fractures and total joint replacements. Overall in CY2025, the orthopedic service line realized reduced cost per case in elective total hip replacements and hip fractures that resulted in a hemi or total hip arthroplasty. Use of the Rosa Robot for total joint replacement has increased significantly in FY2025, with 97 cases having been completed, compared with 77 total cases having been completed in all of FY2024.

### **Health Plan Service Distinction**

Orthopedics continues to be designated as a Blue Distinction Center for the spine surgery and total joint replacement. To earn this distinction, the orthopedic service line must demonstrate high quality cost-effective care supported by a full range of patient support services with multidisciplinary teams to coordinate and streamline care, including shared decision-making and preoperative patient education.

## **Policy, Strategic or Tactical Issues**

1. The orthopedic co-management agreement continues to function to promote reduced supply and surgical implant costs per case through incentivized compensation, improved quality and safety in direct patient care and patient outcomes, as well as overall growth and efficiency of the service line. Collaboration between Orthopedic surgeons and Kaweah leaders of various department is prioritized in order to efficiently address any workflow or clinical issues being experienced.
2. Orthopedic demands continue to grow in the region, as evidenced by long wait times locally for initial orthopedic visits and increased market leakage outside of our area. Improving this access to care for our community continues to be evaluated, and improvement has been made by local orthopedic practices with recent hiring of APPs to support a more streamlined patient care model that helps to improve this access. Working closely with our physician recruiting team to identify how to address specialty orthopedic surgeons and orthopedic trauma needs. Current surgeon specialties being recruited are for spine, upper extremity/hands and general orthopedic (i.e. total joints).
3. A Kaweah-managed orthopedic clinic began accepting referrals and providing patient care in 2024, supported by Dr. Jun Kim. This partnership has allowed for more aligned practice workflows and efficiencies as we work towards delivering quality patient care for our community. This model will continue to be an option for any orthopedic specialty being recruited to the area that prefers to align with the hospital versus joining a private practice.

4. Current orthopedic call coverage at the medical center has been supported by the addition of an orthopedic traumatologist in September 2024, allowing Kaweah to keep more trauma cases local. The majority of current orthopedic transfers leaving Kaweah are upper extremity and hand trauma patients, which would be addressed largely by recruiting a dedicated upper extremity/hand surgeon to the area.
5. The ability to promote throughput of orthopedic patients into our post-acute settings has continued to be a priority. Daily efforts include team length of stay rounds which include nursing leadership and the orthopedic Nurse Practitioner on-site in order to prioritize orthopedic patient discharge planning and throughput. Communication is made daily between medical center and post-acute settings to promote appropriate review for transfer out of the hospital as appropriate.
6. Orthopedic Nurse Practitioner support continues to focus efforts to enhance the recovery and throughput of our orthopedic patients through our health system. Our orthopedic Nurse Practitioners identify complex cases and/or length of stay cases to review monthly with the orthopedic surgeons to facilitate discussion and promote improved practice patterns.

## Recommendations/Next Steps

1. The orthopedic co-management agreement will continue to promote alignment of both parties' interests in reducing implant costs, improving quality, outcomes & efficiency of services rendered. This agreement allows both groups to timely identify, discuss & implement necessary changes that will benefit the orthopedic service line amidst a changing healthcare climate.
2. Consistently reviewing our local referring physician alignment and market share through the Clarify Health platform will allow us to better coordinate our marketing and outreach efforts in order to strengthen our orthopedic presence locally and in our secondary service areas. Work to align the vision service line growth between orthopedic surgeons and Kaweah to support optimal efforts and resource allocation with marketing, while monitoring the access times (wait times) for patients to receive care as a way of informing our efforts.
3. Opportunity exists to further optimize the practice patterns within the orthopedic clinic supported by Dr. Jun Kim in order to improve patient access to care and quality of services provided. Opportunity exists in 2026 to align this practice more with Kaweah by way of service relocation to a new multi-specialty clinic on Akers. The presence of this clinic allows for additional recruitment options for potential orthopedic surgeon landing locations into the community, depending on best model preferred for the surgeon.
4. Anticipate the continued movement of total joint replacements into the outpatient surgical space instead of the inpatient arena, as has been the trend over the past 6 years. Working with the outpatient surgery staff, case management, therapies and orthopedic Nurse Practitioners safely and efficiently provide care and appropriate discharge planning of these patients. This includes working with surgical leadership to continually look at ways to improve OR efficiency and timely turnover of cases.
  - a. Recent rulings by CMS have even reduced the support of most elective spine cases to be performed as inpatient (unless there is adequate documentation to

support this status), prompting further focus on OR and discharge efficiency measures

5. The presence of regular orthopedic traumatology coverage and surgery at the medical center has allowed more complex trauma cases to stay locally, reducing the number of outbound orthopedic transfers and improve timeliness of care for orthopedic trauma cases that require surgical intervention. This has, in effect, required that all departments managing these trauma patients (i.e. ED, trauma surgery, hospitalist team) work in a more coordinated effort to provide appropriate and timely care of these patients. Efforts will continue to optimize workflows to further reduce transfers away from Kaweah, as well as exploring future models of orthopedic call coverage considering the presence of traumatology.
6. Focus efforts in reducing the overall length of stay with orthopedic surgical cases towards the geometric mean length of stay. Continue with interdisciplinary team rounds on 4S and Broderick Pavilion to positively impact this effort. Will also continue working with bed allocation leaders to optimally cohort orthopedic patients to stay on Broderick Pavilion and 4S, where optimal patient care occurs for this population. Direct collaboration with orthopedic surgeons in real time to support discharge planning decisions so that patients can move to appropriate post-acute care settings more efficiently.
7. Support recruitment efforts for Board Certified Orthopedic Surgeons in the areas of spine, hand/upper extremity care and general orthopedics (as volume for total joint replacement continues to be high).
8. Payer-specific guidelines require that Kaweah tracks and reports certain metrics in order to fully provide care to their members.
  - a. Recent CMS regulations now require Kaweah to collect and report patient-reported outcome surveys as a part of their inpatient quality reporting guidelines. Recent partnership with a survey-capture vendor allows Kaweah to remain compliant with this reporting requirement in the short and longer term.
  - b. Plans in place in 2026 to enroll into the necessary registries (total joint and spine) in order to allow for continued participation in the Blue Distinction certification care delivery.

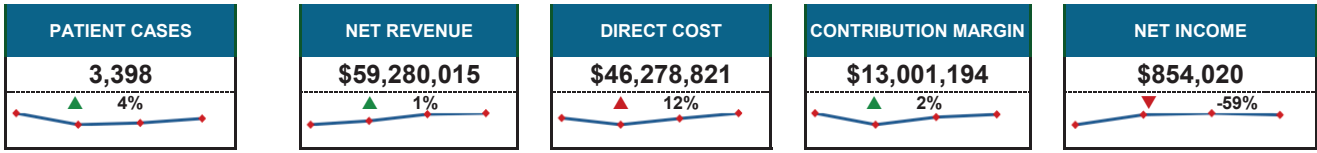
## Approvals/Conclusions

In the coming year, orthopedic services will:

1. Work with the entire continuum of care from pre-surgery scheduling & patient education, to post-surgery care processes and discharge planning, in efforts to improve timely orthopedic patient throughput while providing quality and comprehensive care.
2. Continue to review profitability and contribution margin to identify opportunities for volume growth, cost containment (particularly with implants), patient satisfaction & clinical excellence.
3. Analyze the factors currently affecting the actual length of stay, and implement changes to move towards the geometric mean length of stay.

# Services

KEY METRICS - Annualized on the Eight Months Ended February 28, 2026



\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

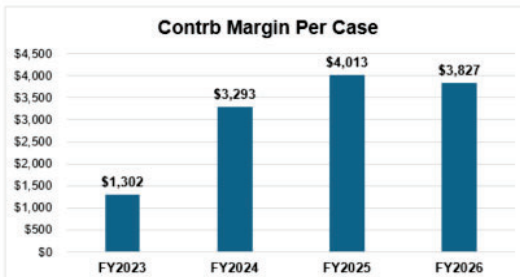
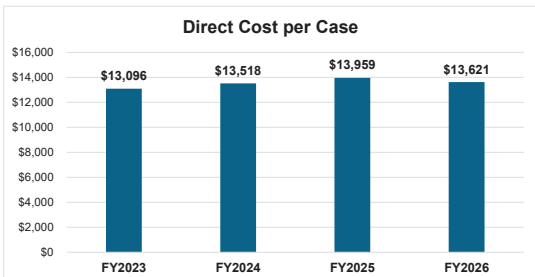
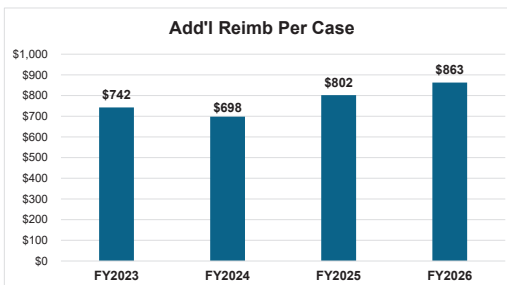
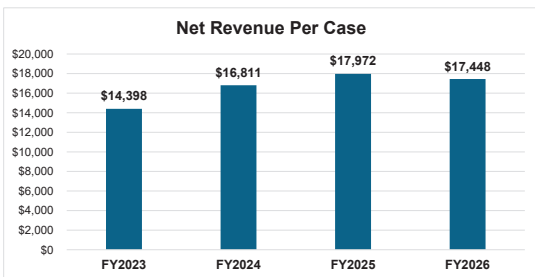
METRICS BY SERVICE LINE - FY 2026 Annualized

SERVICE LINE	PATIENT CASES	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
Inpatient Orthopedic -Surgical Services	1,071	\$35,513,499	\$26,138,656	\$9,374,843	\$2,539,795
OP Orthopedic Surgeries	2,036	\$19,871,327	\$17,232,989	\$2,638,337	(\$1,706,069)
Inpatient Orthopedic - Medical Services	291	\$3,895,190	\$2,907,176	\$988,014	\$20,294
<b>Service Line Totals</b>	<b>3,398</b>	<b>\$59,280,015</b>	<b>\$46,278,821</b>	<b>\$13,001,194</b>	<b>\$854,020</b>

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	3,559	3,206	3,260	3,398	▲ 4%	
Net Revenue	\$51,241,164	\$53,895,762	\$58,588,239	\$59,280,015	▲ 1%	
Additional Reimb	\$2,642,437	\$2,237,134	\$2,614,508	\$2,931,612	▲ 12%	
Direct Cost	\$46,608,484	\$43,339,685	\$45,506,301	\$46,278,821	▲ 2%	
Contribution Margin	\$4,632,680	\$10,556,077	\$13,081,938	\$13,001,194	▼ -1%	
Indirect Cost	\$11,041,625	\$9,563,001	\$10,981,619	\$12,147,174	▲ 11%	
Net Income	(\$6,408,944)	\$993,076	\$2,100,319	\$854,020	▼ -59%	
Net Revenue Per Case	\$14,398	\$16,811	\$17,972	\$17,448	▼ -3%	
Add Reimb Per Case	\$742	\$698	\$802	\$863	▲ 8%	
Direct Cost per Case	\$13,096	\$13,518	\$13,959	\$13,621	▼ -2%	
Contrb Margin Per Case	\$1,302	\$3,293	\$4,013	\$3,827	▼ -5%	
CM w/o Add Reimb Per Case	\$559	\$2,595	\$3,211	\$2,964	▼ -8%	
Add Reimb as a % of CM	57%	21%	20%	23%		

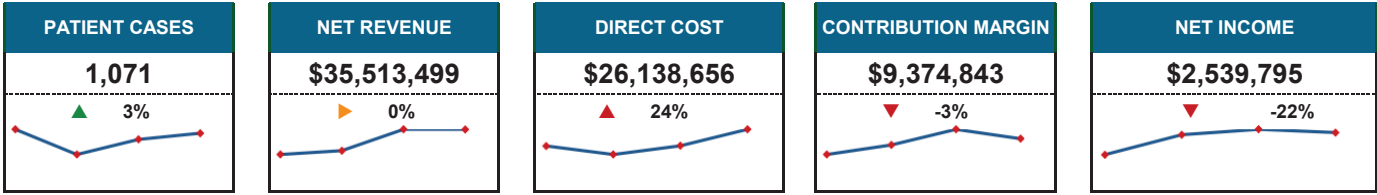
GRAPHS



Notes:

Source: Inpatient and Outpatient Service Line Reports  
 Selection Criteria Inpatient Data: KHMC Inpatient Service Line is Orthopedics and Surg vs Medical (S/M)  
 Selection Criteria for OP Orthopedic Surgeries: Service Line 1= O/P Surgery and Surgeon Specialty =  
 Neurological Surgery, Podiatrist, Podiatrist - Foot & Ankle Sugery, Surgery - Surgery of the Hand, Orthopaedic Surgery & Orthopaedic Surgery - Foot & Ankle Surgery

KEY METRICS - Annualized on the Eight Months Ended February 28, 2026

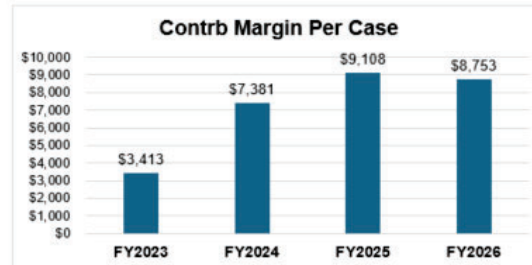
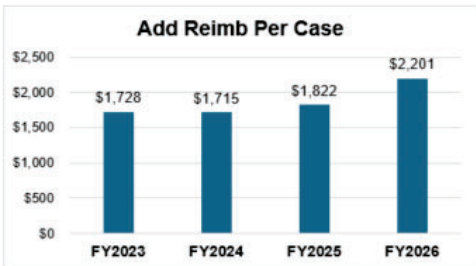
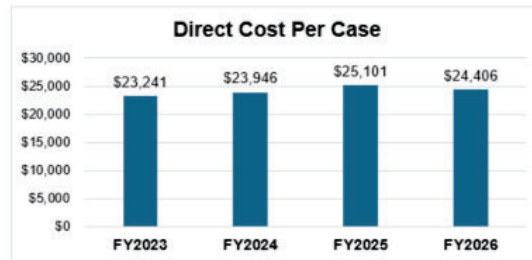
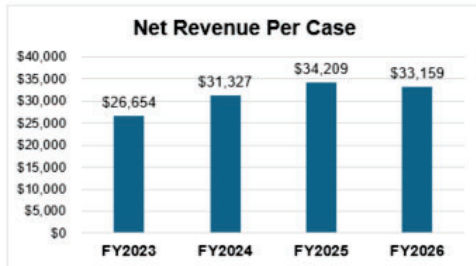


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	1,092	960	1,039	1,071	▲ 3%	
Patient Days	5,659	4,900	5,139	5,289	▲ 3%	
ALOS	5.18	5.10	4.95	4.94	▶ 0%	
GM LOS	3.61	3.92	3.83	3.88	▲ 1%	
ALOS Opportunity	1.58	1.19	1.11	1.05	▼ -5%	
Net Revenue	\$29,106,010	\$30,073,526	\$35,543,175	\$35,513,499	▶ 0%	
Additional Reimb	\$1,886,538	\$1,646,319	\$1,893,577	\$2,357,106	▲ 24%	
Direct Cost Per Case	\$23,241	\$23,946	\$25,101	\$24,406	▼ -3%	
Contribution Margin	\$3,726,882	\$7,085,414	\$9,463,394	\$9,374,843	▼ -1%	
Indirect Cost	\$5,945,703	\$5,014,294	\$6,203,732	\$6,835,048	▲ 10%	
Net Income	(\$2,218,820)	\$2,071,121	\$3,259,662	\$2,539,795	▼ -22%	
Net Revenue Per Case	\$26,654	\$31,327	\$34,209	\$33,159	▼ -3%	
Add Reimb Per Case	\$1,728	\$1,715	\$1,822	\$2,201	▲ 21%	
Direct Cost Per Case	\$23,241	\$23,946	\$25,101	\$24,406	▼ -3%	
Contrb Margin Per Case	\$3,413	\$7,381	\$9,108	\$8,753	▼ -4%	
CM w/o Add Reim Per Case	\$1,685	\$5,666	\$7,286	\$6,553	▼ -10%	

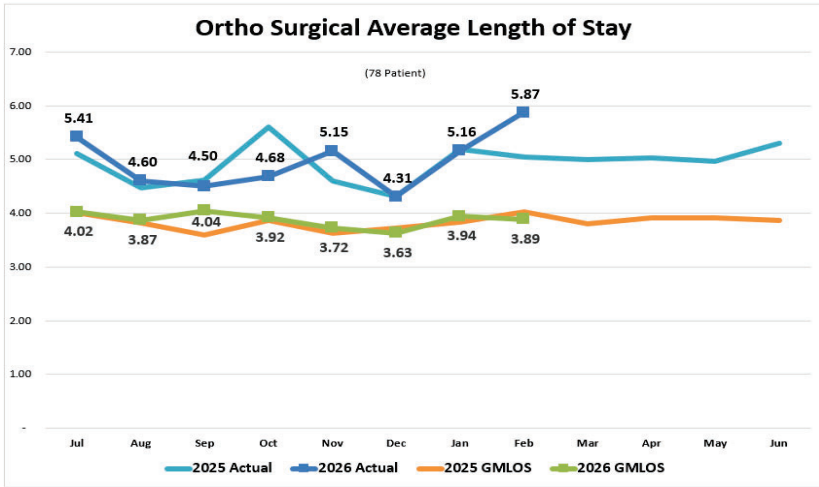
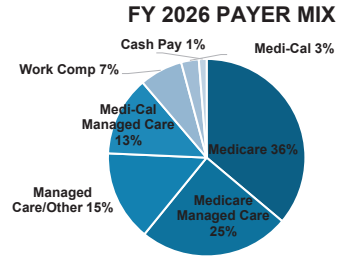
PER CASE TRENDED GRAPHS



**KEY METRICS - Annualized on the Eight Months Ended February 28, 2026**

**PAYER MIX - 4 YEAR TREND (GROSS CHARGES)**

PAYER	FY2023	FY2024	Annualized	
			FY2025	FY2026
Medicare	36%	39%	36%	36%
Medicare Managed Care	25%	22%	29%	25%
Managed Care/Other	15%	18%	14%	15%
Medi-Cal Managed Care	17%	13%	11%	13%
Work Comp	4%	4%	6%	7%
Medi-Cal	3%	3%	3%	3%
Cash Pay	1%	1%	1%	1%



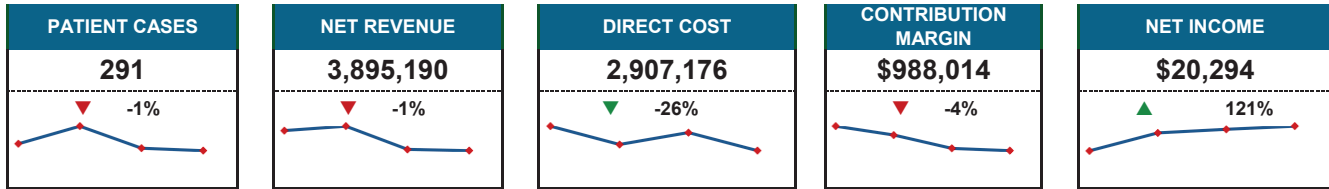
Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria: KHMC Inpatient Service Line is Orthopedics and Surg vs Medical = S

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Orthopedic Services - Inpatient Medical Service Line

FY2026

### KEY METRICS - Annualized on the Eight Months Ended February 28, 2026

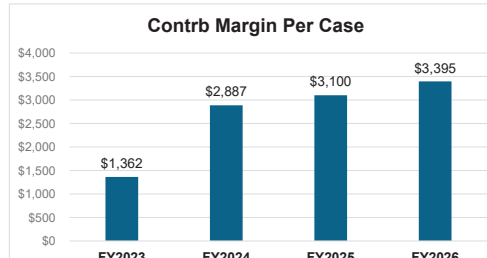
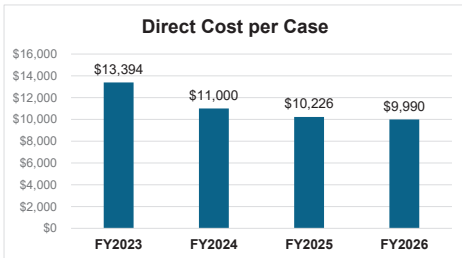
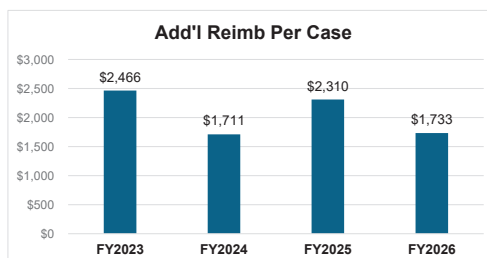
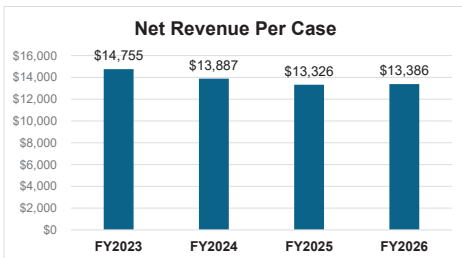


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

Metric	FY2023	FY2024	FY2025	FY2026	% Change from Prior Yr	4 Yr Trend
Patient Cases	302	330	295	291	-1%	
Patient Days	2,086	1,989	1,512	1,400	-7%	
ALOS	6.91	6.03	5.13	4.81	-6%	
GM LOS	3.34	3.42	3.47	3.36	-3%	
ALOS Opportunity	3.56	2.61	1.66	1.45	-12%	
Net Revenue	\$4,456,086	\$4,582,785	\$3,931,293	\$3,895,190	-1%	
Additional Reimb	\$744,677	\$564,619	\$681,574	\$504,443	-26%	
Direct Cost	\$4,044,896	\$3,630,031	\$3,016,792	\$2,907,176	-4%	
Contribution Margin	\$411,190	\$952,754	\$914,501	\$988,014	8%	
Indirect Cost	\$1,297,353	\$1,182,621	\$1,013,267	\$967,720	-4%	
Net Income	(\$886,163)	(\$229,867)	(\$98,766)	\$20,294	121%	
Net Revenue Per Case	\$14,755	\$13,887	\$13,326	\$13,386	0%	
Add Reimb Per Case	\$2,466	\$1,711	\$2,310	\$1,733	-25%	
Direct Cost per Case	\$13,394	\$11,000	\$10,226	\$9,990	-2%	
Contrb Margin Per Case	\$1,362	\$2,887	\$3,100	\$3,395	10%	
CM w/o Add Reim Per Case	(\$1,104)	\$1,176	\$790	\$1,662	110%	

### PER CASE TRENDED GRAPHS



# KAWEAH HEALTH ANNUAL BOARD REPORT

## Orthopedic Services - Inpatient Medical Service Line

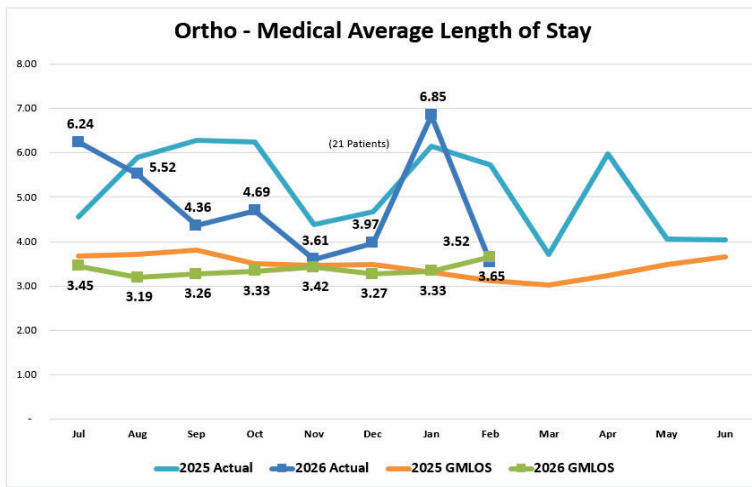
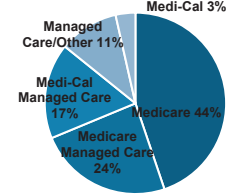
FY2026

### KEY METRICS - Annualized on the Eight Months Ended February 28, 2026

#### PAYER MIX - 4 YEAR TREND (GROSS CHARGES)

PAYER	FY2023	FY2024	FY2025	FY2026 <small>Annualized</small>
Medicare	36%	34%	39%	44%
Medicare Managed Care	18%	21%	21%	24%
Medi-Cal Managed Care	27%	20%	26%	17%
Managed Care/Other	11%	13%	8%	11%
Medi-Cal	6%	9%	4%	3%
Work Comp	2%	2%	2%	1%

#### FY 2026 PAYER MIX



Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria: KHMC Inpatient Service Line is Orthopedics and Surg vs Medical = M

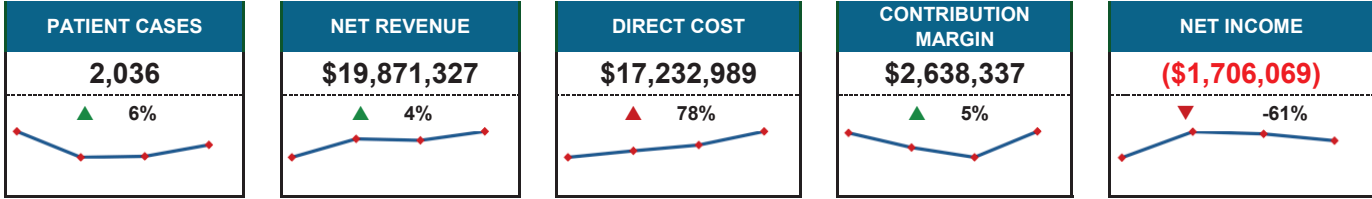
# KAWEAH HEALTH ANNUAL BOARD REPORT

FY2026

## Orthopedic Services - Outpatient Surgery Service Line

\*Includes: Orthopedic Surgery, Neurological Surgery, Podiatry, Orthopaedic Surgery - Foot & Ankle Surgery, Podiatrist - Foot & Ankle Surgery and Surgery of the Hand.

### KEY METRICS - Annualized on the Eight Months Ended February 28, 2026

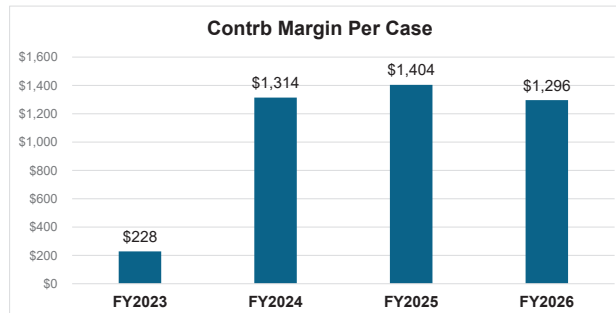
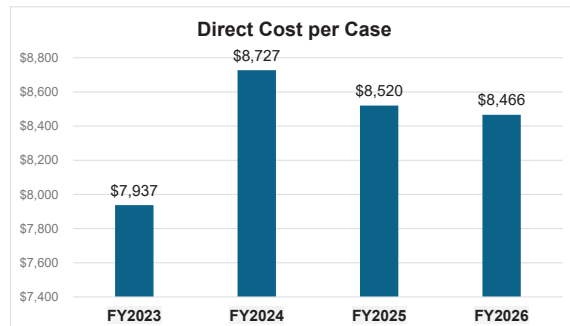
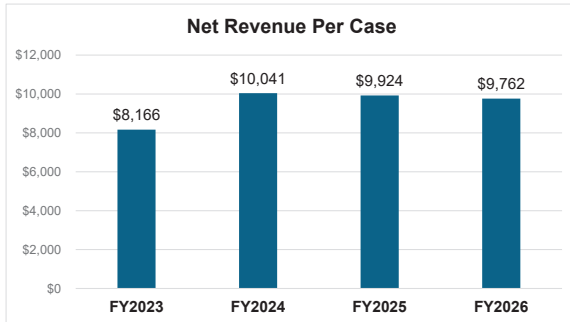


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

Metric	FY2023	FY2024	FY2025	FY2026	% Change from Prior Yr	4 Yr Trend
Patient Cases	2,165	1,916	1,926	2,036	▲ 6%	
Net Revenue	\$17,679,069	\$19,239,452	\$19,113,771	\$19,871,327	▲ 4%	
Additional Reimb	\$11,222	\$26,195	\$39,357	\$70,063	▲ 78%	
Direct Cost	\$17,184,461	\$16,721,543	\$16,409,728	\$17,232,989	▲ 5%	
Contribution Margin	\$494,608	\$2,517,909	\$2,704,043	\$2,638,337	▼ -2%	
Indirect Cost	\$3,798,569	\$3,366,087	\$3,764,619	\$4,344,406	▲ 15%	
Net Income	(\$3,303,961)	(\$848,178)	(\$1,060,576)	(\$1,706,069)	▼ -61%	
Net Revenue Per Case	\$8,166	\$10,041	\$9,924	\$9,762	▼ -2%	
Direct Cost per Case	\$7,937	\$8,727	\$8,520	\$8,466	▼ -1%	
Contrb Margin Per Case	\$228	\$1,314	\$1,404	\$1,296	▼ -8%	
CM w/o Add Reimb Per Case	\$223	\$1,300	\$1,384	\$1,262	▼ -9%	

### PER CASE TRENDED GRAPHS



# KAWEAH HEALTH ANNUAL BOARD REPORT

FY2026

## Orthopedic Services - *Outpatient Surgery Service Line*

\*Includes: Orthopedic Surgery, Neurological Surgery, Podiatry, Orthopaedic Surgery - Foot & Ankle Surgery, Podiatrist - Foot & Ankle Surgery and Surgery of the Hand.

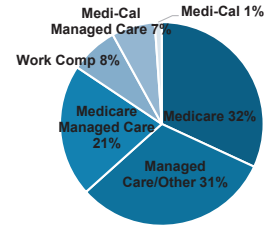
### KEY METRICS - Annualized on the Eight Months Ended February 28, 2026

#### PAYER MIX - 4 YEAR TREND (Patient Cases)

Annualized

PAYER	FY2023	FY2024	FY2025	FY2026
Medicare	31%	30%	28%	32%
Managed Care/Other	31%	28%	33%	31%
Medicare Managed Care	19%	24%	21%	21%
Work Comp	6%	7%	7%	8%
Medi-Cal Managed Care	12%	10%	9%	7%
Medi-Cal	0%	1%	0%	1%

#### FY 2026 PAYOR MIX



Notes:

Source: Outpatient Service Line Reports

Selection Criteria for OP Orthopedic Surgeries: Service Line 1= O/P Surgery and Surgeon Specialty =

Neurological Surgery, Podiatrist, Podiatrist - Foot & Ankle Surgery, Surgery - Surgery of the Hand, Orthopaedic Surgery & Orthopaedic Surgery - Foot & Ankle Surgery

# Maternal

# Kaweah Health Medical Center

## Annual Report to the Board of Directors

### **Maternal Child Health**

Rhonda Quiñones, MSN, NEA-BC

Director Maternal Child Health

[Rhonda.quinones@kaweahhealth.org](mailto:Rhonda.quinones@kaweahhealth.org)

Ph. 624-5338

April 2026

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### **Summary Issue/Service Considered**

- Create and seek opportunities to grow volumes in Labor and Delivery, Post-Partum, OB Triage, NICU, and Pediatrics.
- Continue to support recruitment to the OB Hospitalist Group Program.
- Continue to support recruitment at the Altura and Rural Health Clinics.
- Focus remains around recruitment for Labor and Delivery and the NICU to decrease/eliminate agency nursing staff.
- Continue to seek opportunities to decrease labor and supply costs.
- Unit Based Councils will identify key performance indicators for Labor and Delivery, Mother Baby, NICU and Pediatrics.
- Maintain ranking of 1 of the top 100 hospitals providing Maternity Care by U.S News and World Reports.

# Quality/Performance Improvement Data

Kaweah Health MORE THAN MEDICINE. LIFE.		Maternal Child Health FY2026 Quality Improvement Dashboard																		
	Goal	2025	July 2025	Aug 2025	Sep 2025	July - Sep 2025	Oct 2025	Nov 2025	Dec 2025	Oct - Dec 2025	Jan 2026	Feb 2026	Mar 2026	Jan - Mar 2026	Apr 2026	May 2026	June 2026	Apr - June 2026	FYTD	
<b>LABOR AND DELIVERY</b>																				
Early Elective Deliveries PC-01	7%	11.4%	7.7%	11.5%	14.2%	8.7%	8.2%	7.2%	8.2%	11.0%	5.7%	Pending		5.7%				NOW	11.5%	
Multiple Term Singleton Vertex PC-03	####	28.2%	38.3%	32.5%	28.2%	33.0%	33.0%	33.0%	27.8%	30.8%	35.5%	Pending		35.5%				NOW	33.3%	
Severe Unexpected Complications in Term Newborns PC-08.1	5%	4.3%	3.3%	3.5%	1.0%	1.8%	12.0%	0.0%	3.8%	5%	8%	Pending		8%				NOW	3.14%	
*Bar Code Medication Administration	75%	97.0%	96.3%	97.2%	97.8%	97.8%	97.2%	96.0%	97.0%	96.8%	96.7%	97.7%		97.2%				NOW	97.0%	
BIOVGL Compliance	75%	95.4%	93.9%	93.3%	93.9%	93.6%	95%	94.7%	94.7%	94.9%	94.2%	94.3%		94.3%				NOW	94.2%	
<b>MOTHER/BABY</b>																				
Exclusive Breastfeeding PC-05	####	57.3%	63.9%	58.0%	62.0%	60.0%	58.2%	57.2%	59.0%	54.8%	59.3%	56.8%		58.3%				NOW	57.6%	
Latch Assessment Compliance	100%	94%	90%	94%	90%	89.0%	86%	88%	92%	89%	Pending	Pending		NOW				NOW	88%	
RASS Compliance	100%	100%	100%	100%	96%	99.3%	96%	96%	96%	95%	Pending	Pending		NOW				NOW	97%	
Early Catheter Removal	100%	97%	96.9%	100%	100%	99.0%	97%	97%	97%	97%	97%	100%		99%				NOW	98%	
*Bar Code Medication Administration	75%	99%	99.9%	99.5%	99.0%	99.2%	99.0%	99.5%	99.3%	99%	99.2%	99.3%		99%				NOW	99.3%	
BIOVGL Compliance	75%	96.8%	97.9%	97.3%	97.4%	97.2%	97.2%	97.3%	97.3%	97.3%	97.3%	96.5%		96.3%				NOW	97.3%	
<b>NEONATAL/NICU</b>																				
CLABSI per 1000 Patient Days	0	0	0	0	0	0	1	0	0	0.33	0	0		0				NOW	0.12%	
VAP per 1000 Patient Days	0	0	0	0	0	0	0	0	0	0	0	0		0				NOW	0	
Any Breastmilk for NICU Babies	100%	95%	97.6%	95.5%	95.7%	96.7%	97.6%	96.0%	95.6%	96%	97.2%	97.2%		97%				NOW	96%	
*Bar Code Medication Administration	75%	99%	99.2%	99.7%	99.2%	99.4%	99.0%	99.2%	99.3%	99%	99.6%	99.6%		99%				NOW	99.6%	
BIOVGL Compliance	75%	99.4%	99.2%	99.2%	99.3%	99.2%	99.3%	99.2%	99.0%	99.3%	99%	99.3%		99.2%				NOW	99.2%	
<b>PEDIATRICS</b>																				
PEWS Compliance	100%	97%	95.8%	93.0%	100%	96.3%	92%	93.6%	91.0%	92.4%	85.0%	88.0%		86.50%				NOW	92.4%	
Patient Falls per 1000 Patient Days	0	0	0	0	0	0	0	0	0	0	0	Pending		0				NOW	0	
Ambulation	100%	89.6%	92%	88%	100%	93%	89%	96%	100%	99%	93%	100%		97%				NOW	94.8%	
Child Life Activities	100%	98.5%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		100%				NOW	100.0%	
CLABSI per 1000 Patient Days	0	0	0	0	0	0	0	0	0	0	0	Pending		0				NOW	0	
*Bar Code Medication Administration	75%	99%	99.3%	99.3%	99.8%	99.47%	99.2%	99%	99%	99.0%	99.3%	99.2%		99.2%				NOW	99.6%	
*Bariatric	75%	96.8%	98.9%	97%	96.80%	97.50%	96%	90%	95.00%	94%	100%	93.3%		96.90%				NOW	96.9%	
BIOVGL Compliance	75%	97.7%	96.3%	97.3%	97.3%	96.8%	96.8%	97.7%	97.0%	97.2%	97.3%	97.3%		97.2%				NOW	97.1%	



- Active surveillance of all MCH quality measures. Action plans are in place for all clinical indicators that are not meeting goals.
- Data is consistently tracked by the California Maternal Quality Care Collaborative. CMQCC tracks all perinatal core measures and is a maternal data center focused on improving maternal morbidity and mortality rates as well as disparities in maternal and infant care.
- **Labor and Delivery** tracks its quality metrics through CMQCC and Leapfrog. Policies are reviewed and in alignment with evidence-based practice outlined by ACOG and AWHONN. Consistent work is being done to reduce early elective deliveries and primary cesarean section rates. Active recruitment of permanent OBGYN physicians is a priority for hospital administration and continued onboarding of the OBHG hospitalist group to provide 24/7 care to the MCH population in the community. Labor and Delivery leadership has an ongoing focus on recruitment of experienced as well as novice nursing team members.
- **The Mother Baby Unit**, through its Unit Based Council, continues to focus on exclusive breastfeeding. The goal was exceeded, finishing at 57.6% for the Fiscal Year. Community education classes on Breastfeeding and Prepared Childbirth are continually offered and are a staple in the community. The Caring Cradle has been approved for use on Mother/Baby for moms who suffer a loss and want to spend more time with their baby. Mother/Baby has no agency nurses and excels in patient care metrics.
- **The Neonatal Intensive Care Unit (NICU)** continues to participate in the California Perinatal Quality Care Collaborative (CPQCC). NICU has sustained its excellence in having zero Ventilator Associated Pneumonia (VAP) and one Central Line Associated Blood Stream Infection (CLABSI) for FY 26. NICU continues to recruit nursing team

members. The NICU team in collaboration and Clinical Partnership with Valley Children's Hospital continues to be successful in providing care and keeping neonates as low as 24 weeks gestation.

- **Pediatrics is being renovated!** The 3.1-million-dollar project will feature 12 Pediatric rooms, a playroom, exam room, nutrition room, medication room, staff/physician break room, and nurses station. With the advances in pediatric care, the new state-of-the-art unit will provide access to the latest therapies and technologies, supporting excellent pediatric care. Pediatrics nursing in conjunction with medical support from the Pediatric Hospitalist provides care for higher acuity patients in the community.

## **Policy, Strategic or Tactical Issues**

- Valley Children's Medical Group and the CRMC MFM group continue to provide Maternal Fetal Medicine Services for our patients as well as Pediatric Hospitalist and Neonatology Services. We staff 24/7 with on-site neonatologists.
- The OBHG Hospitalist Group will continue the onboarding of OBGYNs at Kaweah Health. This medical group will enhance and improve patient safety for all Obstetrical patients in the hospital. The goal of the program is to provide 24/7 Obstetric Physician Coverage and allow greater presence of OBGYNs in the community.
- All Nursing Leadership positions in MCH have been filled, fostering excellence, engagement and compassionate care to this specialized population.

## **Recommendations/Next Steps**

- We will focus on continued efforts around recruiting for OBGYNs.
- We will continue to provide exceptional patient experiences while adhering to evidence-based practice and improving quality metrics.
- The Unit Based Council will continue to work to enhance nursing and provider collaboration, maintaining Just Culture.
- Collaborate with the Marketing department and the Foundation on promoting the Pediatric Unit renovation and the Maternal Child Health Service Line.
- Collaborate with the Emergency Department on continued access and outcomes for our maternal and pediatric patients.
- Continue to recruit and hire into vacancies within the Maternal Child Health units reducing contract agency labor.
- Promote Breastfeeding as the most beneficial and preferred way to feed your baby, as well as promote all MCH educational classes in the community.
- Promote active engagement and collaboration with our physician partners, striving to provide world-class care to our patients.

## **Approvals/Conclusions**

- Strive for overall quality outcomes and set goals to continue to improve.
- Financial Performance Key Takeaways:
  1. Maternal Child Health Annualized FY 2025 contribution margin is estimated at \$24.2 million, down from the previous year.
  2. Inpatient discharges have decreased by 11% overall in FY 2026. All service lines in this report see decreased discharges (and/or visits).
  3. Government supplemental funding contributes 123% of the \$24.2 million contribution margin. MCH services are heavily Medi-Cal and Medi-Cal Managed Care, thus drawing a larger share of the funds

vs. other District services. Over 50% of these funds are derived from the OB/Delivery service line. This is due to the more heavily MCMC/Medi-Cal payor mix (Medi-Cal managed Care funding significantly greater than Medi-Cal).

4. Neonatology discharges are down by 25%, with patient days down by 8%. ALOS has increased in the current fiscal year. Neonatology contribution margin has shifted over the last two years to a loss, due to the shifting of governmental funding away from Medi-Cal FFS to MCMC DPHP and other Medi-Cal Managed Care programs.
- The Maternal Child Health division will continue to work to develop financially responsible, realistic budgets and continue to be productive.



