



**REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
THURSDAY, NOVEMBER 21, 2024 – 5:00 P.M.
SUPPORT SERVICES BUILDING, 2nd-FLOOR, GREAT ROOM
IN-PERSON AND BY VIDEO CONFERENCE**

**PLEASE NOTE THAT ROOM CAPACITY IS LIMITED AND IS AVAILABLE ON A FIRST-COME,
FIRST-SERVE BASIS - OVERFLOW WILL BE IN THE HORIZON CONFERENCE ROOM
2ND –FLOOR OF THE WOMEN’S CENTER
TO VIEW THE MEETING ONLY**

*Members of the public may participate remotely via zoom at the following link <https://zoom.us/join>
with the following Webinar ID and Password:*

Meeting ID: 991 5300 5433

Security Passcode: 007953

TELECONFERENCE LOCATION¹:

**Director Pack
2922 Kennebec Lane
Columbia, CA**

Mission Statement - The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

AGENDA

1. Call to Order / Roll Call

Presented By:

(Hernandez)

2. Public Comment

(Hernandez)

This opportunity is provided for members to comment on the closed session topics, not to exceed three (3) minutes.

3. Closed Session

(Hernandez)

(See Attached Closed Session Sheet Information)

¹ Note: Pursuant to Government Code Section 54953(b), this meeting will include a teleconference participation by Director Pack from the address above. This notice and agenda will be posted at the teleconference location.

4. Closed Session Report from October 24, 2024 and November 21, 2024

(Counsel)

5. Board Announcements

(Hernandez)

6. Public Comment

(Hernandez)

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda. This is the appropriate place to comment on items on the Consent Agenda. Board Members may not deliberate or take action on an item not on the duly posted agenda. Written comments for the Board should be provided to the Board clerk for the official record. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting to provide adequate time for its consideration. Speaker cards are available.

7. Consent Agenda – General Business (pgs. 1-21)

(Hernandez)

The Consent Agenda deals with routine and non-controversial matters. The vote on the Consent Agenda shall apply to each item that has not been removed. A Board Member may pull an item from the Consent Agenda for discussion. One motion shall be made to adopt all non-removed items on the Consent Agenda.

A. Consider and Approve Minutes of the Regular Meeting of the Board of Directors – October 24, 2024.

B. Receive Officer/Director Written Reports

- Physician Services & Clinic Operations
- Skilled Nursing Facilities (Mabie Southside/Northside)
- Laboratory and Radiology
- Foundation
- Marketing
- PMO Project Summary

Recommended Action: Approval of Consent Agenda Items (A) through (B).

- ▶ Report
- ▶ Board Questions
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

8. Medical Executive Committee

(Dr. Bogey)

A. Consider and Approve Medical Executive Committee Staff Credentials: *(Will be provided as a handout)*

Recommended Action: Approval of Medical Executive Committee Staff Credentials.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

9. Receive Informational Reports (pgs. 22-32)

A. Chief Executive Officer (Verbal report will be provided)

(Mary Casillas)

- ▶ Public Comment

B. Finance Committee – October 2024

- Financial Statements
- Finance Dashboard
- Supplemental Payments

► Public Comment

10. Action Items: (pgs. 33-46) (Hernandez)

A. Consider and Approve the Agreement with the Chief Executive Officer, Mary Casillas. (Hernandez)

Recommended Action: Approval of the Chief Executive Officer Agreement for Mary Casillas.

- Report
- Board Questions
- Public Comment
- Motion/Second
- Action/Board Vote-Roll Call

11. Adjournment (Hernandez)

The next Regular Meeting of the Board of Directors is scheduled for Thursday, December 19, 2024 at 5:00 p.m., Great Room.

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting, in the Administrative Offices of the District, and posted on the District's website at <https://www.hazelhawkins.com/news/categories/meeting-agendas/>. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Any public record distributed to the Board less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the District office. Public records distributed during the meeting, if prepared by the District, will be available for public inspection at the meeting. If the public record is prepared by a third party and distributed at the meeting, it will be made available for public inspection following the meeting at the District office.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

SAN BENITO HEALTH CARE DISTRICT BOARD OF DIRECTORS

November 21, 2024

AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS☐ **LICENSE/PERMIT DETERMINATION**

(Government Code §54956.7)

Applicant(s): (Specify number of applicants) _____☐ **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

(Government Code §54956.8)

☐ **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**

(Government Code §54956.9(d)(1))

Name of case: (Specify by reference to claimant's name, names of parties, case or claim numbers):**Case name unspecified:** (Specify whether disclosure would jeopardize service of process or existing settlement negotiations): _____☐ **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

(Government Code §54956.9)

☐ **LIABILITY CLAIMS**

(Government Code §54956.95)

Claimant: (Specify name unless unspecified pursuant to Section 54961):**Agency claimed against:** (Specify name): _____:☐ **THREAT TO PUBLIC SERVICES OR FACILITIES**

(Government Code §54957)

Consultation with: (Specify the name of law enforcement agency and title of officer): _____☒ **PUBLIC EMPLOYEE APPOINTMENT**

(Government Code §54957)

Title: Chief Executive Officer☐ **PUBLIC EMPLOYMENT**

(Government Code §54957)

Title:

☒ **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

(Government Code §54957)

(Specify position title of the employee being reviewed):

Title: Chief Executive Officer

☐ **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**

(Government Code §54957)

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

☒ **CONFERENCE WITH LABOR NEGOTIATOR**

(Government Code §54957.6)

Agency designated representative:

Employee organization:

Unrepresented employee: Chief Executive Officer

☐ **CASE REVIEW/PLANNING**

(Government Code §54957.8)

(No additional information is required to consider case review or planning.)

☐ **REPORT INVOLVING TRADE SECRET**

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):

1. Trade Secrets, Strategic Planning, Proposed New Programs, and Services.

Estimated date of public disclosure: (Specify month and year):

☐ **HEARINGS/REPORTS**

(Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106(b))

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

Evaluation and Report – Quality of Care/Peer Review/Credentials

☐ **CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW** (Government Code §54956.86)

(No additional information is required to discuss a charge or complaint pursuant to Section 54956.86.)

ADJOURN TO OPEN SESSION



Hazel Hawkins
MEMORIAL HOSPITAL

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
SUPPORT SERVICES BUILDING, 2ND-FLOOR, GREAT ROOM
IN PERSON AND BY VIDEO CONFERENCE**

THURSDAY, OCTOBER 24, 2024

5:00 P.M.

MINUTES

HAZEL HAWKINS MEMORIAL HOSPITAL

Directors Present

Jeri Hernandez, Board Member
Bill Johnson, Board Member
Josie Sanchez, Board Member
Rick Shelton, Board Member
Devon Pack, Board Member

Also Present

Mary Casillas, Chief Executive Officer
Mark Robinson, Chief Financial Officer
Karen Descent, Chief Nursing Officer
Amy Breen-Lema, VP, Clinic Ambulatory & Physician Services
Michael Bogey, MD, Chief of Staff
Heidi A. Quinn, District Legal Counsel
Suzie Mays, Director of Project Management & Policies/Procedures

1. Call to Order

Attendance was taken by roll call; Directors Hernandez, Johnson, Shelton, Sanchez, and Pack were present.

A quorum was present and Director Hernandez, called the meeting to order at 5: 00p.m.

2. Board Announcements:

Director Johnson

3. Public Comment

An opportunity for public comment was provided, and individuals were given three minutes to address the Board Members and Administration.

4. Consent Agenda - General Business

A. Consider and Approve Minutes of the Regular Meeting of the Board of Directors – September 26, 2024.

B. Consider and Approve Policies:

- Short-Term Telecommuting
- Paid Time Off
- Leaves of Absence
- Payroll
- Tuberculosis Program
- Respiratory Protection Program

C. Receive Officer/Director Written Reports - No action required.

- Provider Services & Clinic Operations
- Skilled Nursing Facilities Reports (Mabie Southside/Northside)
- Laboratory and Radiology
- Foundation Report
- Public Relations
- PMO Project Summary Report

Director Hernandez presented the consent agenda items to the Board for action. This information is included in the Board packet.