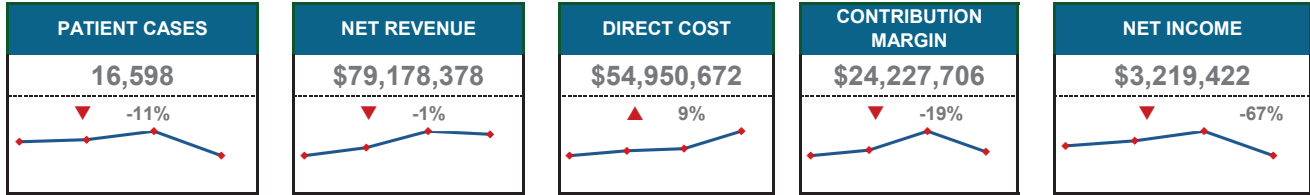
# Child Health Patient Throughput

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - Summary

FY2026 Annualized

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized



\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

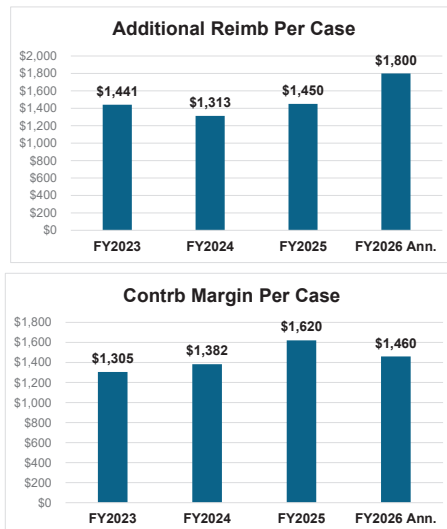
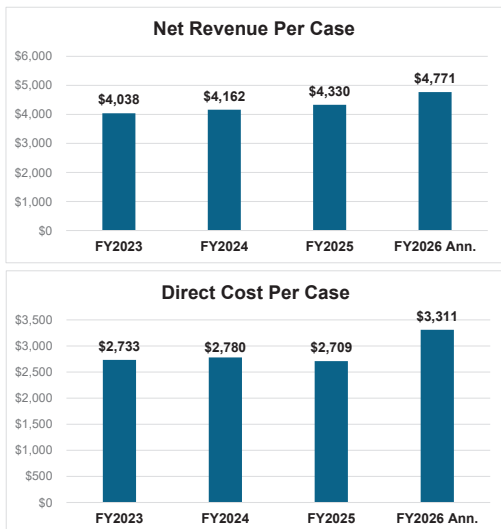
### METRICS BY SERVICE LINE - FY 2026

SERVICE LINE	PATIENT CASES	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
OB/Delivery	3,866	\$42,361,086	\$23,610,605	\$18,750,482	\$9,383,276
Normal Newborns	2,913	\$8,770,254	\$4,249,365	\$4,520,889	\$2,783,423
Other OB	350	\$3,018,719	\$1,715,909	\$1,302,810	\$663,570
Pediatrics	437	\$4,832,478	\$4,236,429	\$596,049	(\$1,134,911)
Neonatology	1,017	\$16,719,380	\$17,075,967	(\$356,588)	(\$6,181,737)
OP Obstetrics	8,016	\$3,476,462	\$4,062,398	(\$585,936)	(\$2,294,199)
<b>Maternal Child Health Total</b>	<b>16,598</b>	<b>\$79,178,378</b>	<b>\$54,950,672</b>	<b>\$24,227,706</b>	<b>\$3,219,422</b>

### METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	17,710	17,872	18,558	16,598	▼ -11%	
Net Revenue	\$71,513,708	\$74,391,692	\$80,350,393	\$79,178,378	▼ -1%	
Direct Cost	\$48,398,270	\$49,685,187	\$50,280,298	\$54,950,672	▲ 9%	
Additional Reimb	\$25,523,921	\$23,464,521	\$26,916,909	\$29,871,438	▲ 11%	
Contribution Margin	\$23,115,438	\$24,706,505	\$30,070,095	\$24,227,706	▼ -19%	
Indirect Cost	\$17,298,601	\$17,500,739	\$20,291,691	\$21,008,285	▲ 4%	
Net Income	\$5,816,837	\$7,205,766	\$9,778,404	\$3,219,422	▼ -67%	
Net Revenue Per Case	\$4,038	\$4,162	\$4,330	\$4,771	▲ 10%	
Additional Reimb Per Case	\$1,441	\$1,313	\$1,450	\$1,800	▲ 24%	
Direct Cost Per Case	\$2,733	\$2,780	\$2,709	\$3,311	▲ 22%	
Contrb Margin Per Case	\$1,305	\$1,382	\$1,620	\$1,460	▼ -10%	
CM w/o Add Reim Per Case	(\$136)	\$69	\$170	(\$340)	▼ -300%	

### PER CASE TRENDED GRAPHS



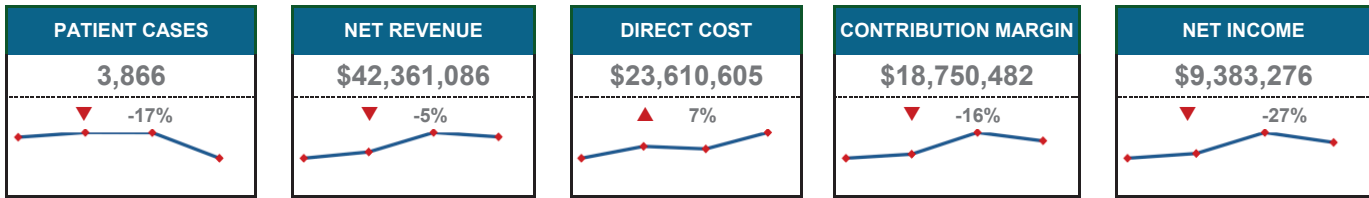
Notes:  
 Source: Inpatient and Outpatient Service Line Reports  
 Selection Criteria Inpatient and Outpatient Data: ServiceLine IN (OB/Delivery, Normal Newborn, Neonatology, Pediatrics (age 0-18), Other OB and OP Obstetrics)

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - Inpatient OB/Delivery Service Line

FY2026 Annualized

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

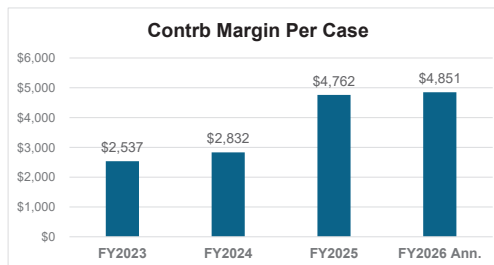
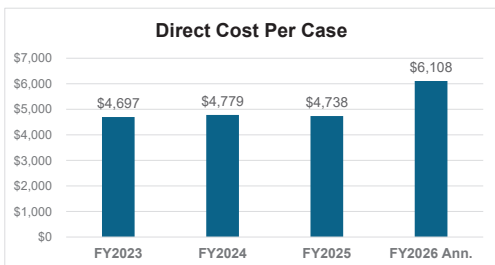
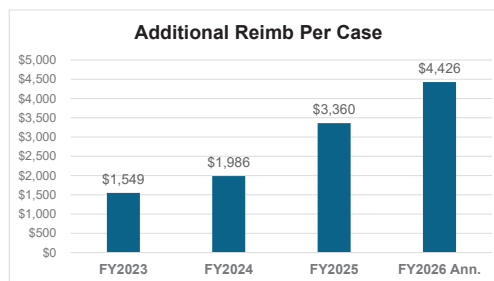
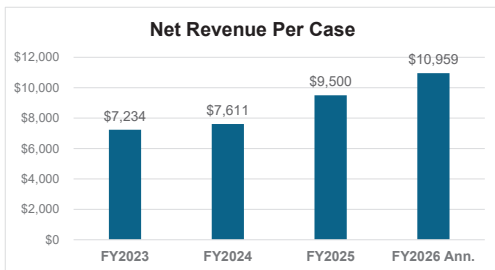


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	4,529	4,676	4,670	3,866	▼ -17%	
Patient Days	9,224	9,522	9,665	8,352	▼ -14%	
ALOS	2.04	2.04	2.07	2.07	▶ 0%	
GM LOS	2.42	2.35	2.39	2.39	▶ 0%	
Net Revenue	\$32,763,485	\$35,590,548	\$44,366,514	\$42,361,086	▼ -5%	
Additional Reimb	\$9,265,165	\$9,288,349	\$15,690,814	\$17,108,325	▲ 9%	
Direct Cost	\$21,272,585	\$22,346,461	\$22,127,618	\$23,610,605	▲ 7%	
Contribution Margin	\$11,490,900	\$13,244,087	\$22,238,896	\$18,750,482	▼ -16%	
Indirect Cost	\$7,603,281	\$7,692,789	\$9,391,366	\$9,367,206	▶ 0%	
Net Income	\$3,887,619	\$5,551,298	\$12,847,530	\$9,383,276	▼ -27%	
Net Revenue Per Case	\$7,234	\$7,611	\$9,500	\$10,959	▲ 15%	
Additional Reimb Per Case	\$1,549	\$1,986	\$3,360	\$4,426	▲ 32%	
Direct Cost Per Case	\$4,697	\$4,779	\$4,738	\$6,108	▲ 29%	
Contrb Margin Per Case	\$2,537	\$2,832	\$4,762	\$4,851	▲ 2%	
Opportunity Days	(0.39)	(0.32)	(0.32)	(0.32)	▶ 0%	
CM w/o Add Reim Per Case	\$491	\$846	\$1,402	\$425	▼ -70%	

### PER CASE TRENDED GRAPHS



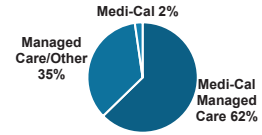
**KAWEAH HEALTH ANNUAL BOARD REPORT**  
**Maternal Child Health Services - *Inpatient OB/Delivery Service Line***

FY2026 Annualized

**PAYER MIX - 4 YEAR TREND (GROSS CHARGES)**

PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal Managed Care	51%	55%	60%	62%
Managed Care/Other	39%	38%	35%	35%
Medi-Cal	9%	6%	4%	2%

**FY 2026 PAYOR MIX**



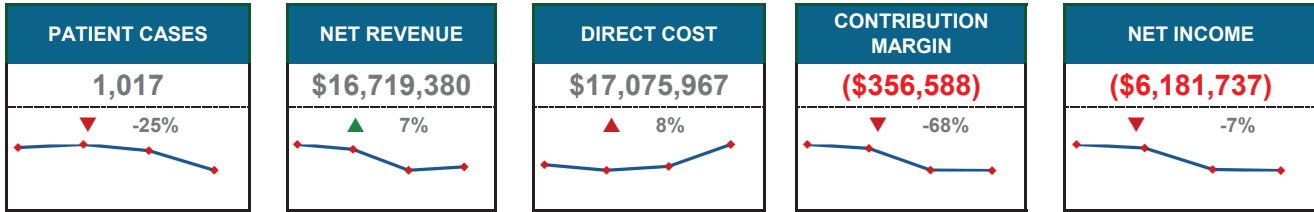
Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria: ServiceLine = OB/Delivery

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - *Inpatient Neonatology Service Line*

FY2026 Annualized

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

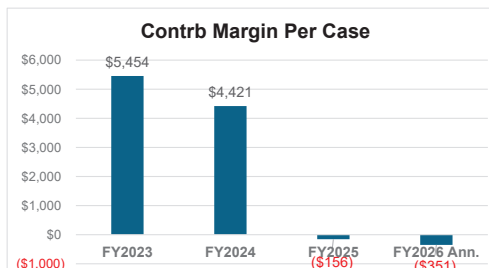
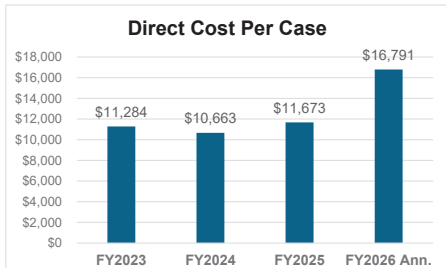
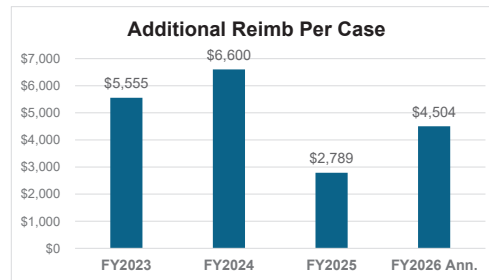
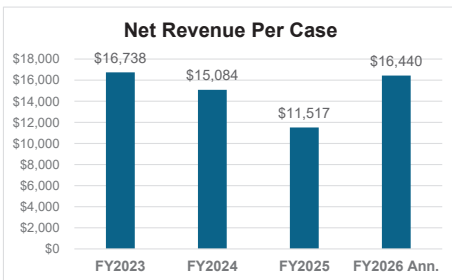


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	1,413	1,466	1,358	1,017	▼ -25%	
Patient Days	6,795	6,425	6,261	5,765	▼ -8%	
ALOS	4.81	4.38	4.61	5.67	▲ 23%	
GM LOS	5.53	5.52	5.61	6.42	▲ 14%	
Net Revenue	\$23,650,801	\$22,113,427	\$15,640,352	\$16,719,380	▲ 7%	
Additional Reimb	\$11,790,009	\$9,675,458	\$3,787,588	\$4,580,114	▲ 21%	
Direct Cost	\$15,944,097	\$15,632,292	\$15,852,013	\$17,075,967	▲ 8%	
Contribution Margin	\$7,706,704	\$6,481,135	(\$211,661)	(\$356,588)	▼ -68%	
Indirect Cost	\$5,375,830	\$5,327,552	\$5,579,980	\$5,825,150	▲ 4%	
Net Income	\$2,330,873	\$1,153,583	(\$5,791,641)	(\$6,181,737)	▼ -7%	
Net Revenue Per Case	\$16,738	\$15,084	\$11,517	\$16,440	▲ 43%	
Additional Reimb Per Case	\$5,555	\$6,600	\$2,789	\$4,504	▲ 61%	
Direct Cost Per Case	\$11,284	\$10,663	\$11,673	\$16,791	▲ 44%	
Contrb Margin Per Case	\$5,454	\$4,421	(\$156)	(\$351)	▼ -125%	
Opportunity Days	(0.72)	(1.13)	(1.00)	(0.75)	▲ 25%	
CM w/o Add Reim Per Case	(\$2,890)	(\$2,179)	(\$2,945)	(\$4,854)	▼ -65%	

### PER CASE TRENDED GRAPHS



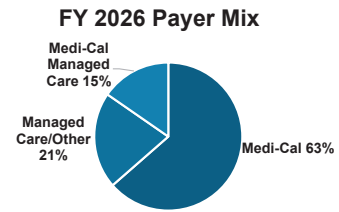
# KAWEAH HEALTH ANNUAL BOARD REPORT

FY2026 Annualized

## Maternal Child Health Services - *Inpatient Neonatology Service Line*

### PAYER MIX - 4 YEAR TREND (GROSS CHARGES)

PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal	59%	58%	57%	63%
Managed Care/Other	31%	30%	30%	21%
Medi-Cal Managed Care	10%	11%	13%	15%



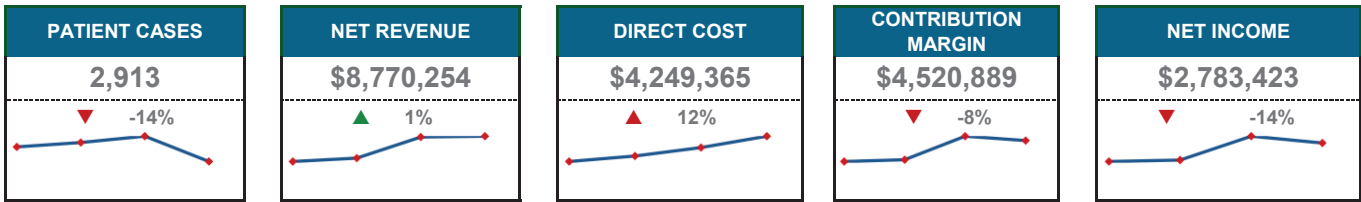
Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria: Entity = Neonatology

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - Inpatient Normal Newborns Service Line

FY2026 Annualized

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

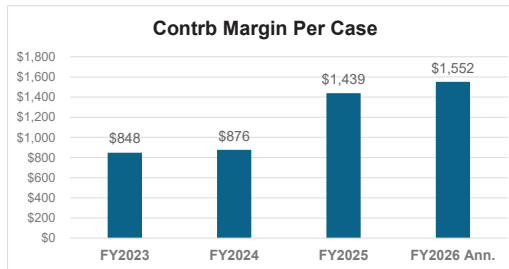
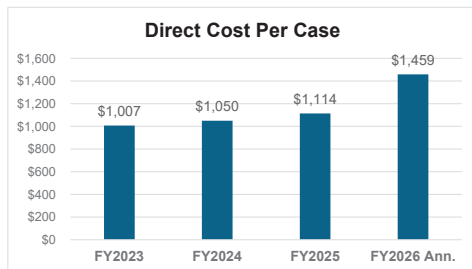
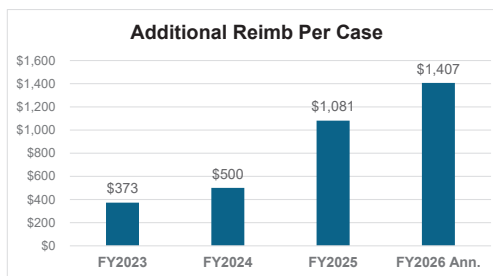
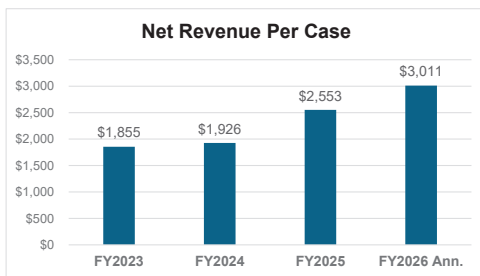


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	3,194	3,279	3,400	2,913	▼ -14%	
Patient Days	4,437	4,443	4,720	4,154	▼ -12%	
ALOS	1.39	1.35	1.39	1.43	▲ 3%	
GM LOS	2.68	2.86	2.89	2.89	▶ 0%	
Net Revenue	\$5,924,943	\$6,316,084	\$8,678,873	\$8,770,254	▲ 1%	
Additional Reimb	\$1,678,711	\$1,640,054	\$3,674,455	\$4,098,228	▲ 12%	
Direct Cost	\$3,216,493	\$3,442,068	\$3,787,960	\$4,249,365	▲ 12%	
Contribution Margin	\$2,708,450	\$2,874,016	\$4,890,913	\$4,520,889	▼ -8%	
Indirect Cost	\$1,171,701	\$1,239,776	\$1,656,688	\$1,737,467	▲ 5%	
Net Income	\$1,536,749	\$1,634,240	\$3,234,225	\$2,783,423	▼ -14%	
Net Revenue Per Case	\$1,855	\$1,926	\$2,553	\$3,011	▲ 18%	
Additional Reimb Per Case	\$373	\$500	\$1,081	\$1,407	▲ 30%	
Direct Cost Per Case	\$1,007	\$1,050	\$1,114	\$1,459	▲ 31%	
Contrb Margin Per Case	\$848	\$876	\$1,439	\$1,552	▲ 8%	
Opportunity Days	(1.29)	(1.50)	(1.50)	(1.46)	▲ 2%	
CM w/o Add Reim Per Case	\$322	\$376	\$358	\$145	▼ -59%	

### PER CASE TRENDED GRAPHS



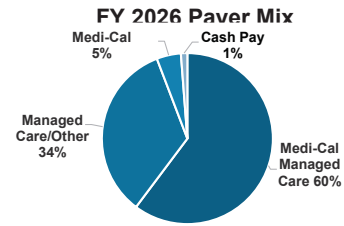
# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - *Inpatient Normal Newborns Service Line*

FY2026 Annualized

### PAYER MIX - 4 YEAR TREND (GROSS CHARGES)

PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal Managed Care	53%	57%	58%	60%
Managed Care/Other	37%	35%	30%	34%
Medi-Cal	9%	6%	10%	5%
Cash Pay	1%	1%	1%	1%



Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria: ServiceLine = Normal Newborn

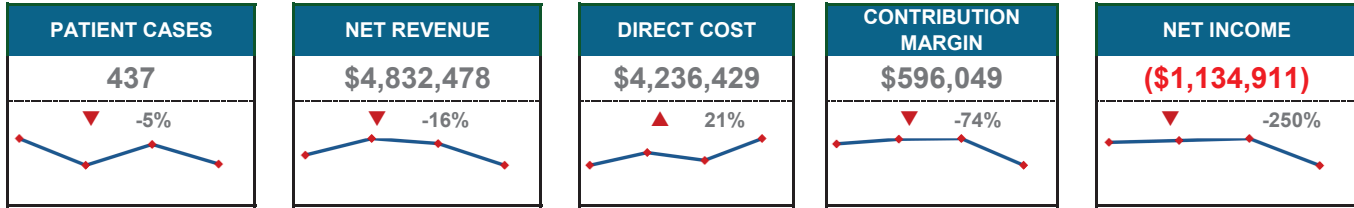
# KAWEAH HEALTH ANNUAL BOARD REPORT

FY2026 Annualized

## Maternal Child Health Services - Inpatient Pediatrics (Age < 19)

Excludes Normal Newborn, OBI/Delivery, Other OB and Neonatology Service Lines

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

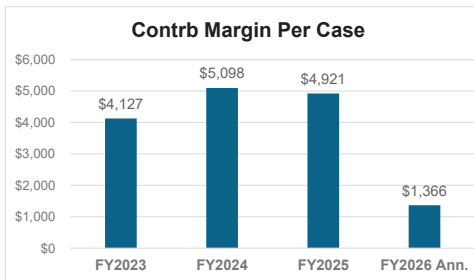
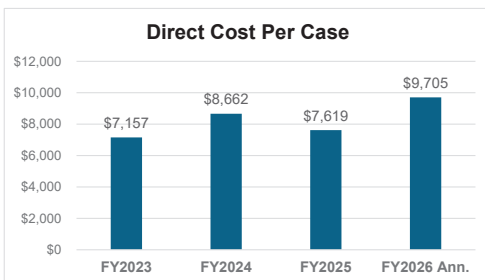
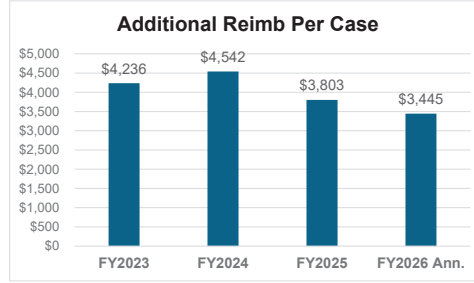
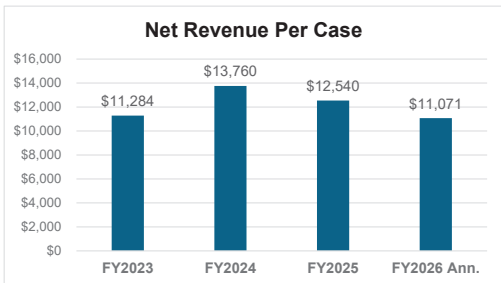


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

Metric	FY2023	FY2024	FY2025	FY2026 Ann.	% Change from Prior Yr	4 Yr Trend
Patient Cases	467	435	460	437	▼ -5%	
Patient Days	1,289	1,368	1,244	1,286	▲ 3%	
ALOS	2.76	3.14	2.70	2.95	▲ 9%	
Net Revenue	\$5,269,792	\$5,985,699	\$5,768,270	\$4,832,478	▼ -16%	
Additional Reimb	\$1,978,162	\$1,975,555	\$1,749,252	\$1,503,801	▼ -14%	
Direct Cost	\$3,342,445	\$3,768,041	\$3,504,514	\$4,236,429	▲ 21%	
Contribution Margin	\$1,927,347	\$2,217,658	\$2,263,756	\$596,049	▼ -74%	
Indirect Cost	\$1,436,575	\$1,605,341	\$1,507,563	\$1,730,960	▲ 15%	
Net Income	\$490,772	\$612,317	\$756,193	(\$1,134,911)	▼ -250%	
Net Revenue Per Case	\$11,284	\$13,760	\$12,540	\$11,071	▼ -12%	
Additional Reimb Per Case	\$4,236	\$4,542	\$3,803	\$3,445	▼ -9%	
Direct Cost Per Case	\$7,157	\$8,662	\$7,619	\$9,705	▲ 27%	
Contrb Margin Per Case	\$4,127	\$5,098	\$4,921	\$1,366	▼ -72%	
CM w/o Add Reim Per Case	(\$109)	\$557	\$1,118	(\$2,080)	▼ -286%	

### PER CASE TRENDED GRAPHS



# KAWEAH HEALTH ANNUAL BOARD REPORT

FY2026 Annualized

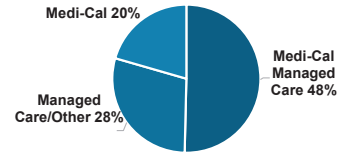
## Maternal Child Health Services - *Inpatient Pediatrics (Age < 19)*

Excludes Normal Newborn, OB/Delivery, Other OB and Neonatology Service Lines

### PAYER MIX - 4 YEAR TREND (GROSS CHARGES)

PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal Managed Care	49%	42%	45%	48%
Managed Care/Other	23%	29%	32%	28%
Medi-Cal	27%	29%	21%	20%

FY 2026 Payer Mix



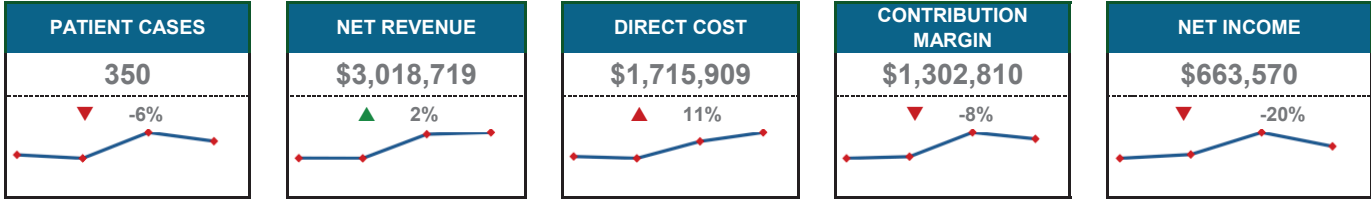
Notes:  
 Source: Inpatient Service Line Report  
 Selection Criteria : Pediatric Patients Ages 0-18, KDMC campus only, excluding the following Service Lines: OB/Delivery, Other OB, Normal Newborn, Neonatology.

# KAWEAH HEALTH ANNUAL BOARD REPORT

## Maternal Child Health Services - *Inpatient Other OB Service Line*

FY2026 Annualized

### KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

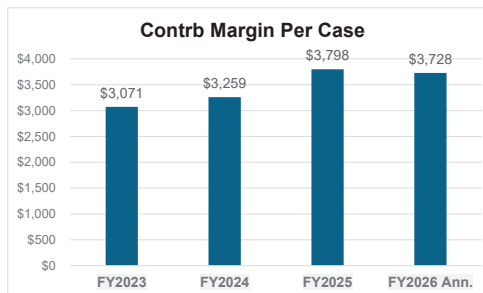
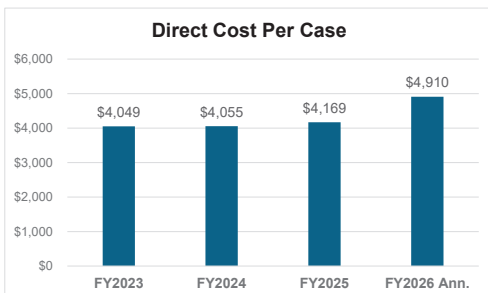
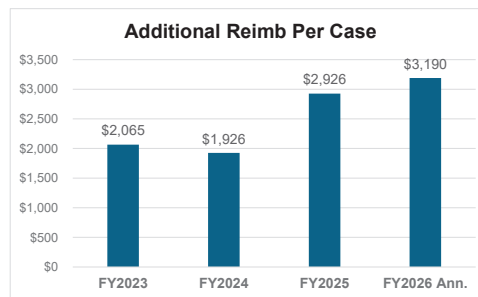
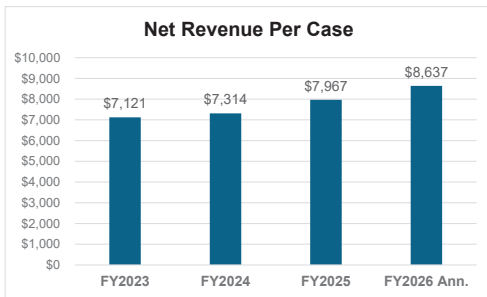


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

### METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	315	306	372	350	▼ -6%	
Patient Days	697	679	876	791	▼ -10%	
ALOS	2.2	2.2	2.4	2.3	▼ -4%	
Net Revenue	\$2,242,976	\$2,238,156	\$2,963,699	\$3,018,719	▲ 2%	
Additional Reimb	\$650,448	\$589,365	\$1,088,588	\$1,114,977	▲ 2%	
Direct Cost	\$1,275,494	\$1,240,752	\$1,550,694	\$1,715,909	▲ 11%	
Contribution Margin	\$967,482	\$997,404	\$1,413,005	\$1,302,810	▼ -8%	
Indirect Cost	\$447,346	\$431,386	\$583,321	\$639,240	▲ 10%	
Net Income	\$520,136	\$566,018	\$829,684	\$663,570	▼ -20%	
Net Revenue Per Case	\$7,121	\$7,314	\$7,967	\$8,637	▲ 8%	
Additional Reimb Per Case	\$2,065	\$1,926	\$2,926	\$3,190	▲ 9%	
Direct Cost Per Case	\$4,049	\$4,055	\$4,169	\$4,910	▲ 18%	
Contrb Margin Per Case	\$3,071	\$3,259	\$3,798	\$3,728	▼ -2%	
CM w/o Add Reim Per Case	\$1,006	\$1,333	\$872	\$537	▼ -38%	

### PER CASE TRENDED GRAPHS



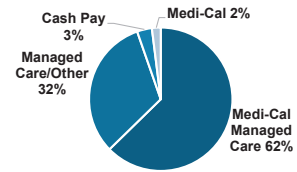
**KAWEAH HEALTH ANNUAL BOARD REPORT**  
**Maternal Child Health Services - *Inpatient Other OB Service Line***

**FY2026 Annualized**

**PAYER MIX - 4 YEAR TREND (GROSS CHARGES)**

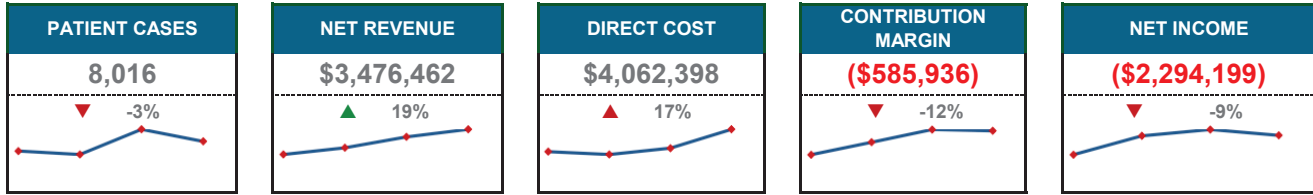
PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal Managed Care	54%	58%	69%	62%
Managed Care/Other	38%	32%	23%	32%
Cash Pay	0%	1%	1%	3%
Medi-Cal	8%	9%	4%	2%

**FY 2026 PAYOR MIX**



Notes:  
 Source: Inpatient Service Line Reports  
 Selection Criteria: ServiceLine = OTHER OB

KEY METRICS - FY 2026 Eight Months Ended February 28, 2026 Annualized

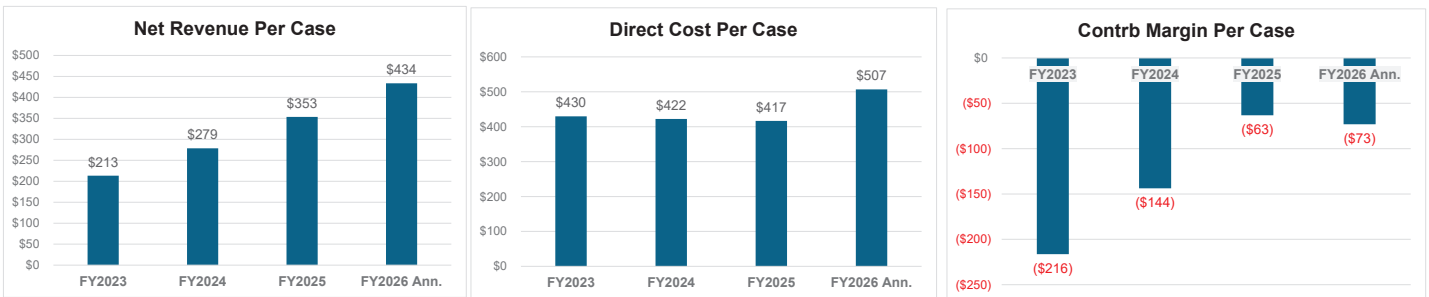


\*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

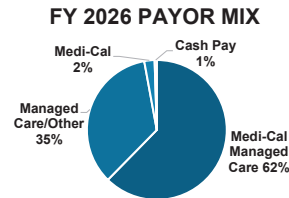
METRIC	FY2023	FY2024	FY2025	FY2026 Ann.	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	7,792	7,710	8,298	8,016	-3%	
Net Revenue	\$1,661,711	\$2,147,778	\$2,932,685	\$3,476,462	19%	
Additional Reimb	\$161,426	\$295,740	\$926,212	\$1,465,994	58%	
Direct Cost	\$3,347,155	\$3,255,573	\$3,457,499	\$4,062,398	17%	
Contribution Margin	(\$1,685,444)	(\$1,107,795)	(\$524,814)	(\$585,936)	-12%	
Indirect Cost	\$1,263,868	\$1,203,895	\$1,572,773	\$1,708,263	9%	
Net Income	(\$2,949,312)	(\$2,311,690)	(\$2,097,587)	(\$2,294,199)	-9%	
Net Revenue Per Case	\$213	\$279	\$353	\$434	23%	
Additional Reimb Per Case	\$21	\$38	\$112	\$183	64%	
Direct Cost Per Case	\$430	\$422	\$417	\$507	22%	
Contrb Margin Per Case	(\$216)	(\$144)	(\$63)	(\$73)	-16%	

PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (Visits)

PAYER	FY2023	FY2024	FY2025	FY2026
Medi-Cal Managed Care	61%	60%	62%	62%
Managed Care/Other	30%	34%	34%	35%
Medi-Cal	8%	5%	3%	2%
Cash Pay	0%	1%	1%	1%



Notes:  
 Source: Outpatient Service Line Reports  
 Selection Criteria : ServiceLine = OP Obstetrics

**March 18, 2026**

# Kaweah Delta Health Care District Board of Directors Committee Meeting

*Health is our Passion. Excellence is our Focus. Compassion is our Promise.*



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## ***KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS FINANCE, PROPERTY, SERVICES & ACQUISITION COMMITTEE MINUTES***

Kaweah Health Medical Center  
305 W. Acequia Avenue, Executive Office Conference Room (1<sup>st</sup> Floor)

### **Wednesday March 18, 2025**

Present: Directors: David Francis (Chair) & Dean Levitan; Marc Mertz, Chief Executive Officer. Malinda Tupper, Chief Financial Officer; Jennifer Stockton, Director of Finance, Jag Batth, Chief Operating Officer; Kelsie Davis, Board Clerk Recording

**OPEN MEETING – Called to order at 4:03PM**

**PUBLIC PARTICIPATION** –None

**MINUTES-** Reviewed and forward to the Board for approval.

**FINANCIALS-** Review of the most current fiscal year financial results and budget. Next meeting will have Dialysis Director come speak as well as rural health clinics.

**FISCAL YEAR 2027 BUDGET PROCESS-** Review of the annual budget process and deadlines.

**MENTAL HEALTH EXPANSION-** Review of the expansion process. The committee asked that this topic be placed on the big board agenda on open session for the full board to hear the ask and have a full updated proforma.

**ADJOURN** – 4:37pm *David Francis, Board Secretary/Treasurer*

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**Mike Olmos • Zone 1**  
Board Member

**Jonna Schengel • Zone 2**  
Board Member

**Dean Levitan, MD • Zone 3**  
Secretary/Treasurer

**David Francis • Zone 4**  
President

**Armando Murrieta • Zone 5**  
Vice President

**March 19, 2026**

## OPEN Quality Council Committee

Thursday, April 16, 2026

The Executive Office Conference Room

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Attending: Board Members: Dr. Dean Levitan, Chair; Jonna Schengel, Board Member; Dr. Paul Stefanacci, Chief Medical Officer; Scott Baker, Interim Chief Nursing Officer; Kevin Morrison, Vice President of Support Services; Melissa Quinonez, Risk Management; Tom Boggs, Chief Ambulatory Officer; Marianne Barrinuevo, Director of Mental Health Services; Cheryl Smit, Stroke Program Manager; Shawn Elkin, Infection Prevention Manager; Megan Stuart, RN Clinical Care QA (Recording); Martha Cardenas, RN Clinical Care QA

### Closed Session:

Dr. Dean Levitan called to order at 8:00 AM.

Review of Closed Session Agenda: Dr. Dean Levitan made a motion to approve the closed agenda, there were no objections.

Dr. Dean Levitan adjourned the meeting at 8:32 AM.

### Open Session:

**Public Participation** – None.

Dr. Dean Levitan called to order at 8:34 AM.

4. **Review of March Quality Council Open Session Minutes** – Dr. Dean Levitan, Chair Board Member
  - Reviewed and acknowledged the March Quality Council Open Session Minutes by Dr. Dean Levitan. No further actions.
  
5. **Written Quality Reports** – a review of key quality metrics and actions associated with the following improvement initiatives:
  - **Mental Health CMS Core Measures**  
Report reviewed, accepted, and attached in minutes. No action taken.
  
6. **Stroke Quality Focus Team:** Overview of program, performance, and key quality outcomes related to the Stroke Program. *Cheryl Smit, BSN, RN Stroke Program Manager*  
Report reviewed and attached in minutes. Committee requested to bring back report to revisit when the next scheduled reporting calendar occurs.
  
7. **Clinical Quality Goals Update-** A review of current performance and actions focused on the clinical quality goals for Healthcare Acquired Infections. *Shawn Elkin, Infection Prevention Manager*; Patient Safety Indicator (PSI) 90 Composite deferred to next meeting due to time. Reports reviewed and attached to minutes.

**Adjourn Open Meeting** – *Dr. Dean Levitan*

Dean Levitan adjourned the meeting at 9:40 AM.

**March 25,**

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD WEDNESDAY MARCH 25, 2026, AT 4:00PM IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Olmos, Francis, Levitan, Schengel & Murrieta; M. Mertz, CEO; J. Randolph, Chief of Staff; M. Tupper, CFO; D. Cox, Chief Human Resource Officer; D. Leeper, CIO; P. Stefanacci, CMO; B. Cripps, CCO; J. Bath, COO; K. Morrison, VP Support Services; S. Baker, CNO; R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 4:00 PM by Director Francis.

**PUBLIC PARTICIPATION** –None.

**ADJOURN** - Meeting was adjourned at 4:00PM

David Francis, President  
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Dean Levitan, MD, Secretary/Treasurer  
Kaweah Delta Health Care District Board of Directors

**2026**

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD WEDNESDAY MARCH 25, 2026, AT 4:45PM IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Olmos, Francis, Levitan, Schengel & Murrieta; M. Mertz, CEO; J. Randolph, Chief of Staff; M. Tupper, CFO; D. Cox, Chief Human Resource Officer; D. Leeper, CIO; P. Stefanacci, CMO; B. Cripps, CCO; J. Bath, COO; K. Morrison, VP Support Services; S. Baker, CNO; R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 5:08 PM by Director Francis.

**ROLL CALL**- Directors Olmos, Levitan, Francis, Schengel and Murrieta were present.

**FLAG SALUTE**- Director Francis lead the flag salute.

**PUBLIC PARTICIPATION** – None.

**CLOSED SESSION ACTION TAKEN:** In closed session the board approved the Medical Executive Committee’s credentialing recommendations for March 2026. There was also action taken by the Board to reject two claims on its merits pursuant to Government Code Section 54956.9. The Board also approved settlement funds for two cases and finally the board approved the closed meeting minutes from February 2026.

**RECOGNITIONS**- Resolution 2283.

**CHIEF OF STAFF REPORT** – Report relative to current Medical Staff events and issues – Julianne Randolph, DO, *Chief of Staff*

- None.

**CONSENT CALENDAR** – Director Francis entertained a motion to approve the March 25, 2026, consent calendar without 9.5.1.

**PUBLIC PARTICIPATION** – None.

*MMSC (Murrieta/Levitan) to approve the March 25, 2026, consent calendar without 9.5.1. This was supported unanimously by those present. Vote: Yes – Olmos, Levitan, Murrieta, Schengel, and Francis.*

The board discussed the graduate medical education graduates.

**CONSENT CALENDAR** – Director Francis entertained a motion to approve the consent calendar item 9.5.1.

**PUBLIC PARTICIPATION** – None.

*MMSC (Levitan/Olmos) to approve the consent calendar item 9.5.1. This was supported unanimously by those present. Vote: Yes – Olmos, Levitan, Murrieta, Schengel, and Francis.*

**QUALITY INCENTIVE POOL REPORT**–Presentation of high-level overview of program objectives, performance metrics, and current status updates related to quality improvement initiatives. Sonia Duran Aguilar presented the slide deck attached.

**STRATEGIC PLANNING INITIATIVE – PHYSICIAN ALIGNMENT** – Presented by JC Palermo regarding the strategic growth and innovation initiative, including strategic objectives, implementation framework and anticipated outcomes. – (Attached hereto the minutes is the presentation presented by JC Palermo.)

**PATIENT EXPERIENCE AND SATISFACTION UPDATE-** Deborah Volosin presented and had a meaningful discussion regarding aggregated and de-identified patient experience data, including trends, themes, and opportunities for improvement.

**MENTAL HEALTH EXPANSION-** Kevin and Jennifer presented and had a meaningful discussion regarding expansion, status, outcomes, and emerging priorities.

Director Francis asked for a motion to start spending funds for the grant reimbursement knowing we would have to find an additional 4.9 Million dollars.

*MMSC ( Murrieta/Schengel) to approve management to start spending funds. This was supported unanimously by those present. Vote: Yes – Olmos, Levitan, Murrieta, Schengel, and Francis.*

**FINANCIALS** – A presentation and discussion of current financial statements, budget performance, revenue, and expense trends, and year-to-date comparisons for the District. Presented by Malinda Tupper.

Copy attached to the original of the minutes and to be considered a part thereof.

**REPORTS**

**Chief Executive Officer Report** – Updates on Dr. Tran, Filled all spots in GME match. – *Marc Mertz, CEO*

**Board President-** None. – *David Francis, Board President*

**ADJOURN** - Meeting was adjourned at 6:25PM

David Francis, President  
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Dean Levitan, MD, Secretary/Treasurer  
Kaweah Delta Health Care District Board of Directors

**March 12, 2026**

MINUTES OF THE SPECIAL OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD THURSDAY MARCH 12, 2026, AT 11:00AM IN THE EXECUTIVE OFFICE CONFERENCE ROOM – 305 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Olmos, Francis, Levitan, Schengel & Murrieta; Marc Mertz, CEO; and K. Davis, recording

The meeting was called to order at 11:00 AM by Director Francis.

**PUBLIC PARTICIPATION** –None.

**ADJOURN** - Meeting was adjourned at 11:01AM

David Francis, President  
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Dean Levitan, MD, Secretary/Treasurer  
Kaweah Delta Health Care District Board of Directors

# Responsible Use of Artificial Intelligence (AI)

<b>Policy Number:</b> AP185	<b>Date Created:</b> 04/14/2026
<b>Document Owner:</b> Kelsie Davis (Board Clerk/Executive Assistant to CEO)	<b>Date Approved:</b> Not Approved Yet
<b>Approvers:</b> Artificial Intelligence Governance Committee, Board of Directors (Administration)	
<b>Responsible Use of Artificial Intelligence (AI)</b>	

**Printed copies are for reference only. Please refer to the electronic copy for the latest version.**

**Purpose:**

The purpose of this policy is to provide guidelines, requirements, and processes for the responsible development, deployment, and use of Artificial Intelligence (“AI”) across Kaweah Health (“Kaweah”). Responsible Use of AI means respecting individuals’ privacy; promoting transparency, fairness, and accountability; and operating in a safe and secure manner that strives to protect individuals from physical, emotional, environmental, financial and/or digital harm.

**Policy:**

1. All AI Solutions to be used at Kaweah must be evaluated by Kaweah’s AI Governance Committee prior to their use, development, or deployment or be consistent with the acceptable uses of AI that do not require specific approval in Procedure Section I.g. below. Any AI Solutions denied by Kaweah’s AI Governance Committee shall not be used at Kaweah.
2. **Acceptable Use:** The use of AI at Kaweah must only be for tasks that contribute directly to Kaweah business objectives and duties and must be in alignment with Kaweah’s Mission and Vision, the Code of Conduct (the “Code”), and Kaweah policies and procedures, and all applicable laws and regulations.
3. **Notification and Reporting:** When using AI, users must:
  - a. Promptly notify the AI Governance Committee if any of the following are observed: anomalies, a decline or material deviation in accuracy of Outputs, biased, discriminatory, or illegal Outputs, or Outputs that divert from expectations as outlined in the Code or applicable Kaweah policies and procedures or the respective AI Solution’s documentation.
  - b. Immediately report any suspected or actual inadvertent disclosure of Kaweah data to the Chief Compliance and Risk Officer.
  - c. Ensure thorough periodic review that the AI continues to be aligned with the Code of Conduct and applicable Kaweah policies and procedures.

4. Vendor Management: Kaweah expects and requires third-party vendors to commit to responsible development, deployment, and use of AI.
5. Training: The AI Governance Committee may require training on AI Solutions prior to Go Live, as necessary.
6. Bias and Discrimination:
  - a. AI Solutions may produce biased or discriminatory Outputs. All Users must assess Outputs for any such biases, and Outputs may not be used if found or suspected to be biased, misleading, harmful, offensive, or discriminatory.
  - b. Bias and discrimination should be assessed across the lifecycle of the AI Solution and monitored throughout development, deployment, and depreciation.
  - c. All Users are responsible for ensuring AI Solutions align with applicable legal requirements and Kaweah policies and procedures. If any User observes or becomes aware of suspected biased or discriminatory outcomes from Output, User must promptly notify the AI Governance Committee.

**Definitions:**

1. AI Governance Committee: Kaweah multi-disciplinary committee developed to implement Kaweah's Responsible AI Program and tasked with (a) ensuring AI is used appropriately and effectively in support of the Mission and Vision of Kaweah; (b) developing policies and procedures related to AI approval, use, tracking and deployment; and (c) maintaining an AI inventory of approved solutions for Kaweah.
2. AI Solutions or AI Technology: AI and Machine Learning technologies both individually and collectively, unless otherwise specified within the context of its use.
3. Artificial Intelligence: A machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments. AI systems use machine and human-based inputs such as patterns and structures learned from existing data, deep learning, neural networks, and machine learning techniques to, among other actions, (1) perceive real and virtual environments; (2) abstract such perceptions into models through analysis in an automated manner; (3) create new, original content, such as images, text, or music; (4) produce content autonomously that closely resembles human-created content/communication; (5) produce natural language texts based on a given command, such as a prompt, a keyword, or a

query and/or (6) use model inference to formulate options for information or action.

4. **Kaweah Data:** All information generated, obtained, or held by Kaweah in the course of its operations, including but not limited to patient information, whether in text, images, code, graphics, video or other information that is in any form, and however stored, transmitted, generated, including without limitation all archives, derivatives, modifications, or manipulations of the foregoing information.
5. **Machine Learning:** An application of AI that is characterized by providing systems with the ability to automatically learn and improve based on Training Materials or experience, without being explicitly programmed.
6. **Malicious Software:** Any type of code, software, application, or program that is designed to: (1) cause unauthorized access to, theft of, or intrusion upon; or (2) otherwise disrupt, lock, or damage computer equipment, software, networks, infrastructure, or data (e.g. malware, viruses, ransomware, etc.); or (3) software that allows an individual, network, system, or User to bypass normal authentication or authorization functions or other security controls to a product, service, system, network, or other infrastructure or system that would allow the individual, network, system, or User to remain undetected or unaudited.
7. **Output(s):** Any outcome or other result, action, or decision otherwise performed by or with the assistance of an AI Solution.
8. **Responsible AI:** The area of AI governance that applies across all AI Technology activities and establishes guidelines to address safety, security, trustworthiness, transparency, fairness, and ethics.
9. **Responsible AI Program:** Kaweah's program that oversees and administers Responsible AI and is designed to evaluate ethical considerations, technical advancements, regulatory adherence, and innovation of AI Solutions at Kaweah.
10. **Training Materials:** The information (e.g. personal information, personally identifiable information, facts, or other non-copyrightable information), raw data (e.g. metadata, sensor data), content (e.g. licensed or unlicensed, public domain) or other input that is used to train or otherwise develop AI Technology.
11. **Users:** Workforce members, developers, subcontractors, and other professionals using, developing, or deploying AI Solutions.

**Procedure:****I. Request For Use of an AI Solution:**

- a. Those who wish to use an AI Solution must follow Kaweah's AI Solution submission and approval processes as defined herein, except where specifically excluded herein.
- b. An AI Responsible Use Request Form must be submitted to the AI Governance Committee by an employee or Medical Staff member for evaluation prior to use unless the AI Solution is already approved by the AI Governance Committee. Requests from third-party vendors directly to the AI Governance Committee will not be accepted.
- c. The AI Governance Committee will evaluate requests received for AI Solutions by reviewing the following factors:
  - i. The purpose and use of the AI Solution. Depending on the purpose and use, subject matter experts will be engaged to provide input.
  - ii. Patient Care-Related AI Solution – If the AI Solution will be used in patient care, including but not limited to the delivery of patient care or the development of treatment decisions or plans of care, the AI Governance Committee, at its discretion, will seek input from relevant Kaweah leaders or governing bodies, such as the Chief Nursing Officer, Chief Medical Officer, the Medical Staff Executive Committee, etc.
  - iii. Billing or Coding-Related AI Solution – If the AI Solution will be used in the billing or coding of services by Kaweah, the Chief Compliance and Risk Officer must review and approve the AI Solution.
  - iv. Compliance or Legal-Related AI Solution – If the AI Solution will be used to provide compliance or legal related information or advice, the Chief Compliance and Risk Officer must review and approve the AI Solution.
  - v. Employment-Related AI Solution – If the AI Solution will be used for an employment-related purpose, the Chief Human Resource Officer must review and approve the AI solution.
  - vi. If the AI Solution relies on recordings or surveillance of individuals (whether photo, video, or audio), including patients, employees, contractors, providers, or visitors, the Chief Compliance and Risk Management Officer must review and approve the AI Solution.