MOTION: By Director Pack to approve Consent Agenda – General Business, Items A - C, as presented; Second by Director Sanchez.

Moved/Seconded/ Carried. Ayes: Directors Hernandez, Johnson, Shelton, Sanchez, Pack. Approved 5-0 by roll call.

5. **Medical Executive Committee Meeting**

A. **Consider and Approve Medical Executive Committee Staff Credentials Report:**

Dr. Bogey, Chief of Staff, provided a review of the Medical Executive Committee Credentials Report dated October 16, 2024.

An opportunity was provided for public comment and no public comment was received.

MOTION: By Director Sanchez to approve the Medical Executive Committee Staff Credentials Reports as presented; Second by Director Johnson.

Moved/Seconded/ Carried: Ayes: Directors Hernandez, Johnson, Shelton, Sanchez, Pack. Approved 5-0 by roll call.

B. **Consider and Approve Privileges (Palliative Care)**

Dr. Bogey, Chief of Staff, provided a review of the Privileges for Palliative Care Report.

An opportunity was provided for public comment and no public comment was received.

MOTION: By Director Johnson to approve the Privileges for Palliative Care Report as presented;
Second by Director Pack.

Moved/Seconded/ Carried: Ayes: Directors Hernandez, Johnson, Shelton, Sanchez, Pack. Approved 5-0 by roll call.

6. **Receive Informational Reports**

A. **Chief Executive Officer**

- Insight Transaction Update
- Legislative Update
- Violence in Healthcare

Mary Casillas provided a review of the CEO report, updates on Insight transaction, legislative, and Violence in healthcare. Legal Counsel Heidi Quinn, and Special counsel to the District, Robert Miller, with Hooper, Lundy & Bookman, provided an update as to the status of the transaction.

An opportunity was provided for public comment, individuals were given three minutes to address the Board Members and Administration.

B. **Chief Nursing Officer**

Karen Descent provided a review of the CNO Dashboard.

An opportunity was provided for public comment and no public comment was received.

C. **Finance Committee**

1. Finance Committee Meeting Minutes – October 17, 2024
2. Review Financial Updates – September 2024
 - Financial Statements
 - Finance Dashboard
 - Supplemental Payments
 - GASB 68 Disclosure Report – FY 06/30/24

Mr. Robinson reviewed the financial statements, dashboard, supplemental payments, and GASB 68 reports included in the Board packet.

An opportunity was provided for public comment and no public comment was received.

7. **Public Comment**

This opportunity is provided to members to comment on the closed session topics, not to exceed three (3) minutes.

8. **Closed Session:**

President Hernandez announced the items to be discussed in Closed Session as listed on the posted Agenda are Conference with Legal Counsel-Existing Litigation, Government Code §54956.9(d)(1), Conference

with Labor Negotiator, Government Code §54957.6, and Hearing Reports, Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106(b).

9. **Reconvene Open Session/Closed Session Report**

The Board of Directors reconvened to open session at 8:11pm. The report will be provided at the next regular meeting of the Board.

10. **Adjournment:**

There being no further regular business or actions, the meeting was adjourned at 8:12 p.m.

The next Regular Meeting of the Board of Directors is scheduled for Thursday, November 21, 2024, at 5:00 p.m.



To: San Benito Health Care District Board of Directors
From: Amy Breen-Lema, Vice President, Clinic, Ambulatory & Physician Services
Date: November 12, 2024
Re: All Clinics – October 2024

Rural Health and Specialty Clinics' visit volumes

Clinic Location	Total visits
<i>Orthopedic Specialty</i>	425
<i>Multi-Specialty</i>	736
<i>Sunset</i>	891
<i>Primary Care & Surgery</i>	215
<i>San Juan Bautista</i>	278
<i>1st Street</i>	620
<i>4th Street</i>	1,154
<i>Barragan</i>	608
Total	4,927

- * Pediatrician Dr. Clarke has been warmly welcomed back into the clinic community. She finds herself at home here and doing what she loves: treating and educating her patients and their parents.
- * Provider recruitment activities with anticipated start dates by specialty:
 - Gynecology/Oncology: Dr. James Lilja – First quarter 2025
 - Endocrinology: Dr. Maria Arambulo – Extended her assignment until April 4, 2025



Hazel Hawkins
MEMORIAL HOSPITAL
Mabie Southside/Northside Skilled Nursing Facility
Board Report – NOVEMBER 2024

To: San Benito Health Care District Board of Directors

From: Dee Cross, RN, MLS, Interim Director of Nursing, Skilled Nursing Facility

1. Census Statistics: October 2024

Southside	2024	Northside	2024
Total Number of Admissions	9	Total Number of Admissions	
Number of Transfers from HHH	8	Number of Transfers from HHH	
Number of Transfers to HHH	1	Number of Transfers to HHH	
Number of Deaths	1	Number of Deaths	
Number of Discharges	8	Number of Discharges	
Total Discharges	9	Total Discharges	
Total Census Days	1243	Total Census Days	

Note: Transfers are included in the number of admissions and discharges. Deaths are included in the number of discharges. Total census excludes bed hold days.

2. Total Admissions: October 2024

Southside	From	Payor	Northside	From	Payor
7	HHMH	Medicare		SJ REGIONAL	Medicare
1	HHMH/Obs.	Medicare		HHMH	Medicare
1	Good Sam/ Re-Admit	Medicare		HHMH/RE-ADMIT	HHH
				SALINAS VALLEY/RE- ADMIT	Hospice
				HHMH/RE-ADMIT	CCA
Total: 9			Total:		

3. Total Discharges by Payor: October 2024

Southside	2024	Northside	2024
Medicare	8	Medicare	
Medicare MC	0	Medicare MC	
CCA	0	CCA	
Medical	0	Medical	
Medi-Cal MC	0	Medi-Cal MC	
Hospice	1	Hospice	
Private (self-pay)	0	Private (self ay)	
Insurance	0	Insurance	
Total:	9	Total:	

4. Total Patient Days by Payor: October 2024

Southside	2024	Northside	2024
Medicare	334	Medicare	
Medicare MC	0	Medicare MC	
CCA	813	CCA	
Medical	31	Medical	
Medi-Cal MC	0	Medi-Cal MC	
Hospice	34	Hospice	
Private (self-pay)	31	Private (self-pay)	
Insurance	0	Insurance	
Bed Hold / LOA	0	Bed Hold / LOA	
Total:	1243	Total:	
Average Daily Census	40.10	Average Daily Census	





Hazel Hawkins

MEMORIAL HOSPITAL

3. Diagnostic Imaging Statistics

	October 2024	YTD
Radiology	1655	17645
Mammography	916	7233
CT	1017	9340
MRI	213	1787
Echocardiography	105	1096
Ultrasound	839	7701



TO: San Benito Health Care District Board of Directors
FROM: Liz Sparling, Foundation Director
DATE: November 2024
RE: Foundation Report

The Hazel Hawkins Hospital Foundation Board of Trustees met on November 14. We had two presentations:

1. Jun Estrada – Director of Rehab Services at HHMH requested a treadmill for the Physical Therapy Dept.
2. Jorge Ramirez – Director of Emergency Management & Security at HHMH did a presentation and request for funds for Carter Kits for Autistic Children to have at many HHMH locations including the ER, Clinics, Labs and Med/Surg.

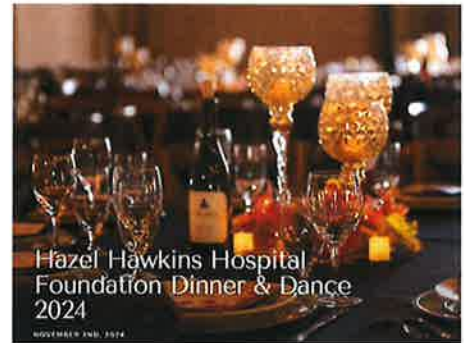
Financial Report

October

1. Income	\$ 56,852.17
2. Expenses	\$ 0
3. New Donors	3
4. Total Donations	410

Allocations

1. \$5987.04 for a Treadmill for the PT Department
2. \$2,500 for Carter Kits and Training
3. \$475.99 for a TV for the ER Lobby
4. \$3637.75 for tax for the Scope for the Surgery Center that was approved in June from 2023 Dinner Dance Funds.

