- vii. The input and recommendations of other relevant Kaweah governing bodies with expertise and/or oversight of the subject matter of the AI Solution.
  - viii. The use and/or disclosure of Kaweah Data.
  - ix. The expected benefits of the AI Solution.
  - x. The risks associated with the AI Solution.
  - xi. The vendor's implementation of a Responsible AI Program.
  - xii. Whether there is another Kaweah-approved AI Solution for the same purpose and use.
- d. AI solution approval is based on the factors noted above as well as a risk/benefit analysis. AI solutions reviewed by the AI Governance Committee will receive one of the following scores:
- 1: Approval with no or only recommended mitigation.
  - 2: Approval with required mitigation.
  - 3: Approval with required mitigation and Executive Team approval.
  - 4: Denied.
- e. The AI Governance Committee will respond back to AI requestors as soon as is reasonably possible after all information is received and reviewed.
- f. If multiple AI Solutions are submitted simultaneously, the AI Governance Committee will prioritize its reviews, based on anticipated value.
- g. Responsible Use of AI Without Specific Approval
- Kaweah considers it acceptable to use AI in some limited circumstances without seeking approval as required in this policy when those circumstances do not involve the activities listed in section I.c.ii. through section I.c.vii. above and do not involve the access, use or disclosure of Protected Health Information, specific employee information, sensitive HR data, or billing data. Examples of acceptable uses of AI include the following:
- i. Personal Productivity: AI may be used to support individual productivity. Examples include drafting emails, summarizing meetings, creating presentations, agendas, or educational materials, conducting general research or brainstorming, and writing code or scripts for internal tools.

- ii. Department-Level Workflow Support: AI may be used within departments to streamline internal processes. This includes things such as automating IT ticket routing, generating knowledge-based articles with human review before publication, performing data clean-up on non-HR datasets, assisting with the document formatting, policy drafting, template creation, etc.
- iii. Education and Training: AI may be used to assist with creating training materials, generating practice scenarios, and developing general staff learning content.
- iv. Public-Facing, Non-Clinical Content: AI may be used to help draft public-facing materials such as marketing content, website text, and job descriptions.
- v. Analytics on Fully De-Identified or Test Data: AI may be used for analysis or experimentation when working solely with synthetic datasets, test data, or fully de-identified information. This includes testing models or evaluating proof-of-concepts where no real patient or employee data is involved.
- vi. IT and Cybersecurity Support (non-sensitive):  
AI may be used to assist with non-sensitive IT and cybersecurity tasks such as summarizing system logs that do not contain PHI and generating scripts to support internal operations.
- h. Solutions leveraging AI will be subject to periodic audit and evaluation by the AI Governance Committee during the lifespan of the AI to evaluate compliance with Kaweah's responsible AI use guidelines. Any AI that requires an internally or externally initiated update, upgrade, or new version will be subject to review and audit by the AI Governance Committee to evaluate compliance with Kaweah's responsible AI use guidelines. The AI Solution owner is responsible for submitting a request for review to and receiving approval from the AI Governance Committee prior to a major update, upgrade, or new version implementation.
- i. An initial approval of an AI Solution does not necessarily mean continued and indefinite approval. The AI Governance Committee reserves the right to review and/or rescind approval of an AI Solution at any time.
- j. Information Systems Services will maintain an AI Solution inventory that includes approved and denied AI Solutions. The list will include, but is not limited to the approved date, owner, usage and storage of PHI, and retirement date (if applicable). To obtain a copy of the AI Solution inventory please contact the AI Governance Committee.

## II. Quality Control of Outputs

- a. Potential errors in Outputs may occur for a variety of reasons. All Outputs must be verified by reasonable means as identified in the applicable training, documentation, guidelines, and user manuals for the AI solution.
  - b. Prior to using Outputs, users must engage in an independent review by taking the following into account:
    - i. Proofreading: Output must be proofread for errors in grammar, spelling, and punctuation.
    - ii. Editing as Necessary: Necessary edits must be made to improve clarity, coherence, and quality of the Output.
    - iii. Human Oversight: Engage human oversight in the final review process to identify solution-specific and Output dependent nuances, vulnerabilities, and potential opportunities for improvement.
- III. Cybersecurity and Malicious Use: The use and development of AI Solutions can pose cybersecurity risks to Kaweah systems, devices, and infrastructure. To protect Kaweah resources and data and the privacy of other Users, individuals, and patients of Kaweah, when using or developing AI Solutions, Users must not:
- a. Develop or deploy Malicious Software.
  - b. Create, distribute, or support the creation or distribution of offensive, discriminatory, or illegal content.
  - c. Manipulate and deceive others.
  - d. Violate, infringe, or attempt to violate or infringe on the legal or civil rights of others.
  - e. Violate, infringe, or attempt to violate or infringe on the intellectual property of Kaweah or others.
  - f. Engage in activity that would violate the privacy rights of others.
  - g. Use or attempt to use AI to circumvent or attempt to circumvent any Kaweah policies and procedures.
  - h. Tamper with Outputs or related processes in AI Solution development and deployment.

- i. Maliciously prompt or alter the AI Solution, including through prompt injection, prompt obstruction, data dumping, or otherwise engage in any unauthorized modifications that could compromise the integrity of the AI Solution or Outputs.
- j. Use unauthorized or disallowed AI Solutions with Kaweah-managed devices, or on or through Kaweah systems, servers, or infrastructure.
- k. Upload to or use any Kaweah Data with an unauthorized or disallowed AI Solution.
- l. Use unauthorized or disallowed AI Solutions to generate, revise, or manipulate Outputs for any Kaweah purpose (e.g. patient care, software development, communications, decision-making).
- m. Use or further disseminate for use, any Output that has not undergone validation.

## References:

*"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."*

# MS 55 Peer Review Information Sharing Guidelines

Policy Number: MS 55	Date Created: 02/22/2021
Document Owner: Ody DaSilva (Medical Staff Manager)	Date Approved: 11/23/2021
Approvers: Board of Directors (Administration), Medical Executive Committee, Kelsie Davis (Board Clerk/Executive Assistant to CEO), Ody DaSilva (Medical Staff Manager)	
<b>Peer Review Information Sharing Guidelines</b>	

**Printed copies are for reference only. Please refer to the electronic copy for the latest version.**

**Policy:**

**Confidential peer review documents, including case reviews, case synopsis, event reports, peer review committee meeting minutes etc., require review by physicians for the purpose of completion of the Peer Review Process, Trauma Grand Rounds and/or confidential communications between Medical Staff Committee members. The purpose of this policy is to provide a standardized process for relaying information to physicians so that confidential peer review documents remain t protected by California Evidence Code section 1157.**

**Procedure:**

- I. Communication of peer review information via email.
  - a. All confidential peer review documents and communications that occur via email must take place through Kaweah Health email **ONLY**.

Physicians may request a Kaweah Health email through the Medical Staff Office.

- b. All emails must have a header that states: “Confidential Peer Review Communication – Protected by Evidence Code section 1157.”
  - c. Emails are **ONLY** to be sent to and from members of the Medical Staff Peer Review Committees and their assigned support staff.
- II. Communication of peer review information to GME
 

When it is determined that a member of the Medical Staff who supervises learners is the subject of a corrective action that involves limitations or restriction on their clinical privileges, it will be the responsibility of the Chair of the Graduate Medical Executive Committee (GMEC) to ensure that members of the GME leadership receive sufficient information regarding the Practitioner’s limitations to oversee their program.

  - a. To effectively identify teaching physicians:
    - i. A database of physician with supervisory responsibility will be maintained be the Director of GME

- ii. Practitioners who are the subject of limitations or restrictions on their clinical privileges will be asked if they are responsible for supervising learners.
- b. The GMEC Chair will coordinate communication between Practitioner and Program Director.
- c. GMEC Chair will be responsible for maintaining the confidentiality of peer review information regarding the Practitioner to the maximum extent possible under the circumstances, in accordance with Section 15.A of the Medical Staff Bylaws.

*"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."*

# MS 8710 Peer Review Process



<b>Policy Number:</b> MS8710.PR	<b>Date Created:</b> 04/2016
<b>Document Owner:</b> Ody DaSilva (Medical Staff Manager)	<b>Date Approved:</b> 02/09/2021
<b>Approvers:</b> Board of Directors (Administration), Medical Executive Committee, Peer Review Committee	
<b>Peer Review Process</b>	

**Printed copies are for reference only. Please refer to the electronic copy for the latest version.**

### **Introduction:**

The Medical Staff conducts peer review in accordance with this policy, Medical Staff bylaws and rules and regulations, and as required by applicable licensing, accreditation, and State or Federal entities.

### **Purpose:**

To delineate the process by which the Medical Staff assess each credentialed practitioner's professional performance and behavior as part of its ongoing quality and patient safety, credentialing, privileging and corrective action responsibility. Peer review is an objective evaluation of performance within the healthcare setting, including technical and clinical judgment, resource utilization, interpersonal, and teamwork skills, and appropriate documentation. The peer review process at Kaweah Health encompasses physicians and other licensed health care providers of direct care.

### **Policy:**

1. In order to encourage the open discussion of all aspects of each case, all documents, discussions, minutes, or any other information developed during the peer review process are considered privileged and confidential, protected by State [California Evidence Code §1157] law.
2. The peer review process will occur within the Medical Staff Peer Review Committee (PRC) and other Medical Staff Committees as determined by the Professional Staff Quality Improvement Committee (Prostaff). Final peer review determinations will be made by the PRC, except for trauma cases, which are reviewed in the Trauma Peer Review Committee in accordance with Paragraph 8.
3. For the purpose of this policy, a "peer" is another physician who is a member of the medical staff. To evaluate another practitioner's performance, a peer need not be a member of that practitioner's specialty or department. The level of subject matter expertise required to provide meaningful evaluation of a practitioner's performance will be determined on a case-by-case basis by the peer reviewer and the PRC.

4. Cases recommended for medical staff peer review may be generated from (this list is not all inclusive):
  - i. Specific criteria based on Department or MEC approved triggers
  - ii. Occurrence reports
  - iii. Professional Staff Committees
  - iv. Medical Staff Member/department request
  - vi. Other Professional Staff request
  - vii. Patient/family request
  - viii. Referrals from Patient Safety committees
  - ix. Referrals from Quality / Safety Department
  - x. Referrals from Risk Management Department
  - xi. Administration
  
5. Cases recommended for Peer Review are preliminarily screened by the Peer Review Coordinator and presented to the Medical Director of Quality or Chief Medical Officer. Potential clinical concerns are processed per the Peer Review Flow Chart (Appendix A).
  
6. A referral of a specific unusual case for peer review may be made directly by a Medical Staff Department Chair, Officer, or Chief Medical Officer outside of the normal Midas reporting process. The referral will be “tagged” as originating from this source and then processed in the same manner as all other peer review referrals. If, after evaluation, it is determined that the case should not proceed to peer review, the CMO will personally contact the referring individual to inform them of and discuss the decision to see if satisfactory closure can be obtained. If the referring individual still wishes to have the case proceed to peer review, he/she may present the case to the Chief of Staff who will then make the final decision on referral to peer review.
  
7. The PRC will be comprised of members of the Active Medical Staff with a member from each of the following departments: Radiology, Family Medicine, Internal Medicine, OB/GYN, Pediatrics, Anesthesiology, and Psychiatry & Addiction Medicine. Certain medical staff departments (Cardiac Services, Critical Care/Pulmonology and Hospitalist Medicine, Surgery, Family Medicine, and Emergency Medicine) typically have a higher volume of cases discussed at PRC on a consistent basis. In order to have a sufficient number of reviewers, high volume departments may have two or more members appointed to serve on the PRC at the discretion of the PRC Chair and Chief of Staff.

The Chair of the committee will be an active member of the medical staff and will be appointed by the Chief of Staff from committee members who have served for more than one year. The Chair shall be eligible for reappointment. The Chair will be a regular member of the Medical Executive Committee (MEC) and be eligible for reappointment. The Medical Director of Quality and Patient Safety, Trauma Medical Director, and VP/CMO are ex-officio members of the committee without vote. A Vice-Chair shall be appointed.

Committee members will be appointed by the Chief of Staff as per the bylaws and

this policy. Vice-Chair Members will serve for up to a two -year term, and may serve up to two consecutive terms. After one year off the committee, members will be eligible for reappointment. Committee members will be expected to attend at least two thirds of the committee meetings over a twelve-month period to maintain membership. Committee members will be expected to participate in appropriate educational programs to increase their knowledge and skills in performing the committee's responsibilities.

The committee will meet monthly. The presence of at least 50% of the voting members of the committee will constitute a quorum at a regularly scheduled meeting for purposes of making case determinations. A majority will consist of a majority of voting members present.

8. PRC reviewers will evaluate cases, formulating any questions as appropriate and make a preliminary determination which will be forwarded to the staff member for reply within 30 days. After receipt of the reply (or 30 days in the case of non-response) the reviewer will present the case, the response and the preliminary determination to the PRC. The PRC will discuss the case in a professional and impartial manner, and then assign a final care determination.

Written communication is sent to each staff member who has a case reviewed informing them of the reason for review and the determination made. In the event of a Level 4 determination, (Item 11, below) the staff member has the option to an appeal and may be present at the subsequent PRC meeting to appeal the determination. An appeal must be requested within 30 days of receiving the final determination letter and to be presented to the Peer Review Committee within 60 days or 2 peer review cycles, whichever is greater. In case of an emergency, the staff member will be allowed to cancel the appointment one time. If the appeal cannot be performed after the new scheduled appeal date, the final determination assigned prior will stand. Appearance for an appeal is optional, but strongly recommended. If the staff member chooses not to appear, the final determination will be determined by the PRC.

The Trauma Peer Review Committee shall perform peer review of trauma cases in the same manner and then forward to the PRC final determination results to be made part of the formal minutes of the PRC.

9. Results of the peer review process may range from identified opportunities for enhancing care/documentation to identified opportunities of critical importance for improving care. System level opportunities or individual practitioner issues may be identified. System level opportunities will be referred to the Medical Director of Quality and Patient Safety, who will determine the appropriate channels to implement improvement (i.e. Professional Staff Quality Improvement Committee (Prostaff)) and may become the foundation for educational programs.

Depending on the circumstances, such as 3 or more Level 4 determinations or 5 or more Level 3 determinations, the Department Chair may be asked to conduct a Trend Analysis as referenced in the Trend Analysis Procedure. The Department Chair will then determine if a focused physician practice evaluation (FPPE) is

required. If indicated, a Plan for Improvement form shall be submitted to the PRC Chair within 45 days from request by PRC. If the plan for improvement has not been submitted within the designated timeframe, then the Chief of Staff or designee will be asked to intervene. Once reviewed and approved by PRC, the plan for improvement will be forwarded to MEC for approval. Implementation and follow up for the plan for improvement will be conducted by the Department chair or designee under the purview of the MEC as referenced in the Trend Analysis Procedure.

Department Chairs, will be informed of any PRC Level 4 determinations set by the PRC, so that they can meet with the physician and discuss the case. Depending on the outcome of that discussion, their options as Department Chair are either to close the event by offering helpful input/suggestions to the physician, or, if appropriate, take further action to correct the situations.

Ongoing peer review delinquencies and physician practice issues will be referred to MEC as deemed appropriate. If the physician continues to exceed department or medical staff determined threshold criteria, the Department Chair or designee, Chief of Staff or designee, PRC Chair/Committee, or MEC may recommend/require a FPPE as referenced in the OPPE/FPPE policy.

10. In the event that a case is ruled Exemplary by the PRC, the physician identified in the case, will be issued a letter acknowledging their Exceptional Care.

11. Peer Review Cases will be reviewed up to one calendar year from event date.

12. External Peer Review should be utilized under the following circumstances, or as requested by the Chief of Staff or CMO after consulting with the PRC Chair:

Ambiguity – when dealing with ambiguous or conflicting recommendations from internal reviewers or professional staff committees.

Lack of Internal Expertise – when no one on the professional staff has adequate expertise in the specialty under review; or with the technology being used under review.

Conflict of Interest - when the only potential reviewers with that expertise are partners, associates, or direct competitors of the practitioner under review and this potential for conflict of interest cannot be appropriately resolved.

13. Determinations:

Though Standard of Care determinations are made regarding specific clinical situations, decisions and actions, these can be guided by more general considerations. Human performance can be segmented into 3 levels of performance: skill-based, rule-based and knowledge-based, as follows:

Skill-Based: routine highly-practiced tasks in largely automatic fashion with

occasional conscious checks on progress.

**Rule-Based:** when we notice a need to modify our largely preprogrammed behavior because we have to take account of some change in the situation. This problem is likely to be one we have encountered before or have been trained to deal with or which is covered by procedures. It is called rules-based because we apply memorized or written rules of the kind—if (the situation) then do (these actions). In applying these rules, we operate by automatically matching the signs and symptoms of the problem to some stored knowledge structure. We may then use conscious thinking to verify whether or not this solution is appropriate.

**Knowledge-based:** thinking things through on the spot in order to come up with a good solution

*Rule-based and knowledge-based errors are mistakes in planning. Skilled based errors are either slips or lapses in execution of a plan.*

	<b>Determination</b>	<b>Rules</b>	<b>Professional Staff Performance</b>
1.	Excellent care	No good rules	Exemplary knowledge- based and/or skill- based performance
2.	Standard of care	Good rules <sup>1</sup>	Performance according to existing rules
3.	Opportunity for Improvement Clinical	Good rules Or No Good rules	Error in performance <sup>2</sup> Includes incorrect execution (skilled-based slips or memory-based lapses <sup>3</sup> ) or incorrect planning (rule-based or knowledge based mistakes <sup>4</sup> )
3D.	Opportunity for improvement Documentation	See 3.	See 3.
3R	Opportunity for improvement Clinical – Resident Only		
3DR	Opportunity for improvement Documentation – Resident Only		
4	Below Standard of Care Clinical	Good rules	Violation <sup>5</sup> Or Repeated erroneous performance
4D.	Below standard of care Documentation	See 4.	See 4.
4R	Below standard of care - Resident Only		
4DR	Below standard of care Documentation – Resident Only		

<sup>1</sup> Good rules include clear evidenced-based clinical standards, local consensus practice with or without written guideline, and Bylaws standards.

<sup>2</sup> Error - failure of a planned sequence of actions to achieve desired goal because either adequate plan was incorrectly executed (failure of execution) or because an inadequate plan was made (failure of planning). Because latent conditions lead to error-producing conditions and also because of human factors, individual errors in performance should not be considered below standard of care.

<sup>3</sup> Slips—actions in which there are recognition or selection failures; Lapses—actions in which there are failures of memory or attention.

<sup>4</sup> Mistake—incorrect choice of objective or choice of an incorrect path to achieve it

<sup>5</sup> Violation—instances in which good rules are consciously ignored.

## References:

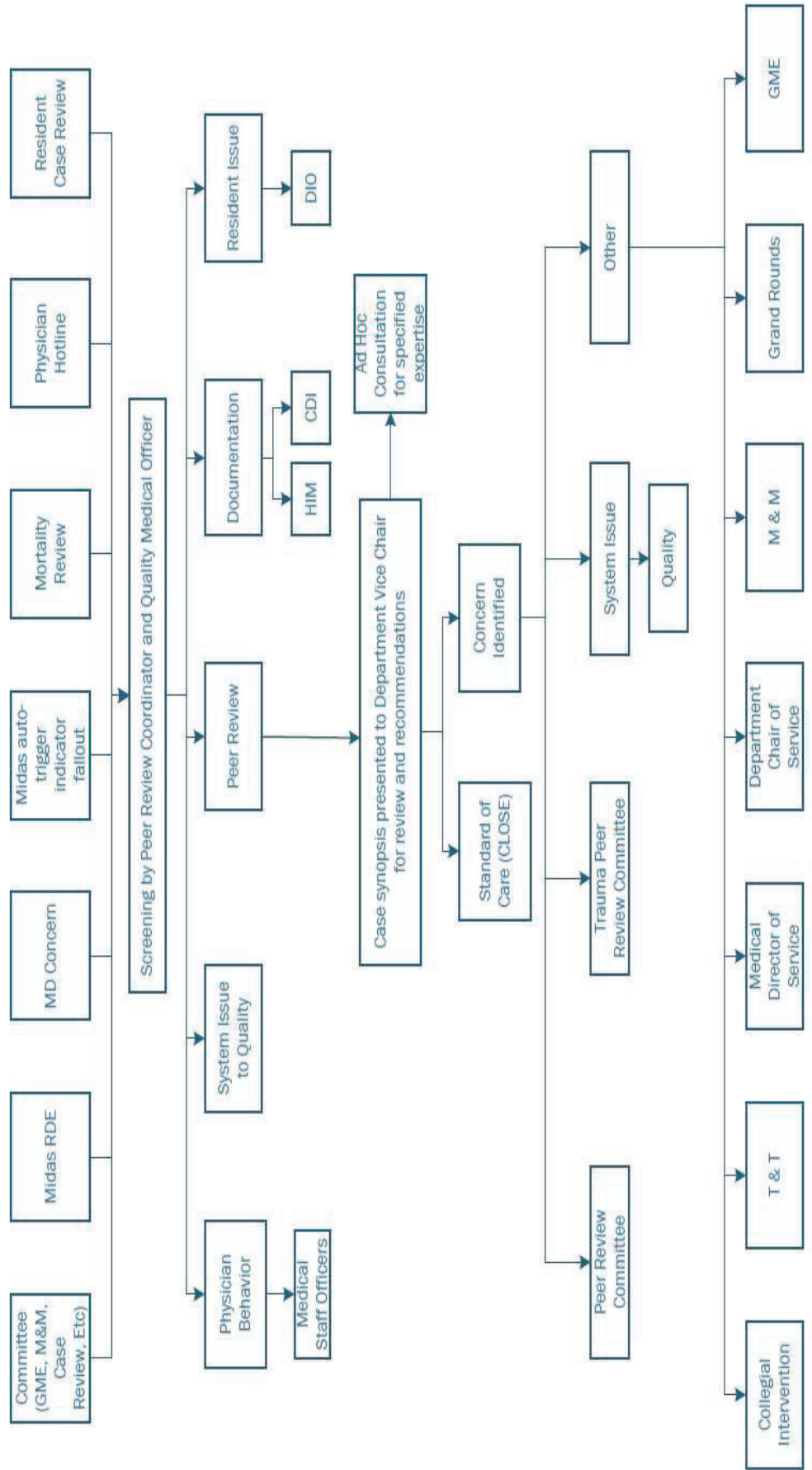
Trend Analysis Procedure

OPPE/FPPE Policy

Appendix A

Peer Review Process Flow Chart

Peer Review Process Flow Chart



## Appendix B

<b>Case Review Process</b>	<b>Time Period</b>
Patient records identified	Identified cases sent to the PR Coordinator within 5 working days of case identification.
Chart screened by the PR Coordinator for indicator criteria and physician reviewer assignment if appropriate. Preliminary review by either: PRC Chair or Medical Director of Performance Improvement is completed for peer review consideration. Initial reviewer shall be a member of the committee or a designated peer reviewer. Cases will be assigned to committee members on a rotating basis. If initial reviewer indicates potential conflict of interest, PR Coordinator will assign case to the next reviewer.	Case assigned within 2 weeks of case received by PR Coordinator. Cases sent to the peer reviewer within 5 working. Reviewers will inform PR Coordinator of potential conflict within 1 week of case assignment.
Physician reviewer reviews the case per paragraph 6 of policy, above.	Initial review will be completed within 2 weeks of assigning review. Case reviews completed by physician reviewers submitted to the PR Coordinator 3 days prior to the Committee meeting will be reported to the committee.
Level 1, 2, 3 and 4 determinations	Level 1, 2, 3 and 4 determinations are tracked in by the Medical Staff Organization as part of the physician's OPPE.
If the PRC peer reviewer or the designated peer reviewer indicated a preliminary Level 4 determination, the staff member shall be invited to be present at the subsequent PRC meeting to appeal the determination. Appearance for an appeal is optional, and not required. If the staff member chooses not to appear, the determination will be considered non-appealed and the original determination will stand. The involved physician(s) must respond within the timeframes elicited within this policy	Response to the committee within 30 days. The request for response letter will be sent via certified mail by the PR Coordinator with the exception of the ED, Radiology, and Anesthesia departments. The members of these departments will receive the request for response through interoffice mail with an e-mail confirmation. If the physician had not received the letter, a second certified letter will be sent with confirmation of correct address.
All final determinations of physician care are communicated to all physicians who had cases Peer Reviewed, and are tracked by the PR Coordinator.	Letters sent within 7 days of the committee meeting.
If a physician, department chair, or a PRC member, requests re-opening of a case, that individual must state in writing the reasons for the appeal. Indicators that favor consideration are likely to include but are not limited to: new findings of fact or persuasive expert opinion not previously considered. Indicators that do not favor consideration include but are not limited to: failure to respond within the designated time frame or disagreement with findings. This document will then be considered by PRC. The case will be reopened if a majority of PRC members present vote in favor of reopening the case.	Request for re-opening of cases must be done within 60 days of the date the final determination letter was sent.

# Medical Staff Bylaws

March 19, 2025

Attached are the Medical Staff Approved Proposed Bylaws & Rules and Regulations Revisions forwarded to the Board of Directors

Vote Statistics:

Sent to Active & Active-Voting Medical Staff Members (344)

Bylaws 12.I.1,2

Approve	97.62	41
Not Approve	0%	0
Abstain	2.38%	1

Bylaws 12.G.1

Approve	90.24%	37
Not Approve	2.44%	1
Abstain	7.32%	3

Bylaws 12.S.1, a,b,c

Approve	88.10%	37
Not Approve	4.76%	2
Abstain	7.14%	3

Bylaws Appendix A. b

Approve	90.48%	38
Not Approve	2.38%	1
Abstain	7.14%	3

Rules and Regulations 3.1.b

Approve	95.24%	40
Not Approve	2.38%	1
Abstain	2.38%	1

## 12.I. ~~CASE MANAGEMENT UTILIZATION REVIEW COMMITTEE~~

### 12.I.1 Composition:

The ~~Case Management Utilization Review~~ Committee shall consist of at least three Active Staff members, selected to be broadly representative of the clinical specialties on the Medical Staff. Other members may consist of other types of Practitioners to include, when possible, GME representatives from Emergency Medicine, Family Medicine, Psychiatry, Surgery and/or Anesthesiology.

### 12.I.2 Duties:

The Case Management Committee shall:

- (a) conduct utilization management studies designed to evaluate the appropriateness of admissions to the Hospital, lengths of stay, discharge practices, use of medical and hospital services and related factors that may contribute to the effective utilization of services;
- (b) communicate the results of its studies and other pertinent data to the MEC and shall make recommendations for the utilization of resources and facilities commensurate with quality patient care and safety;
- (c) establish a utilization review plan which shall be approved by the MEC;
- (d) obtain, review, and evaluate information and raw statistical data obtained or generated by the Hospital's case management system; and
- (e) be responsible for overseeing the conditions of participation for Medicare and Medi-Cal for utilization review and discharge planning.

## 12.G. PROFESSIONALISM COMMITTEE

### 12.G.1 Composition:

The Professionalism Committee shall consist of the officers of the Medical Staff. The Chief of Staff shall serve as chair. Medical Staff Director shall attend as an *ex-officio* member as an operational leader resource.

12.S. ~~PROFESSIONAL STAFF~~ QUALITY COMMITTEE (“~~OComm~~”)

12.S.1 Composition:

- (a) The ~~Professional Staff~~ Quality Committee shall be comprised of the following voting members: the Vice Chief of Staff (who shall serve as the Chair of the Committee), the Chief of Staff, the Secretary-Treasurer, the Immediate Past Chief of Staff, the Chief Quality Officer, the Quality and Patient Safety Medical Director, the Director of Quality and Patient Safety, the Director of Risk, the Director of Medical Staff Services, and an IS representative.

The following members of this committee are ad-hoc members that will attend when requested to address areas pertinent to their services: All Kaweah Delta Medical Directors, the Director of Pharmacy, and the Director of Nursing Practice.

- (b) The following committee members shall participate in setting the agenda for meetings: the Vice Chief of Staff, the Quality and Patient Safety Medical Director, the Quality and Patient Safety Director, the Chief of Staff, the Secretary-Treasurer, and the CQO.
- (c) The ~~Professional Staff~~ Quality Committee may appoint subcommittees to help fulfill the responsibilities and duties set forth below. All duly authorized subcommittees shall report to the ~~Professional Staff~~ Quality Committee at a frequency designated by that committee.

12.S.2 Duties:

The ~~Professional Staff~~ Quality Committee shall:

B. H&Ps Performed Prior to Admission, Observation, or Surgery/Invasive Procedure

1. Any H&P performed more than 30 days prior to an admission or registration ~~does not meet the requirements of this provision.~~ cannot be used as a history and physical for admission, observation or surgery/invasive procedure.
2. If an H&P has been completed within the 30-day period prior to admission or registration, a ~~durable, legible~~ copy of this report may be used in the patient's medical record as a history and physical examination if an update note is also present. The update note must be documented by an individual who has clinical privileges at Kaweah Health to perform history and physicals. The H&P update must be documented in the electronic medical record before the start of surgery/invasive procedure or ~~However, in these circumstances, the patient must~~

118

~~also be evaluated~~ within 24 hours before or after admission observation, after the time of admission, observation, or prior to surgery/invasive procedure, whichever comes first, and an update recorded in the medical record by an individual who has been granted clinical privileges by the District to perform histories and physicals.

3. The update of the H&P note shall be based upon a history and examination of the patient and must reflect (i) any changes in the patient's condition since the date of the original history and physical that might be significant for the planned course of treatment or (ii) state that there have been no changes in the patient's history or condition and (iii) the update note must clearly state the reasons for admission, observation, or surgery/invasive procedure if they are not states in the original history and physical.
4. The update note will be documented and saved in the electronic medical record under the title: History and Physical Update Note.
- 3-5. When a patient has been hospitalized and requires surgery, no update is needed as daily progress notes serve to update the medial record.

- (b) Medical Record Entries: Only authorized individuals may make entries in the medical record. Electronic entries will be entered through the electronic medical record. Legible handwritten entries will be accepted/entered into the electronic medical record ONLY in an emergent situation or during downtime procedures. Any such written or paper-based entries will be recorded in the English language, scanned and incorporated into the patient's electronic medical record. In special situations, the Executive Team or the HIM Committee may grant a provider permission to use handwriting.

# Resolution 2286

**RESOLUTION NO. 2286**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KAWEAH  
HEALTH CARE DISTRICT APPOINTING THOMAS BOGGS, CHIEF  
AMBULATORY OFFICER, TO THE BOARD OF SEQUOIA INTEGRATED  
HEALTH (SIH)**

**WHEREAS**, the Kaweah Health Care District (“District”) participates in and supports the activities and governance of **Sequoia Integrated Health (“SIH”)**; and

**WHEREAS**, representation on the SIH Board is necessary to ensure appropriate leadership, coordination, and alignment with the District’s strategic and operational priorities; and

**WHEREAS**, the Board of Directors desires to appoint a qualified executive leader to serve as the District’s representative on the SIH Board; and

**WHEREAS**, **Thomas Boggs, Chief Ambulatory Officer**, possesses the experience, leadership, and expertise necessary to effectively serve in this capacity.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Kaweah Health Care District hereby appoints **Thomas Boggs, Chief Ambulatory Officer**, to serve as the District’s representative on the Board of Sequoia Integrated Health, effective April 22, 2026; and

**BE IT FURTHER RESOLVED** that this appointment shall remain in effect until such time as the Board of Directors determines otherwise or a successor is appointed; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all actions necessary to carry out the intent of this Resolution.

**PASSED AND ADOPTED** by the Board of Directors of the Kaweah Health Care District at a regular meeting held on April 22, 2026.

ATTEST:

\_\_\_\_\_  
Dean Levitan, M.D.  
Secretary/Treasurer, Board of Directors

\_\_\_\_\_  
David Francis  
President, Board of Directors

# Resolution 2287

## AUTHORIZING RESOLUTION

### RESOLUTION NO. 2287

#### A RESOLUTION OF THE BOARD OF DIRECTORS OF KAWEAH DELTA HEALTH CARE DISTRICT DBA KAWEAH HEALTH AUTHORIZING APPLICATION TO AND PARTICIPATION IN THE BEHAVIORAL HEALTH CONTINUUM INFRASTRUCTURE PROGRAM ("BHCIP")

##### WHEREAS:

A. The California Department of Health Care Services, through its contractor Advocates for Human Potential, Inc., ("**Department**") has issued a Request for Applications, dated January 31, 2022 ("**RFA**"), for the BHCIP Program ("**Program**"). The Department has issued the RFA for Program grant funds pursuant to Welfare and Institutions Code Sections 5960-5960.45. Program grant funds are derived primarily from the federal Coronavirus State and Local Fiscal Recover Funds, which was established by the American Rescue Plan Act of 2021, and in part from the State of California General Fund.

B. **KAWEAH DELTA HEALTH CARE DISTRICT DBA KAWEAH HEALTH**, California Health Care District ("**Applicant**"), desires to apply for Program grant funds by submitting an application for Program funds ("**Application**") to the Department for review and consideration.

C. The Department is authorized to administer BHCIP pursuant to Welfare and Institutions Code Section 5960-5960.45. Program funding allocations are subject to the terms and conditions of the RFA, the Application, Standard Agreement ("**Standard Agreement**"), and all other legal requirements of the Program.

##### THEREFORE, IT IS RESOLVED THAT:

1. Applicant is hereby authorized and directed to submit an Application to the Department in response to the RFA, and to apply for Program grant funds in a total amount not to exceed **\$8,780,558.00**.
2. If the Application is approved, Applicant is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed **\$8,780,558.00**, any and all other documents required or deemed necessary or appropriate to secure the Program funds from the Department and to participate in the Program, and all amendments thereto (collectively, the "**Program Documents**").
3. Applicant acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

**4. MAX HECKHAUSEN, VP OF STRATEGY OR MARC MERTZ, CHIEF EXECUTIVE OFFICER** (the “**Authorized Signatory**”), is authorized to execute the Application and the Program Documents on behalf of Applicant for participation in the Program; and Applicant further agrees and authorizes the Authorized Signatory to execute the Declaration of Restrictions and Performance Deed of Trust to be recorded against the Project located at 1100 S Akers St., Visalia, CA 93277, as more particularly described in the Program Funding Agreement.

PASSED AND ADOPTED this 22nd day of April, by the following vote of the Kaweah Delta Health Care District’s Board of Directors.

ATTEST:

\_\_\_\_\_  
Dean Levitan, M.D.  
Secretary/Treasurer, Board of Directors

\_\_\_\_\_  
David Francis  
President, Board of Directors

## QUALITY STROKE REPORT

# Stroke Quality Focus Team Report

Quality Council Report  
April 16, 2026

Cheryl Smit, BSN, RN, Stroke Program Manager  
Sean Oldroyd, DO Stroke Program Medical Director



[kaweahhealth.org](http://kaweahhealth.org)



# Primary Stroke Re-certification Survey March 14, 2025

## Survey Summary:

### Strengths and Best Practices:

- The education assessment is excellent! Including Residents in the process is a great practice that many organizations overlook
- The NIH validation process with a super user every two years is commendable—many organizations do not implement this.
- Strong community awareness efforts and stroke community assessments are notable achievements. Not many organizations emphasize these initiatives, so well done!
- The recent changes to the inpatient RRT process for in-house stroke alerts are impressive, and the response times look great.

### Findings and Opportunities for Improvement:

- Quality Improvement Initiatives (Low/Pattern): While progress has been made, door-to-needle and CT performance times are not consistently meeting targets. Strengthening ongoing quality improvement efforts may help optimize these metrics.
- Order Set Usage & Evidence-Based Care Delivery (Moderate/Pattern): A review of patient charts identified some areas where adherence to evidence-based care protocols can be strengthened, particularly in physician order set usage. Addressing these gaps can further enhance patient care.
- Core Measure Metric Reporting (Low/Widespread): Expanding data entry efforts to ensure full alignment between GWTG and the TJC system will enhance the completeness and accuracy of reporting.

[kaweahhealth.org](http://kaweahhealth.org)



# Restructure of the Oversight Stroke Quality Committee

## Requirements of Improvement Quality Improvement Initiatives

Indicator	Benchmark	Jan'25	Feb'25	Mar'25	Apr'25	May'25	Jun'25	Jul'25	Aug'25	Sep'25	Oct'25	Nov'25	Dec'25
<b>Core Measures</b>													
STK-1 VTE (GWTG, TJC)	85% or greater	88%	91%	100%	100%	93%	97%	97%	100%	92%	95%	93%	98%
STK-2 Discharged on Antithrombotic (GWTG, TJC)	85% or greater	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
STK-3 Anticoag for afib/flutter ordered at Dc (GWTG, TJC)	85% or greater	100%	100%	75%	88%	100%	100%	100%	100%	100%	100%	100%	100%
STK-4 Thrombolytics arrive 2hrs treat 3hrs (GWTG, TJC)	85% or greater	100%	100%	100%	100%	NA	100%	100%	100%	100%	100%	100%	100%
STK-5 Early Antithrombotics by end of day 2 (GWTG, TJC)	85% or greater	100%	100%	100%	100%	97%	100%	98%	100%	100%	100%	100%	98%
STK-6 Discharged on Intensive Statin (GWTG, TJC)	85% or greater	94%	93%	96%	85%	91%	79%	97%	89%	96%	94%	97%	97%
STK-8 Stroke Education (GWTG, TJC)	75% or greater	100%	93%	92%	86%	92%	92%	96%	100%	92%	97%	92%	89%
STK-10 Assessed for Rehab (GWTG, TIC)	75% or greater	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

## 2025 GOAL

Build and maintain a structured approach to stroke quality improvement that enhances team collaboration, supports performance tracking, and drives measurable improvements in care processes and outcomes.

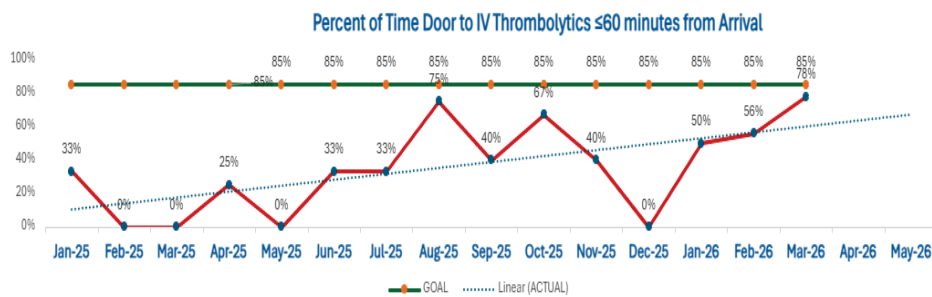
## 2025-2026 PLAN

### High Level Action Plan

- Develop standard guidelines on roles and responsibilities of performance improvement work at the committee level (April 21, 2025)
- Review and restructure Stroke Committee membership and expectations (May 2025)
- Prioritize meaningful, data-driven improvement efforts. Implement root cause analysis (RCA) method to select and prioritize stroke quality improvement project focused on guideline adherence and outcome improvement (May 2025)
  - Door to IV thrombolytic timeliness
  - Door to CT read timeliness
  - Order Set Usage and evidence based care delivery
- Leadership engagement has improved since the implementation of these action items.

## Current Performance: Door to IV thrombolytic

### Requirements of Improvement Quality Improvement Initiatives



### 2025 GOAL

The median time for IV thrombolytic administration will be given within 60 minutes on eligible patients with stretch goal of 45 minutes

*The decision to administer IV thrombolytics must be made quickly and is based on timely communication with family members*

### 2025-2026 PLAN

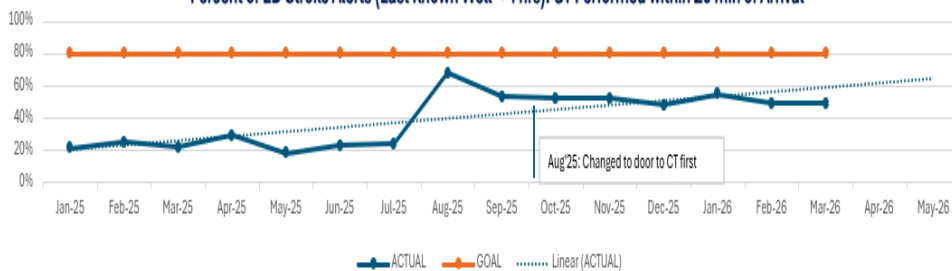
#### High Level Action Plan

- Developed EMS info card for timely family communication when administering IV thrombolytics (May 1, 2025)
- Mandatory ED Provider and Staff Education on the stroke alert process. (April/May 2025)
- Feedback loop: Provide ED stroke alert data to key stakeholders (ED leadership, radiology and laboratory) on a regular basis.
- Eliminated the IV thrombolytic written consent process.
- ED Stroke Alert Committee reviews each case to evaluate effectiveness of QI strategies and identify process and care gaps (ongoing)
- Collaborate with radiology to identify opportunities for improving turnaround times for stroke alert imaging. (May 2025)
- Mock stroke alert training for ED staff and Stroke Team Leads (ongoing)
- TeleSpecialists consultations on all ED and Inpatient Stroke Alert (January 6, 2026)

## Current Performance: Door to CT Perform Timing

Requirement for Improvement: Quality improvement initiatives  
Improving door to CT and perform times

Percent of ED Stroke Alerts (Last Known Well < 4 hrs): CT Performed within 20 min of Arrival



### 2025 GOAL

#### Achieve a door-to-CT completion time of 20 minutes

The decision to administer IV thrombolytics must be made quickly and is based on timely communication with family members

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### 2025-2026 PLAN

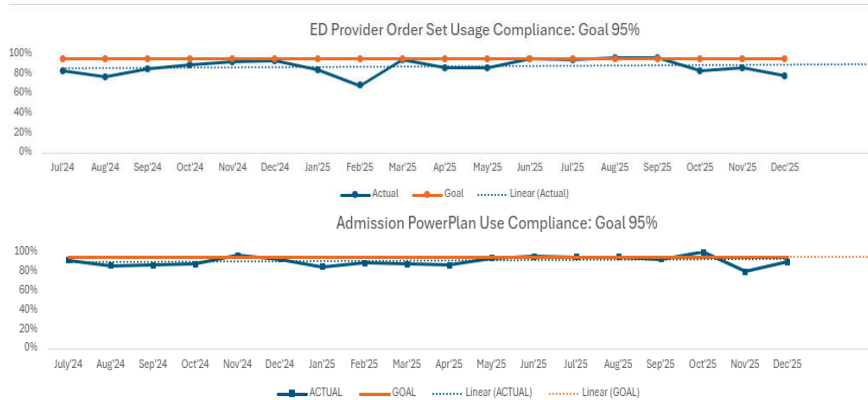
#### High Level Action Plan

- Collaborate with radiology to identify opportunities for improving turnaround times for stroke alert imaging. (May 2025)
- Feedback loop: Provide ED stroke alert data to key stakeholders (ED leadership, radiology and laboratory) on a regular basis.
- ED Stroke Alert Committee reviews each case to evaluate effectiveness of QI strategies and identify process and care gaps (ongoing)
- CT Perform Time definition updated to reflect the time of the first CT image obtained rather than scan completion, aligning with Joint Commission definitions (Aug 2025)
- TeleSpecialists consultations on all ED and Inpatient Stroke Alert (January 6, 2026)



# Order Set Usage and Evidence-Based Care Delivery

## Requirement for Improvement: Order Set Usage & Evidence-Based Care Delivery



### 2025 GOAL

Achieve at least 95% utilization of the ED/Hemorrhagic and Admission PowerPlans for eligible patients in both Emergency Department and inpatient admissions for three consecutive months

*Usage of the Stroke related PowerPlans promote evidence-based care and reduce variability in clinical practice.*

### 2025 PLAN

#### High Level Action Plan

- Provider education: PowerPlan usage to be highlighted in the Annual ED Stroke Alert Education (March 28, 2025) and in the All Adult Acute Care Provider Stroke Education module (April 2025)
- EMR optimization: Modification of the ED Hemorrhagic PowerPlan to ensure timely and accurate care of this subset of patients (March 2025)
- Feedback loop: Provide quarterly and real time feedback to providers/departments on usage rates. (April 2025)
- Accountability and Reinforcement: Partner with physician leadership to align PowerPlan usage with performance/QI metrics. (TBD)
- Empower nursing and pharmacy to advocate for appropriate PowerPlan usage when applicable. (May 2025)

# Stroke Program Key Accomplishments 2025-2026

## Teleneurology Implementation

- Successfully launched TeleSpecialists tele-neurology program on January 6, 2026, expanding access to neurologist expertise 24/7
- Implemented new stroke alert workflows integrating tele-neurology consultation with ED and In-House Stroke Alerts

## Improved Acute Stroke Treatment

- Significant improvement in thrombolytic treatment timeliness, with IV thrombolytic (TNK) administered within 60 minutes increasing from 33% in 2025 to 56% in Jan-Mar 2026
- Approximate 10% improvement in transfer times for Large Vessel Occlusions (LVO) compared with 2025
- Redesigned ED triage workflow to enable earlier stroke recognition and faster activation of stroke alerts
- Continued performance monitoring of key stroke metrics including door to CT, CT to Read, and Door to Treatment times to drive ongoing process improvement

## Stroke Alert Process Improvement

- Led redesign of ED and in-house stroke alert processes to improve response times and coordination
- Strengthened collaboration among ED, ICU, Neurology, Radiology, and Pharmacy teams during stroke emergencies

# Stroke Program Impact 2025-2026

## Performance & Quality Improvement

- Implemented high priority stroke dashboard to assist in identifying delays and drive improvement
- Maintained oversight of stroke core measure compliance and treatment documentation
- Restructure of the Oversight Stroke Quality Committee, greater involvement of key stakeholders

## Education & Staff Engagement

- Delivered annual stroke education for clinical staff including updates from the 2026 AHA Acute Ischemic Stroke Guidelines
- Reinforced key practices including dysphagia screening, VTE prophylaxis, and stroke education for patients

## Patient & Community Awareness

- Ensured stroke education materials are available across all acute care units
- Continued efforts to improve patient understanding of stroke symptoms, risk factors, and prevention
- Updates are being made to the patient stroke education booklets
- Collaboration with Marketing to ensure community awareness especially in our underserved populations

[kaweahhealth.org](http://kaweahhealth.org)



# Questions?



[kaweahhealth.org](http://kaweahhealth.org)



## Abbreviations Used During this Presentation

TJC = The Joint Commission  
AHA/ASA = American Heart Association; American Stroke Association  
GWTG = Get with the Guidelines  
EMS = Emergency Medical Services  
ED = Emergency Department  
ICU = Intensive Care Unit  
TIA = Transient Ischemic Attack  
Dc = Discharge  
TNK or Tenecteplase = thrombolytic therapy “clot busting medication”  
CT/CTA = Computed tomography scan/computed tomography angiography  
LVO = Large vessel occlusion  
CMS = Centers for Medicare and Medicaid Services  
VTE = Venous thromboembolism  
NIHSS = National Institutes of Health Stroke Scale  
RRT = Rapid Response Team  
STL = Stroke Team Lead  
EMR = Electronic Medical Record

## **PATIENT EXPERIENCE AND SATISFACTION UPDATE**

# Patient & Community Experience

April 2026  
*(March PX Data)*



[kaweahhealth.org](http://kaweahhealth.org)





# Patient Experience Matters



Opportunities and insights to increase patient satisfaction.