Directors/Dinner Dance Report:

- Philanthropy Day is Nov. 14th, and our Foundation honoring Nancy Oliveira for all her dedication to the Hospital and the Foundation.
- The Dinner Dance was a very successful event at the Paicines Ranch on November 2nd.
- **Our Sponsorships and Ticket sales raised over \$102,000 and our Live Auction set a record raising \$65,900 with only 13 packages.**
- Thank all of you who sponsored, purchased tickets, participated in our Art and Wine Drawing, bid at our Live Auction, donated items and volunteered.
- It was a very positive event for the Hospital and we raised a record setting \$150,219 after all our expenses which put at over **\$1 Million** raised since June of 2023 with our current campaign, "Invest in the Future of San Benito Health Care, We Deserve It" where all funds are dedicated to patient care areas and equipment.

MARKETING

• Social Media Posts

	SAVE THE DATE! Our \$5 jewelry and accessories sale is back. Come visit us on November 14 & 15 in the 2nd Floor Horizon Room in the Women's Center. Mon, Nov 4	Post reach 522	Engagement 17
	More Halloween fun! Fri, Nov 1	Post reach 312	Engagement 56
	We had a fantastic time yesterday celebrating Halloween! Our costume contest winners are: Best Group (Tied): IT - Mario Brothers & EVS - Snow White and the Seven Dwarfs Best Individual: 1st Place: Suzie Mays - Project Management (Steampunk) 2nd Place: Sylvia Delgado - Volunteer Services (Zombie) 3rd Place: Dana Hausmann - ... Fri, Nov 1	Post reach 1,016	Engagement 439
	We had a great turnout for our Halloween Bash today! Many thanks to our Employee Engagement Committee for coordinating this fantastic event! Our Pumpkin Carving/Decorating contest had 12 entries. OB and Mabie 4th Street Clinic tied for BEST OVERALL and the Orthopedic Specialty Center won for BEST CARVING. Check back tomorrow fo... Thu, Oct 31	Post reach 1,466	Engagement 466
	We hosted a Meet & Greet yesterday for some of our new physicians. Many thanks to: Joseph Fabry, DO - General Surgery Letitia Bradford, MD - Orthopedic Surgery Stefan Klein, MD - Orthopedic Surgery (Hand & Upper Extremity) Bret Nicholas Namihas, MD - Gastroenterology for choosing to practice at Hazel Hawkins Hospital. (Also pictured ar... Tue, Oct 29	Post reach 982	Engagement 396
	KNOW THE FACTS To learn more go to: https://www.hazelhawkins.com/ One of the covenants for the sale of the hospital is a mandate that Insight develop and approve an annual capital expenditure budget contemplating investment in operations and capital in the sum of Fifty Million Dollars over the course of the ten- (10-) year period... Wed, Oct 23	Post reach 479	Engagement 38
	We're back in business! The McCray Lab will re-open with regular business hours on Thursday, October 24 at 6:00 am. All laboratory sites will resume their normal hours of operation. Wed, Oct 23	Post reach 468	Engagement 21
	Still Celebrating!! This week was also Patient Account Management Week. Patient financial services (PFS) is a department within a healthcare organization that manages a patient's financial journey from admission to payment. PFS professionals ensure patients receive prompt and accurate payment to keep the organization financially viable.... Fri, Oct 18	Post reach 1,034	Engagement 431
	After participating in the Great ShakeOut yesterday, our Emergency Management Director, Jorge Ramirez, opened our Incident Command Center and led the Leadership Team in a tabletop drill featuring an earthquake scenario. Fri, Oct 18	Post reach 645	Engagement 245
	TODAY'S THE DAY!! Join the GREAT SHAKEOUT 2024 this morning, October 17 at 10:17 am DROP! COVER! HOLD ON! HHH is an official participant in this worldwide earthquake drill. Join us and millions of people in practicing earthquake safety! Thu, Oct 17	Post reach 474	Engagement 12
	We have a lot to celebrate this week! This week is also Case Management week and we have a phenomenal team! Case managers serve an incredibly important role in the care of our patients. Case management helps patients and their families navigate the healthcare system by coordinating care and providing support. Case managers help... Wed, Oct 16	Post reach 1,326	Engagement 507
	KNOW THE FACTS To learn more go to: https://www.hazelhawkins.com/ One of the covenants for the sale of the hospital is a mandate that the hospital will operate as a not-for-profit facility. Wed, Oct 16	Post reach 435	Engagement 78
	Due to a minor electrical fire at the McCray Street Lab, patients are being redirected to access lab services at our alternate locations until further notice. We've expanded the hours at these locations for your convenience. Wed, Oct 16	Post reach 478	Engagement 21
	This week we are celebrating Sterile Processing Week. These team members are most definitely "Behind the Scenes". While they don't directly interact with patients, their work is critical to the overall efficiency of the healthcare system Central service technicians, also called sterile processing technicians or central service (CS) professionals, play a... Tue, Oct 15	Post reach 782	Engagement 249

EMPLOYEE ENGAGEMENT

Employees:

- Hazel's Headlines
- Working on Halloween events with Employee Engagement Committee.
- Highlighting departmental healthcare recognition weeks on social media

MEDIA

Public:

Working with Marcus Young from townKRYER PR agency on proactive PR.

- Coordinated interviews with KSBW and Mary Casillas on Measure X
- Social Media Campaign: Know the Facts

COMMUNITY

- Announced the Veterans Day Parade
- Participating in San Benito Leadership Institute Alumni committee

PMO Project Summary Report

Date: 11/12/24

Summary of current and completed projects managed by the Project Management Office (PMO). This is a high-level overview of the PMO's activity, highlighting key initiatives and their outcomes.

Current Projects

<u>Project Name</u>	<u>Project Description</u>	<u>Start Date</u>	<u>Target Completion Date</u>	<u>Current Status</u>	<u>Key Deliverables</u>
Boiler Replacement	Replace existing boiler to enhance efficiency and reliability.		TBD	Waiting on support brackets for water lines.	Install new boiler.
Sterilizer Installation	Engineering to complete permit process and installation of new sterilizer to replace aging equipment.		Install will be scheduled ASAP after "Notice to Proceed with Construction" is released.	Met with David IOR 9/10/24. Scheduling call with Steris and MSR mechanical.	Installation of new sterilizer.
I.T. Room RTU Compressor Replacement	Replace RTU compressor - I.T. Room.		TBD	System in and working good. Getting New quote for installation for ducts	Replace compressor equipment.
2nd Floor SSB Doors Installation	Engineering to complete permit process and installation of doors on 2 nd Floor of SSB.		TBD	Awaiting doors and city permit; installation of wall, door/side light, and closer install to follow. Waiting to hear back from Lance at Hollister Paint.	Installation of new doors – Support Serv Bldg 2 nd floor.
Lab Rebuild		6/3/24	TBD	9/24-9/26 Abbott on site to conduct prelim Alinity-ci analyzer dry-installation, so when brackets arrive, bracket locations can be marked, then analyzers, then holes drilled for bracket anchoring. 10/2 Staff	10/2 PSI superintendent walk sched for 10/11, Seismic Brackets should be delivered 10/14



				<p>training in Dallas, TX will be pushed till JAN/FEB '25</p> <p>Proposed Timeline – Hazel Hawkins for 2 x Alinity-ci</p> <ul style="list-style-type: none"> • 10/14-10/18 – bracket installation (1-week) • 10/21-11/1 – Alinity-ci full installation (2-weeks) • 11/4-12/20 – assay integration (7-weeks) <p>Overall Timeline – Hazel Hawkins for 2 x Alinity-ci</p> <ul style="list-style-type: none"> • 11/4-11/8 – bracket installation (1-week) • 11/11-11/22 – Alinity-ci full installation (2-weeks) • 12/2-1/24 – assay integration (6-weeks) 	<p>11/5-11/7 Abbott on site for bracket installation</p> <p>EQ5 outdoor (AC / condenser) unit installed per HCAI plans</p>
Seismic	Upgrade to meet HCAI seismic compliance and safety standards.		TBD	<p>IOR approved signs</p> <p>Small rural hospital grant approved; Funding application process has been initiated.</p>	Seismic retrograde
HH OR Status			2025	<p>Proposal submitted Work must be complete in 2025. Authorized Yes, to replace both lights. Working with Stryker to get a renovation plan- Stryker on site 10.28.24</p>	



Access eForms/Passport	A web-based forms solution to remove all paper from forms processes—making them completely electronic from start to finish.	4/29/24	10/15/24 12.3.24	9/26-10/10 site team assess Pre-Prod system Go live Week of 10.14.24 11/6 ongoing meeting between ACCESS, Registration and IT for data/form validation	10/3 End user training and prep completed
Hicuity	Remote Telemetry	8/8/24	11/19/24 12/10/24	10/8 New clinical PM assigned and will schedule out new calendar. Still waiting on SDWAN equipment and ADT interface delivery. *will likely be delayed up ~2 weeks 10/31: Update from equipment vendor: Shipment of eConnect device will be at Ceiba by 11/13. Ship to Hazel Hawkins by 11/15. If all goes according to this schedule, we should be able to install eConnect device by end of week 11/18. 11/6 Nursing implantation calls underway – verifying and finalizing workflows for alarms and communication protocol New Date based on equipment delivery: 11/18-11/22: eConnect installation & KVM Install 11/20-12/2: Data Validation New Date based on equipment delivery:	10/2 Nursing Admin and Pharmacy developed workflows and policies

				11/25-12/9: Data Validation 12/3: Go-Live New Date based on equipment delivery: 12/10: Go Live	
BD Anti Diversion & Pyxis Install	Install larger Pyxis in ICU. Current one will go to OB Surg. Install new in PACU and outside OR. Returning Anesthesia units. Implement pharmacy diversion software across all.	2/9/24	Jan 2025	10/9 Super-user training scheduling for both nursing and pharmacy. OR admin data flow still being decided. Carefusion Analytics Devices scheduled to be delivered 11/19, targeting week of 12/2 to schedule analyst. Deep dive training on hold until IT and BD fix library linking	10/2 Nursing Admin and Pharmacy developed workflows and policies. IT has daily file flowing to production. SCORM file for HealthStream – completed by Karen. 11/6 Nursing and Pharmacy have completed first phase of training
Bepoz	Add employees and employee numbers to Bepoz to allow for charging and payroll deduction of café charges.	6/3/24	TBD	10/2 Verified with IT and payroll of method to add RFID identification into Meditech which allows for communication to payroll. 10/9 New account manager assigned to complete the payroll integration. After completed will work with IT to ensure remote access protocol is in place to keep secure.	10/2 Internal Data extraction and validation tool built to integrate employees. Medical staff and volunteers to allow for importing all staff. 11/6 Finance, IT and HR developed workflow and

				11/6 no current implementation assigned to our account, waiting on bepoz	ownership to integrate the RFID badge numbers into Meditech > UKG to allow for more seamless integration and data flow.
EHR Project	Identify and demo EHR systems.	2/14/24	TBD	2 nd phase initiated for Expanse – Clinical and Financial call completed. Waiting on final quote.	
Insight Due Diligence	Coordinate gathering of data and put in data room	3/19/24	TBD	Disclosures are complete, except 1 item is missing. Environmental survey. It is being scheduled	Collect data and populate new data room.
Promoting Interoperability	Meet measures and successfully attest to CMS regulations.	1/5/24	Waiver to be filed in Feb 2025	Waiver will be filed as vendor will not be ready by 10/1/24	Attest and report
National Graphics	Implement new forms vendor	8/9/24	Ongoing	Receiving forms from departments to add to the National Graphics inventory 11/6 Twenty proofs received from NG have been approved by directors. Draft of website for forms ordering in progress. Meditech numbers created for unassigned forms. Master spreadsheet created for forms with Meditech/form numbers, specs of each	Build master folder with original art. Reconcile forms with Meditech/form numbers and record on master list. 51 forms sent to National Graphics for proof development. Vendor to build website for orders.

				form, routing and approvals.	
Securitas/Hugs	Enterprise-wide protection to infant and pediatric patients of all ages, including well newborns.	5/28/24	TBD	<p>10/2 IT working to schedule with GDT for confirmation of upgrading the Meraki's for access points 10/9 Liu (Traenor) waiting for Securitas to update design to determine if the project will need to go through HCAI/OSHPD to move forward. **potential budget increase for additional site visit and if upgraded security at certain doors will be required</p> <p>11/6 IT gathering quotes for Wifi Upgrade from GDT and installation from multiple vendors</p> <p>P1: Need to determine if we will need to involve and file with HCAI</p>	<p>9/12 Walkthrough and mapping of the facility completed</p> <p>9/16 Site walkthrough and mapping with GDT wireless for upgraded WIFI completed</p> <p>10/4 HHMH provided clear and updated maps of the facility</p> <p>11/6 HUGS provided updated drawings/specs which required change order.</p>

Verizon Cell Phone Upgrades	Upgrading old cell phones to centralize management for inventory visibility, enhanced security while also saving money on total cost of phone bill.	9/4/24	11/15/24	<p>10/9 ongoing scheduling with department directors to swap phones.</p> <p>Anticipating delivery of screen protectors week of 10/7</p> <p>**once swap is completed return old phones for credit \$</p> <p>11/6 Confirming with Verizon phone return protocol and the process to receive credit \$ back for the phones</p>	<p>10/2 Developed internal tracking database of phones and SOP's for swap.IT managing and securing phones with Apple Business Manager.</p> <p>Built electronic/fillable access request form for engineering database.</p> <p>11/6 80% of phones swapped out, on track to reach 100% by 11/15</p>
Trakstar – (HR performance review software)	Allow HR to track their employee's and director's job performance consistently and accurately as well as manage their feedback, goals, and reviews.	9/4/24	11/1/24 TBD	<p>10/9 85% complete with director competencies submitted.</p> <p>Planning meeting for UKG integration for administration automation</p> <p>11/6</p> <p>HR, IT and finance working on a compatible report since Kronos/UKG report does not reliably identify the correct managers, as some departments have their administrative assistants manage time cards.</p>	<p>9/9 kickoff meeting completed 10/2 employee import file completed, along with workflows for performance evaluations</p> <p>11/6 Integration kickoff call completed.</p> <p>100% director Competencies submitted</p>

RightHear	RightHear provides talking signage, so everyone can interpret and understand their surroundings in real time.	10/28/24	TBD	11/6 Schedule meeting to do facility walkthrough and input accurate verbiage for location/directions	10/28 Kickoff meeting, restructured contract start date
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Completed Projects – FY 7.1.24 - 6.30.25

<u>Project Name</u>	<u>Project Description</u>	<u>Start Date</u>	<u>Completion Date</u>	<u>Key Achievements</u>	<u>Lessons Learned</u>
ER Chiller	Rebuild ER Chiller		Completed	Rebuild is complete	Rebuild ER Chiller
Annex MD Office Compressor Replacement	Replace compressor equipment at Annex MD Office.		7/1/24 Completed	Replacement of Compressor completed 07/01/24 w/ Commercial Air	Replace compressor equipment.
TJC	Installation of GFCI outlets in OR1 and L/D.		Completed	07/20/24 – GFCI install within OR and LD areas scheduled.	
OR Suite #1 (ASC)	Compressor repair		7/12/23 Completed	RTU 5 coil and compressor repair scheduled 07/12/24.	
Hollister Paint kitchen/café – Kitchen Floor Epoxy	Refresh paint and epoxy floor in hospital kitchen/café.			07/08/24 - Painting project initiated; Epoxy floor painting in process.	