# Kaweah Health March 2026

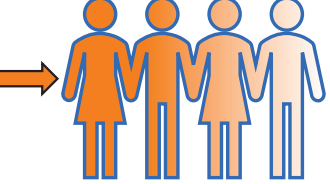
## Fiscal Year Data

July 2025 – February 2026

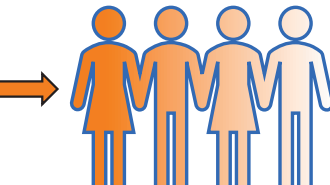
### Survey Scores



HCAHPS: 70.2  
50<sup>th</sup> Percentile

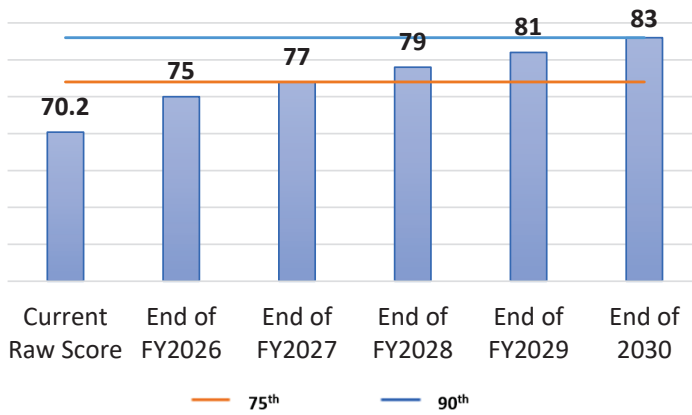


Inpatient NPS: 60.5  
30<sup>th</sup> Percentile

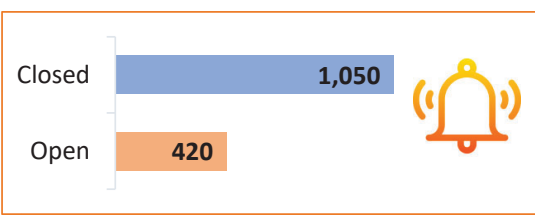


Medical Practice NPS: 78.5  
12<sup>th</sup> Percentile

### 5 Year HCAHPS Goal



### Service Alerts

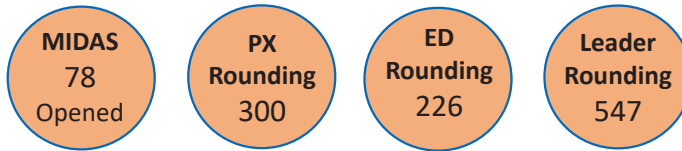


Human Understanding – 75.7  
12<sup>th</sup> Percentile

## PRIORITY

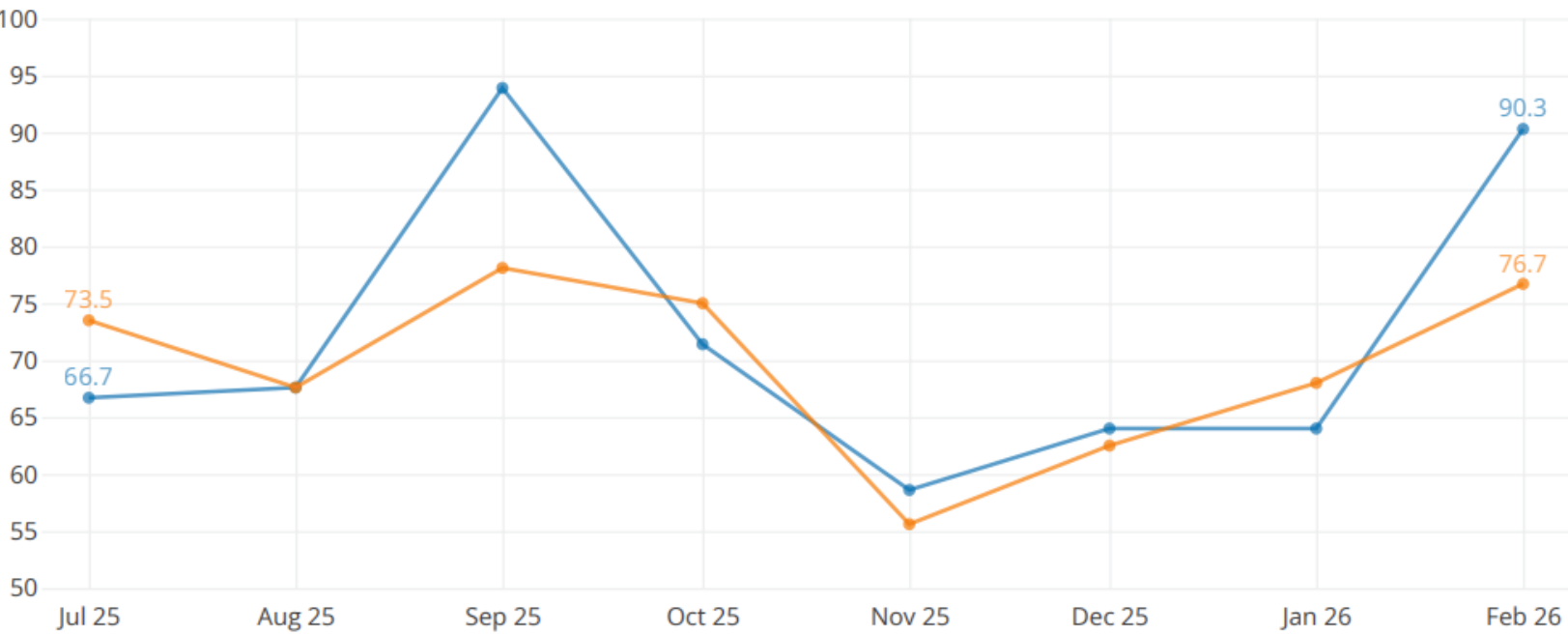
- Trusting providers with care
- Spending enough time with patient
- Safety
- Providers explaining things understandably
- Nurses explaining things understandably

### March 2026



## HCAHPS Trend July 2025 – February 2026

■ Rate hospital ■ Would recommend hospital to family

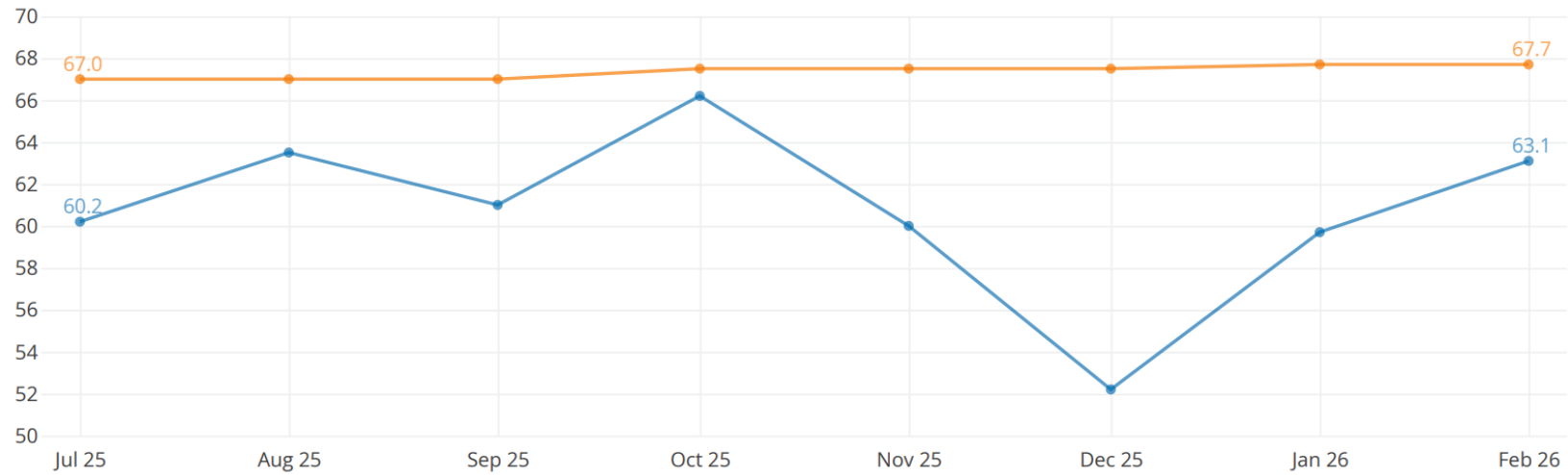


Question	Benchmark	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26
Rate hospital	71.4	66.7 n = 33	67.6 n = 34	93.9 n = 33	71.4 n = 28	58.6 n = 29	64.0 n = 25	64.0 n = 25	90.3 n = 31
Would recommend hospital to family	72.8	73.5 n = 34	67.6 n = 34	78.1 n = 32	75.0 n = 28	55.6 n = 27	62.5 n = 24	68.0 <sub>3</sub> n = 25	76.7 n = 30

# Inpatient – 7/1/2025-2/28/2026

■ NPS: Facility would recommend ■ Benchmark

NPS: Facility would recommend

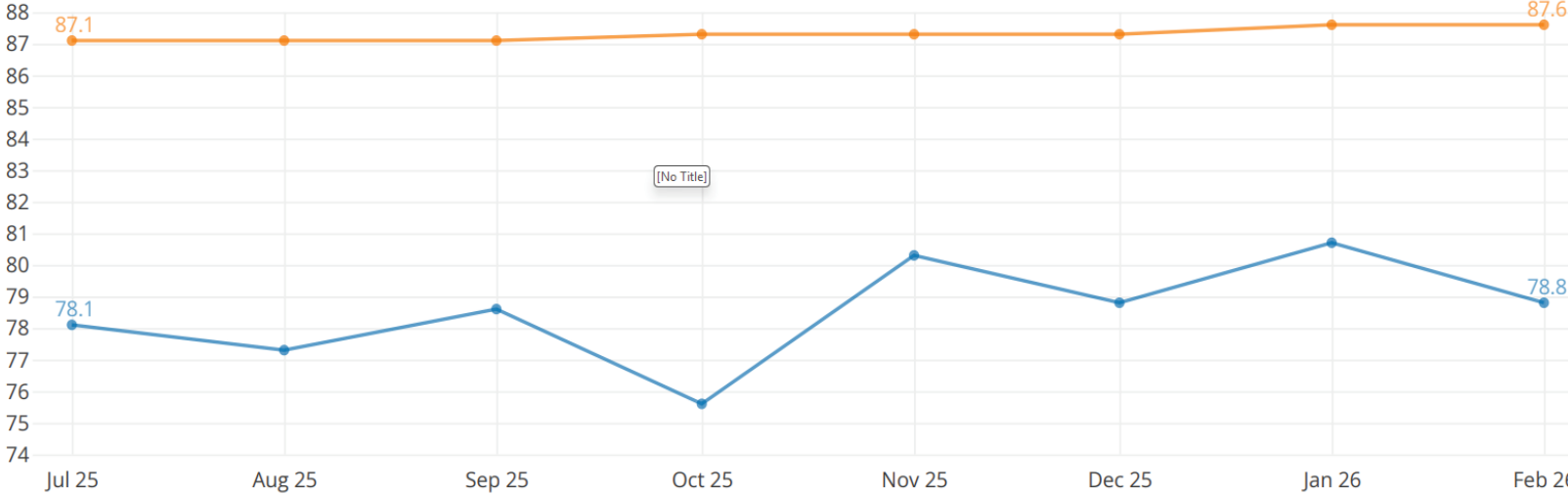


Month	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026
NPS Score	60.2	63.5	61.0	66.2	60.0	52.2	59.7	63.1
n	n = 259	n = 211	n = 187	n = 198	n = 220	n = 230	n = 233	n = 198

# Rural Health Clinics 7/1/2025-2/28/2026

■ Provider would recommend ■ Benchmark

Provider would recommend

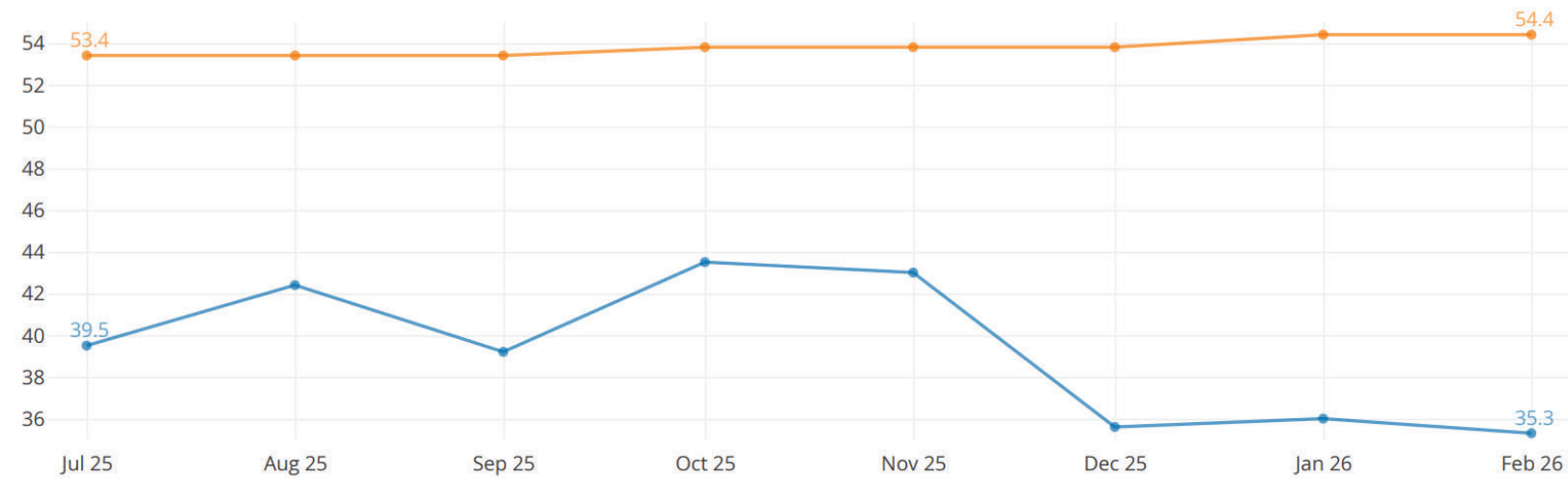


Jul 2025 78.1 n = 770	Aug 2025 77.3 n = 688	Sep 2025 78.6 n = 695	Oct 2025 75.6 n = 620	Nov 2025 80.3 n = 529	Dec 2025 78.8 n = 556	Jan 2026 80.7 n = 673	Feb 2026 78.8 n = 609
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# Emergency Department - 7/1/2025-2/28/2026

■ NPS: Facility would recommend ■ Benchmark

NPS: Facility would recommend

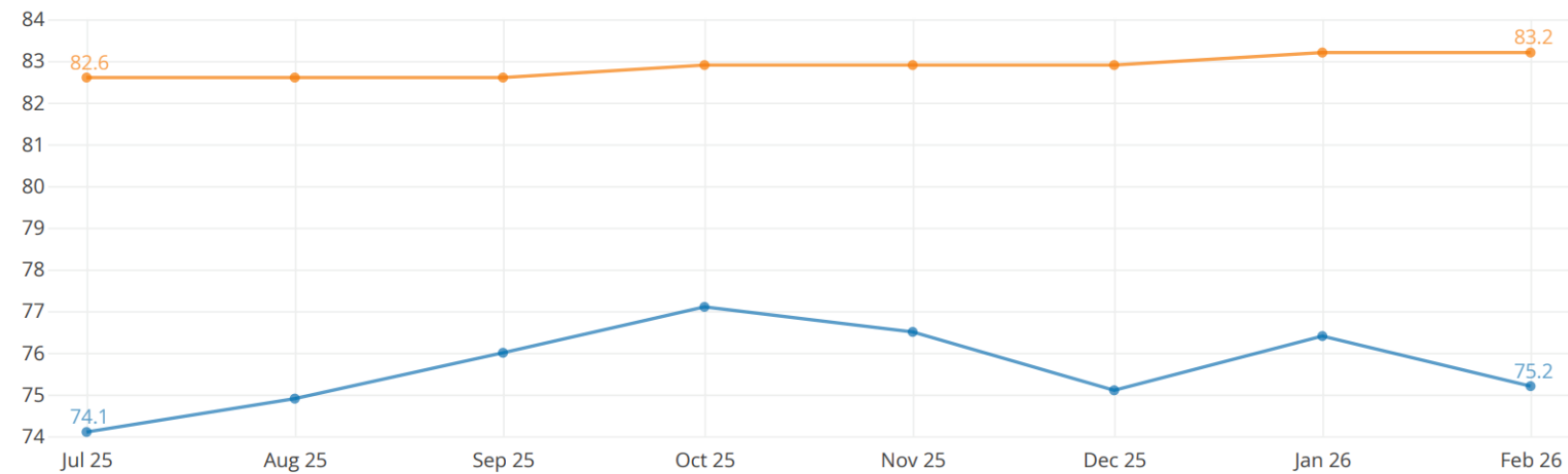


Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026
39.5	42.4	39.2	43.5	43.0	35.6	36.0	35.3
n = 845	n = 821	n = 793	n = 710	n = 698	n = 758	n = 801	n = 750

# Human Understanding: Organization 7/1/2025-2/28/2026

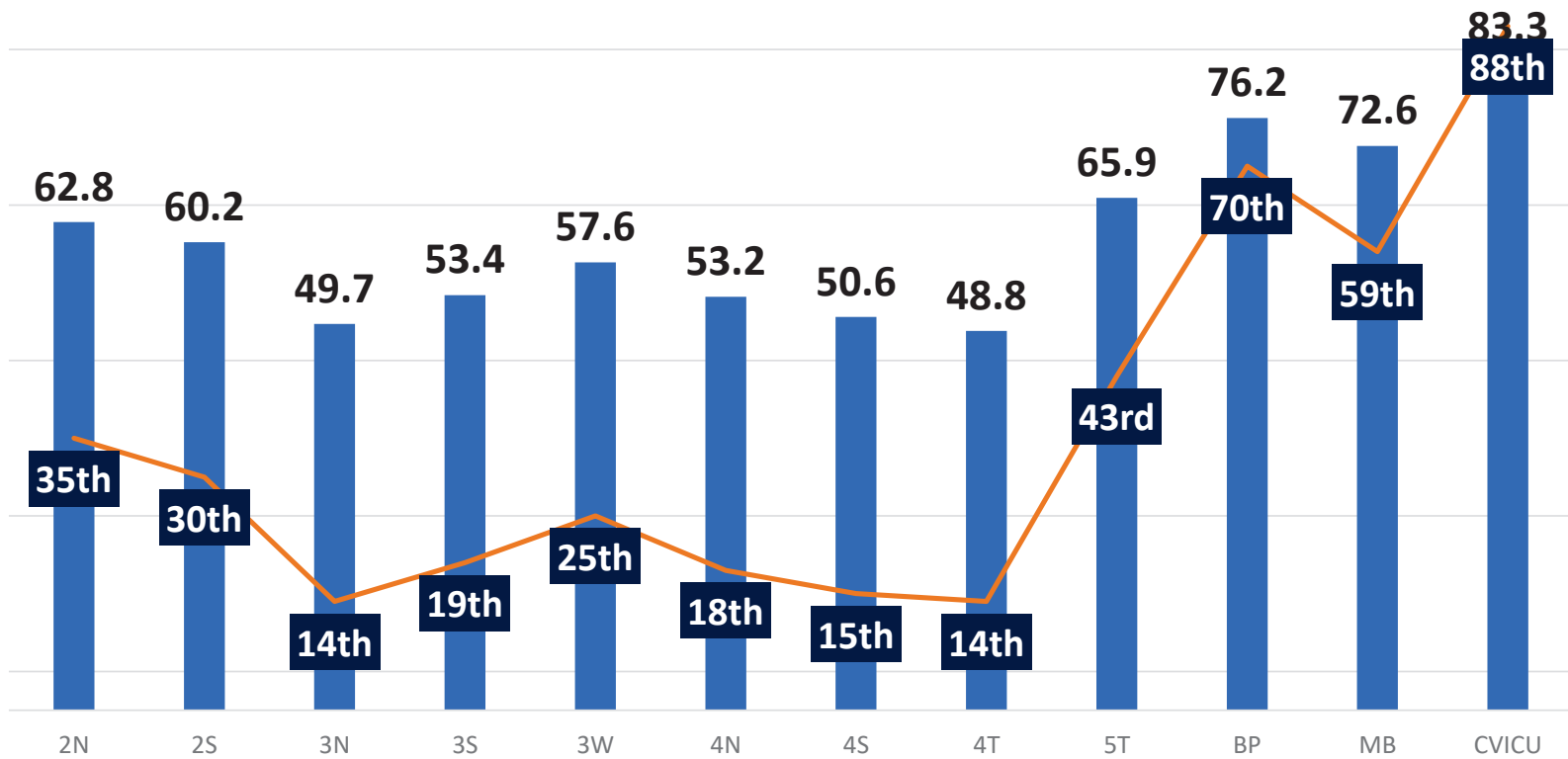
■ Human Understanding ■ Benchmark

Human Understanding

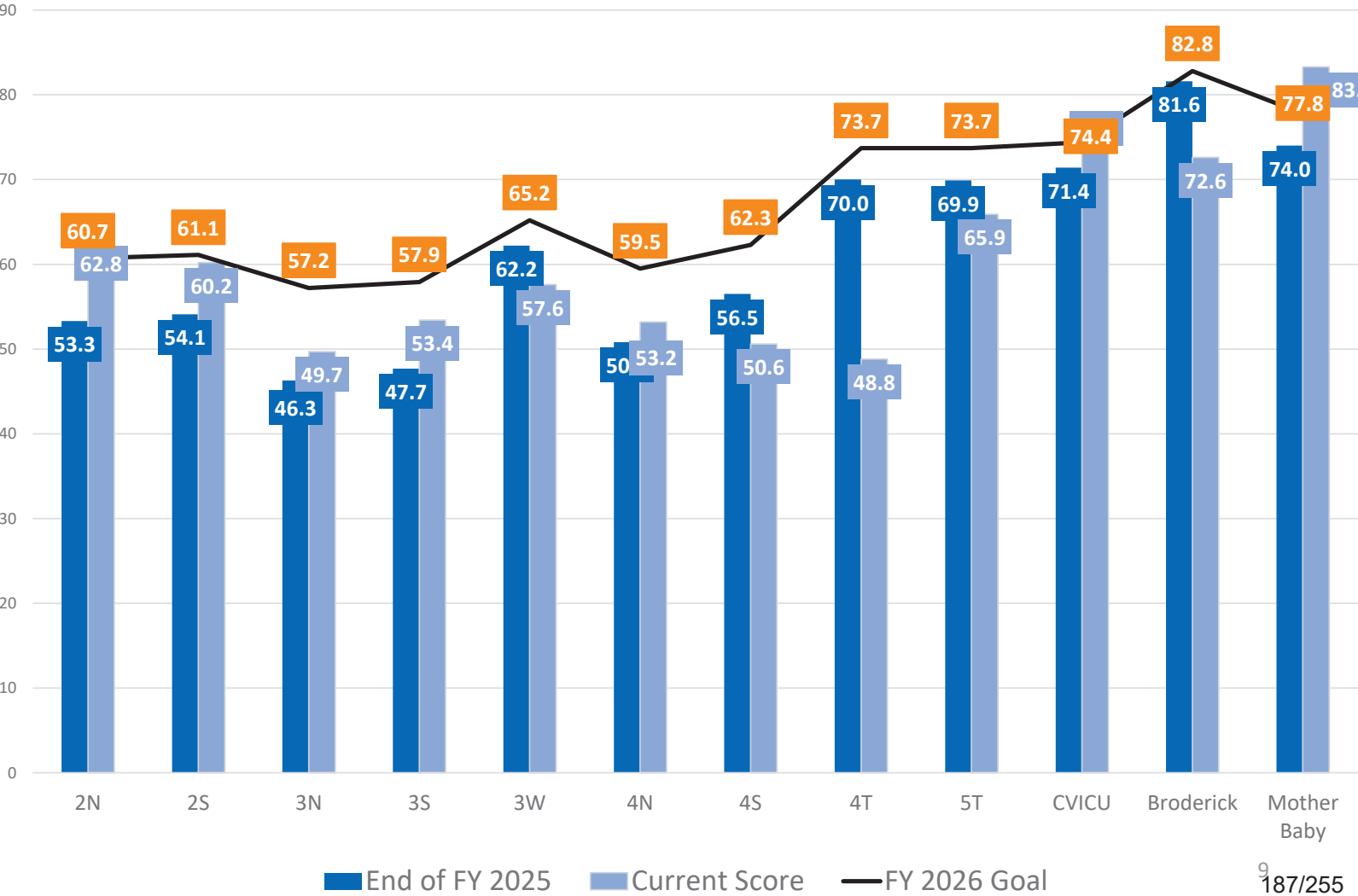


	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026
Understanding	74.1 n = 3,593	74.9 n = 3,510	76.0 n = 3,836	77.1 n = 3,949	76.5 n = 3,380	75.1 n = 3,813	76.4 n = 4,188	75.2 n = 3,853

## Inpatient Unit's NPS Score: July 2025 – February 2026

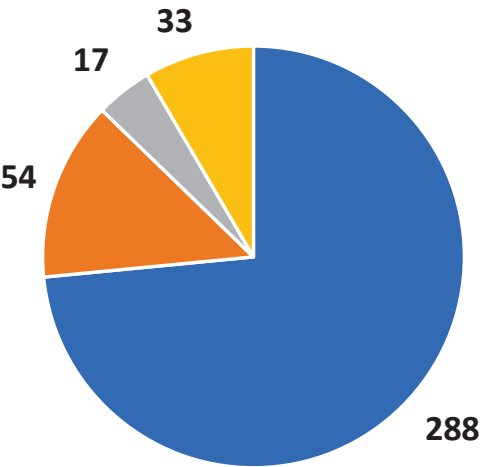


# Inpatient Unit's Goal vs Current Score: July 2025 – February 2026



### Rounding: March

300 Rounds

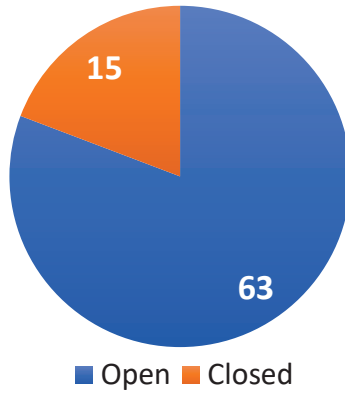


- Positive
- Complaints
- Midas
- Real Time Service Recovery

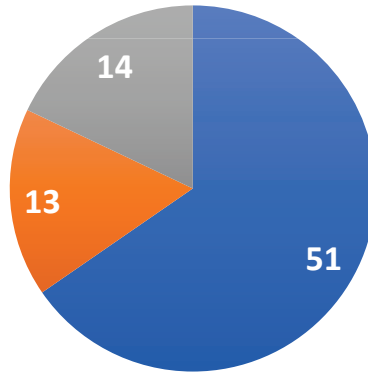


### MIDAS: March

78 Opened



- Open
- Closed

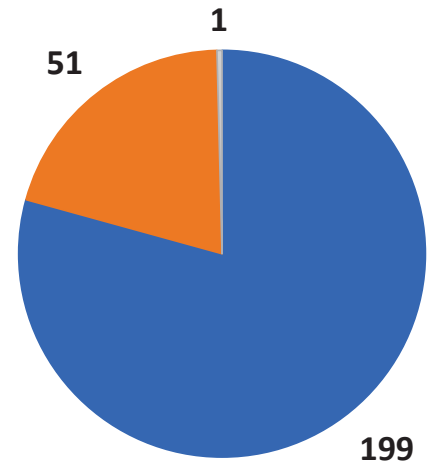


- Complaint
- Grievance
- Lost



### ED Rounding: March

226 Rounds



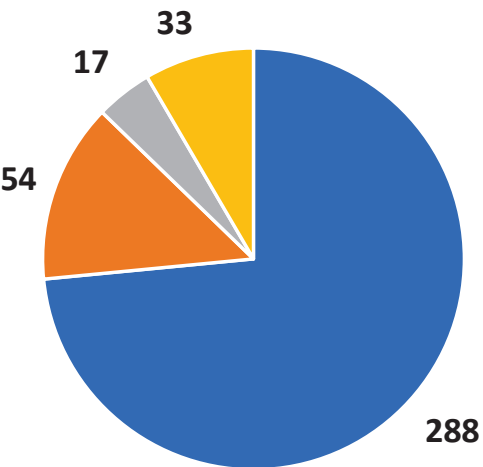
- Positive
- Complaints
- Midas



10  
188/255

### Rounding: March

300 Rounds

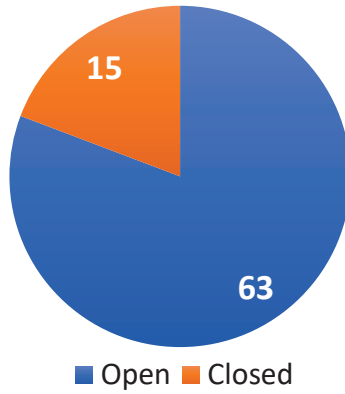


- Positive
- Complaints
- Midas
- Real Time Service Recovery

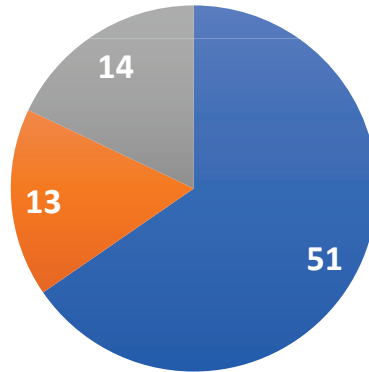


### MIDAS: March

78 Opened



- Open
- Closed

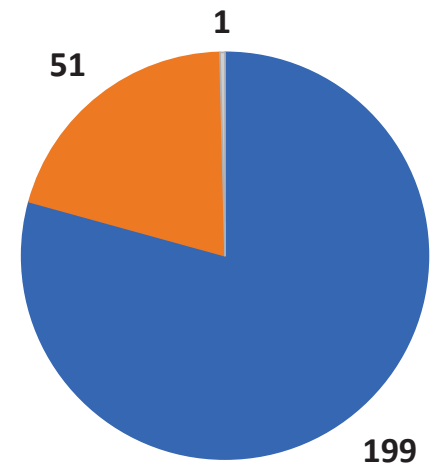


- Complaint
- Grievance
- Lost



### ED Rounding: March

226 Rounds



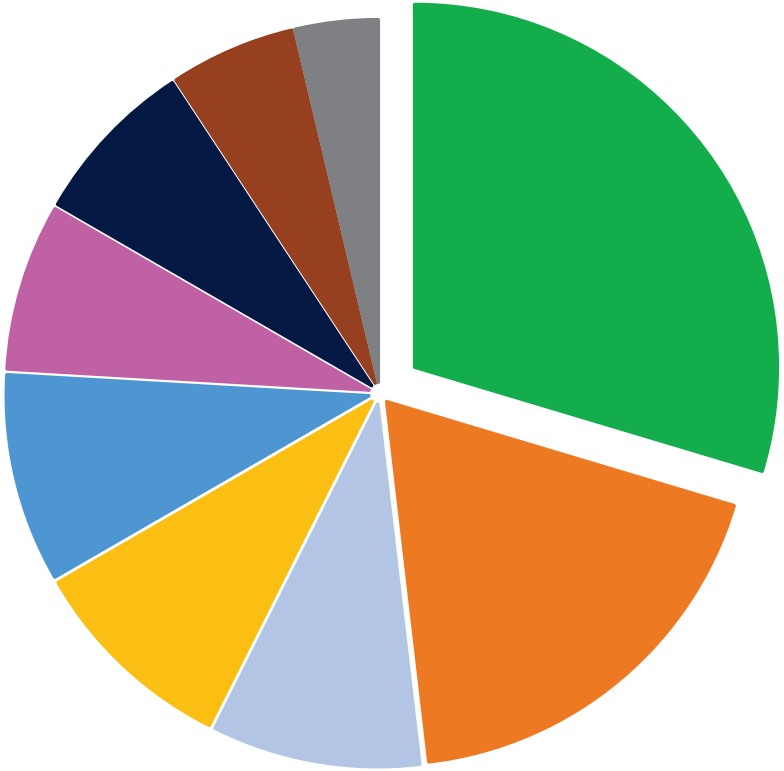
- Positive
- Complaints
- Midas



11  
189/255

# Patient Rounding Complaints Breakdown: March

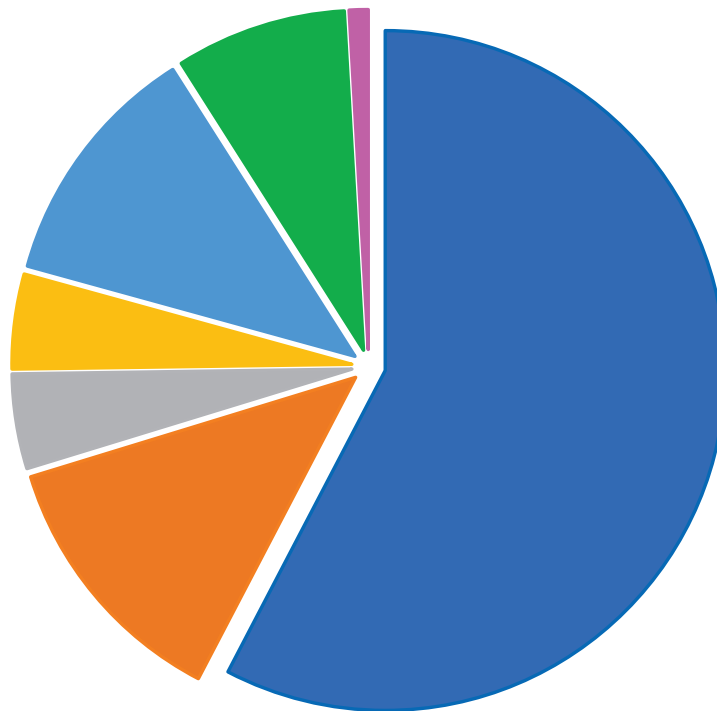
54 complaints



- Communication
- Staff Behavior
- Call Light Delay
- Delay of Care
- Immobility During Stay
- Provider Behavior
- Medication/Documentation
- Pain Management
- Cleanliness

# ED Patient Rounding Complaints Breakdown: March

51 Complaints



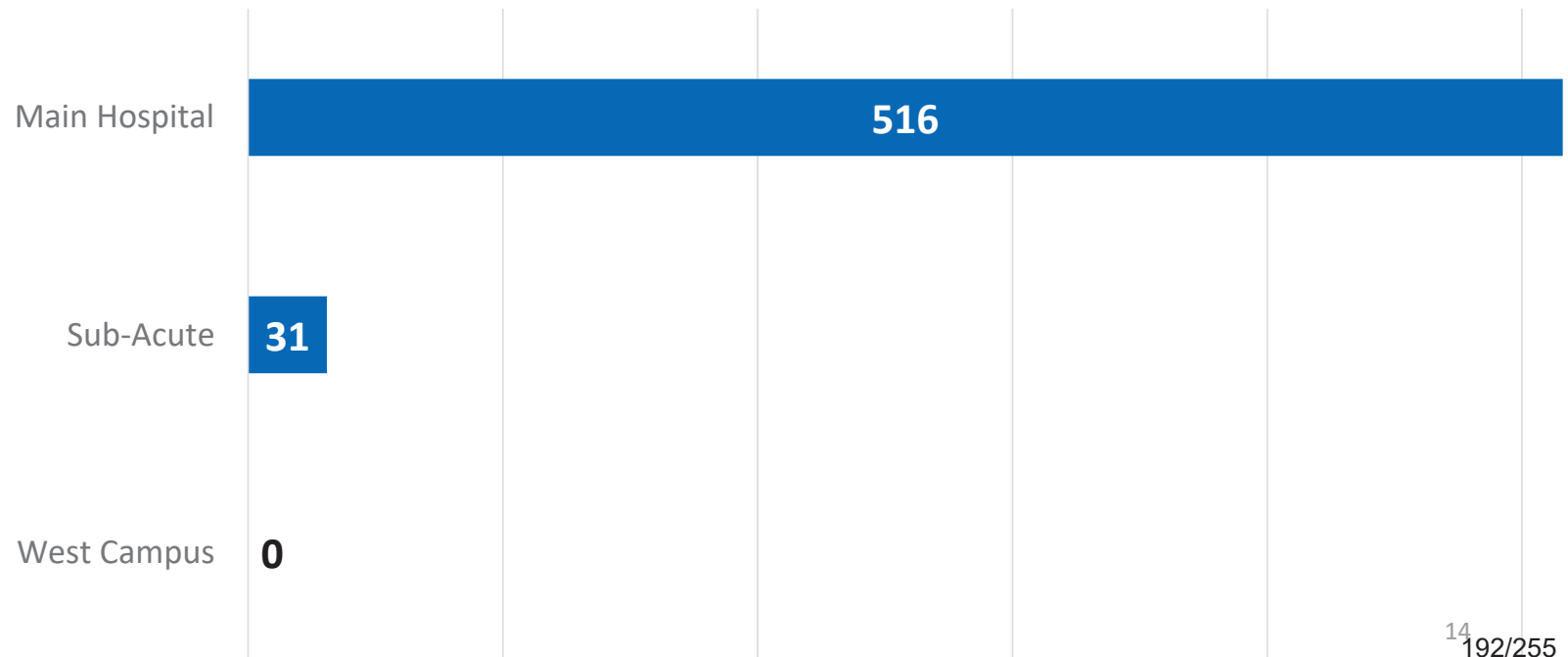
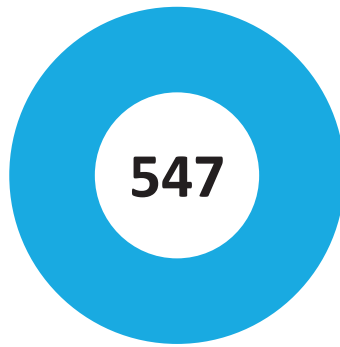
■ Admit to Hospital (Wait)  
■ Call Light Button (Given)

■ Communication  
■ Food Trays

■ Staff & Provider Behavior  
■ Cleanliness

■ Wait Times (Imaging)

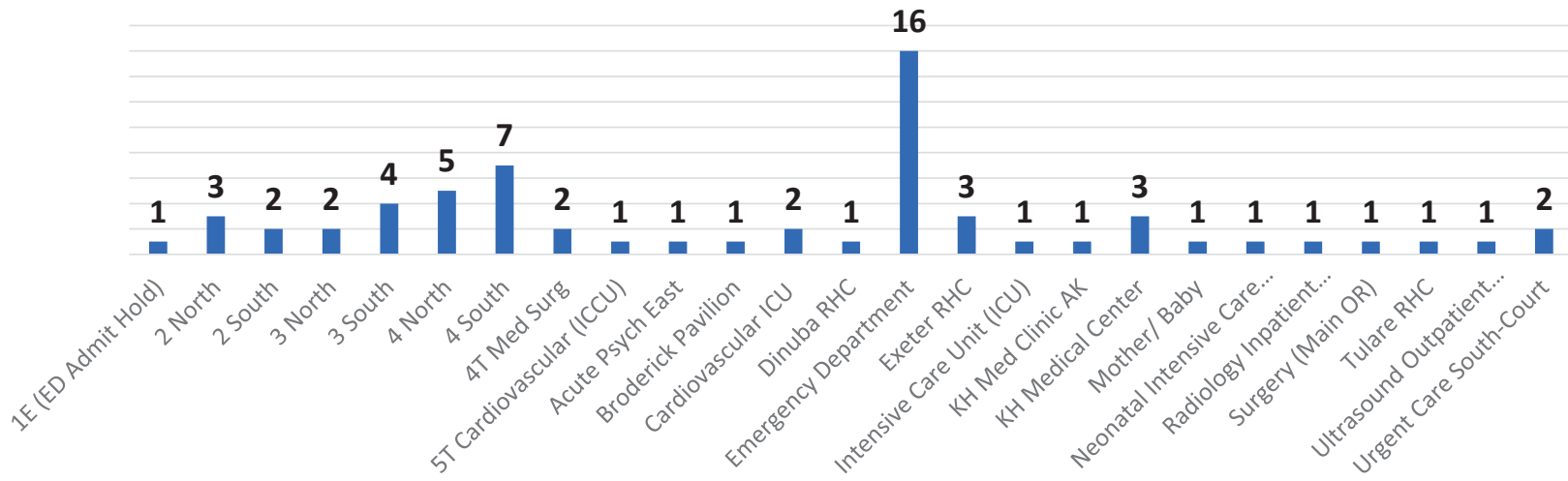
# Leader Rounds: March



# MIDAS: March

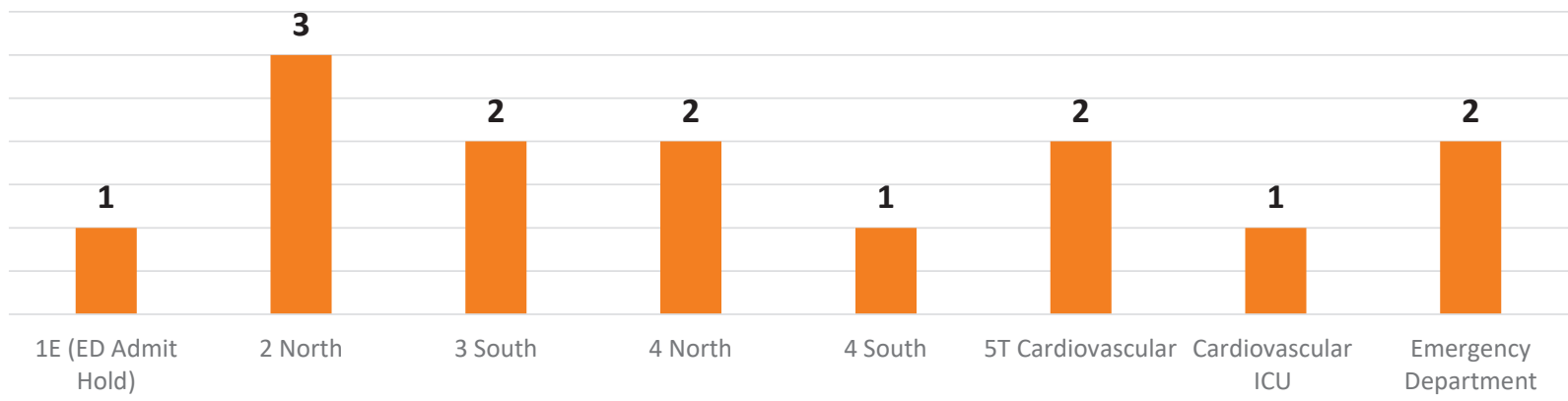
78 Opened

## Complaints & Grievances



# Lost Belongings: March

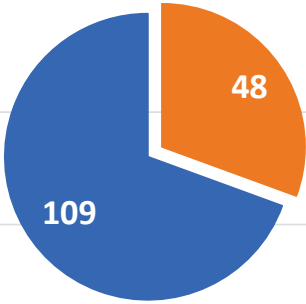
Lost Belongings



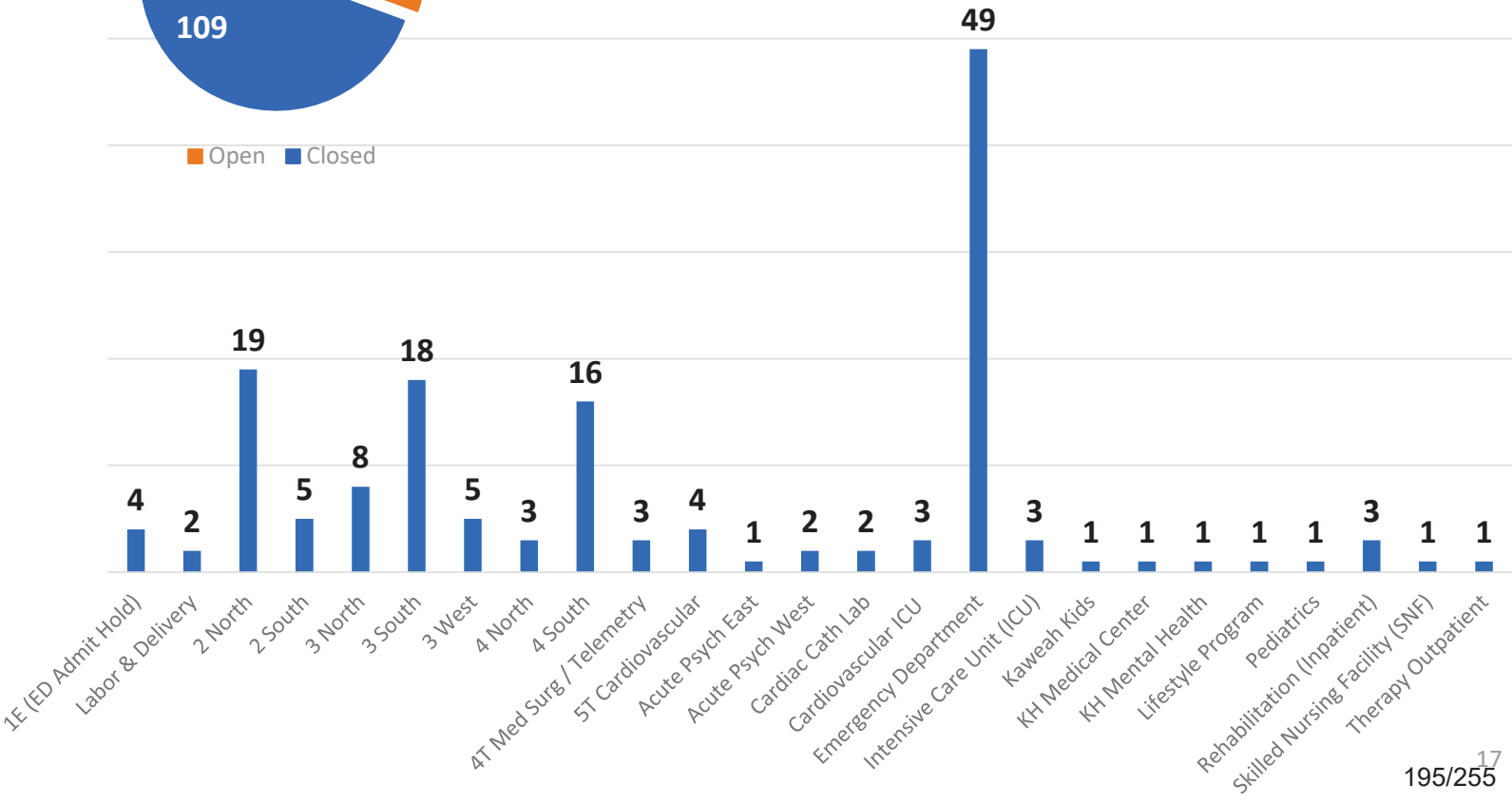
# Lost Belongings

FY to Date: 157

7/1/25 - 3/31/26



Open Closed



# ROUNDING

March Executive Team Rounds = 4 executive rounds, 1 BOD round

Executive	November	December	January	February	March
CEO/Marc Mertz.	11/4, 11/20	12/3, 12/23	1/12		3/25
Jag B.	11/12	12/10	1/13		3/19
Malinda T.	11/17	12/22	1/6		
Dianne C.	11/11	12/15	1/8	2/4	3/5
Scott B.	11/24		1/27	2/12	
Ben C.	11/24	12/18	1/22		
Paul S.		12/2	1/28	2/18	3/3
Doug L.			1/19	2/11	
Board of Directors				2/9 (MO)	3/2 (AM)