Contract Management Software	Demo, choose and build contract management repository	5/6/24	6/30/24 - Completed	Purchasing staff is entering contracts	Demo and selection of software
MD Staff	MD-Staff is a feature rich enterprise level credentialing system that is powerful, user friendly, and intuitive.	3/18/24	20-30 Weeks - Completed	Test Conversion Scheduled for 6/12/24 – Install completed	Provide Merge Documents and priv forms Training Upload checklists
ER door glass replacement – WC Window replacement	Replace glass door in Emergency Room and window in Women's Center.		7/1/24 Completed	Replace glass doors	New glass doors Emergency Room and Window in Women's Center.
OR Inventory Clean up	Inactivate OR inventory items	7/9/24	10/8/24 Completed		
Green Security Vendor Credentialing	Company that combines credentialing and background investigation with advanced onsite technologies to control, manage, and monitor the access of ALL non-employees.	2/29/24	9/17/24 Completed	10/8 Scheduled training with Mishel for Clinics Recent Accomplishments: Had Training for Manual Check ins at Purchasing Placed order for additional iPad kiosk at Purchasing Reordered Key for iPad enclosure Next Steps: <ul style="list-style-type: none"> Purchasing zone has been reconfigured for iPad 	10/2 POST GO LIVE: Number of vendors on original list: 162 Registered Vendors to date: 61 Number of Primary Vendors: 5 Number of Scan Ins to date: 1 (Surgeon's Clinic) 11/6 Number of vendors on original list: 162 Number of registered vendors: 98 Number of Primary Vendors: 13



MEMORIAL HOSPITAL
SKILLED NURSING FACILITIES
HOME HEALTH AGENCY

San Benito Health Care District

A Public Agency

911 Sunset Drive
Hollister, CA 95023-5695
(831) 637-5711

November 21, 2024

CFO Financial Summary for the District Board:

For the month ending October 31, 2024, the District's Net Surplus **(Loss)** is \$1,853,671 compared to a budgeted Surplus **(Loss)** of \$623,947. The District exceeded its budget for the month by \$1,229,724.

YTD as of October 31, 2024, the District's Net Surplus **(Loss)** is \$6,442,336 compared to a budgeted Surplus **(Loss)** of \$1,291,075. The District is exceeding its budget YTD by \$5,151,261.

Acute discharges were 147 for the month, exceeding budget by 12 discharges or 8%. The ADC was 13.19 compared to a budget of 15.46. The ALOS was 2.78. The acute I/P gross revenue exceeded budget by **\$41,785** while O/P services gross revenue was **\$2.5 million** or 9% over budget. ER I/P visits were 119 and ER O/P visits were over budget by 33 visits or 2%. The RHCs & Specialty Clinics treated 3,766 (includes 608 visits at the Diabetes Clinic) and 1,161 visits respectively.

The earnings include an accrual of **\$1,442,161** for the CY 2025 HQAF direct payment.

Other Operating revenue exceeded budget by **\$58,155** due mainly to a Medline rebate of \$18,565 over budget and investment interest earned of \$36,224 over budget.

Operating Expenses were over budget by **\$530,285** due mainly to: Registry of \$275,722 and Purchase Services of \$304,011. These overages were offset by Salary & Wages and Employee Benefits being \$104,008 and \$106,887 under budget respectively.

Non-operating Revenue exceeded budget by \$52,200 due to donations.

The SNFs ADC was **82.65** for the month. The Net Surplus **(Loss)** is \$83,572 compared to a budget of \$108,126. YTD, the Net Surplus **(Loss)** is \$384,681 exceeding its budget by \$92,752.

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 10/31/24

	CURRENT MONTH				YEAR-TO-DATE					
	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23
GROSS PATIENT REVENUE:										
ACUTE ROUTINE REVENUE	3,328,187	3,520,684	(192,497)	(6)	3,520,683	14,705,010	12,355,620	2,349,390	19	12,355,615
SNF ROUTINE REVENUE	1,926,030	1,980,154	(54,124)	(3)	2,252,580	7,874,160	7,716,824	157,336	2	8,999,158
ANCILLARY INPATIENT REVENUE	4,071,277	3,798,347	272,930	7	3,795,966	17,833,437	15,118,372	2,715,065	18	15,176,489
HOSPITALIST\PEDS I\P REVENUE	0	0	0	0	143,423	0	0	0	0	556,077
TOTAL GROSS INPATIENT REVENUE	9,325,494	9,299,185	26,309	0	9,712,652	40,412,606	35,190,816	5,221,790	15	37,087,338
ANCILLARY OUTPATIENT REVENUE	30,536,497	28,041,982	2,494,515	9	27,492,138	116,649,727	109,622,724	7,027,003	6	107,473,275
HOSPITALIST\PEDS O\P REVENUE	0	0	0	0	68,131	0	0	0	0	225,079
TOTAL GROSS OUTPATIENT REVENUE	30,536,497	28,041,982	2,494,515	9	27,560,269	116,649,727	109,622,724	7,027,003	6	107,698,355
TOTAL GROSS PATIENT REVENUE	39,861,991	37,341,167	2,520,824	7	37,272,921	157,062,333	144,813,540	12,248,793	9	144,785,692
DEDUCTIONS FROM REVENUE:										
MEDICARE CONTRACTUAL ALLOWANCES	11,494,556	10,141,406	1,353,150	13	10,804,993	42,893,629	39,279,776	3,613,853	9	39,015,285
MEDI-CAL CONTRACTUAL ALLOWANCES	9,030,536	10,032,269	(1,001,733)	(10)	9,532,979	39,826,517	38,925,118	901,399	2	41,197,276
BAD DEBT EXPENSE	819,246	531,611	287,635	54	751,015	2,953,576	2,061,605	891,971	43	2,670,687
CHARITY CARE	7,188	39,636	(32,448)	(82)	51,215	144,570	153,662	(9,092)	(6)	221,165
OTHER CONTRACTUALS AND ADJUSTMENTS	4,524,158	4,395,469	128,689	3	4,309,050	18,655,056	17,088,526	1,566,530	9	17,132,714
HOSPITALIST\PEDS CONTRACTUAL ALLOW	0	0	0	0	(232)	0	0	0	0	16,768
TOTAL DEDUCTIONS FROM REVENUE	25,875,684	25,140,391	735,293	3	25,449,020	104,473,348	97,508,687	6,964,661	7	100,253,893
NET PATIENT REVENUE	13,986,307	12,200,776	1,785,531	15	11,823,901	52,588,985	47,304,853	5,284,132	11	44,531,799
OTHER OPERATING REVENUE	606,036	547,881	58,155	11	447,630	2,540,405	2,191,524	348,881	16	2,234,678
NET OPERATING REVENUE	14,592,343	12,748,657	1,843,686	15	12,271,531	55,129,390	49,496,377	5,633,013	11	46,766,477
OPERATING EXPENSES:										
SALARIES & WAGES	5,081,028	5,178,258	(97,230)	(2)	4,795,734	19,875,839	20,539,848	(664,009)	(3)	18,742,237
REGISTRY	545,595	229,839	315,756	137	298,604	2,011,950	918,394	1,093,556	119	1,045,287
EMPLOYEE BENEFITS	2,239,375	2,317,831	(78,456)	(3)	2,072,738	8,763,426	9,337,101	(573,676)	(6)	8,220,982
PROFESSIONAL FEES	1,677,266	1,656,213	21,053	1	1,434,843	6,236,027	6,571,568	(335,541)	(5)	6,148,915
SUPPLIES	1,116,402	997,005	119,397	12	1,055,524	4,220,196	3,913,229	306,967	8	3,971,776
PURCHASED SERVICES	1,507,370	1,151,622	355,748	31	1,086,348	5,285,281	4,569,346	715,935	16	4,275,841
RENTAL	166,834	150,183	16,651	11	164,887	627,795	595,891	31,904	5	532,154
DEPRECIATION & AMORT	318,591	318,477	114	0	329,180	1,277,320	1,273,908	3,412	0	1,308,553
INTEREST	5,434	28,018	(22,584)	(81)	42,617	23,027	112,396	(89,369)	(80)	130,303
OTHER	478,075	442,362	35,713	8	399,889	1,809,464	1,754,013	55,451	3	1,600,185
TOTAL EXPENSES	13,135,970	12,469,808	666,162	5	11,680,363	50,130,325	49,585,694	544,631	1	45,976,232
NET OPERATING INCOME (LOSS)	1,456,373	278,849	1,177,524	422	591,168	4,999,064	(89,317)	5,088,381	(5,697)	790,245

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 10/31/24

CURRENT MONTH				YEAR-TO-DATE					
ACTUAL	BUDGET	POS/NEG	PERCENT	PRIOR YR	ACTUAL	BUDGET	POS/NEG	PERCENT	PRIOR YR
10/31/24	10/31/24	VARIANCE	VARIANCE	10/31/23	10/31/24	10/31/24	VARIANCE	VARIANCE	10/31/23
NON-OPERATING REVENUE\EXPENSE:									
DONATIONS	61,013	5,000	56,013	975	74,889	20,000	54,889	274	74,634
PROPERTY TAX REVENUE	241,122	241,122	0	205,711	964,488	964,488	0	0	822,844
GO BOND PROP TAXES	175,915	175,915	0	170,388	703,659	703,660	(1)	0	681,551
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	(68,721)	(260,326)	(260,324)	(2)	0	(274,884)
OTHER NON-OPER REVENUE	16,058	15,908	150	17,735	63,025	63,632	(607)	(1)	76,111
OTHER NON-OPER EXPENSE	(27,794)	(27,766)	(28)	(32,700)	(111,244)	(111,064)	(180)	0	(131,022)
INVESTMENT INCOME	(3,934)	0	(3,934)	1,223	8,780	0	8,780	0	(4,209)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)									
	397,298	345,098	52,200	294,611	1,443,272	1,380,392	62,880	5	1,245,025
NET SURPLUS (LOSS)									
	1,853,671	623,947	1,229,724	885,779	6,442,336	1,291,075	5,151,261	399	2,035,270
EBIDA	\$ 2,089,223	\$ 859,356	\$ 1,229,867	143.11%	\$ 7,387,566	\$ 2,232,711	\$ 5,154,855	230.87%	\$ 3,068,178
EBIDA MARGIN	14.32%	6.74%	7.58%	9.34%	13.40%	4.51%	8.89%	197.06%	6.56%
OPERATING MARGIN	9.98%	2.19%	7.79%	4.82%	9.07%	(0.18)%	9.25%	(5,123.71)%	1.69%
NET SURPLUS (LOSS) MARGIN	12.70%	4.89%	7.81%	7.22%	11.69%	2.61%	9.08%	348.00%	4.35%

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 10/31/24

	CURRENT MONTH				YEAR-TO-DATE					
	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23
GROSS PATIENT REVENUE:										
ROUTINE REVENUE	3,328,187	3,520,684	(192,497)	(6)	3,520,683	14,705,010	12,355,620	2,349,390	19	12,355,615
ANCILLARY INPATIENT REVENUE	3,705,897	3,471,615	234,282	7	3,471,618	16,541,532	13,845,069	2,696,463	20	13,845,070
HOSPITALIST I/P REVENUE	0	0	0	0	143,423	0	0	0	0	556,077
TOTAL GROSS INPATIENT REVENUE	7,034,084	6,992,299	41,785	1	7,135,724	31,246,541	26,200,689	5,045,852	19	26,756,762
ANCILLARY OUTPATIENT REVENUE	30,536,497	28,041,982	2,494,515	9	27,492,138	116,649,727	109,622,724	7,027,003	6	107,473,275
HOSPITALIST O/P REVENUE	0	0	0	0	68,131	0	0	0	0	225,079
TOTAL GROSS OUTPATIENT REVENUE	30,536,497	28,041,982	2,494,515	9	27,560,269	116,649,727	109,622,724	7,027,003	6	107,698,355
TOTAL GROSS ACUTE PATIENT REVENUE	37,570,581	35,034,281	2,536,300	7	34,695,993	147,896,268	135,823,413	12,072,855	9	134,455,117
DEDUCTIONS FROM REVENUE ACUTE:										
MEDICARE CONTRACTUAL ALLOWANCES	11,261,899	9,928,321	1,333,578	13	10,548,465	41,949,279	38,449,368	3,499,911	9	37,949,928
MEDI-CAL CONTRACTUAL ALLOWANCES	9,049,467	9,907,828	(858,361)	(9)	9,959,156	39,429,537	38,440,161	989,376	3	40,998,064
BAD DEBT EXPENSE	812,752	526,611	286,141	54	728,524	2,990,621	2,041,605	949,016	47	2,588,393
CHARITY CARE	7,188	39,636	(32,448)	(82)	51,215	144,570	153,662	(9,092)	(6)	221,165
OTHER CONTRACTUALS AND ADJUSTMENTS	4,496,255	4,363,072	133,183	3	4,248,707	18,541,477	16,962,266	1,579,211	9	16,994,035
HOSPITALIST\PEDS CONTRACTUAL ALLOW	0	0	0	0	(232)	0	0	0	0	16,768
TOTAL ACUTE DEDUCTIONS FROM REVENUE	25,627,560	24,765,468	862,092	4	25,535,835	103,055,484	96,047,062	7,008,422	7	98,768,353
NET ACUTE PATIENT REVENUE	11,943,021	10,268,813	1,674,208	16	9,160,157	44,840,784	39,776,351	5,064,433	13	35,686,764
OTHER OPERATING REVENUE	606,036	547,881	58,155	11	447,630	2,540,405	2,191,524	348,881	16	2,234,678
NET ACUTE OPERATING REVENUE	12,549,057	10,816,694	1,732,363	16	9,607,787	47,381,189	41,967,875	5,413,314	13	37,921,442
OPERATING EXPENSES:										
SALARIES & WAGES	4,059,326	4,163,334	(104,008)	(3)	3,794,860	15,773,398	16,516,179	(742,781)	(5)	14,855,056
REGISTRY	475,722	200,000	275,722	138	291,888	1,815,480	800,000	1,015,480	127	940,827
EMPLOYEE BENEFITS	1,687,265	1,794,152	(106,887)	(6)	1,560,054	6,779,001	7,257,014	(478,013)	(7)	6,330,404
PROFESSIONAL FEES	1,675,056	1,653,831	21,225	1	1,432,633	6,227,187	6,562,118	(334,931)	(5)	6,140,075
SUPPLIES	1,011,188	900,394	110,794	12	944,578	3,826,021	3,529,219	296,802	8	3,576,813
PURCHASED SERVICES	1,366,347	1,062,336	304,011	29	999,622	4,886,790	4,215,081	671,709	16	3,931,091
RENTAL	165,792	149,089	16,703	11	163,875	622,230	591,550	30,680	5	528,126
DEPRECIATION & AMORT	279,264	278,940	324	0	289,659	1,120,622	1,115,760	4,862	0	1,150,855
INTEREST	5,434	28,018	(22,584)	(81)	42,617	23,027	112,396	(89,369)	(80)	130,303
OTHER	420,881	385,897	34,984	9	361,074	1,573,129	1,529,884	43,245	3	1,416,203
TOTAL EXPENSES	11,146,276	10,615,991	530,285	5	9,880,859	42,646,886	42,229,201	417,685	1	38,999,754
NET OPERATING INCOME (LOSS)	1,402,781	200,703	1,202,078	599	(273,071)	4,734,302	(261,326)	4,995,628	(1,912)	(1,078,312)