# FINANCIALS

# CFO Financial Report

## Month Ending March 2026

## FY2027 | Budget Update

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**April 20<sup>th</sup> - May 8<sup>th</sup>:** 1<sup>st</sup> round budget meetings (450 Budgets)

**May 20<sup>th</sup>:** Finance (FPSA) Board of Directors presented preliminary budget concepts

**May 27<sup>th</sup>:** Presentation of Preliminary Budget Concepts and Assumptions

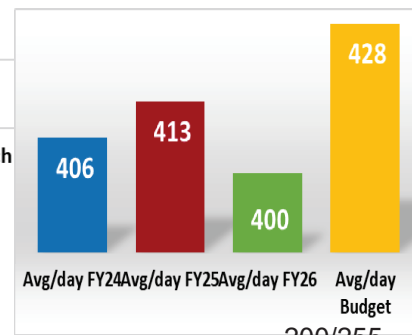
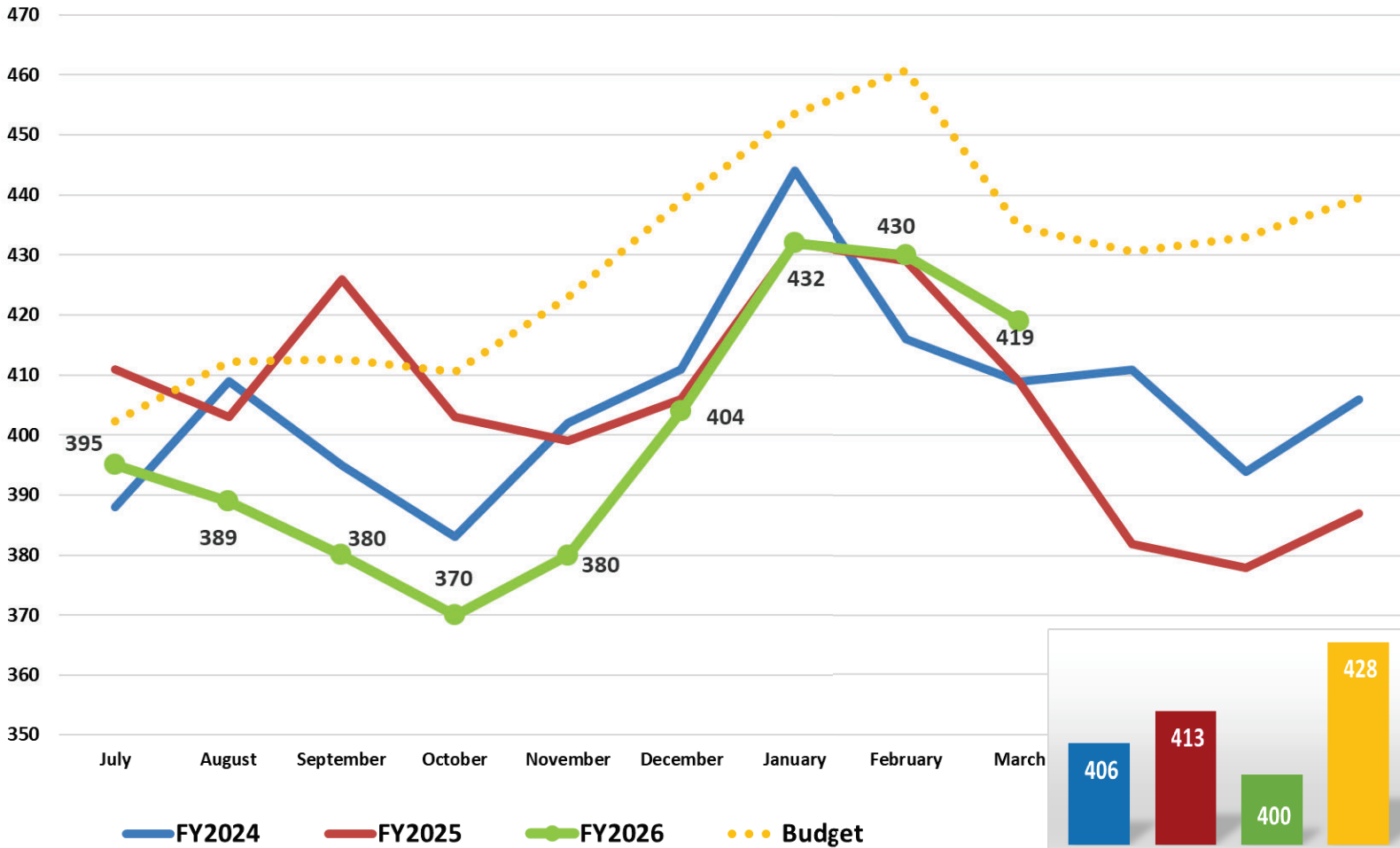
**May 21<sup>st</sup> - June 10<sup>th</sup> :** Analysis and Breakout budget meetings

**June 11<sup>th</sup>:** Executive Review of budget with focus on FTEs, operating expenses capital and strategic options

**June 17<sup>th</sup> :** Budget Discussions at Finance (FPSA) and /or Special Board meeting

**June 24<sup>th</sup>:** Final Presentation to the Board of Directors

# Average Daily Census



## Statistical Results – Fiscal Year Comparison (Mar)

Actual Results			Budget	Budget Variance	
Mar 2025	Mar 2026	% Change	Mar 2026	Change	% Change

<b>Average Daily Census</b>	<b>409</b>	<b>419</b>	<b>2.5%</b>	<b>435</b>	<b>(15)</b>	<b>(3.5%)</b>
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**KDHCD Patient Days:**

Medical Center	8,747	8,646	(1.2%)	8,747	(101)	(1.2%)
Acute I/P Psych	1,114	1,370	23.0%	1,705	(335)	(19.6%)
Sub-Acute	890	977	9.8%	938	39	4.2%
Rehab	751	872	16.1%	719	153	21.3%
TCS-Ortho	347	422	21.6%	393	29	7.4%
NICU	323	362	12.1%	437	(75)	(17.2%)
Nursery	494	351	(28.9%)	539	(188)	(34.9%)

<b>Total KDHCD Patient Days</b>	<b>12,666</b>	<b>13,000</b>	<b>2.6%</b>	<b>13,478</b>	<b>(478)</b>	<b>(3.5%)</b>
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<b>Total Outpatient Volume</b>	<b>64,511</b>	<b>66,929</b>	<b>3.7%</b>	<b>70,744</b>	<b>(3,815)</b>	<b>(5.4%)</b>
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## Statistical Results – Fiscal Year Comparison (Jul-Mar)

Actual Results			Budget	Budget Variance	
FYTD 2025	FYTD 2026	% Change	FYTD 2025	Change	% Change

<b>Average Daily Census</b>	<b>413</b>	<b>400</b>	<b>(3.2%)</b>	<b>427</b>	<b>(28)</b>	<b>(6.5%)</b>
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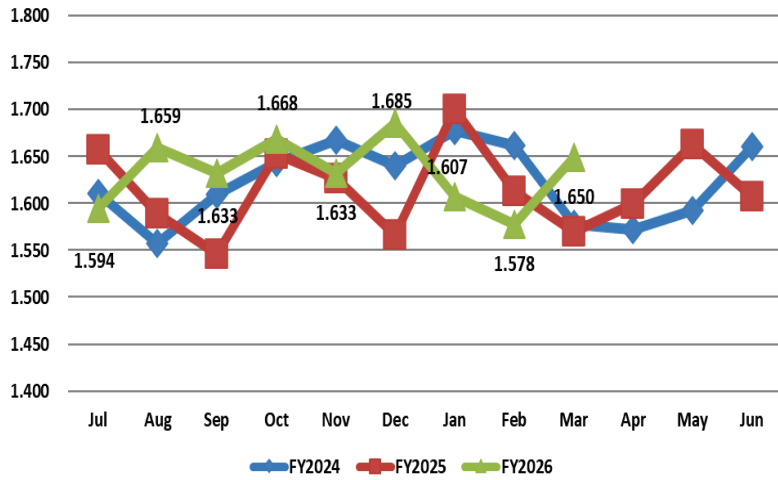
**KDHCD Patient Days:**

Medical Center	77,874	72,140	(7.4%)	78,015	(5,875)	(7.5%)
Acute I/P Psych	9,894	12,166	23.0%	13,693	(1,527)	(11.2%)
Sub-Acute	8,209	8,062	(1.8%)	8,232	(170)	(2.1%)
Rehab	5,608	6,218	10.9%	5,838	380	6.5%
TCS-Ortho	3,253	3,780	16.2%	3,485	295	8.5%
NICU	3,614	3,367	(6.8%)	3,499	(132)	(3.8%)
Nursery	4,673	3,771	(19.3%)	4,329	(558)	(12.9%)

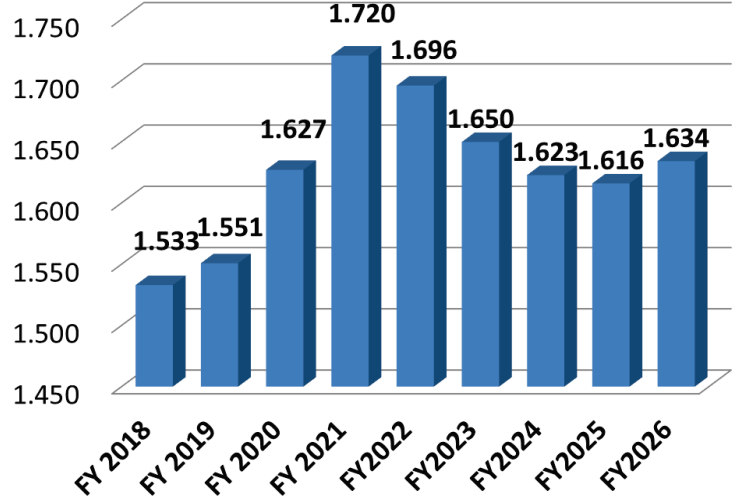
<b>Total KDHCD Patient Days</b>	<b>113,125</b>	<b>109,504</b>	<b>(3.2%)</b>	<b>117,091</b>	<b>(7,587)</b>	<b>(6.5%)</b>
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<b>Total Outpatient Volume</b>	<b>543,174</b>	<b>565,739</b>	<b>4.2%</b>	<b>625,286</b>	<b>(59,547)</b>	<b>(9.5%)</b>
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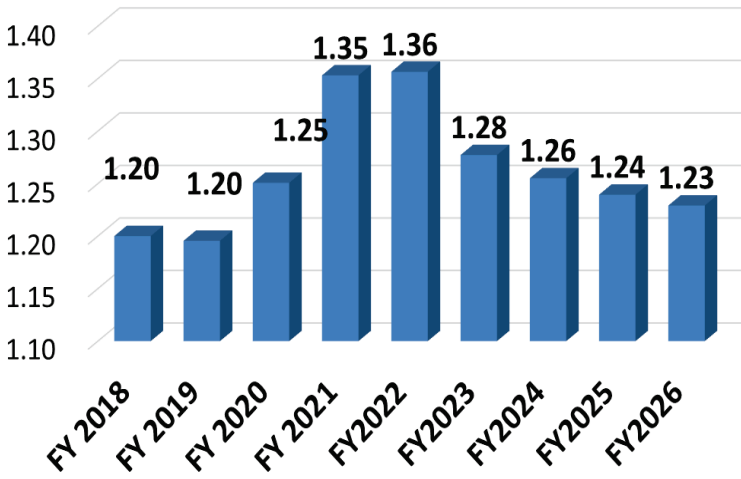
**Case Mix Index w/o Normal Newborns**



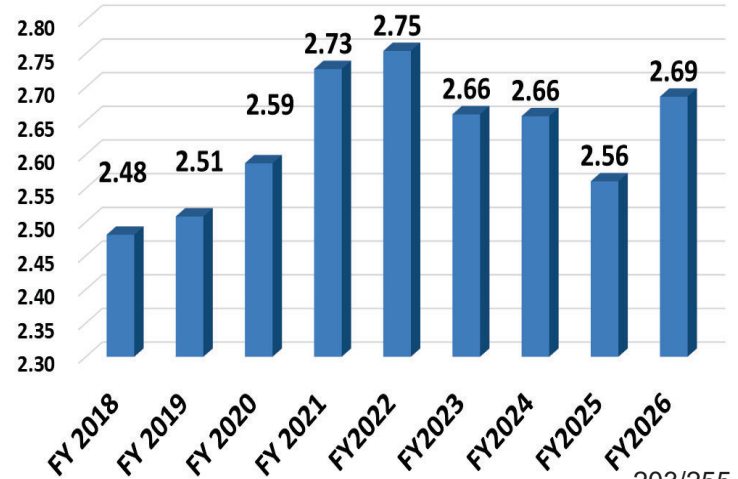
**Case Mix Index w/o Normal Newborns - All**



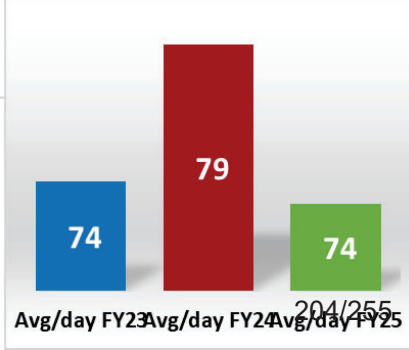
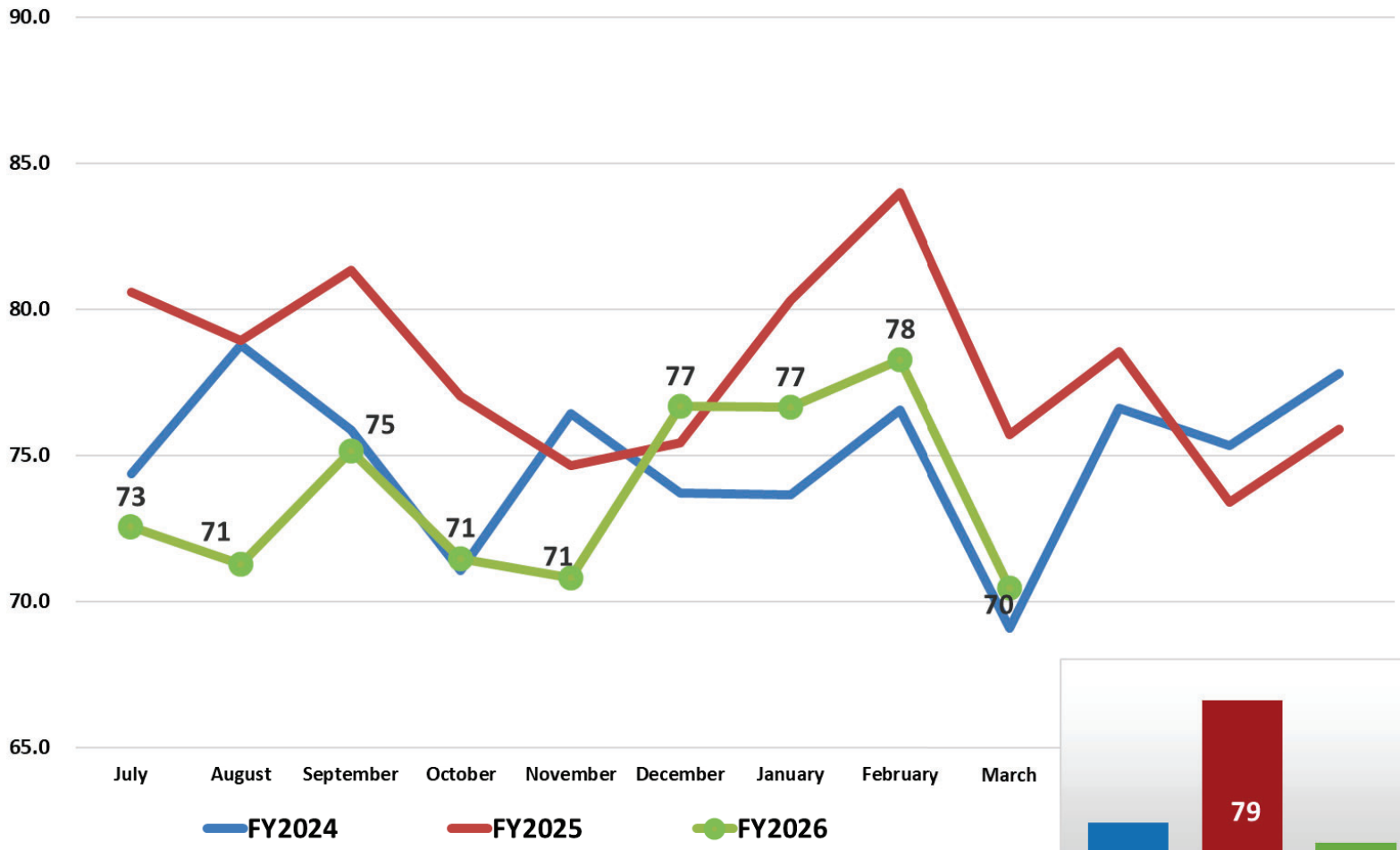
**Case Mix Index w/o Normal Newborns - MEDICAL**



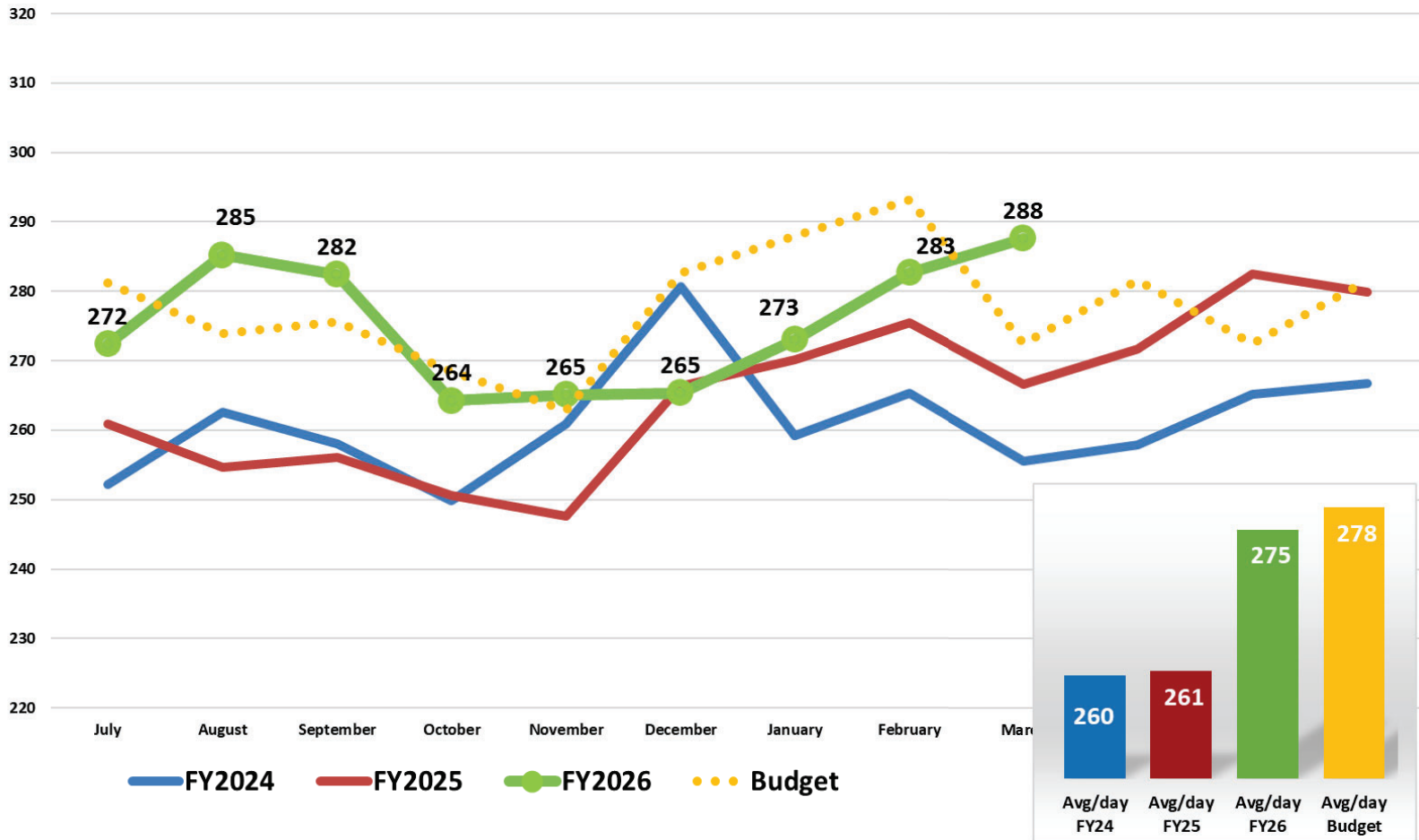
**Case Mix Index w/o Normal Newborns - SURGICAL**



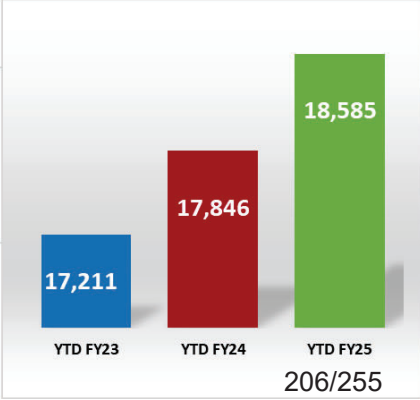
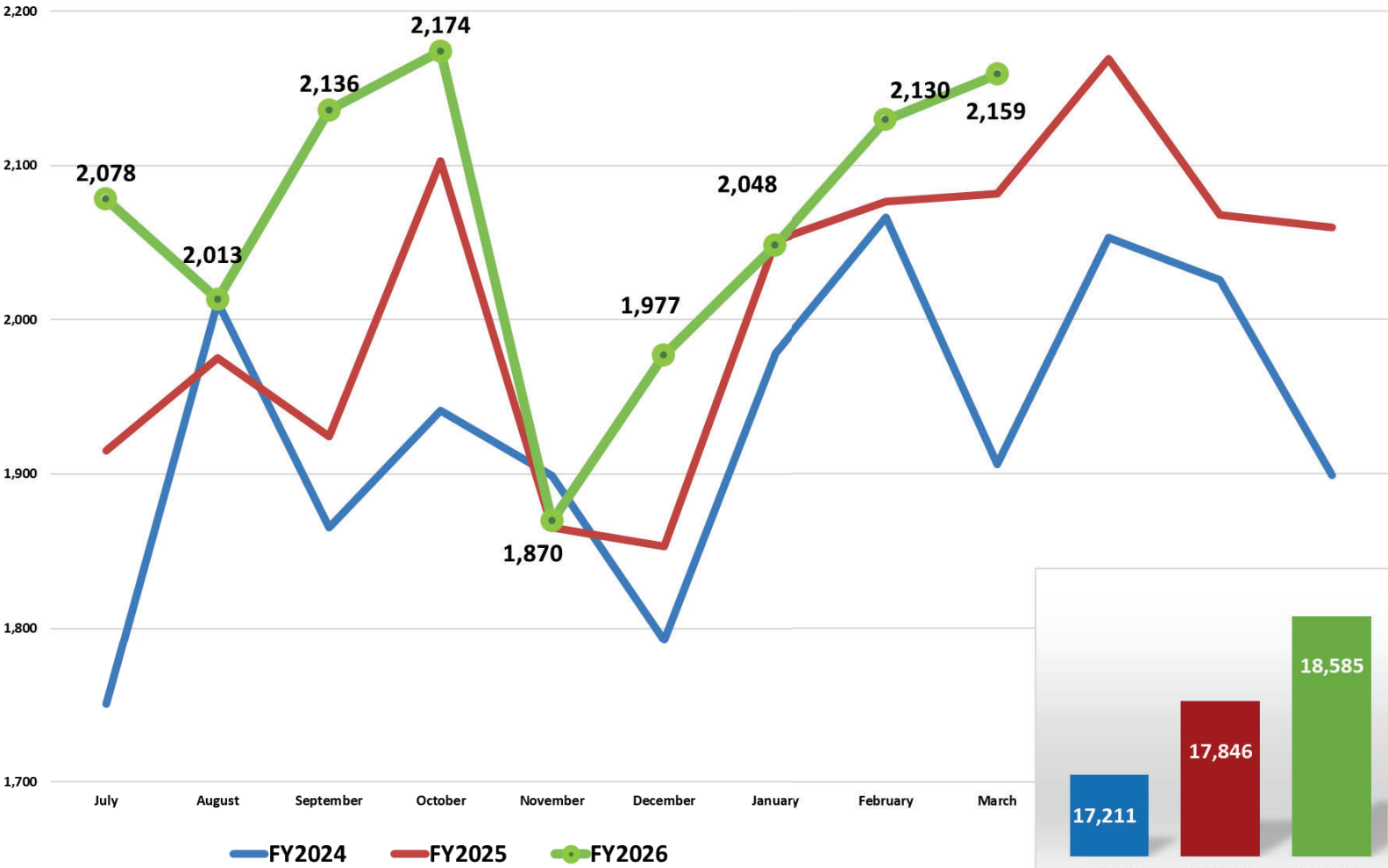
# Average Discharges per Day



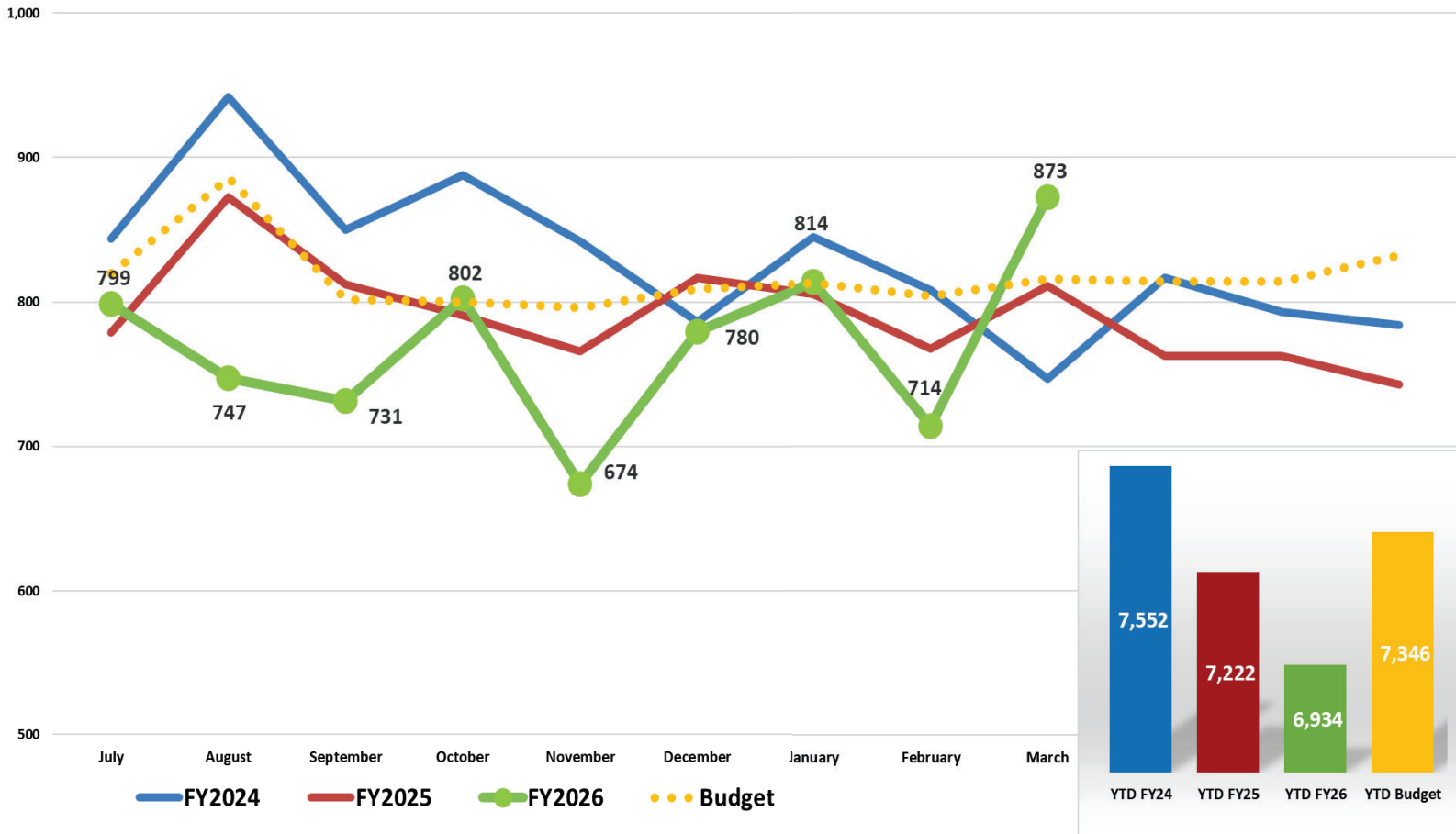
# ED - Avg Treated Per Day



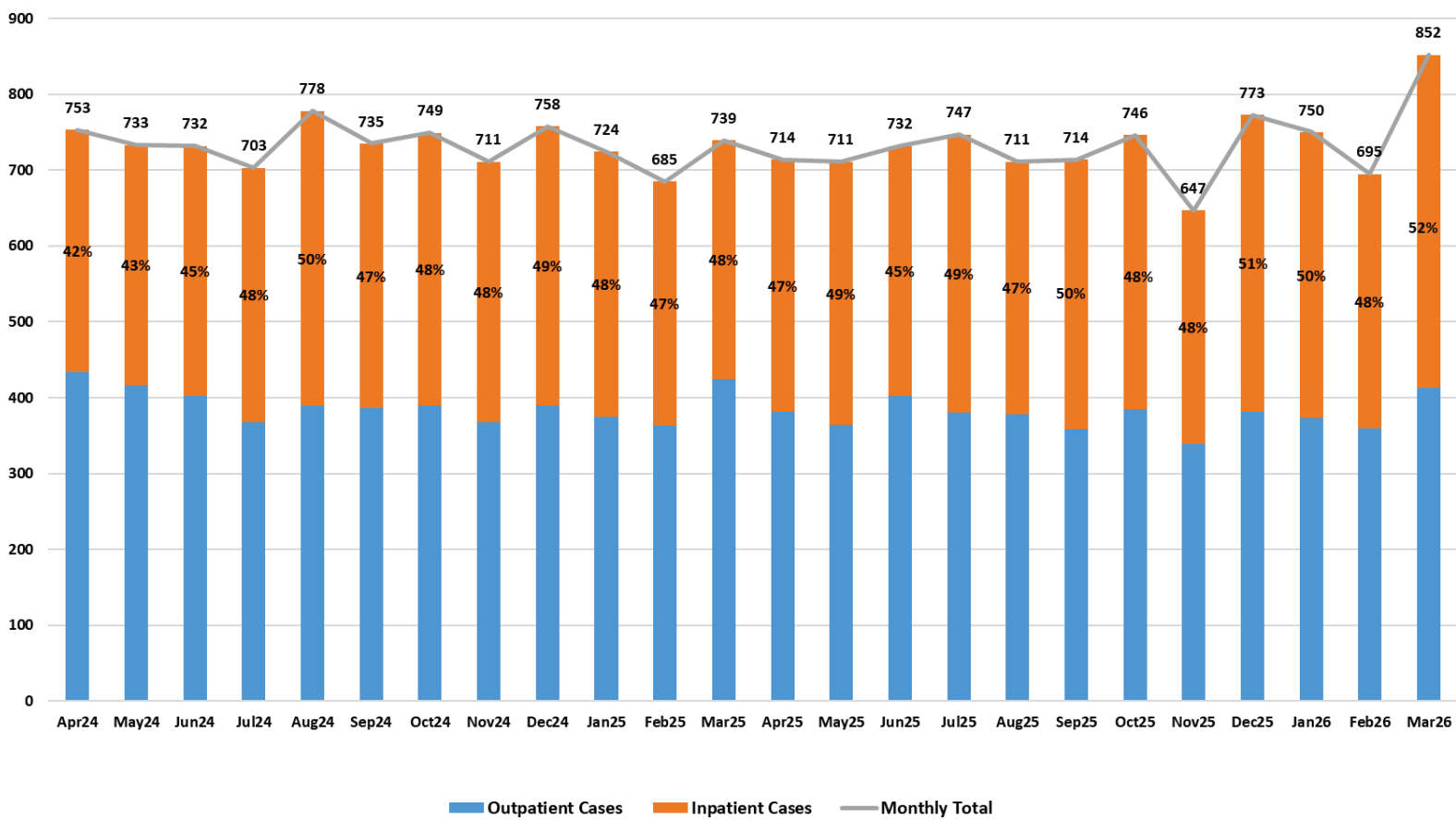
# Outpatient Registrations Per Day



# Surgery (IP & OP) – 100 Min Units



# Surgery Cases (IP & OP)



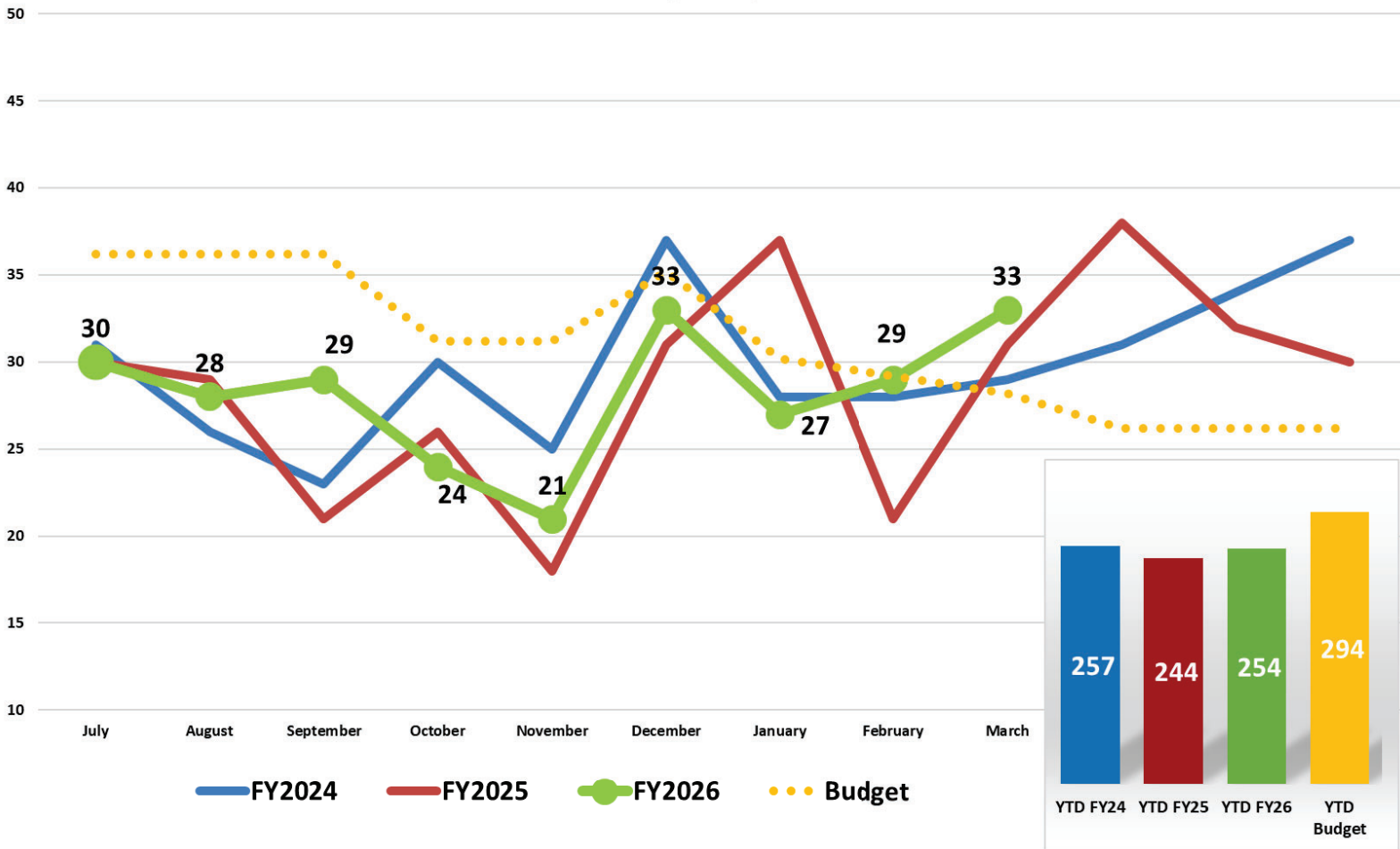
## Surgery Case Volume by Calendar Year

Calendar Year <input type="button" value="▼"/>	2021	2022	2023	2024	2025	2026		
						Jan	Feb	Mar
Inpatient	4,113	4,246	4,211	4,120	4,123	378	336	439
Outpatient	4,592	5,123	5,197	4,651	4,494	373	359	413
<b>Grand Total</b>	<b>8,705</b>	<b>9,369</b>	<b>9,408</b>	<b>8,771</b>	<b>8,617</b>	<b>751</b>	<b>695</b>	<b>852</b>
<b>Inpatient</b>	<b>47%</b>	<b>45%</b>	<b>45%</b>	<b>47%</b>	<b>48%</b>	<b>50%</b>	<b>48%</b>	<b>52%</b>
<b>Outpatient</b>	<b>53%</b>	<b>55%</b>	<b>55%</b>	<b>53%</b>	<b>52%</b>	<b>50%</b>	<b>52%</b>	<b>48%</b>

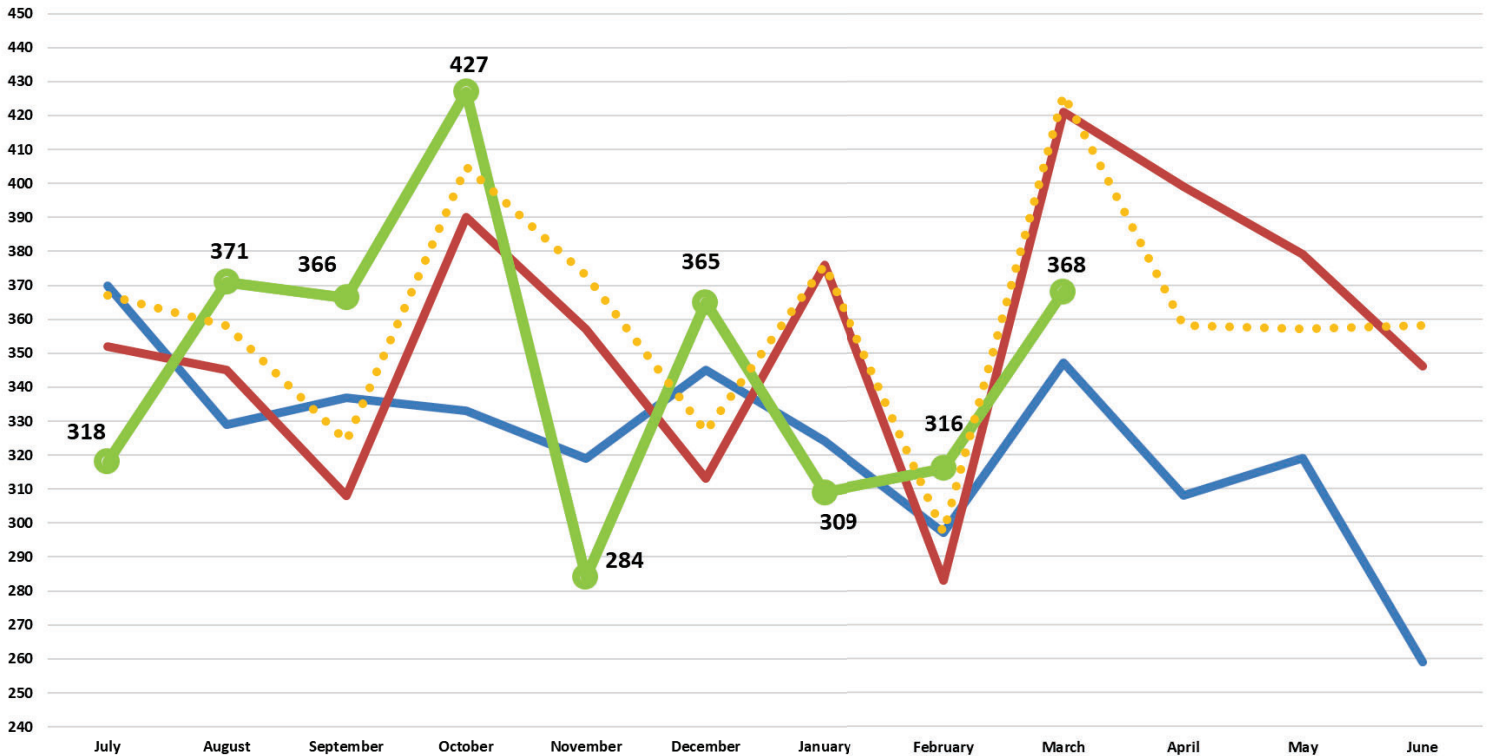
## Surgery Case % by Surgeon Specialty

	2021	2022	2023	2024	2025	2026		
						Jan	Feb	Mar
General	32.3%	32.7%	32.6%	32.6%	32.1%	30.5%	29.1%	33.2%
Orthopedic	23.5%	25.4%	25.4%	25.9%	27.7%	26.0%	25.6%	25.4%
Gynecology and OB	10.2%	10.2%	9.6%	8.2%	7.4%	4.8%	7.9%	6.7%
Urology	6.7%	5.9%	8.6%	8.7%	7.7%	11.9%	11.8%	11.6%
Vascular	7.6%	7.7%	6.8%	7.2%	7.4%	8.0%	6.5%	6.9%
Ortho-Spine	7.5%	7.7%	6.8%	6.9%	7.3%	7.5%	6.6%	7.2%
Podiatry	4.4%	3.8%	4.0%	4.0%	4.2%	4.5%	5.6%	4.0%
Ophthalmology	3.5%	3.2%	2.9%	3.3%	3.0%	3.3%	3.5%	2.9%
Neurosurgery	1.4%	1.0%	1.4%	0.9%	0.6%	0.9%	0.7%	0.4%
ENT	0.85%	0.75%	0.73%	0.65%	0.63%	0.27%	0.43%	0.70%

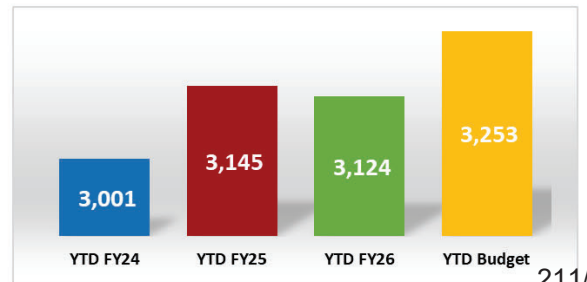
# Cardiac Surgery Cases



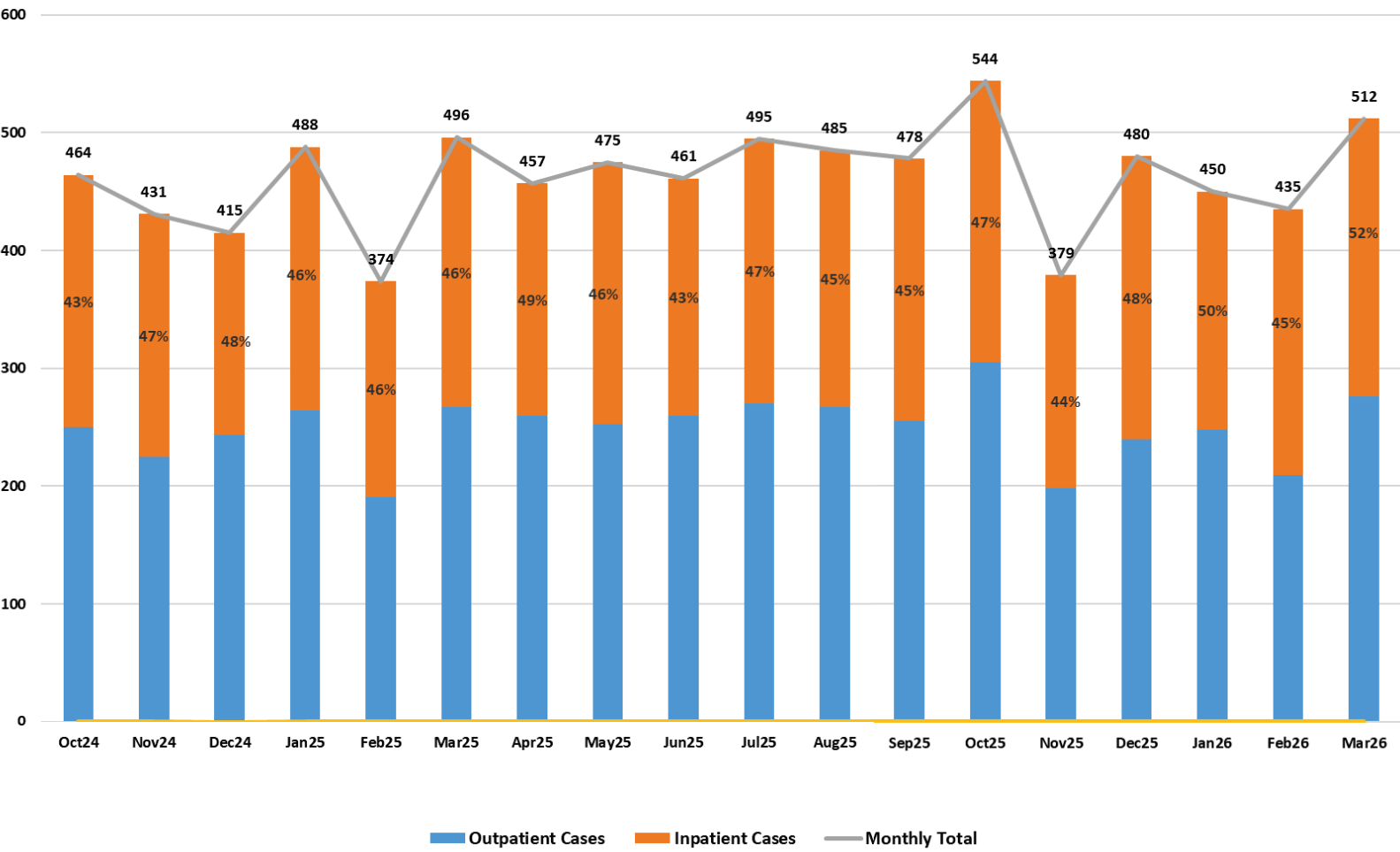
# Cath Lab (IP & OP) – 100 Min Units



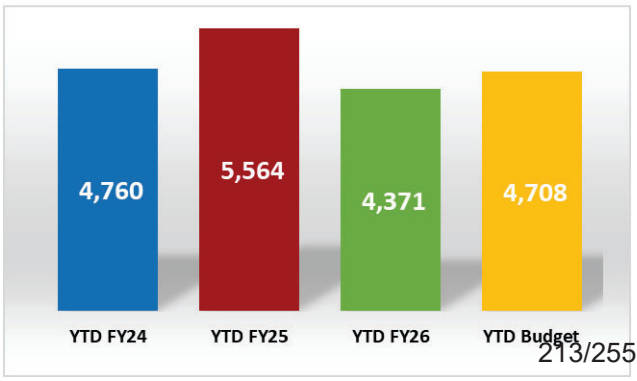
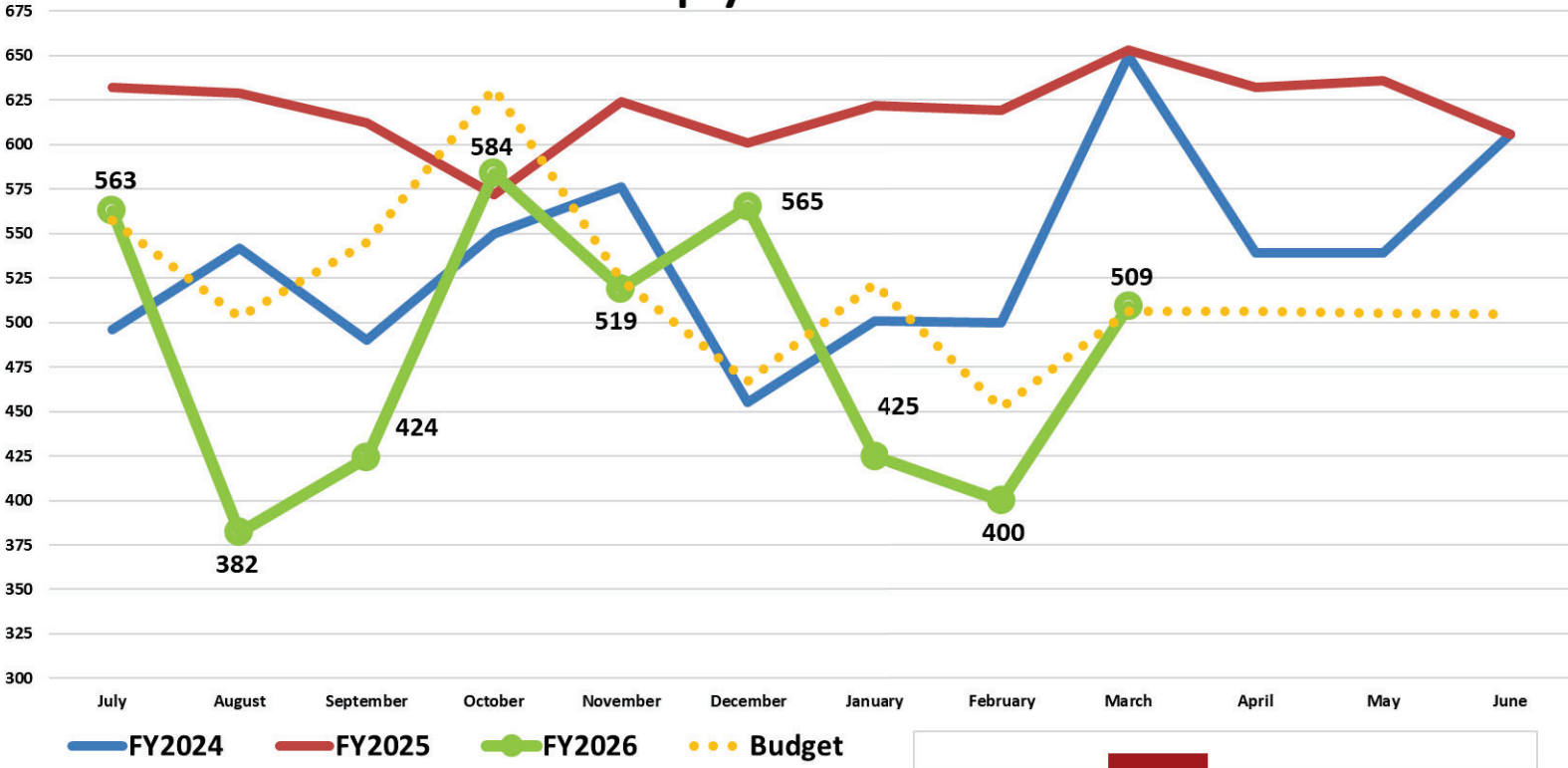
—●— FY2024   
 —●— FY2025   
 —●— FY2026   
 ●●● Budget



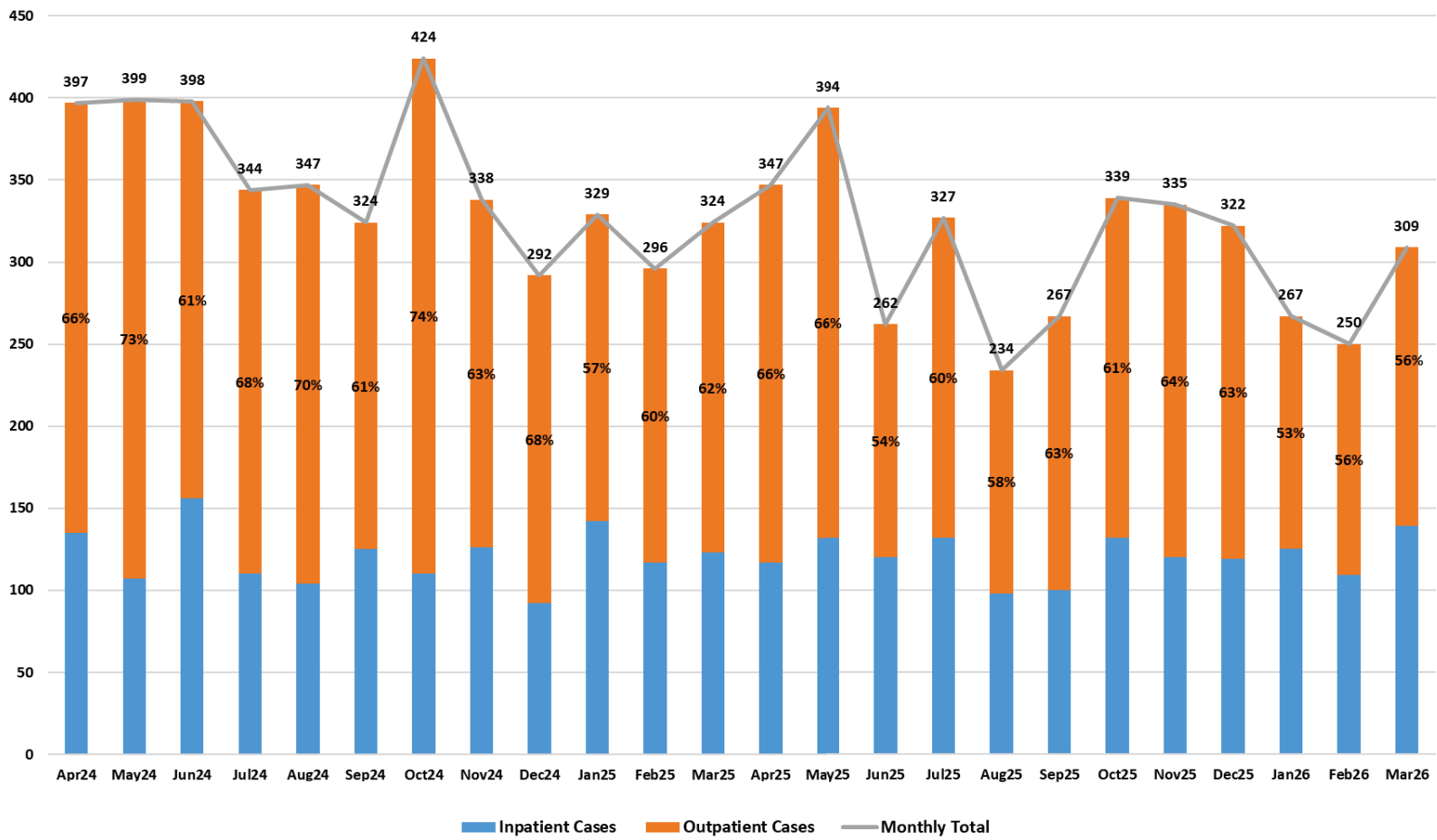
# Cath Lab Patients (IP & OP)



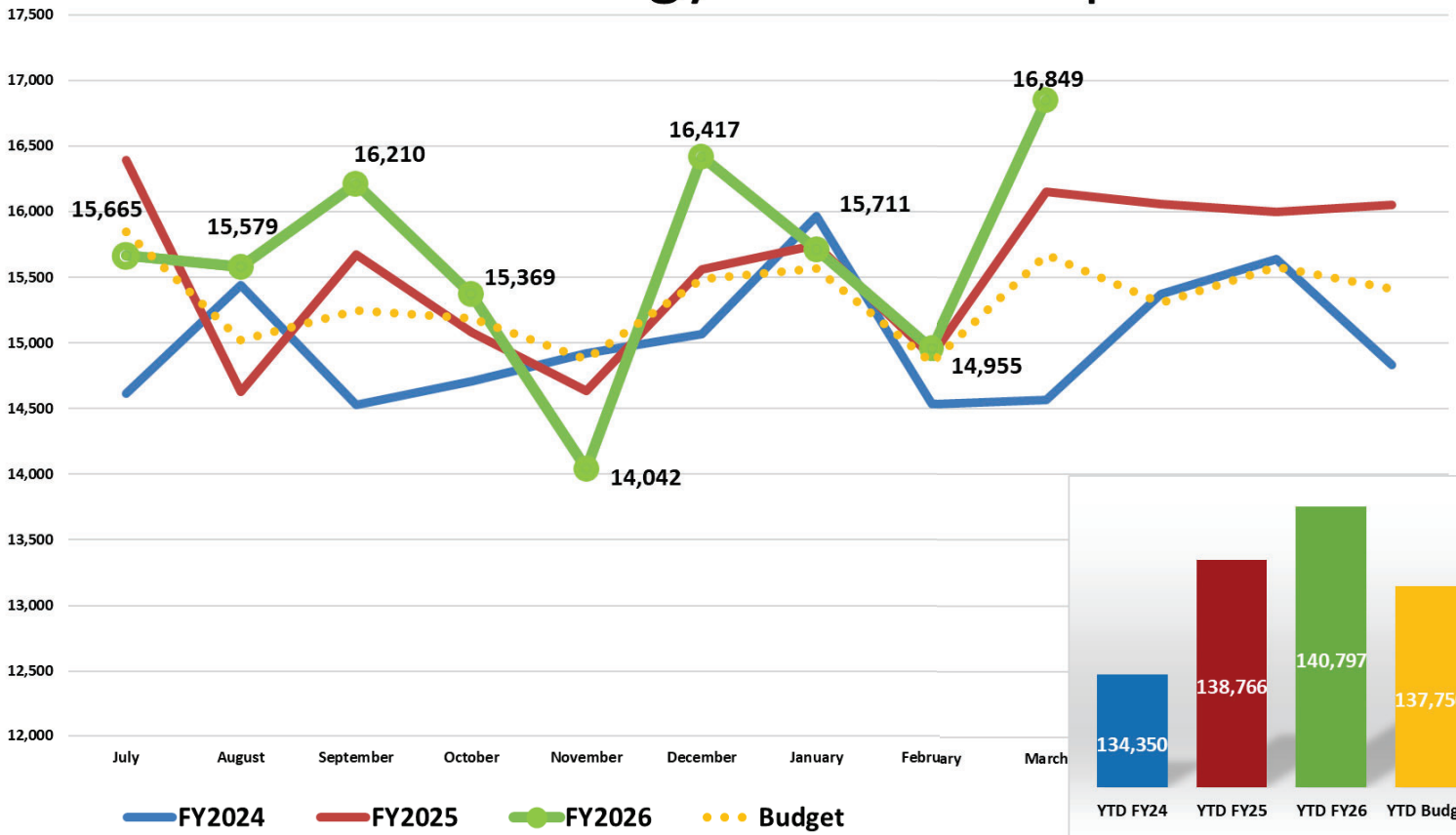
# Endoscopy Procedures



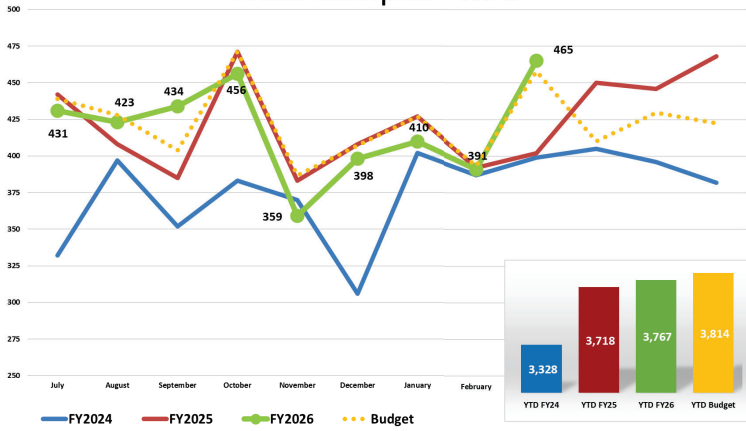
# Endo Cases (Suites A & B and OR )



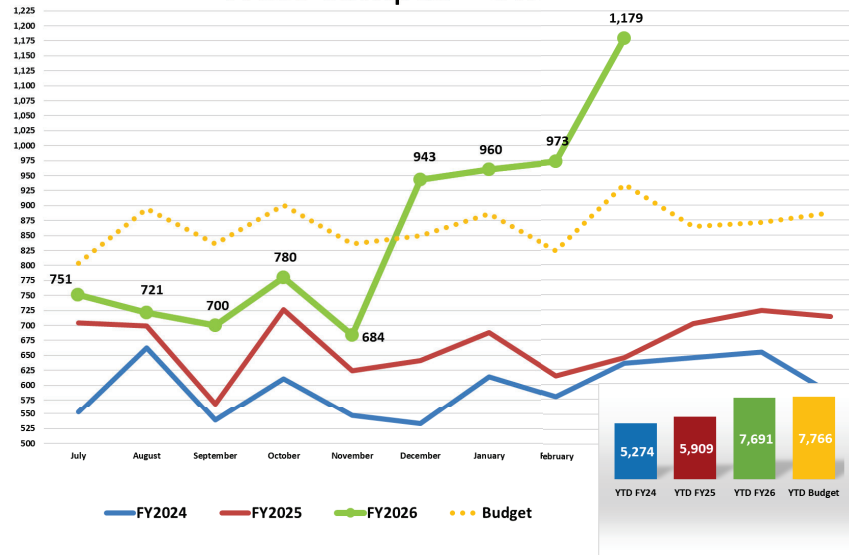
# Radiology – Main Campus



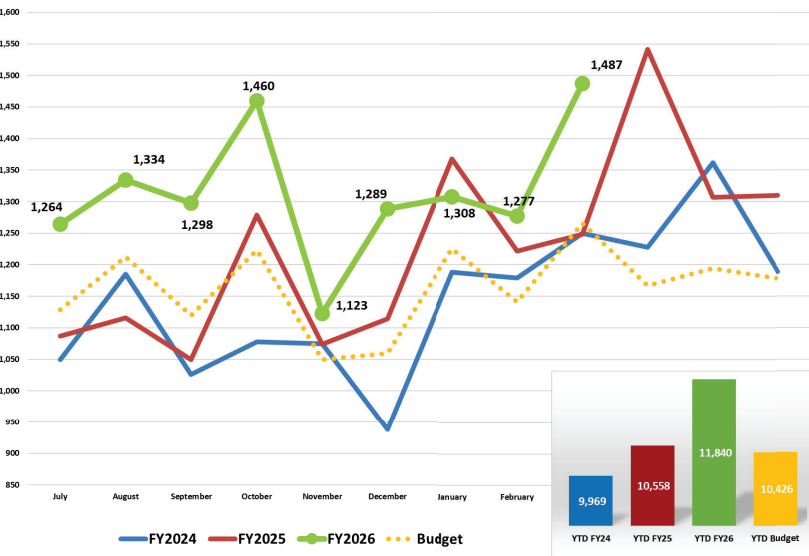
### West Campus - MRI



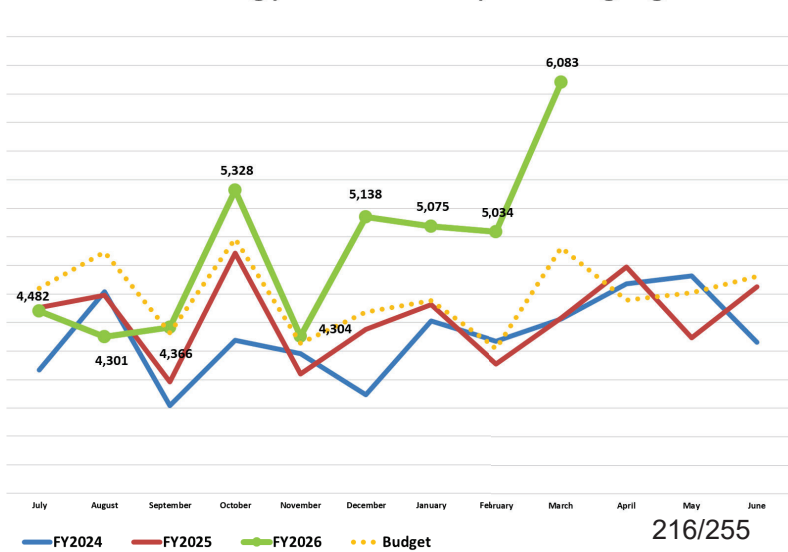
### West Campus - Ultrasound



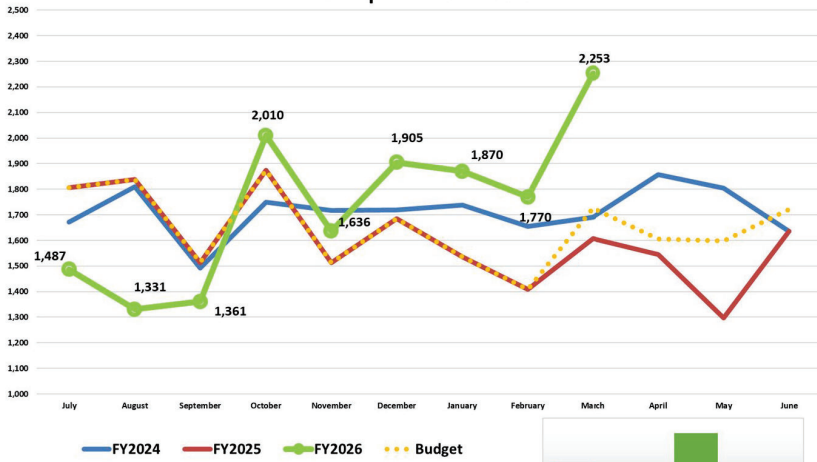
### West Campus - Diagnostic Radiology



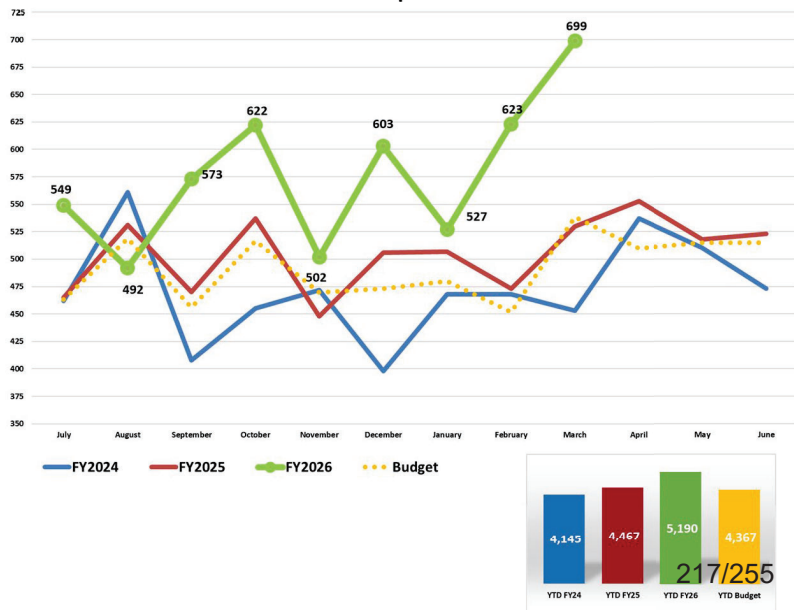
### Radiology - West Campus Imaging



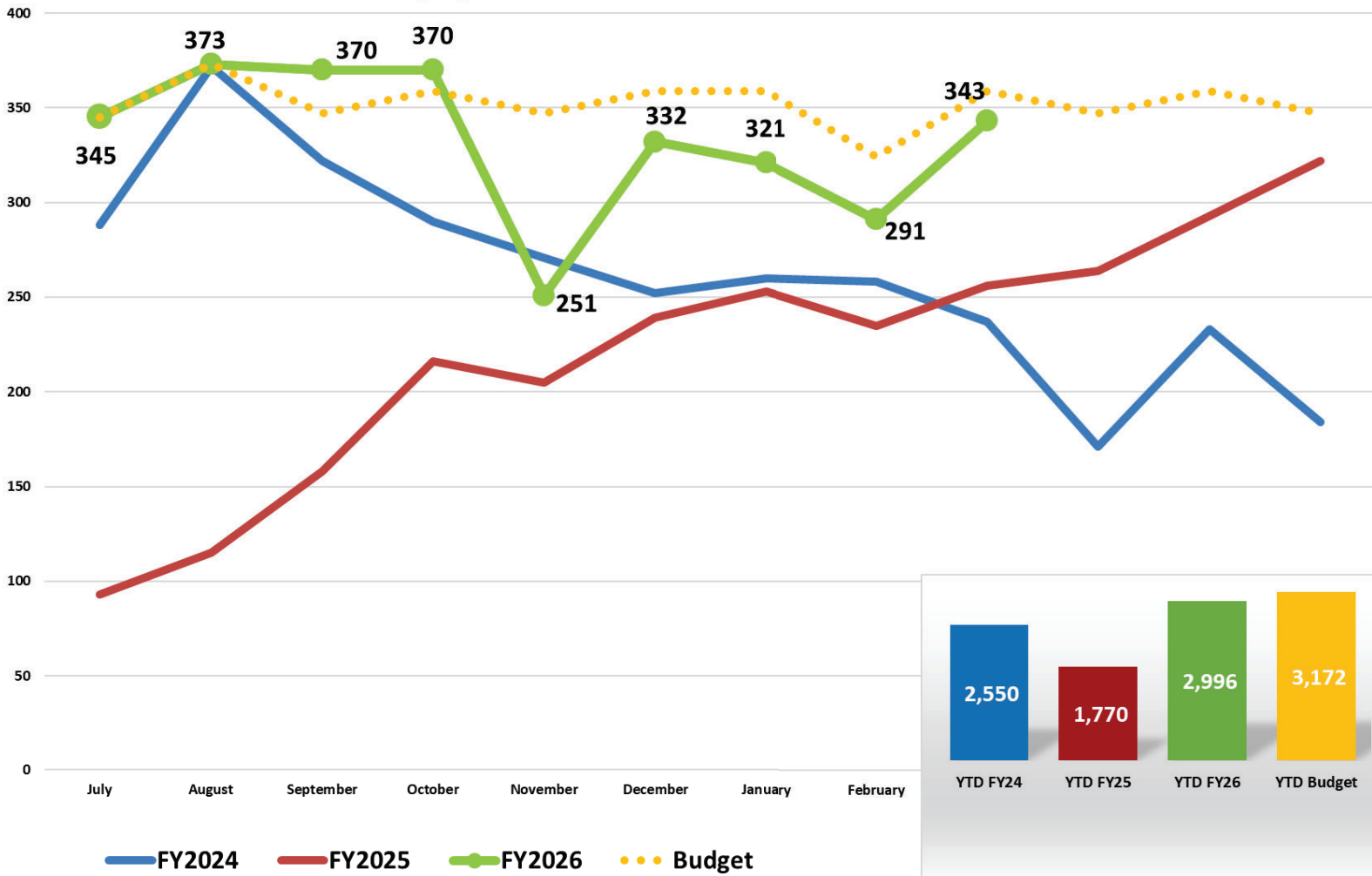
## West Campus - Breast Center



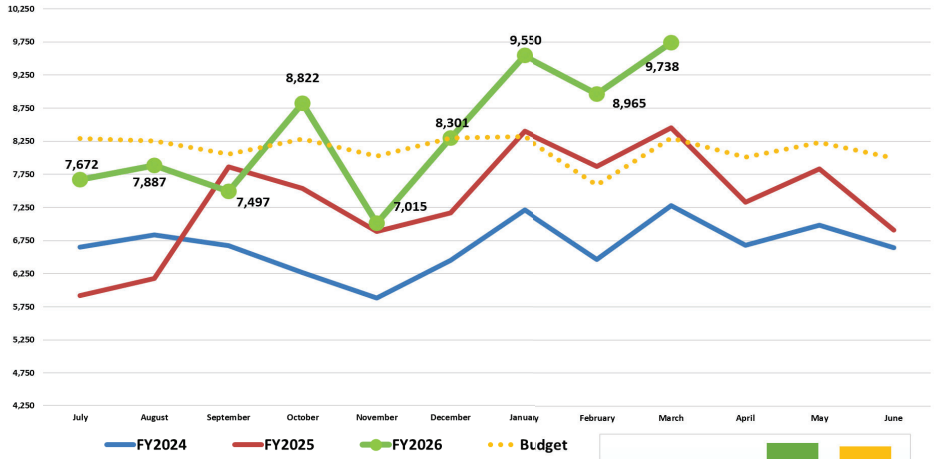
## West Campus - CT Scan



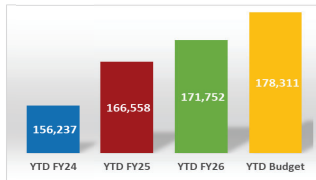
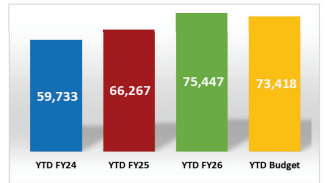
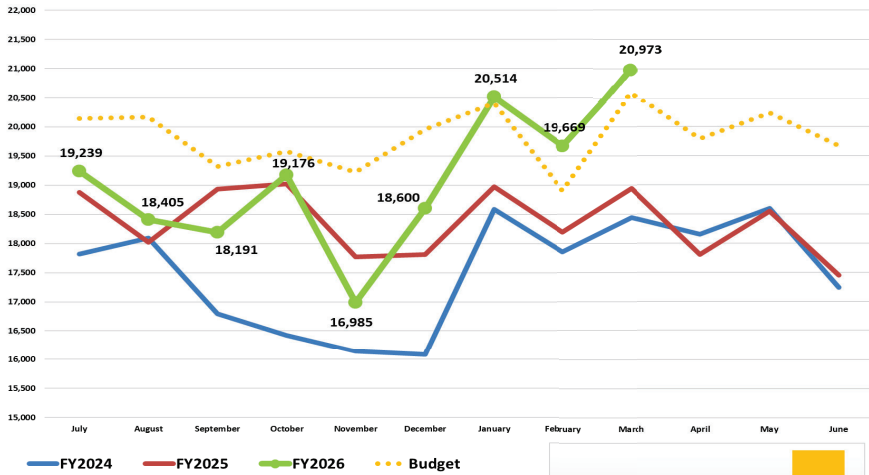
# Therapy-Wound Care Encounters



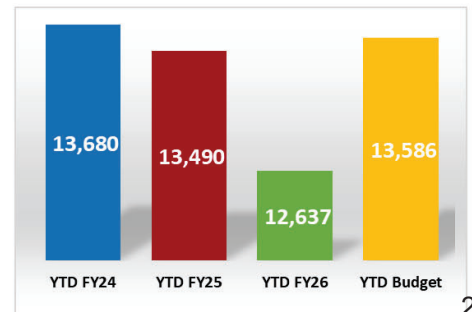
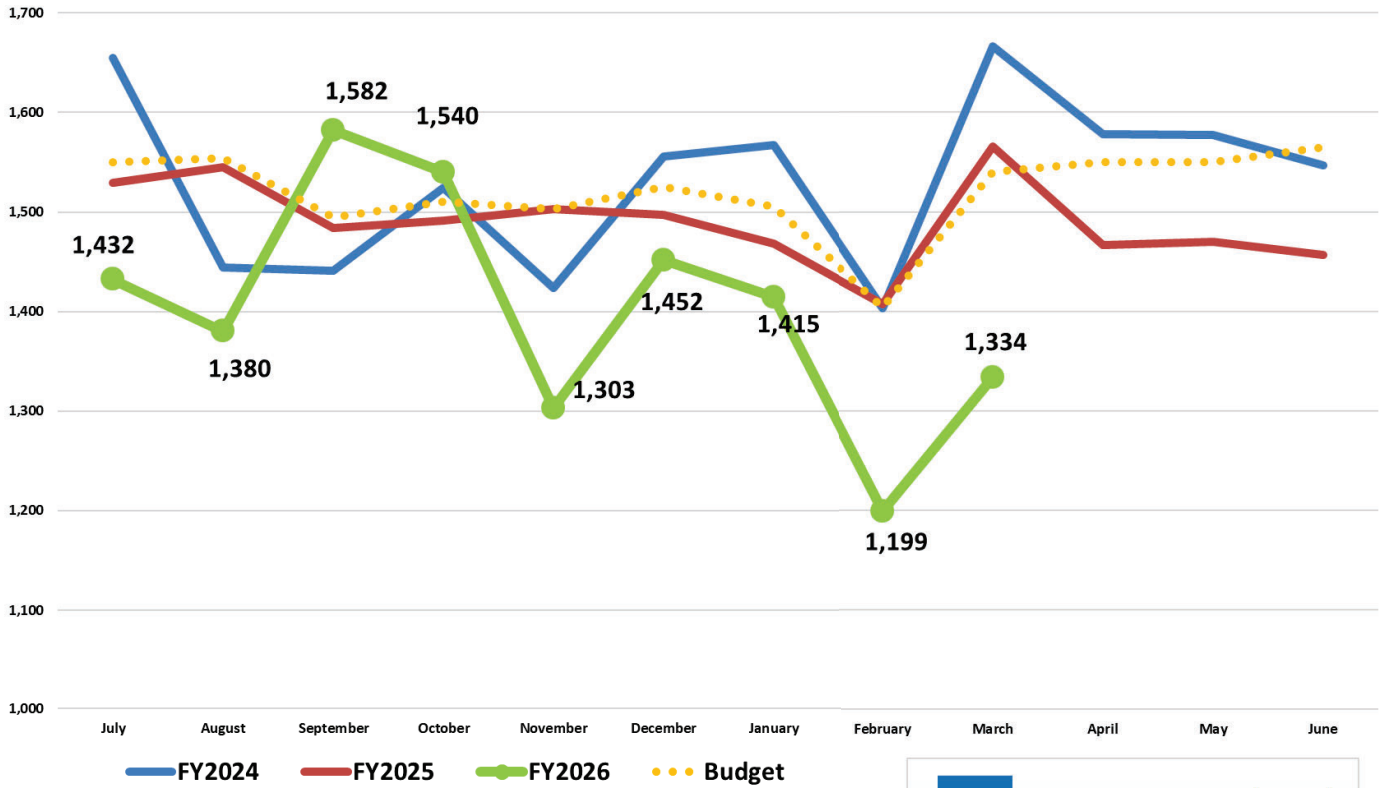
### Physical & Other Therapy Units (I/P & O/P)-KDRH & South Campus



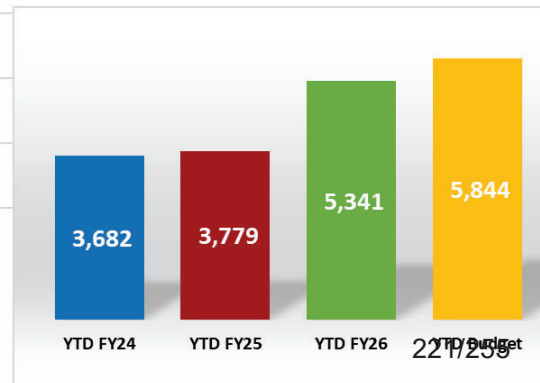
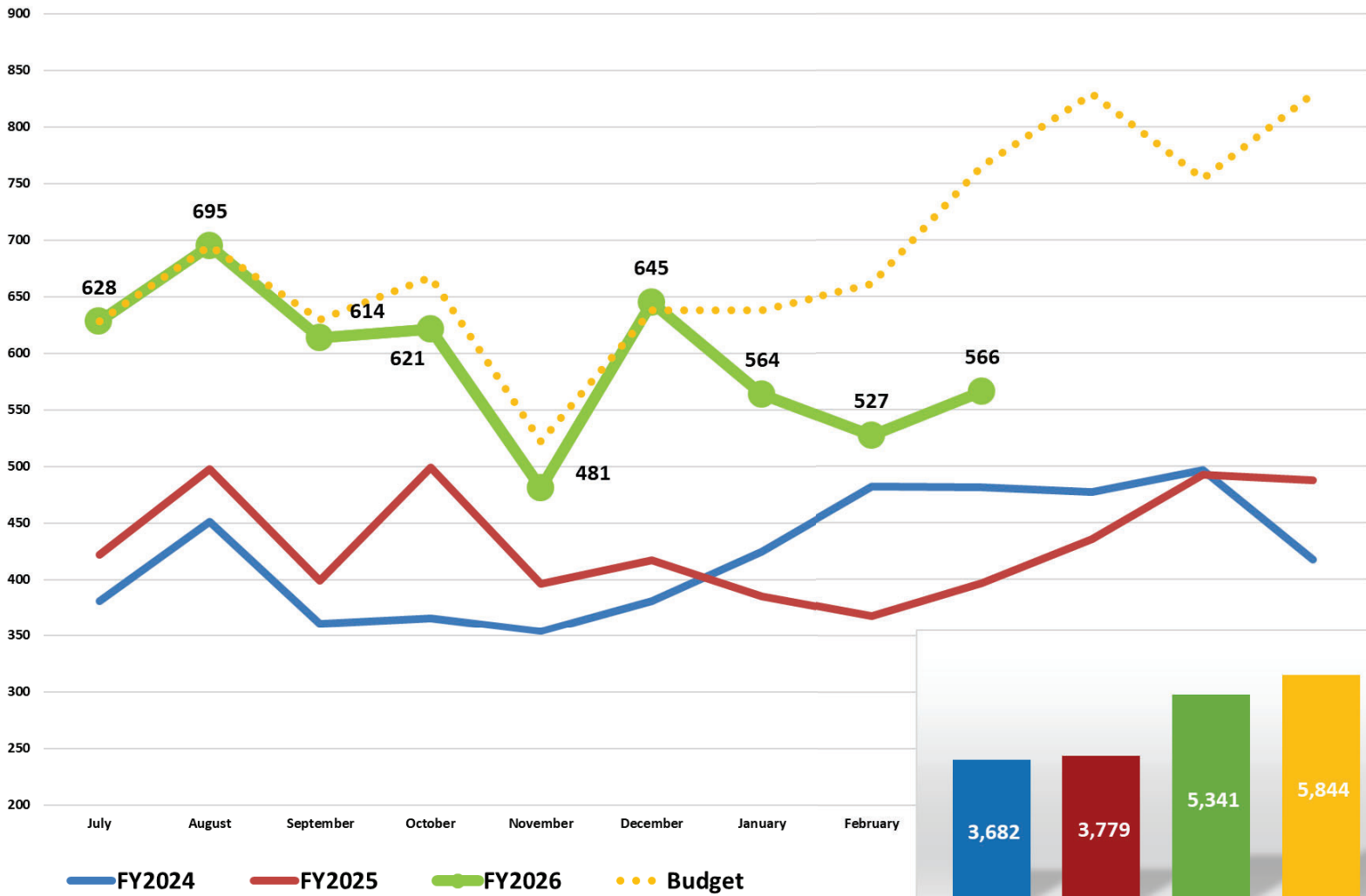
### Physical & Other Therapy Units (I/P & O/P)



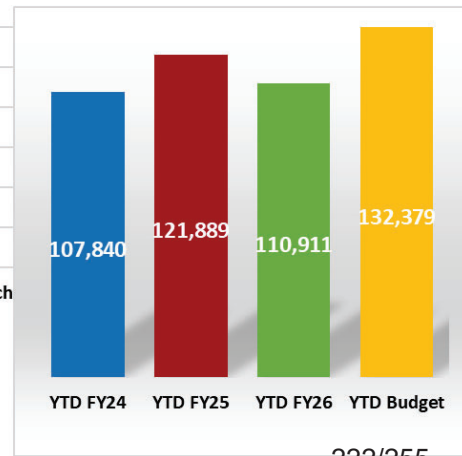
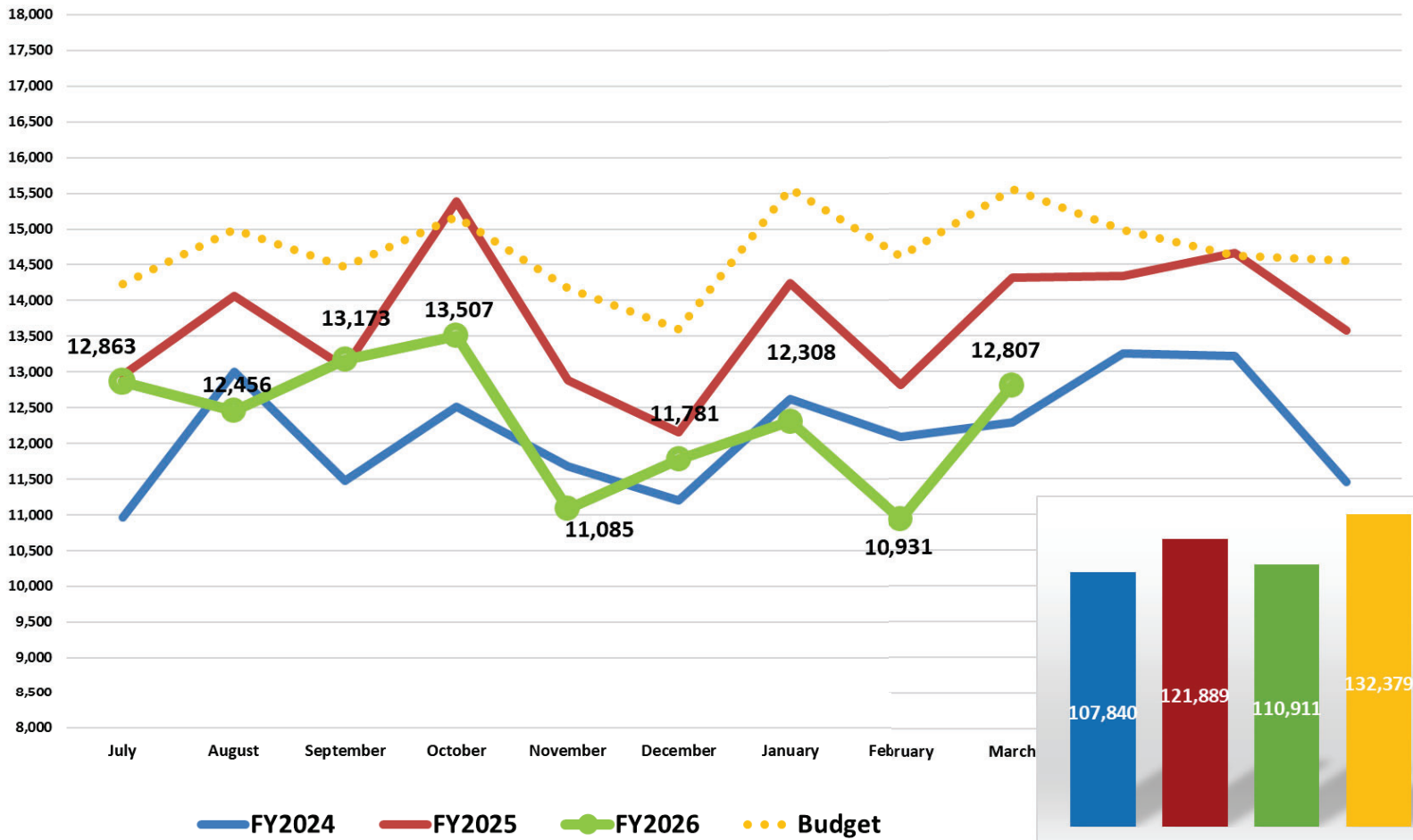
# Chronic Dialysis - Visalia



# Infusion Center - Units of Service



# Rural Health Clinics Registrations



## Other Statistical Results – Prior Year/Budget Comparison (March)

	Actual Results				Budget	Budget Variance	
	Mar 25	Mar 26	Change	% Change	Mar 26	Change	% Change
Rural Health Clinics Registrations	14,314	12,807	(1,507)	(10.5%)	14,255	(1,448)	(10.2%)
RHC Exeter - Registrations	6,804	6,148	(656)	(9.6%)	6,930	(782)	(11.3%)
RHC Lindsay - Registrations	1,924	1,754	(170)	(8.8%)	2,250	(496)	(22.0%)
RHC Woodlake - Registrations	1,505	777	(728)	(48.4%)	637	140	22.0%
RHC Woodlake Valencia - Registrations	0	597	597	0.0%	1,300	(703)	(54.1%)
RHC Dinuba - Registrations	1,561	1,238	(323)	(20.7%)	1,700	(462)	(27.2%)
RHC Tulare - Registrations	2,520	2,293	(227)	(9.0%)	2,738	(445)	(16.3%)
Urgent Care – Court Total Visits	2,924	2,681	(243)	(8.3%)	3,100	(419)	(13.5%)
Urgent Care – Demaree Total Visits	1,791	2,428	637	35.6%	2,050	378	18.4%
KH Medical Clinic - Ben Maddox Visits	923	735	(188)	(20.4%)	-	735	0.0%
KH Medical Clinic - Plaza Visits	233	286	53	22.7%	335	(49)	(14.6%)
KH Willow Specialty Clinic	0	416	416	0.0%	509	(93)	(18.2%)
KH Cardiology Center Visalia Registrations	1,590	2,152	562	35.3%	1,654	498	30.1%
KH Mental Wellness Clinic Visits	302	341	39	12.9%	390	(49)	(12.6%)
Urology Clinic Visits	350	345	(5)	(1.4%)	913	(568)	(62.2%)
Therapy-Wound Care Svcs Encounters	256	343	87	34.0%	359	(16)	(4.5%)