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 10/31/24

	CURRENT MONTH				YEAR-TO-DATE				PRIOR YR	
	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23	PRIOR YR 10/31/23
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	61,013	5,000	56,013	1,120	74,889	20,000	54,889	274	74,634	
PROPERTY TAX REVENUE	204,954	204,954	0	0	819,816	819,816	0	0	699,416	
GO BOND PROP TAXES	175,915	175,915	0	0	703,659	703,660	(1)	0	681,551	
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	0	(260,326)	(260,324)	(2)	0	(274,884)	
OTHER NON-OPER REVENUE	16,058	15,908	150	1	63,025	63,632	(607)	(1)	76,111	
OTHER NON-OPER EXPENSE	(21,606)	(21,578)	(28)	0	(86,491)	(86,312)	(179)	0	(101,871)	
INVESTMENT INCOME	(3,934)	0	(3,934)	0	8,780	0	8,780	0	(4,209)	
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	
TOTAL NON-OPERATING REVENUE/(EXPENSE)	367,319	315,118	52,201	17	1,323,353	1,260,472	62,881	5	1,150,748	
NET SURPLUS (LOSS)	1,770,100	515,821	1,254,279	243	6,057,655	999,146	5,058,509	506	72,435	

HAZEL HAWKINS SKILLED NURSING FACILITIES

HOLLISTER, CA

FOR PERIOD 10/31/24

	CURRENT MONTH				YEAR-TO-DATE			
	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/23	ACTUAL 10/31/24	BUDGET 10/31/24	POS/NEG VARIANCE
								PERCENT VARIANCE
								PRIOR YR 10/31/23
GROSS SNF PATIENT REVENUE:								
ROUTINE SNF REVENUE	1,926,030	1,980,154	(54,124)	(3)	2,252,580	7,874,160	7,716,824	157,336
ANCILLARY SNF REVENUE	365,379	326,732	38,647	12	324,348	1,291,905	1,273,303	18,602
TOTAL GROSS SNF PATIENT REVENUE	2,291,409	2,306,886	(15,477)	(1)	2,576,928	9,166,065	8,990,127	175,938
DEDUCTIONS FROM REVENUE SNF:								
MEDICARE CONTRACTUAL ALLOWANCES	232,658	213,085	19,573	9	256,528	944,350	830,408	113,942
MEDI-CAL CONTRACTUAL ALLOWANCES	(18,931)	124,441	(143,372)	(115)	(426,177)	396,980	484,957	(87,977)
BAD DEBT EXPENSE	6,494	5,000	1,494	30	22,491	(37,045)	20,000	(57,045)
CHARITY CARE	0	0	0	0	0	0	0	0
OTHER CONTRACTUALS AND ADJUSTMENTS	27,903	32,397	(4,494)	(14)	60,343	113,578	136,260	(12,682)
TOTAL SNF DEDUCTIONS FROM REVENUE	248,124	374,923	(126,799)	(34)	(86,815)	1,417,864	1,461,625	(43,761)
NET SNF PATIENT REVENUE	2,043,286	1,931,963	111,323	6	2,663,744	7,748,201	7,528,502	219,699
OTHER OPERATING REVENUE	0	0	0	0	0	0	0	0
NET SNF OPERATING REVENUE	2,043,286	1,931,963	111,323	6	2,663,744	7,748,201	7,528,502	219,699
OPERATING EXPENSES:								
SALARIES & WAGES	1,021,702	1,014,924	6,778	1	1,000,874	4,102,441	4,023,669	78,772
REGISTRY	69,873	29,839	40,034	134	6,716	196,470	118,394	78,076
EMPLOYEE BENEFITS	552,110	523,679	28,431	5	512,685	1,984,424	2,080,087	(95,663)
PROFESSIONAL FEES	2,210	2,382	(172)	(7)	2,210	8,840	9,450	(610)
SUPPLIES	105,214	96,611	8,603	9	110,945	394,175	384,010	10,165
PURCHASED SERVICES	141,023	89,286	51,737	58	86,726	398,492	354,265	44,227
RENTAL	1,041	1,094	(53)	(5)	1,012	5,566	4,341	1,225
DEPRECIATION	39,327	39,537	(210)	(1)	39,521	156,697	158,148	(1,451)
INTEREST	0	0	0	0	0	0	0	0
OTHER	57,194	56,465	729	1	38,815	236,335	224,129	12,206
TOTAL EXPENSES	1,989,694	1,853,817	135,877	7	1,799,504	7,483,439	7,356,493	126,946
NET OPERATING INCOME (LOSS)	53,592	78,146	(24,554)	(31)	864,239	264,762	172,009	92,753
NON-OPERATING REVENUE/EXPENSE:								
DONATIONS	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	36,168	36,168	0	0	30,857	144,672	144,672	0
OTHER NON-OPER EXPENSE	(6,188)	(6,188)	0	0	(7,288)	(24,753)	(24,752)	(1)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	29,980	29,980	0	0	23,569	119,919	119,920	(1)
NET SURPLUS (LOSS)	83,572	108,126	(24,554)	(23)	887,808	384,681	291,929	92,752

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 10/31/24

	CURR MONTH 10/31/24	PRIOR MONTH 09/30/24	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT ASSETS					
CASH & CASH EQUIVALENT	29,083,234	28,581,016	502,218	2	35,254,150
PATIENT ACCOUNTS RECEIVABLE	67,555,667	68,486,974	(931,307)	(1)	67,848,785
BAD DEBT ALLOWANCE	(9,100,435)	(9,637,441)	537,005	(6)	(9,487,617)
CONTRACTUAL RESERVES	(43,069,819)	(42,779,088)	(290,731)	1	(43,327,435)
OTHER RECEIVABLES	8,794,393	6,684,304	2,110,089	32	5,735,874
INVENTORIES	4,501,004	4,473,603	27,401	1	4,496,070
PREPAID EXPENSES	2,673,218	2,587,036	86,182	3	1,775,026
DUE TO\FROM THIRD PARTIES	2,037,861	2,037,861	0	0	2,037,861
TOTAL CURRENT ASSETS	62,475,122	60,434,265	2,040,858	3	64,332,714
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	7,072,121	6,797,413	274,708	4	4,072,225
TOTAL LIMITED USE ASSETS	7,072,121	6,797,413	274,708	4	4,072,225
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,370,474	3,370,474	0	0	3,370,474
BLDGS & BLDG IMPROVEMENTS	100,098,374	100,098,374	0	0	100,098,374
EQUIPMENT	44,799,508	44,685,324	114,185	0	44,435,024
CONSTRUCTION IN PROGRESS	2,540,059	2,386,288	153,771	6	1,393,964
GROSS PROPERTY, PLANT, AND EQUIPMENT	150,808,415	150,540,460	267,955	0	149,297,836
ACCUMULATED DEPRECIATION	(95,745,420)	(95,412,087)	(333,334)	0	(94,409,166)
NET PROPERTY, PLANT, AND EQUIPMENT	55,062,995	55,128,373	(65,378)	0	54,888,670
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	374,503	380,414	(5,911)	(2)	398,148
PENSION DEFERRED OUTFLOWS NET	18,285,289	18,285,289	0	0	18,285,289
TOTAL OTHER ASSETS	18,659,792	18,665,703	(5,911)	0	18,683,437
TOTAL UNRESTRICTED ASSETS	143,270,031	141,025,754	2,244,277	2	141,977,045
RESTRICTED ASSETS	19,641	19,157	484	3	18,593
TOTAL ASSETS	143,289,672	141,044,911	2,244,761	2	141,995,638