## Other Statistical Results – Fiscal Year Comparison (Jul-Mar)

	YTD Actual Results				Budget	Budget Variance	
	YTD Mar 25	YTD Mar 26	Change	% Change	YTD Mar 26	Change	% Change
Rural Health Clinics Registrations	121,752	112,531	(9,221)	(7.6%)	124,381	(11,850)	(9.5%)
RHC Exeter - Registrations	58,004	52,744	(5,260)	(9.1%)	60,635	(7,891)	(13.0%)
RHC Lindsay - Registrations	16,708	15,361	(1,347)	(8.1%)	18,740	(3,379)	(18.0%)
RHC Woodlake - Registrations	12,042	6,833	(5,209)	(43.3%)	6,105	728	11.9%
RHC Woodlake Valencia - Registrations	0	5,497	5,497	0.0%	7,998	(2,501)	(31.3%)
RHC Dinuba - Registrations	13,694	13,004	(690)	(5.0%)	15,575	(2,571)	(16.5%)
RHC Tulare - Registrations	21,304	19,092	(2,212)	(10.4%)	23,326	(4,234)	(18.2%)
Urgent Care – Court Total Visits	22,615	23,127	512	2.3%	26,600	(3,473)	(13.1%)
Urgent Care – Demaree Total Visits	13,946	17,998	4,052	29.1%	18,300	(302)	(1.7%)
KH Medical Clinic - Ben Maddox Visits	7,331	8,512	1,181	16.1%	5,500	3,012	54.8%
KH Medical Clinic - Plaza Visits	2,387	2,103	(284)	(11.9%)	2,567	(464)	(18.1%)
KH Willow Specialty Clinic	0	3,258	3,258	0.0%	4,194	(936)	(22.3%)
KH Cardiology Center Visalia Registrations	13,806	13,425	(381)	(2.8%)	14,581	(1,156)	(7.9%)
KH Mental Wellness Clinic Visits	2,601	2,381	(220)	(8.5%)	3,410	(1,029)	(30.2%)
Urology Clinic Visits	2,762	1,819	(943)	(34.1%)	4,114	(2,295)	(55.8%)
Therapy-Wound Care Svcs Encounters	1,770	2,996	1,226	69.3%	3,172	(176)	(5.5%)

## Other Statistical Results – Prior Year/Budget Comparison (March)

	Actual Results				Budget	Budget Variance	
	Mar 25	Mar 26	Change	% Change	Mar 26	Change	% Change
ED - Avg Treated Per Day	267	288	21	7.9%	273	15	5.5%
Surgery (IP & OP) – 100 Min Units	811	873	62	7.6%	816	57	7.0%
Endoscopy Procedures	653	509	(144)	(22.1%)	506	3	0.5%
Cath Lab (IP & OP) - 100 Min Units	421	368	(53)	(12.6%)	426	(58)	(13.6%)
Cardiac Surgery Cases	31	33	2	6.5%	28	5	17.2%
Deliveries	384	271	(113)	(29.4%)	438	(167)	(38.1%)
Clinical Lab	265,633	279,243	13,610	5.1%	273,440	5,803	2.1%
Reference Lab	7,797	8,495	698	9.0%	7,270	1,225	16.8%
Dialysis Center - Visalia Visits	1,566	1,334	(232)	(14.8%)	1,540	(206)	(13.4%)
Infusion Center - Units of Service	396	566	170	42.9%	765	(199)	(26.0%)
Hospice Days	3,777	3,982	205	5.4%	4,188	(206)	(4.9%)
Home Health Visits	2,947	2,818	(129)	(4.4%)	3,270	(452)	(13.8%)
Home Infusion Days	22,422	23,203	781	3.5%	22,660	543	2.4%

## Other Statistical Results – Fiscal Year Comparison (Jul-Mar)

	YTD Actual Results				Budget	Budget Variance	
	YTD Mar 25	YTD Mar 26	Change	% Change	YTD Mar 26	Change	% Change
ED - Avg Treated Per Day	261	275	14	5.5%	278	(2)	(0.8%)
Surgery (IP & OP) – 100 Min Units	7,222	6,934	(287)	(4.0%)	7,346	(412)	(5.6%)
Endoscopy Procedures	5,564	4,371	(1,193)	(21.4%)	4,708	(337)	(7.1%)
Cath Lab (IP & OP) - 100 Min Units	3,145	3,124	(21)	(0.7%)	3,253	(129)	(4.0%)
Cardiac Surgery Cases	244	254	10	4.1%	294	(40)	(13.5%)
Deliveries	3,711	2,873	(838)	(22.6%)	3,421	(548)	(16.0%)
Clinical Lab	2,254,283	2,372,459	118,176	5.2%	2,460,955	(88,496)	(3.6%)
Reference Lab	62,782	64,806	2,024	3.2%	61,484	3,322	5.4%
Dialysis Center - Visalia Visits	13,490	12,637	(853)	(6.3%)	13,586	(949)	(7.0%)
Infusion Center - Units of Service	3,779	5,341	1,562	41.3%	5,844	(503)	(8.6%)
Hospice Days	31,653	36,643	4,990	15.8%	36,621	22	0.1%
Home Health Visits	25,952	25,557	(395)	(1.5%)	27,384	(1,827)	(6.7%)
Home Infusion Days	196,494	213,180	16,686	8.5%	197,762	15,418	7.8%

## Other Statistical Results – Prior Year/Budget Comparison (March)

	Actual Results				Budget	Budget Variance	
	Mar 25	Mar 26	Change	% Change	Mar 26	Change	% Change
All O/P Rehab Svcs Across District	21,617	21,273	(344)	(1.6%)	22,476	(1,203)	(5.4%)
Physical & Other Therapy Units (I/P & O/P)	18,944	20,973	2,029	10.7%	20,593	380	1.8%
Radiology - CT - All Areas	5,069	5,624	555	10.9%	4,705	919	19.5%
Radiology - MRI - All Areas	866	969	103	11.9%	924	45	4.8%
Radiology - Ultrasound - All Areas	3,130	3,311	181	5.8%	3,151	160	5.1%
Radiology - Diagnostic Radiology	9,911	10,775	864	8.7%	10,089	686	6.8%
Radiology – Main Campus	16,151	16,849	698	4.3%	15,671	1,178	7.5%
Radiology - Ultrasound - Main Campus	2,485	2,132	(353)	(14.2%)	2,216	(84)	(3.8%)
West Campus - Diagnostic Radiology	1,248	1,487	239	19.2%	1,266	221	17.4%
West Campus - CT Scan	530	699	169	31.9%	538	161	29.8%
West Campus - MRI	402	465	63	15.7%	458	7	1.6%
West Campus - Ultrasound	645	1,179	534	82.8%	935	244	26.1%
West Campus - Breast Center	1,607	2,253	646	40.2%	1,727	526	30.5%
Med Onc Visalia Treatments	1,120	1,143	23	2.1%	1,203	(60)	(5.0%)
Rad Onc Visalia Treatments	1,188	2,106	918	77.3%	1,206	900	74.6%
Rad Onc Hanford Treatments	202	193	(9)	(4.5%)	242	(49)	(20.2%)

## Other Statistical Results – Fiscal Year Comparison (Jul-Mar)

	YTD Actual Results				Budget	Budget Variance	
	YTD Mar 25	YTD Mar 26	Change	% Change	YTD Mar 26	Change	% Change
All O/P Rehab Svcs Across District	184,519	179,539	(4,980)	(2.7%)	188,987	(9,448)	(5.0%)
Physical & Other Therapy Units (I/P & O/P)	166,558	171,752	5,194	3.1%	178,311	(6,559)	(3.7%)
Radiology - CT - All Areas	41,769	46,694	4,925	11.8%	41,001	5,693	13.9%
Radiology - MRI - All Areas	7,811	8,263	452	5.8%	7,870	393	5.0%
Radiology - Ultrasound - All Areas	27,183	27,445	262	1.0%	27,099	346	1.3%
Radiology - Diagnostic Radiology	86,655	86,883	228	0.3%	88,153	(1,270)	(1.4%)
Radiology – Main Campus	138,766	140,797	2,031	1.5%	137,750	3,047	2.2%
Radiology - Ultrasound - Main Campus	21,274	19,754	(1,520)	(7.1%)	19,333	421	2.2%
West Campus - Diagnostic Radiology	10,558	11,840	1,282	12.1%	10,426	1,414	13.6%
West Campus - CT Scan	4,467	5,190	723	16.2%	4,367	823	18.8%
West Campus - MRI	3,718	3,767	49	1.3%	3,814	(47)	(1.2%)
West Campus - Ultrasound	5,909	7,691	1,782	30.2%	7,766	(75)	(1.0%)
West Campus - Breast Center	14,780	15,623	843	5.7%	14,901	722	4.8%
Med Onc Visalia Treatments	9,595	10,349	754	7.9%	10,084	265	2.6%
Rad Onc Visalia Treatments	12,452	15,493	3,041	24.4%	12,787	2,706	21.2%
Rad Onc Hanford Treatments	2,108	2,148	40	1.9%	2,184	(36)	(1.6%)

## March Financial Summary (000's) Budget Comparison

	Comparison to Budget - Month of March			
	Budget Mar-2026	Actual Mar-2026	\$ Change	% Change
<b>Operating Revenue</b>				
Net Patient Service Revenue	\$58,783	\$57,753	(\$1,029)	-1.8%
Other Operating Revenue	\$22,076	\$22,212	\$136	0.6%
<b>Total Operating Revenue</b>	<b>\$80,859</b>	<b>\$79,966</b>	<b>(\$893)</b>	<b>-1.1%</b>
<b>Operating Expenses</b>				
Employment Expenses	\$44,073	\$45,084	\$1,011	2.2%
Other Expenses	\$38,273	\$38,424	\$151	0.4%
<b>Total Operating Expenses</b>	<b>\$82,346</b>	<b>\$83,509</b>	<b>\$1,162</b>	<b>1.4%</b>
<b>Operating Margin</b>	<b>(\$1,487)</b>	<b>(\$3,543)</b>	<b>(\$2,056)</b>	
<b>Stimulus/FEMA</b>	\$0	\$0	\$0	
<b>Operating Margin after Stimulus/FEMA</b>	<b>(\$1,487)</b>	<b>(\$3,543)</b>	<b>(\$2,056)</b>	
Nonoperating Revenue (Loss)	\$860	(\$468)	(\$1,328)	
<b>Excess Margin</b>	<b>(\$627)</b>	<b>(\$4,011)</b>	<b>(\$3,384)</b>	

## March Financial Summary (000's) Prior Year Comparison

	Comparison to Prior Year - Month of March			
	Actual Mar-2025	Actual Mar-2026	\$ Change	% Change
<b>Operating Revenue</b>				
Net Patient Service Revenue	\$57,324	\$57,753	\$429	0.7%
Other Operating Revenue	\$21,231	\$22,212	\$982	4.4%
<b>Total Operating Revenue</b>	<b>\$78,555</b>	<b>\$79,966</b>	<b>\$1,411</b>	<b>1.8%</b>
<b>Operating Expenses</b>				
Employment Expenses	\$42,423	\$45,084	\$2,662	5.9%
Other Expenses	\$36,024	\$38,424	\$2,400	6.2%
<b>Total Operating Expenses</b>	<b>\$78,446</b>	<b>\$83,509</b>	<b>\$5,062</b>	<b>6.1%</b>
<b>Operating Margin</b>	<b>\$109</b>	<b>(\$3,543)</b>	<b>(\$3,652)</b>	
Stimulus/FEMA	\$690	\$0	(\$690)	
<b>Operating Margin after Stimulus/FEMA</b>	<b>\$799</b>	<b>(\$3,543)</b>	<b>(\$4,341)</b>	
Nonoperating Revenue (Loss)	\$1,313	(\$468)	(\$1,781)	
<b>Excess Margin</b>	<b>\$2,111</b>	<b>(\$4,011)</b>	<b>(\$6,122)</b>	

## Year to Date Financial Summary (000's)

### Comparison to Budget - YTD March

	Budget YTD Mar-2026	Actual YTD Mar-2026	\$ Change	% Change
<b>Operating Revenue</b>				
Net Patient Service Revenue	\$516,139	\$513,093	(\$3,046)	-0.6%
Other Operating Revenue	\$196,793	\$202,741	\$5,948	2.9%
<b>Total Operating Revenue</b>	<b>\$712,932</b>	<b>\$715,834</b>	<b>\$2,902</b>	<b>0.4%</b>
<b>Operating Expenses</b>				
Employment Expenses	\$384,216	\$390,395	\$6,179	1.6%
Other Expenses	\$335,159	\$334,464	(\$694)	-0.2%
<b>Total Operating Expenses</b>	<b>\$719,375</b>	<b>\$724,860</b>	<b>\$5,485</b>	<b>0.8%</b>
<b>Operating Margin</b>	<b style="color: red;">(\$6,443)</b>	<b style="color: red;">(\$9,026)</b>	<b style="color: red;">(\$2,583)</b>	
Nonoperating Revenue (Loss)	\$7,886	\$9,973	\$2,087	
<b>Excess Margin</b>	<b>\$1,443</b>	<b>\$947</b>	<b style="color: red;">(\$496)</b>	

## March Financial Comparison (000's)

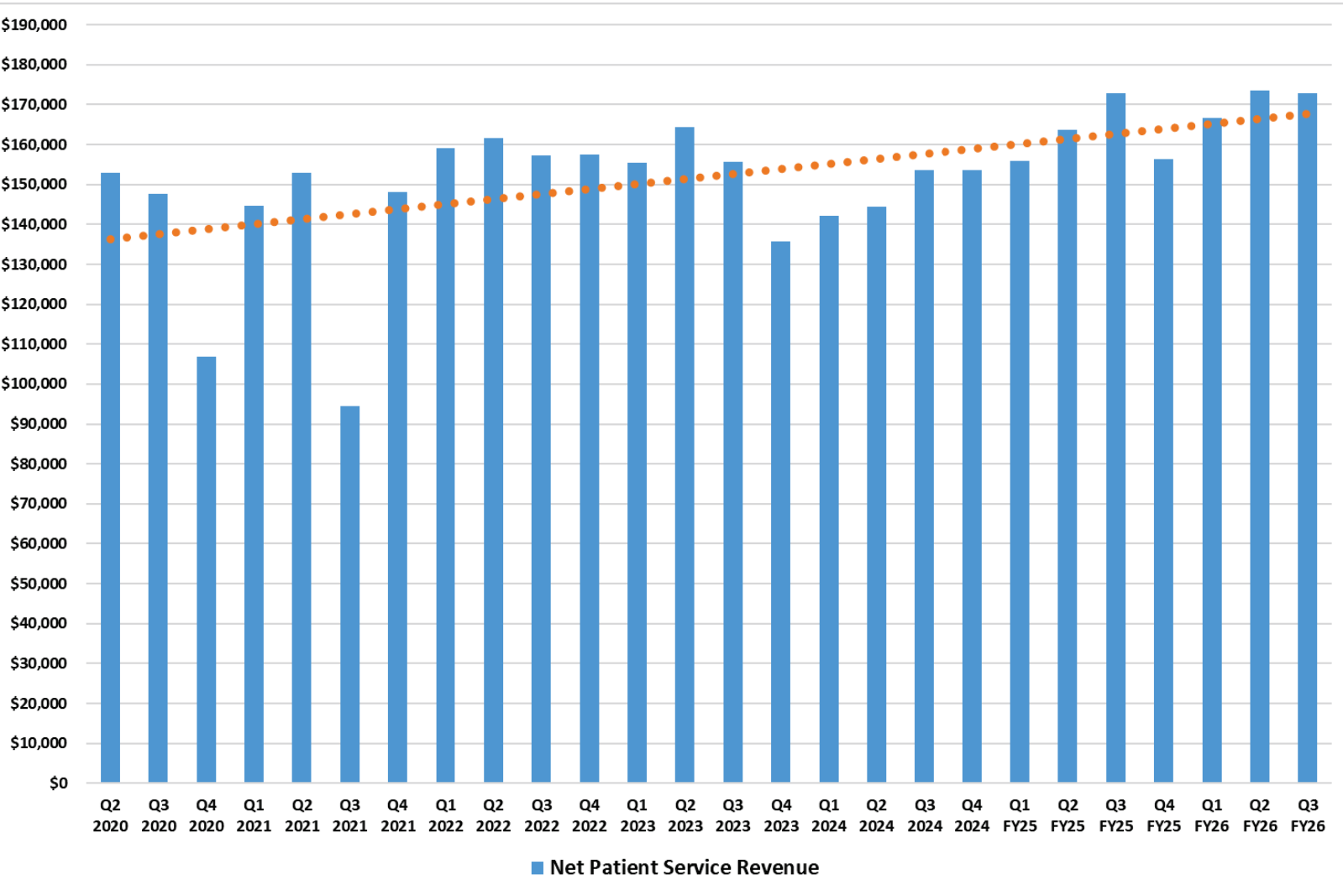
	Comparison to Budget - Month of March				Comparison to Prior Year - Month of March			
	Budget Mar-2026	Actual Mar-2026	\$ Change	% Change	Actual Mar-2025	Actual Mar-2026	\$ Change	% Change
<b>Operating Revenue</b>								
Net Patient Service Revenue	\$58,783	\$57,753	(\$1,029)	-1.8%	\$57,324	\$57,753	\$429	0.7%
Supplemental Gov't Programs	\$9,727	\$8,532	(\$1,194)	-14.0%	\$7,573	\$8,532	\$960	11.2%
Prime Program	\$631	\$631	(\$0)	0.0%	\$792	\$631	(\$161)	-25.6%
Premium Revenue	\$7,415	\$7,991	\$576	7.2%	\$8,201	\$7,991	(\$210)	-2.6%
Other Revenue	\$4,304	\$5,059	\$755	14.9%	\$4,665	\$5,059	\$393	7.8%
Other Operating Revenue	\$22,076	\$22,212	\$136	0.6%	\$21,231	\$22,212	\$982	4.4%
<b>Total Operating Revenue</b>	<b>\$80,859</b>	<b>\$79,966</b>	<b>(\$893)</b>	<b>-1.1%</b>	<b>\$78,555</b>	<b>\$79,966</b>	<b>\$1,411</b>	<b>1.8%</b>
<b>Operating Expenses</b>								
Salaries & Wages	\$35,202	\$35,776	\$574	1.6%	\$33,921	\$35,776	\$1,854	5.2%
Contract Labor	\$1,330	\$2,142	\$812	37.9%	\$2,347	\$2,142	(\$205)	-9.5%
Employee Benefits	\$7,541	\$7,167	(\$375)	-5.2%	\$6,155	\$7,167	\$1,012	14.1%
<b>Total Employment Expenses</b>	<b>\$44,073</b>	<b>\$45,084</b>	<b>\$1,011</b>	<b>2.2%</b>	<b>\$42,423</b>	<b>\$45,084</b>	<b>\$2,662</b>	<b>5.9%</b>
Medical & Other Supplies	\$14,877	\$14,957	\$80	0.5%	\$13,847	\$14,957	\$1,111	7.4%
Physician Fees	\$7,584	\$8,360	\$775	9.3%	\$7,851	\$8,360	\$509	6.1%
Purchased Services	\$1,971	\$1,888	(\$83)	-4.4%	\$1,763	\$1,888	\$125	6.6%
Repairs & Maintenance	\$2,544	\$2,037	(\$507)	-24.9%	\$2,112	\$2,037	(\$75)	-3.7%
Utilities	\$988	\$980	(\$8)	-0.8%	\$828	\$980	\$152	15.5%
Rents & Leases	\$133	\$170	\$37	21.8%	\$168	\$170	\$2	1.2%
Depreciation & Amortization	\$3,505	\$3,404	(\$101)	-3.0%	\$3,402	\$3,404	\$2	0.1%
Interest Expense	\$572	\$583	\$11	1.9%	\$605	\$583	(\$21)	-3.6%
Other Expense	\$2,327	\$2,232	(\$95)	-4.3%	\$2,920	\$2,232	(\$688)	-30.8%
Humana Cap Plan Expenses	\$3,771	\$3,812	\$41	1.1%	\$2,528	\$3,812	\$1,284	33.7%
<b>Total Other Expenses</b>	<b>\$38,273</b>	<b>\$38,424</b>	<b>\$151</b>	<b>0.4%</b>	<b>\$36,024</b>	<b>\$38,424</b>	<b>\$2,400</b>	<b>6.2%</b>
<b>Total Operating Expenses</b>	<b>\$82,346</b>	<b>\$83,509</b>	<b>\$1,162</b>	<b>1.4%</b>	<b>\$78,446</b>	<b>\$83,509</b>	<b>\$5,062</b>	<b>6.1%</b>
<b>Operating Margin</b>	<b>(\$1,487)</b>	<b>(\$3,543)</b>	<b>(\$2,056)</b>		<b>\$109</b>	<b>(\$3,543)</b>	<b>(\$3,652)</b>	
Stimulus/FEMA	\$0	\$0	\$0		\$690	\$0	(\$690)	
<b>Operating Margin after Stimulus/FEMA</b>	<b>(\$1,487)</b>	<b>(\$3,543)</b>	<b>(\$2,056)</b>		<b>\$799</b>	<b>(\$3,543)</b>	<b>(\$4,341)</b>	
Nonoperating Revenue (Loss)	\$860	(\$468)	(\$1,328)		\$1,313	(\$468)	(\$1,781)	
<b>Excess Margin</b>	<b>(\$627)</b>	<b>(\$4,011)</b>	<b>(\$3,384)</b>		<b>\$2,111</b>	<b>(\$4,011)</b>	<b>(\$6,122)</b>	

## Year to Date: July through March Financial Comparison (000's)

	Comparison to Budget - YTD March				Comparison to Prior Year - YTD March			
	Budget YTD Mar-2026	Actual YTD Mar-2026	\$ Change	% Change	Actual YTD Mar-2025	Actual YTD Mar-2026	\$ Change	% Change
<b>Operating Revenue</b>								
Net Patient Service Revenue	\$516,139	\$513,093	(\$3,046)	-0.6%	\$492,594	\$513,093	\$20,499	4.0%
Supplemental Gov't Programs	\$87,539	\$86,171	(\$1,367)	-1.6%	\$63,795	\$86,171	\$22,377	26.0%
Prime Program	\$5,676	\$5,676	(\$0)	0.0%	\$11,886	\$5,676	(\$6,210)	-109.4%
Premium Revenue	\$64,617	\$66,291	\$1,674	2.5%	\$63,590	\$66,291	\$2,701	4.1%
Management Services Revenue	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
Other Revenue	\$38,961	\$44,603	\$5,642	12.6%	\$37,522	\$44,603	\$7,082	15.9%
Other Operating Revenue	\$196,793	\$202,741	\$5,948	2.9%	\$176,792	\$202,741	\$25,949	12.8%
<b>Total Operating Revenue</b>	<b>\$712,932</b>	<b>\$715,834</b>	<b>\$2,902</b>	<b>0.4%</b>	<b>\$669,386</b>	<b>\$715,834</b>	<b>\$46,448</b>	<b>6.5%</b>
<b>Operating Expenses</b>								
Salaries & Wages	\$301,723	\$304,278	\$2,555	0.8%	\$288,303	\$304,278	\$15,975	5.3%
Contract Labor	\$17,358	\$17,833	\$476	2.7%	\$15,493	\$17,833	\$2,341	13.1%
Employee Benefits	\$65,135	\$68,283	\$3,149	4.6%	\$57,880	\$68,283	\$10,403	15.2%
<b>Total Employment Expenses</b>	<b>\$384,216</b>	<b>\$390,395</b>	<b>\$6,179</b>	<b>1.6%</b>	<b>\$361,676</b>	<b>\$390,395</b>	<b>\$28,719</b>	<b>7.4%</b>
Medical & Other Supplies	\$127,077	\$131,364	\$4,287	3.3%	\$124,242	\$131,364	\$7,122	5.4%
Physician Fees	\$67,866	\$70,753	\$2,887	4.1%	\$65,639	\$70,753	\$5,114	7.2%
Purchased Services	\$17,164	\$17,628	\$463	2.6%	\$14,953	\$17,628	\$2,674	15.2%
Repairs & Maintenance	\$22,480	\$19,581	(\$2,899)	-14.8%	\$19,380	\$19,581	\$201	1.0%
Utilities	\$8,762	\$8,099	(\$663)	-8.2%	\$8,499	\$8,099	(\$399)	-4.9%
Rents & Leases	\$1,257	\$1,391	\$134	9.6%	\$1,294	\$1,391	\$96	6.9%
Depreciation & Amortization	\$31,532	\$29,986	(\$1,546)	-5.2%	\$28,836	\$29,986	\$1,149	3.8%
Interest Expense	\$5,059	\$5,235	\$176	3.4%	\$5,347	\$5,235	(\$112)	-2.1%
Other Expense	\$20,629	\$18,961	(\$1,668)	-8.8%	\$19,349	\$18,961	(\$388)	-2.0%
Humana Cap Plan Expenses	\$33,333	\$31,467	(\$1,865)	-5.9%	\$36,141	\$31,467	(\$4,674)	-14.9%
<b>Total Other Expenses</b>	<b>\$335,159</b>	<b>\$334,464</b>	<b>(\$694)</b>	<b>-0.2%</b>	<b>\$323,681</b>	<b>\$334,464</b>	<b>\$10,784</b>	<b>3.2%</b>
<b>Total Operating Expenses</b>	<b>\$719,375</b>	<b>\$724,860</b>	<b>\$5,485</b>	<b>0.8%</b>	<b>\$685,357</b>	<b>\$724,860</b>	<b>\$39,503</b>	<b>5.4%</b>
<b>Operating Margin</b>	<b>(\$6,443)</b>	<b>(\$9,026)</b>	<b>(\$2,583)</b>		<b>(\$15,971)</b>	<b>(\$9,026)</b>	<b>\$6,945</b>	
<b>Stimulus/FEMA</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>		<b>\$48,412</b>	<b>(\$0)</b>	<b>(\$48,412)</b>	
<b>Operating Margin after Stimulus/FEMA</b>	<b>(\$6,443)</b>	<b>(\$9,026)</b>	<b>(\$2,583)</b>		<b>\$32,441</b>	<b>(\$9,026)</b>	<b>(\$41,467)</b>	
Nonoperating Revenue (Loss)	\$7,886	\$9,973	\$2,087		\$12,305	\$9,973	(\$2,332)	
<b>Excess Margin</b>	<b>\$1,443</b>	<b>\$947</b>	<b>(\$496)</b>		<b>\$44,746</b>	<b>\$947</b>	<b>(\$43,799)</b>	

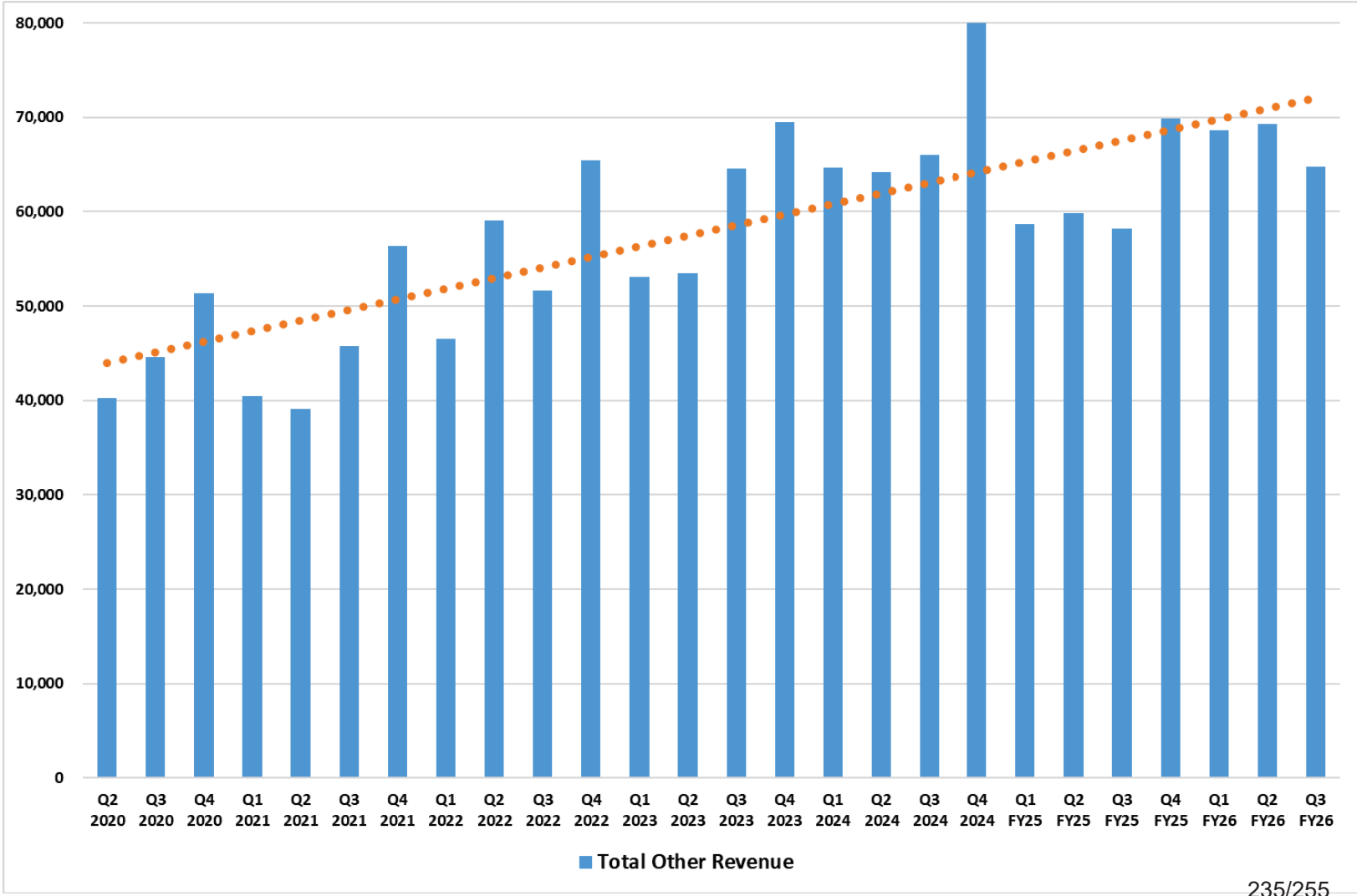
# 2020-2026 Quarterly Net Patient Revenue (000's)

17%



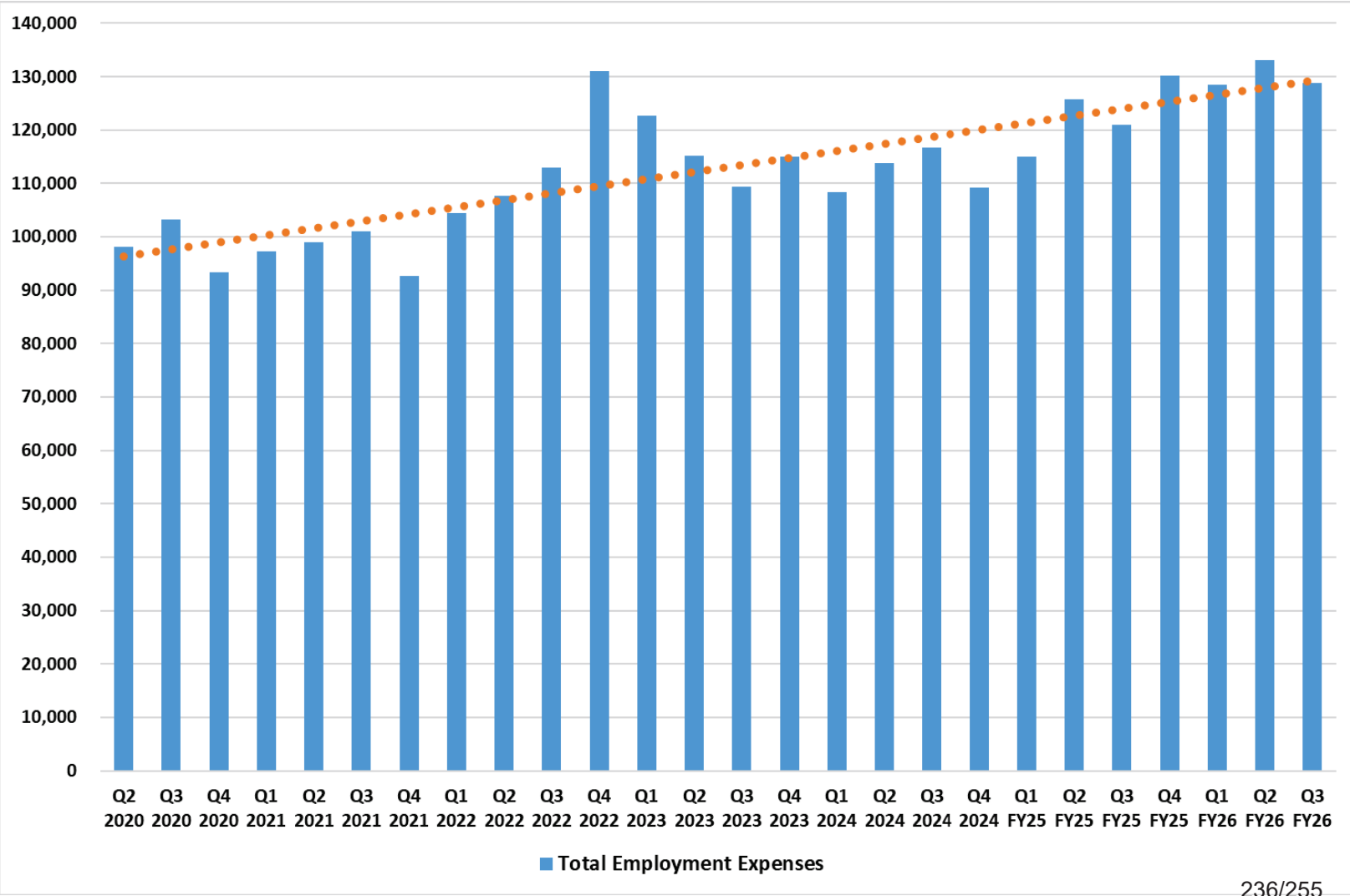
# 2020-2026 Quarterly Other Revenue (000's)

45%



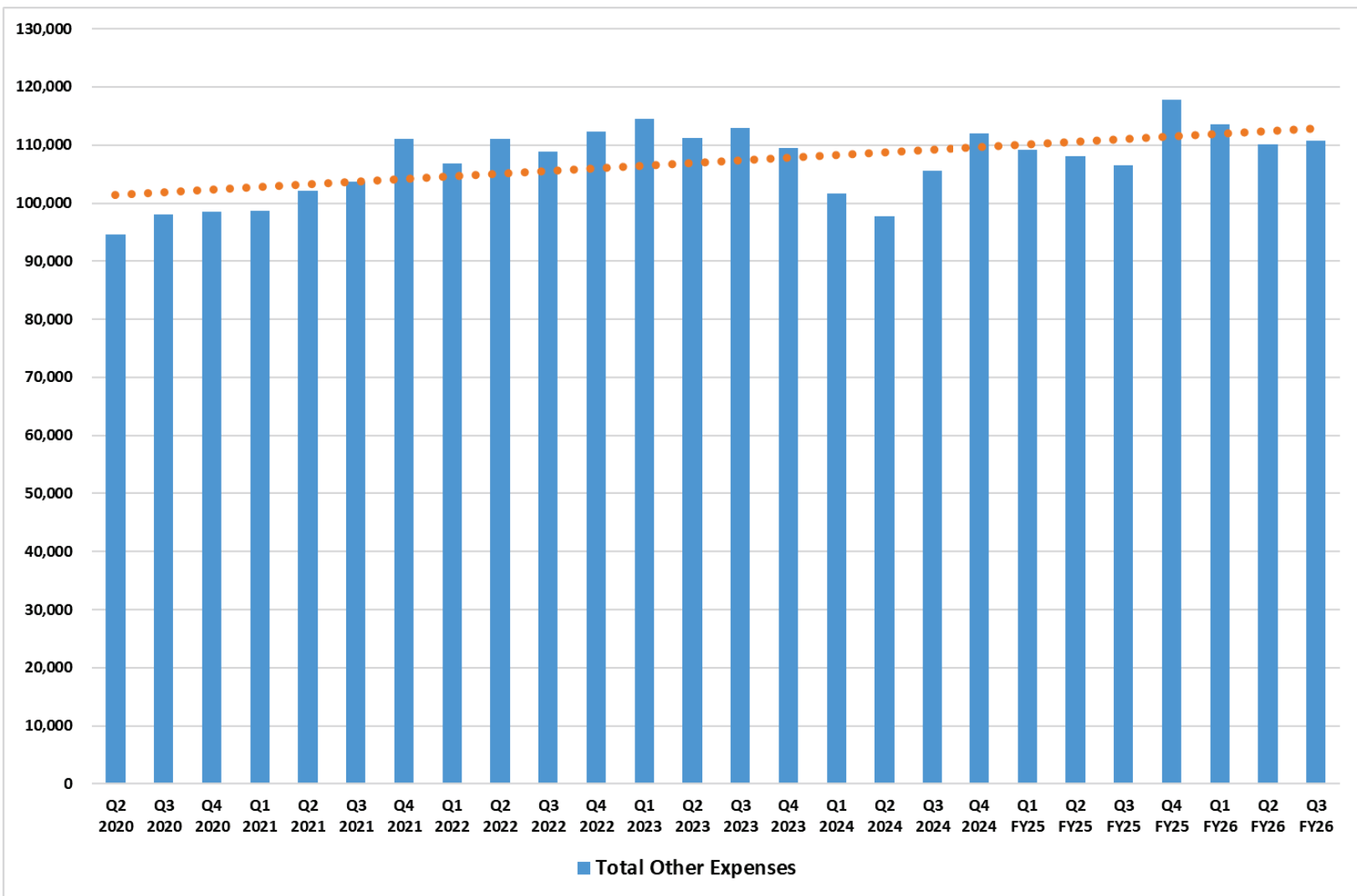
# 2020-2026 Quarterly Employment Costs (000's)

25%



# 2020-2026 Quarterly Other Operating Expenses (000's)

13%

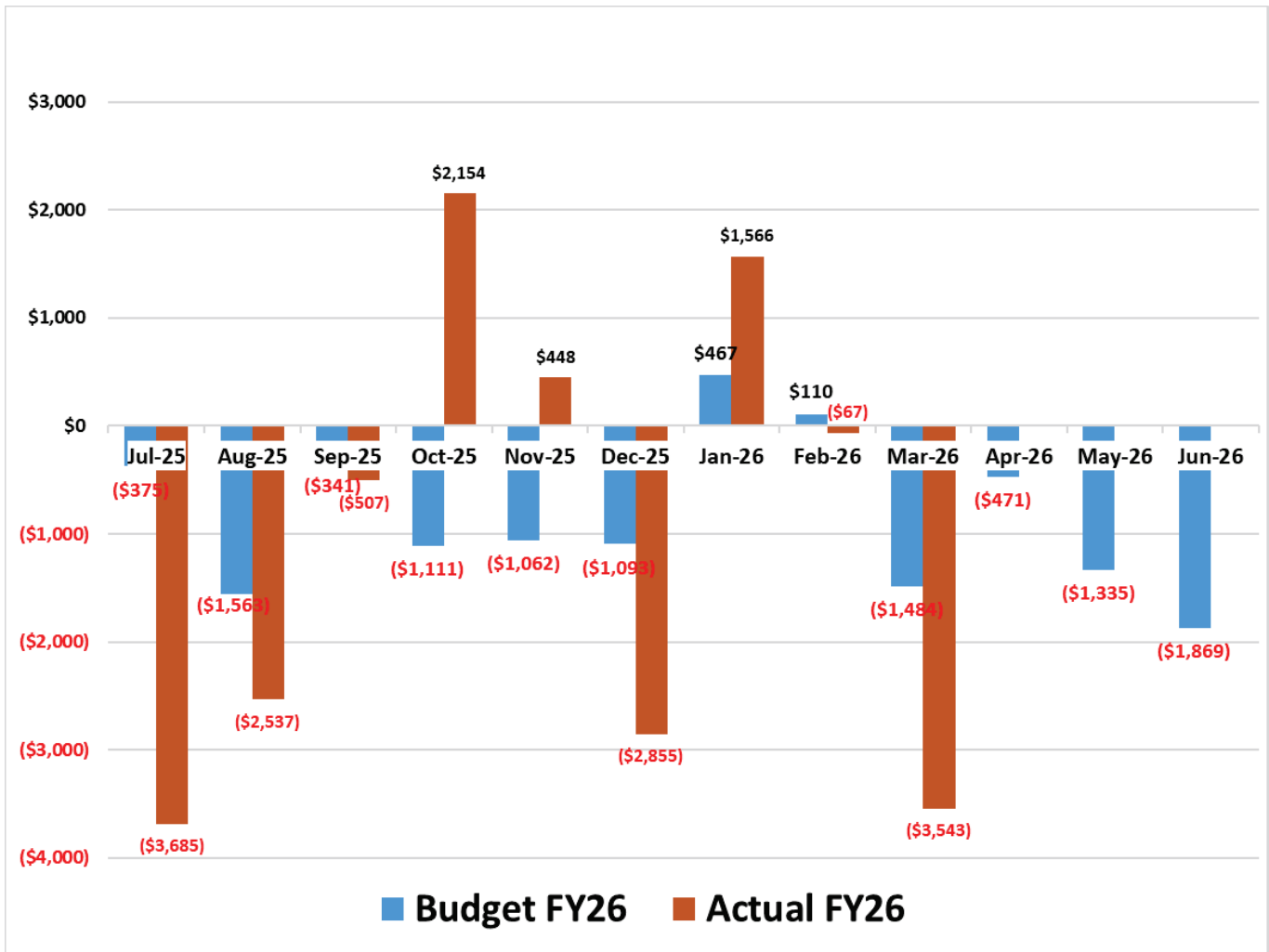


## Month of March - Budget Variances

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- **Net Patient Service Revenue:** The unfavorable budget variance of \$1M is primarily due to lower than anticipated inpatient and outpatient volumes including lower than budgeted volumes in the Acute Psychiatric hospital and NICU & Nursery.
- **Supplemental Gov't Programs:** The unfavorable budget variance of \$1.2M is primarily due to unanticipated HQAF State legislation – a decrease of 40% which we will experience through the end of the fiscal year.
- **Contract Labor:** The negative variance of \$812K in March is primarily due to staffing needs in the Emergency Department.
- **Physician Fees:** The \$775K negative variance is primarily due changes in our radiology contract effective in January. This includes the timing from the catch up of the professional radiology billing now being completed. A portion of this variance is offset by collections of these amounts which are now included in net patient revenue, which were formerly deducted from the physician fees.
- **Non-operating Revenue:** The \$1.3M negative variance in March is due to the decrease in unrealized gains on the District's fixed income portfolio and the Foundation's equity portfolio.

# Budget and Actual Fiscal Year 2026: Trended Operating Margin (000's)



## Budget and Actual Fiscal Year 2026: Trended Operating Margin (000's)

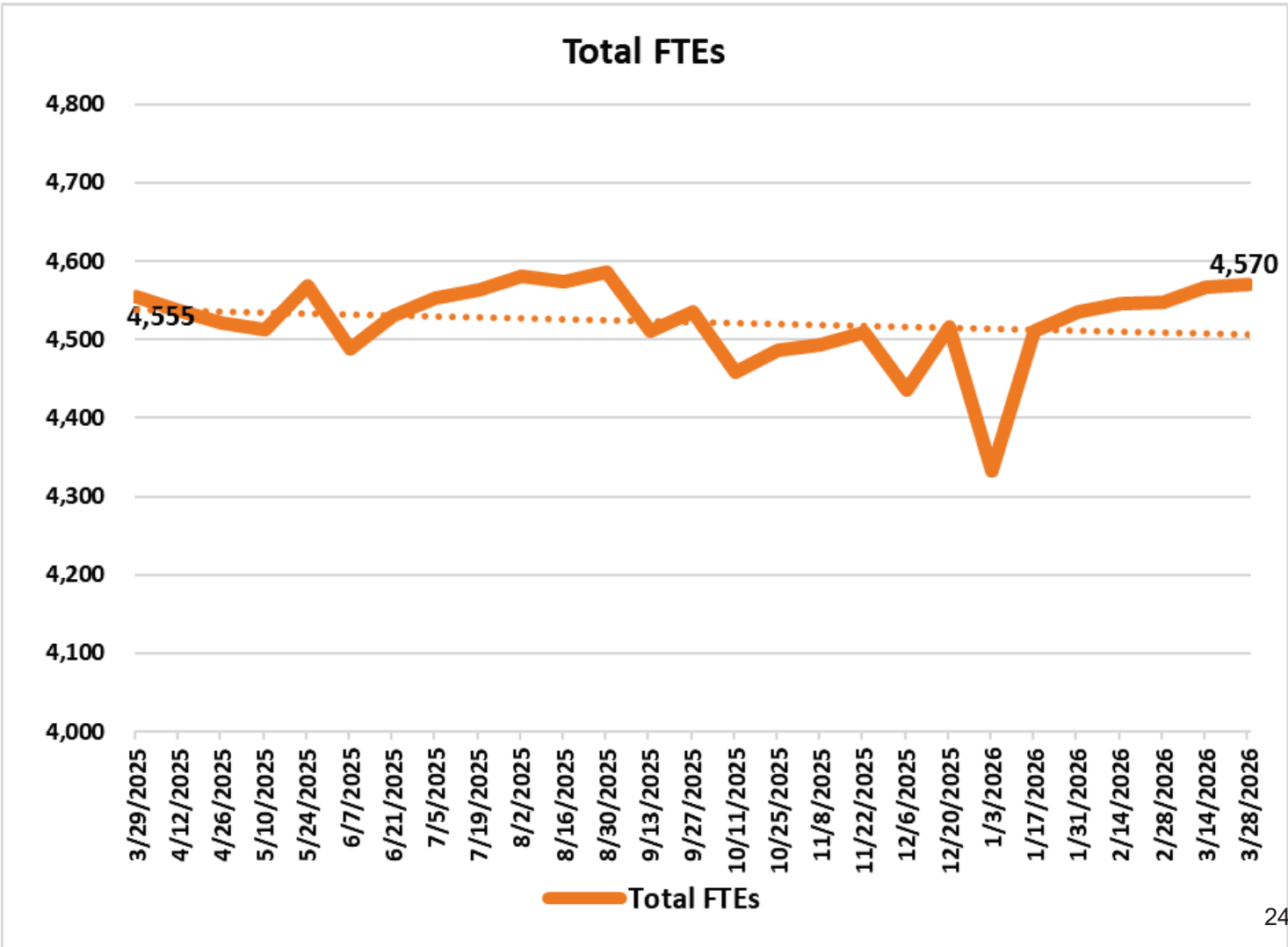
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	FY 2026
Patient Service Revenue	\$56,501	\$53,289	\$56,822	\$61,063	\$56,876	\$55,676	\$60,513	\$54,599	\$57,753	\$513,093
Other Revenue	\$21,848	\$23,904	\$22,899	\$24,620	\$21,974	\$22,751	\$21,414	\$21,119	\$22,212	\$202,741
<b>Total Operating Revenue</b>	<b>\$78,349</b>	<b>\$77,193</b>	<b>\$79,720</b>	<b>\$85,682</b>	<b>\$78,850</b>	<b>\$78,427</b>	<b>\$81,928</b>	<b>\$75,718</b>	<b>\$79,966</b>	<b>\$715,834</b>
Employee Expense	\$43,550	\$42,743	\$42,190	\$44,735	\$43,893	\$44,400	\$43,089	\$40,711	\$45,084	\$390,395
Other Operating Expense	\$38,484	\$36,987	\$38,038	\$38,793	\$34,509	\$36,883	\$37,272	\$35,074	\$38,424	\$334,464
<b>Total Operating Expenses</b>	<b>\$82,034</b>	<b>\$79,730</b>	<b>\$80,228</b>	<b>\$83,528</b>	<b>\$78,402</b>	<b>\$81,282</b>	<b>\$80,361</b>	<b>\$75,785</b>	<b>\$83,509</b>	<b>\$724,860</b>
<b>Net Operating Margin</b>	<b>(\$3,685)</b>	<b>(\$2,537)</b>	<b>(\$507)</b>	<b>\$2,154</b>	<b>\$448</b>	<b>(\$2,855)</b>	<b>\$1,566</b>	<b>(\$67)</b>	<b>(\$3,543)</b>	<b>(\$9,026)</b>
NonOperating Income	\$1,059	\$1,243	\$1,968	\$850	\$1,368	\$1,608	\$1,168	\$1,178	(\$468)	\$9,973
<b>Excess Margin</b>	<b>(\$2,625)</b>	<b>(\$1,295)</b>	<b>\$1,461</b>	<b>\$3,004</b>	<b>\$1,816</b>	<b>(\$1,248)</b>	<b>\$2,734</b>	<b>\$1,111</b>	<b>(\$4,011)</b>	<b>\$947</b>

<b>Profitability</b>										
Operating Margin %	(4.7%)	(3.3%)	(0.6%)	2.5%	0.6%	(3.6%)	1.9%	(0.1%)	(4.4%)	(1.3%)
Operating Margin %excl. Int	(4.0%)	(2.6%)	0.1%	3.2%	1.3%	(2.9%)	2.6%	0.7%	(3.7%)	(0.5%)
Operating EBIDA	\$104	\$1,200	\$3,534	\$5,818	\$4,421	\$1,304	\$5,475	\$3,894	\$445	\$26,195
Operating EBIDA Margin	0.1%	1.6%	4.4%	6.8%	5.6%	1.7%	6.7%	5.1%	0.6%	3.7%

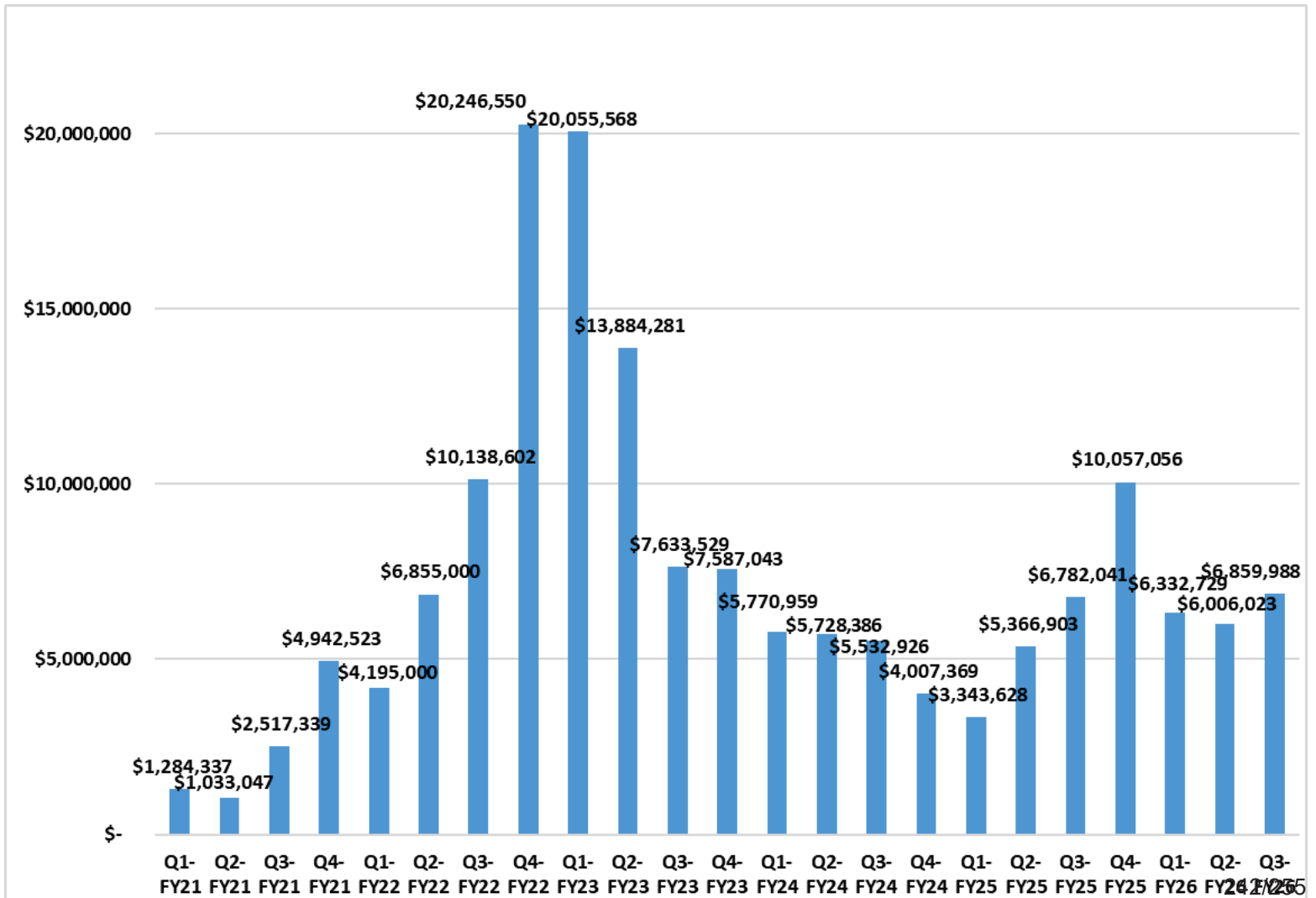
<b>Liquidity Indicators</b>										
Day's Cash on Hand	102.7	96.4	93.2	98.0	93.7	97.1	105.6	113.3	115.1	115.1
Day's in Accounts Rec.	72.0	71.2	67.9	67.8	68.2	68.3	73.6	72.5	68.3	68.3

<b>Debt &amp; Other Indicators</b>										
Debt Service Coverage (MADS)	0.16	0.53	1.22	1.68	1.88	1.72	1.91	1.97	1.70	1.42
Discharges (Monthly)	2,249	2,210	2,255	2,216	2,124	2,377	2,376	2,192	2,185	2,243
Adj Discharges (Case mix adj)	8,071	8,493	8,430	8,462	7,409	8,489	8,195	7,410	7,440	8,044
Adjusted patient Days (Mo.)	27,564	27,906	26,067	25,531	25,691	26,544	28,730	25,787	28,053	26,875
Cost/Adj Discharge	\$10.2	\$9.4	\$9.5	\$9.9	\$10.6	\$9.6	\$9.8	\$10.2	\$11.2	\$ 10.0
Compensation Ratio	77%	80%	74%	73%	77%	80%	71%	75%	78%	76%

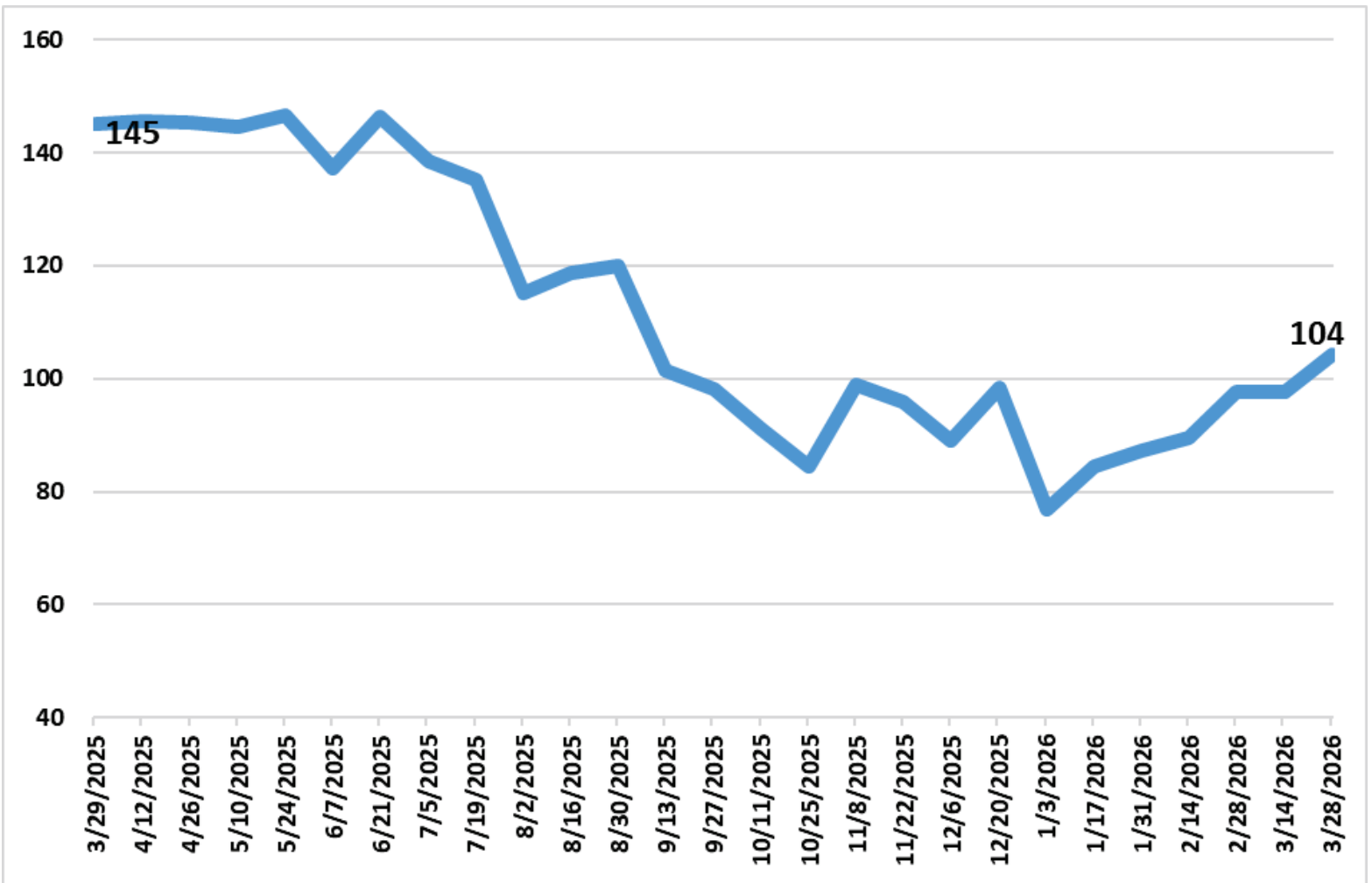
# Total FTEs (includes Contract Labor)



# Contract Labor Expense



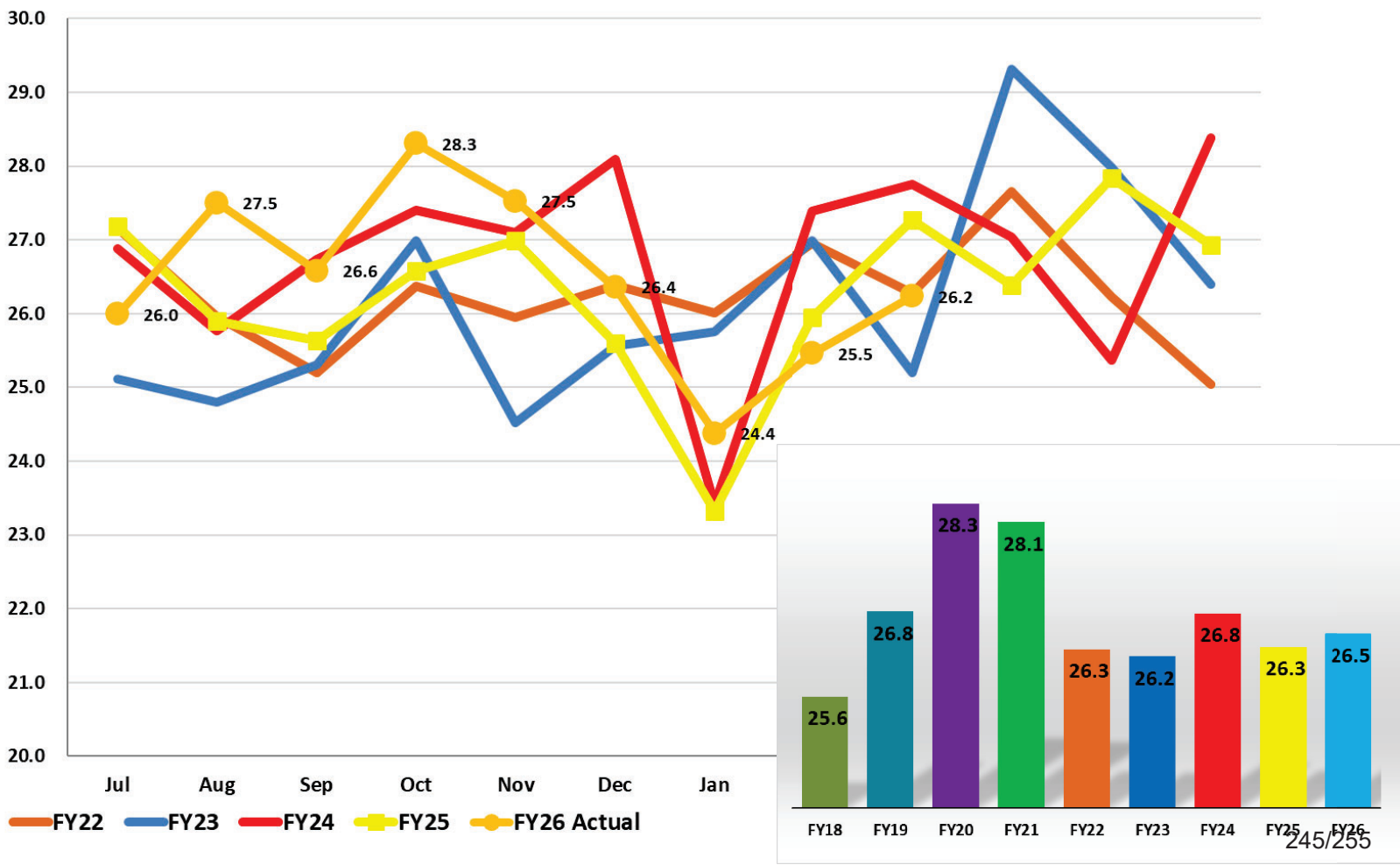
# Contract Labor Full Time Equivalents (FTEs)



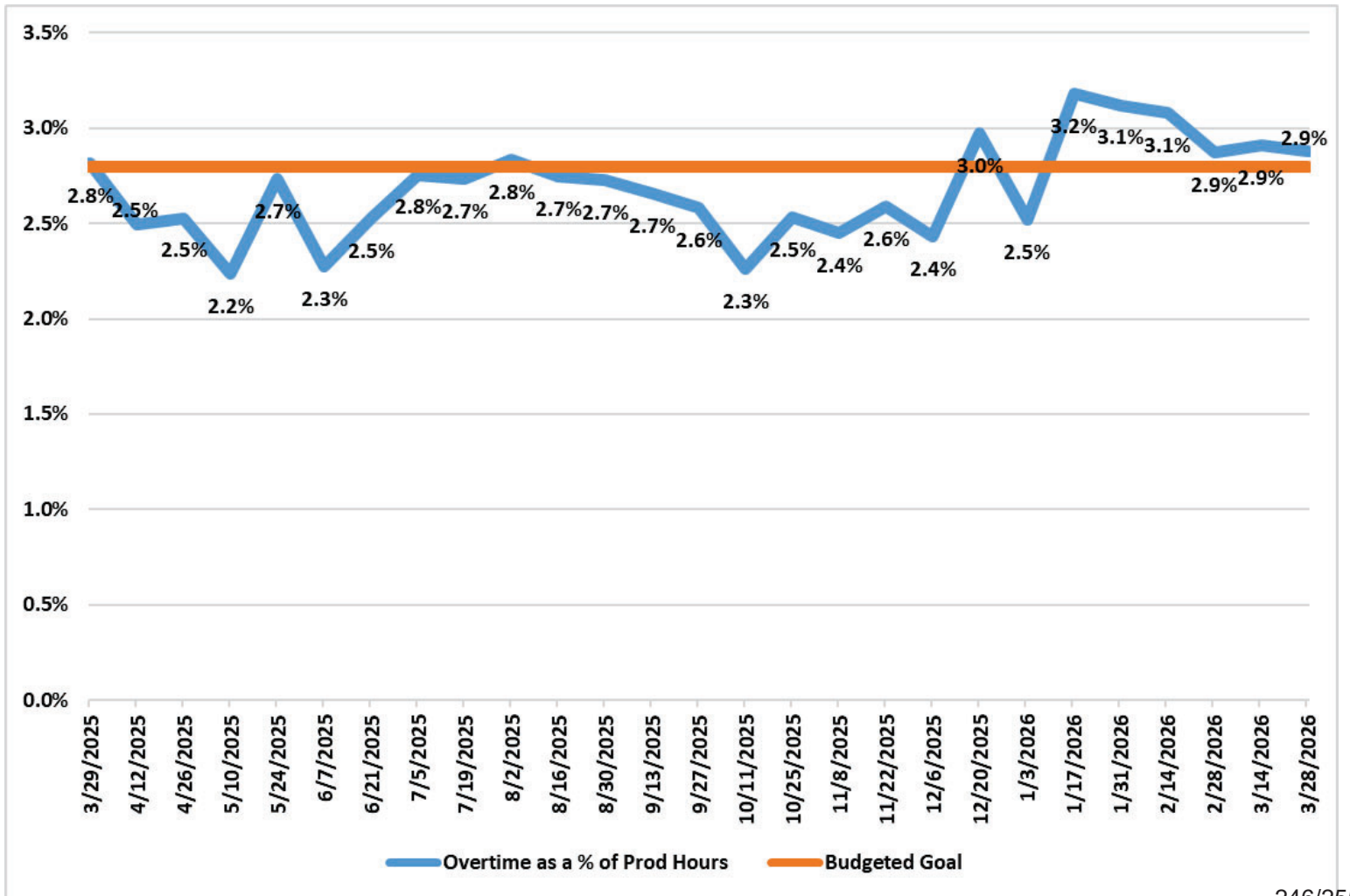
# Contract Labor Full Time Equivalents (FTEs)

Contract FTE's > 2	Most Recent Pay Period	Prior Pay period	
Department Name	3/28/2026	3/14/2026	Change
7010 Emergency-ED	42	37	4.9
6010 Intensive Care-ICU-2W	6	5	1.1
6030 Cardiovascular ICU-CVI	6	6	(0.5)
6173 M/S Oncology-3S	6	6	(0.4)
6177 M/S Ortho Neuro-4S	5	5	(0.1)
6172 Medical/Surgical-3N	5	5	(0.9)
6341 Acute Psych	4	4	0.2
6070 Neonatal ICU-NICU	4	4	0.2
7400 Labor Delivery	3	1	2.8
7774 PT-KHRH/SNF	3	2	0.2
6150 M/S Cardiac-2N	2	1	1.0
7680 CT Scan-KHMC	2	2	(0.3)
7500 Clinical Laboratory	2	2	(0.1)
6152 Telemetry-14	2	0	1.1
7630 Radiology-KHMC	2	1	0.6

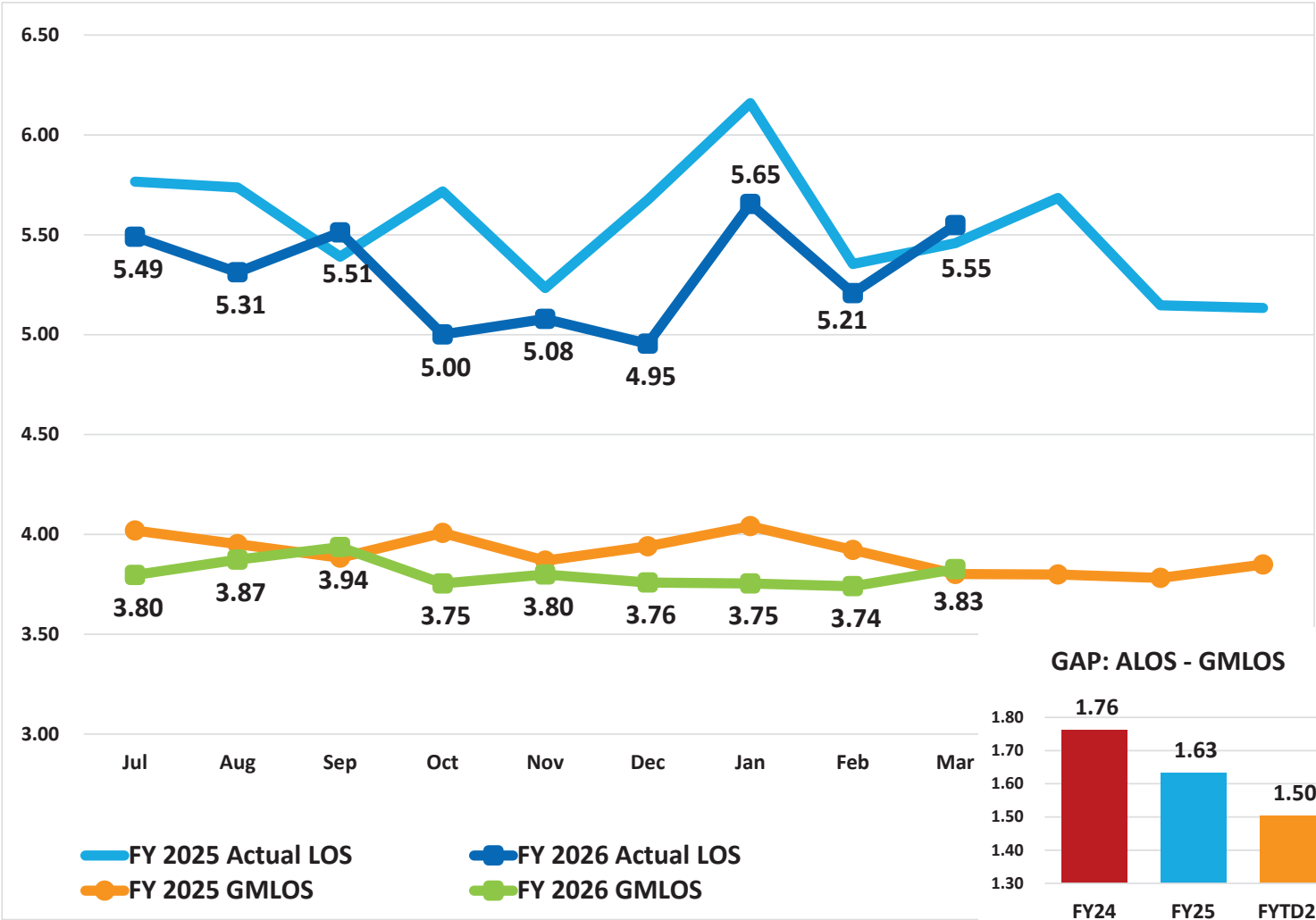
# Productivity Measure : Worked Hours/ Adj. Patient Days



# Overtime as a % of Productive Hours



# Average Length of Stay versus National Average (GMLOS)

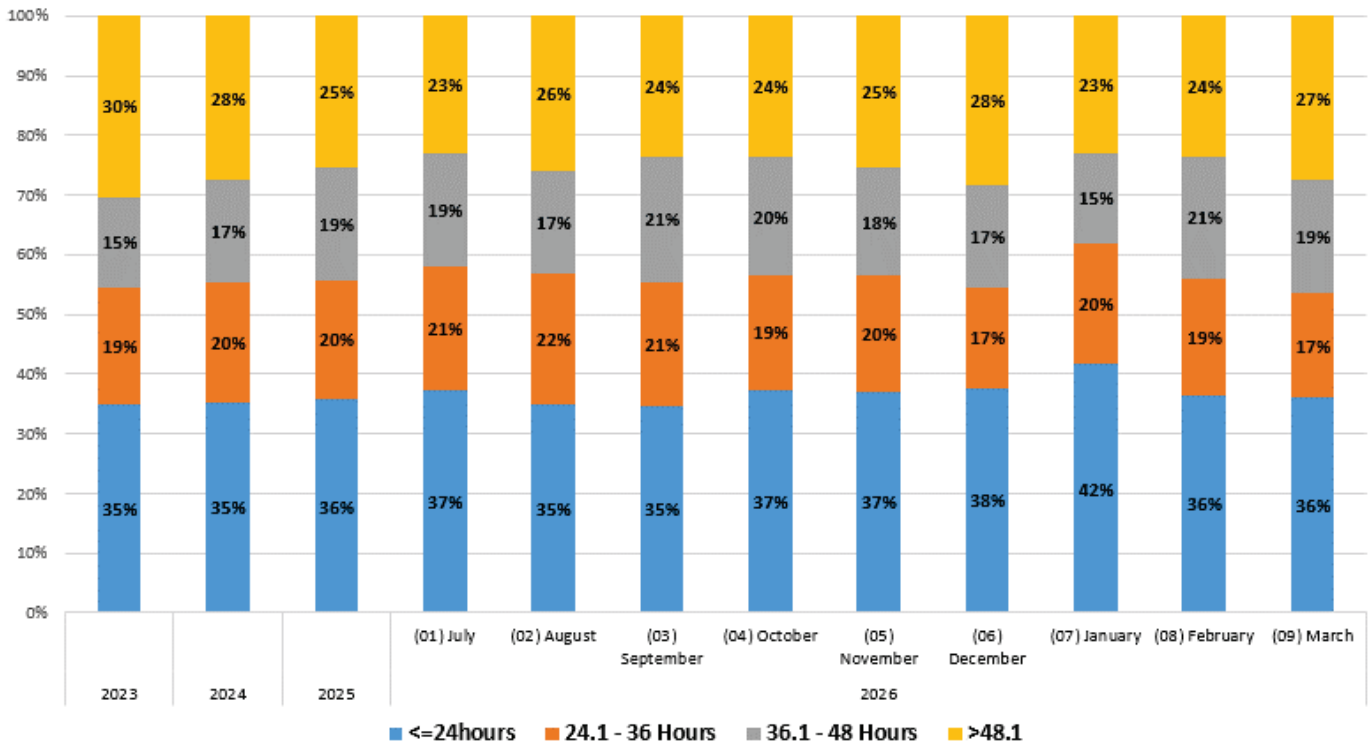


## Average Length of Stay versus National Average (GMLOS)

	ALOS	GMLOS	GAP
Jul-24	5.77	4.02	1.75
Aug-24	5.74	3.95	1.79
Sep-24	5.39	3.88	1.51
Oct-24	5.72	4.01	1.71
Nov-24	5.23	3.87	1.36
Dec-24	5.68	3.94	1.74
Jan-25	6.16	4.04	2.12
Feb-25	5.35	3.92	1.43
Mar-25	5.46	3.80	1.66
Apr-25	5.68	3.80	1.89
May-25	5.15	3.78	1.37
Jun-25	5.13	3.85	1.28
Jul-25	5.49	3.80	1.69
Aug-25	5.31	3.87	1.44
Sep-25	5.51	3.94	1.58
Oct-25	5.00	3.75	1.25
Nov-25	5.08	3.80	1.28
Dec-25	4.95	3.76	1.20
Jan-26	5.65	3.75	1.90
Feb-26	5.21	3.74	1.47
Mar-26	5.55	3.83	1.72

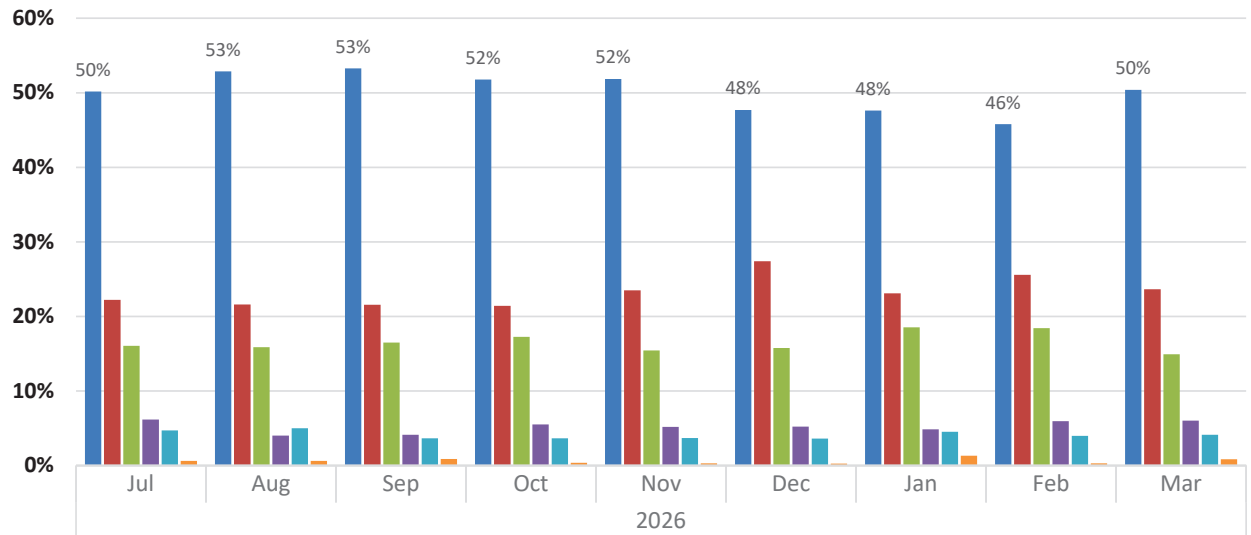
## Trended % of Observation by Length of Stay

Monthly Observation Discharges by LOS



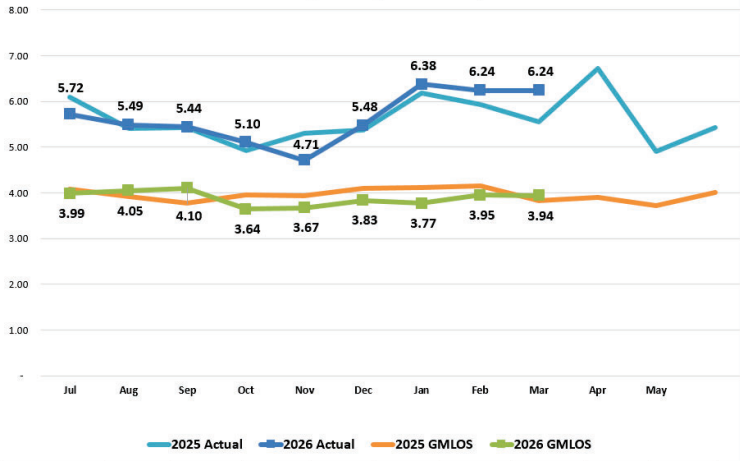
## Average Length of Stay Distribution

### FY26 Overall LOS Distribution

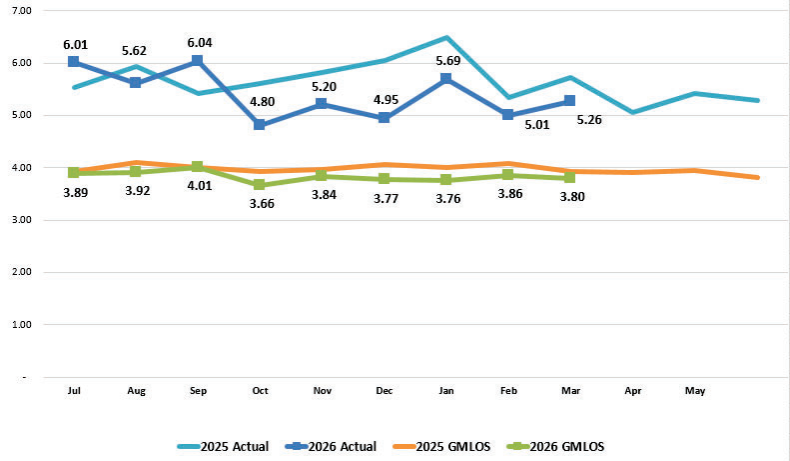


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
at GMLOS or Better	50%	53%	53%	52%	52%	48%	48%	46%	50%
1-2 days over GMLOS	22%	22%	22%	21%	24%	27%	23%	26%	24%
2-6 days over GMLOS	16%	16%	16%	17%	15%	16%	19%	18%	15%
6-10 days over GMLOS	6%	4%	4%	6%	5%	5%	5%	6%	6%
10-30 days over GMLOS	5%	5%	4%	4%	4%	4%	5%	4%	4%
30+ days over GMLOS	0.6%	0.6%	0.9%	0.4%	0.3%	0.3%	1.3%	0.3%	0.9%

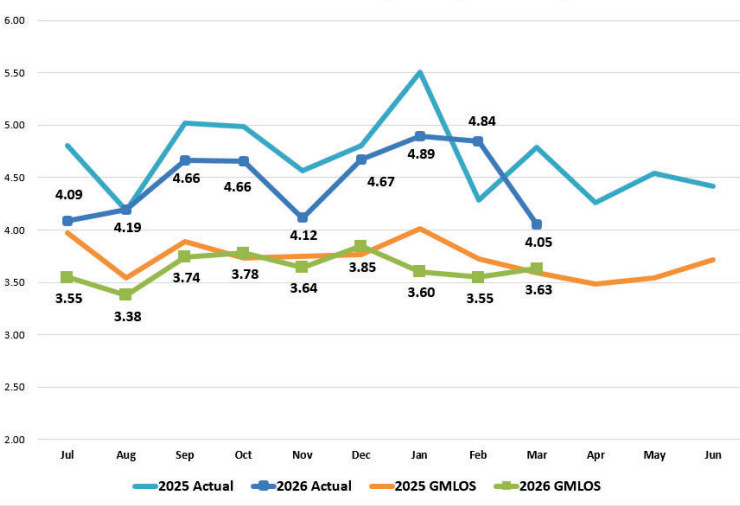
**Medicare Managed Average Length of Stay**



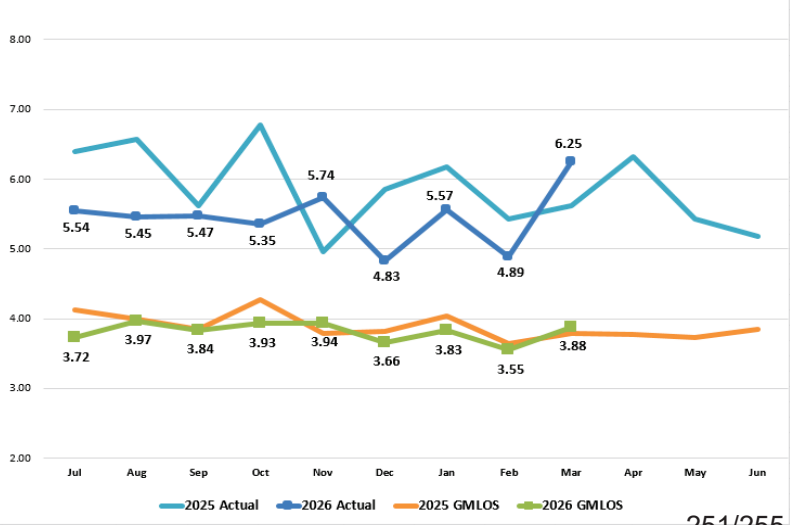
**Medicare Average Length of Stay**



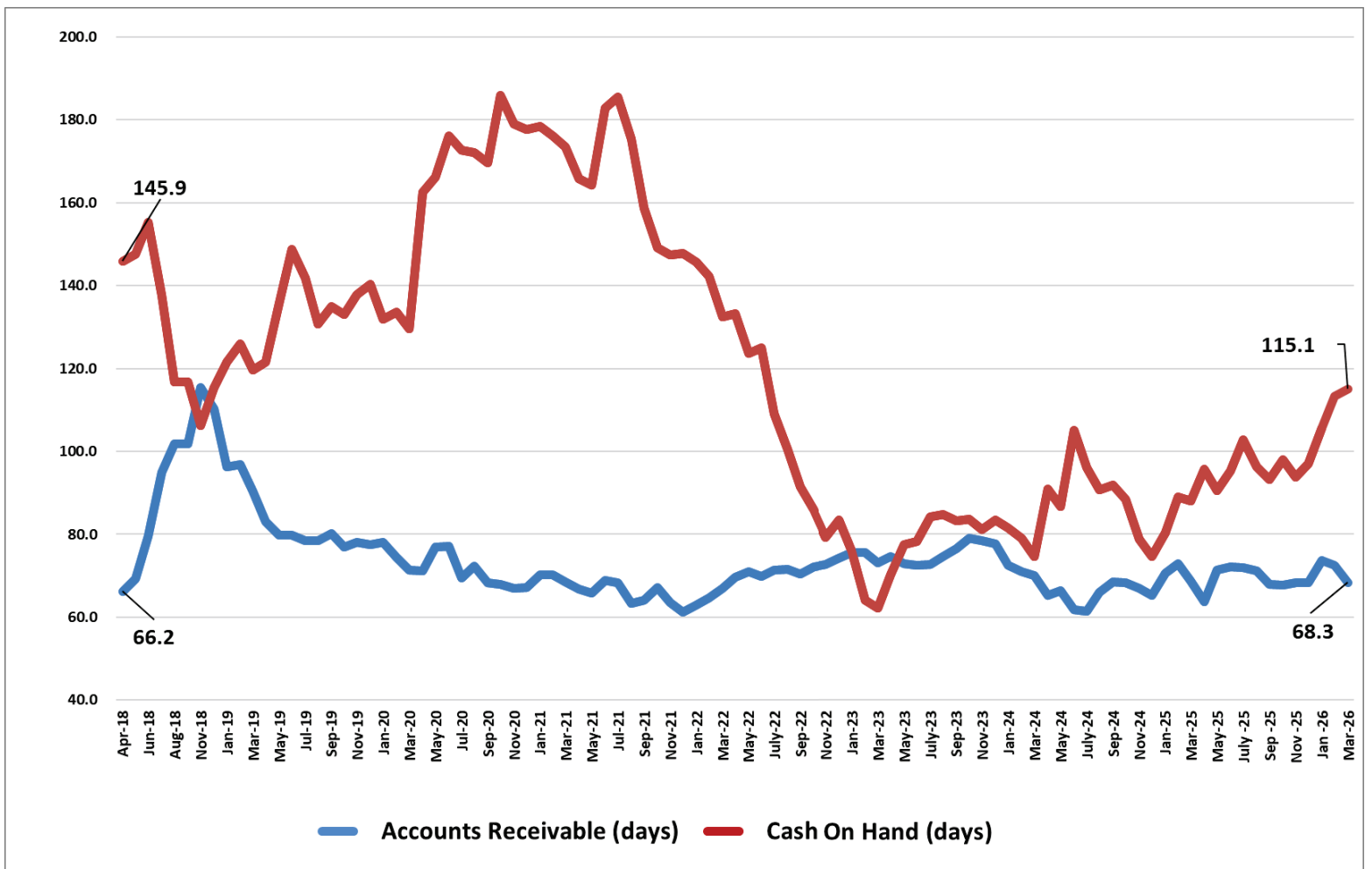
**Commercial Average Length of Stay**



**Medi-Cal and Medi-Cal Mged Average Length of Stay**



# Trended Liquidity Ratios



# Ratio Analysis Report

	March	February	June 30,	2024 Moody's		
	2026	2026	2025	Median Benchmark		
	Value	Value	Audited Value	Aa	A	Baa
<b>LIQUIDITY RATIOS</b>						
Current Ratio (x)	2.3	2.4	2.5	1.6	<b>1.9</b>	1.7
Accounts Receivable (days)	68.3	72.5	72.1	48.7	<b>46.7</b>	48.6
Cash On Hand (days)	115.1	113.3	95.3	282	<b>194.6</b>	122.9
Cushion Ratio (x)	13.3	13.1	10.9	46.1	<b>26.8</b>	15.5
Average Payment Period (days)	51.9	50.4	55.1	75.8	<b>61.9</b>	62.3
<b>CAPITAL STRUCTURE RATIOS</b>						
Cash-to-Debt	141.4%	138.7%	114.9%	297.1%	<b>188.1%</b>	111.0%
Debt-To-Capitalization	31.1%	30.9%	31.3%	20.8%	<b>28.7%</b>	35.5%
Debt-to-Cash Flow (x)	4.5	4.0	2.8	2.2	<b>3.1</b>	5.0
Debt Service Coverage	2.2	2.5	3.8	7.9	<b>5.3</b>	3.3
Maximum Annual Debt Service Coverage (x)	1.7	2.0	3.0	7.2	<b>4.8</b>	2.7
Age Of Plant (years)	13.9	13.9	13.6	11.1	<b>13.3</b>	14.8
<b>PROFITABILITY RATIOS</b>						
Operating Margin	(1.3%)	(.9%)	(4.2%)	2.9%	<b>1.6%</b>	(.5%)
Excess Margin	0.1%	0.8%	2.9%	6.7%	<b>4.3%</b>	1.3%
Operating Cash Flow Margin	3.7%	4.0%	1.0%	7.9%	<b>6.6%</b>	4.2%
Return on Assets	0.1%	0.8%	3.1%	4.5%	<b>3.8%</b>	1.7%

# Consolidated Statements of Net Position (000's)

	Mar-26	Jun-25
		(Audited)
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 11,230	\$ 6,595
Current Portion of Board designated and trusted assets	26,348	17,533
Accounts receivable:		-
Net patient accounts	151,009	154,634
Other receivables	31,446	70,335
	182,455	224,969
Inventories	14,037	13,871
Medicare and Medi-Cal settlements	64,285	62,463
Prepaid expenses	10,561	8,234
Total current assets	308,915	333,666
<b>NON-CURRENT CASH AND INVESTMENTS -</b>		
less current portion		
Board designated cash and assets	272,113	218,025
Revenue bond assets held in trust	-	22,950
Assets in self-insurance trust fund	278	626
Total non-current cash and investments	272,391	241,602
<b>INTANGIBLE RIGHT TO USE LEASE,</b>	18,805	15,613
net of accumulated amortization		
<b>INTANGIBLE RIGHT TO USE SBITA,</b>	9,863	8,062
net of accumulated amortization		
<b>CAPITAL ASSETS</b>		
Land	20,544	17,542
Buildings and improvements	446,223	437,184
Equipment	346,783	340,593
Construction in progress	17,907	18,729
	831,457	814,048
Less accumulated depreciation	557,167	541,607
	274,290	272,441
<b>OTHER ASSETS</b>		
Property not used in operations	2,123	5,155
Health-related investments	1,824	2,147
Other	22,124	20,922
Total other assets	26,072	28,224
Total assets	910,336	899,608
<b>DEFERRED OUTFLOWS</b>	12,140	13,133
Total assets and deferred outflows	<b>\$ 922,476</b>	<b>\$ 912,741</b>

# Consolidated Statements of Net Position (000's)

	Mar-26	Jun-25
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 29,304	\$ 43,963
Accrued payroll and related liabilities	79,238	71,620
SBITA liability, current portion	3,170	3,031
Lease liability, current portion	3,590	3,204
Bonds payable, current portion	13,184	13,014
Notes payable, current portion	2,690	-
Financing Lease Liability, current portion	554	-
Total current liabilities	131,729	134,831
<b>LEASE LIABILITY, net of current portion</b>	15,842	12,850
<b>SBITA LIABILITY, net of current portion</b>	4,848	3,941
<b>LONG-TERM DEBT, less current portion</b>		
Financing Lease payable	3,067	-
Notes payable	18,060	20,750
Total long-term debt	220,156	222,369
<b>NET PENSION LIABILITY</b>	20,811	16,169
<b>OTHER LONG-TERM LIABILITIES</b>	53,843	50,472
Total liabilities	447,229	440,632
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	60,520	60,147
Restricted	47,063	58,980
Unrestricted	367,663	352,983
Total net position	475,247	472,110
Total liabilities and net position	<b>\$ 922,476</b>	<b>\$ 912,741</b>