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 10/31/24

	CURR MONTH 10/31/24	PRIOR MONTH 09/30/24	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	6,099,903	5,889,151	(210,752)	4	8,572,685
ACCRUED PAYROLL	2,287,306	1,769,990	(517,316)	29	5,660,333
ACCRUED PAYROLL TAXES	1,479,620	1,441,250	(38,370)	3	1,530,768
ACCRUED BENEFITS	5,682,196	5,942,236	260,040	(4)	6,695,829
ACCRUED PENSION (CURRENT)	4,952,331	4,952,331	0	0	4,952,331
OTHER ACCRUED EXPENSES	95,002	104,010	9,008	(9)	89,559
PATIENT REFUNDS PAYABLE	4,630	12,422	7,792	(63)	12,920
DUE TO\FROM THIRD PARTIES	(789,410)	(574,960)	214,450	37	294,647
OTHER CURRENT LIABILITIES	840,298	690,197	(150,102)	22	550,889
TOTAL CURRENT LIABILITIES	20,651,876	20,226,627	(425,249)	2	28,359,961
LONG-TERM DEBT					
LEASES PAYABLE	8,115,204	8,122,018	6,814	0	5,442,390
BONDS PAYABLE	31,628,041	31,656,561	28,520	0	31,742,121
TOTAL LONG TERM DEBT	39,743,245	39,778,579	35,334	0	37,184,511
OTHER LONG-TERM LIABILITIES					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	36,485,864	36,485,864	0	0	36,485,864
TOTAL OTHER LONG-TERM LIABILITIES	36,485,864	36,485,864	0	0	36,485,864
TOTAL LIABILITIES	96,880,985	96,491,069	(389,915)	0	102,030,336
NET ASSETS:					
UNRESTRICTED FUND BALANCE	39,870,710	39,870,710	0	0	39,870,710
RESTRICTED FUND BALANCE	95,641	95,157	(484)	1	94,593
NET REVENUE/(EXPENSES)	6,442,336	4,587,975	(1,854,361)	40	0
TOTAL NET ASSETS	46,408,687	44,553,842	(1,854,845)	4	39,965,303
TOTAL LIABILITIES AND NET ASSETS	143,289,672	141,044,911	(2,244,761)	2	141,995,638

Description	MTD Budget	MTD Actual	YTD Actual	YTD Budget	FYE Budget
Average Daily Census - Acute	15.46	13.19	14.97	13.61	14.90
Average Daily Census - SNF	83.97	82.65	85.14	82.49	85.00
Acute Length of Stay	3.02	2.78	2.70	2.98	2.90
<u>ER Visits:</u>					
Inpatient	115	119	531	414	1,444
Outpatient	2,079	2,112	8,333	8,019	25,269
Total	2,194	2,231	8,864	8,433	26,713
Days in Accounts Receivable	50.0	53.1	53.1	50.0	50.0
Productive Full-Time Equivalents	521.33	517.53	509.96	521.33	521.33
Net Patient Revenue	12,200,776	13,986,307	52,588,985	47,304,853	144,649,605
Payment-to-Charge Ratio	32.7%	35.1%	33.5%	32.7%	32.7%
Medicare Traditional Payor Mix	28.34%	28.91%	28.26%	29.26%	28.51%
Commercial Payor Mix	21.92%	23.57%	23.22%	21.56%	21.88%
Bad Debt % of Gross Revenue	1.42%	2.06%	1.88%	1.42%	1.42%
EBIDA	859,356	2,089,223	7,387,566	2,232,711	9,671,943
EBIDA %	6.74%	14.32%	13.40%	4.51%	6.40%
Operating Margin	2.19%	9.98%	9.07%	-0.18%	1.72%
Salaries, Wages, Registry & Benefits %:					
by Net Operating Revenue	60.60%	53.90%	55.60%	62.22%	61.10%
by Total Operating Expense	61.96%	59.88%	61.14%	62.11%	62.15%
<u>Bond Covenants:</u>					
Debt Service Ratio	1.25	11.86	11.86	1.25	5.18
Current Ratio	1.50	3.03	3.03	1.50	2.00
Days Cash on hand	30.00	73.06	73.06	30.00	100.00
Met or Exceeded Target					
Within 10% of Target					
Not Within 10%					

Statement of Cash Flows

Hazel Hawkins Memorial Hospital
Hollister, CA

Eleven months ending October 31, 2024

	CASH FLOW		COMMENTS
	Current Month 10/31/2024	Current Year-To-Date 10/31/2024	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	\$1,853,671	\$6,442,336	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	333,334	1,336,255	
(Increase)/Decrease in Net Patient Accounts Receivable	685,032	(351,680)	
(Increase)/Decrease in Other Receivables	(2,110,089)	(3,058,519)	
(Increase)/Decrease in Inventories	(27,401)	(4,934)	
(Increase)/Decrease in Pre-Paid Expenses	(86,182)	(898,193)	
(Increase)/Decrease in Due From Third Parties	0	0	
Increase/(Decrease) in Accounts Payable	210,752	(2,472,782)	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	295,646	(4,437,808)	
Increase/(Decrease) in Accrued Expenses	(9,008)	5,443	
Increase/(Decrease) in Patient Refunds Payable	(7,792)	(8,289)	
Increase/(Decrease) in Third Party Advances/Liabilities	(214,450)	(1,084,057)	
Increase/(Decrease) in Other Current Liabilities	150,102	289,410	Semi-Annual Int. - 2005 GO & 2021 Revenue Bonds
Net Cash Provided by Operating Activities:	(780,056)	(10,685,154)	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(267,955)	(1,510,579)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	(274,708)	(2,999,896)	Bond Principal & Int Payment - 2014 (2005) & 2021 Bonds
(Increase)/Decrease in Other Assets	5,911	23,644	Amortization
Net Cash Used by Investing Activities	(536,752)	(4,486,831)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Capital Lease Debt	(6,814)	2,672,814	
Increase/(Decrease) in Bond Mortgage Debt	(28,520)	(114,080)	
Increase/(Decrease) in Other Long Term Liabilities	0	0	2014 GO Principal & Refinancing of 2013 Bonds with 2021 Bonds
Net Cash Used for Financing Activities	(35,334)	2,558,734	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	0	
Net Increase/(Decrease) in Cash	502,218	(6,170,916)	
Cash, Beginning of Period	28,581,016	35,254,150	
Cash, End of Period	\$29,083,234	\$29,083,234	\$0

Cost per day to run the District

Operational Days Cash on Hand

Budgeted Cash on Hand

Variance

\$388,082

73.06

\$28,978,540

\$104,694

Hazel Hawkins Memorial Hospital
Supplemental Payment Programs
As of October 31, 2024, FYE June 30, 2025

	Payor	Actual FY 2025	Actual FY 2024	Notes:
Intergovernmental Transfer Programs:				
- AB 113 Non-Designated Public Hospital (NDPH)				
- SFY 2022/2023 Final Payment SFY 2023/2024	DHCS	425,000	407,785	Requires District to fund program and wait for matching return.
- SFY 2023/2024 Interim SFY 2024/2025	DHCS	389,100	434,472	Paid on 04/17/24, \$156,525.63, funds rec'd in June. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2022	Anthem	-	2,405,548	Paid on 04/24/24, \$506,883.51, funds rec'd in June. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2023	Anthem	-	2,432,278	Net amount rec'd on November 1, 2023 check for CY 2022.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2024	CCAH	2,425,000		IGT by March 22, 2024 of \$1,257,738, funds expected in May/June.
- Rate Range Jan. 1, 2022 through Dec. 31, 2022	Anthem	-	1,025,179	Expected in May 2025.
- Rate Range Jan. 1, 2022 through Dec. 31, 2023	Anthem	656,068		IGT by Feb. 23, 2024 of \$472,508, funds expected in April/May.
- QIP PY 5 Settlement	Anthem	-	3,459,757	Expected in December 2024.
- QIP PY 6 Settlement	Anthem	3,450,000		IGT by Feb. 16, 2024 of \$1,891,350.65, funds expected in April/May.
- QIP PY 4 1st Loan Repayment	District	-	(1,253,000)	Expected in May 2025.
- QIP PY 4 2nd Loan Repayment	District	-	(1,222,438)	Paid on 02/26/2024.
- QIP PY 5 Loan Repayment	District	(3,090,086)		Paid on 04/08/2024.
			-	Due January 3, 2025.
IGT sub-total		4,255,082	7,689,581	
Non-Intergovernmental Transfer Programs:				
- AB 915	DHCS	4,100,000	4,143,717	Direct Payments.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	1,069,577	1,069,577	Received on March 11, 2024. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	-	3,208,731	Rec. Sep. 4, 2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	4,280,000		1st, 2nd & 3rd Qtrs rec'd on 03/19/2024, 05/23/2024 & 06/27/2024.
- Distinct Part, Nursing Facility (DP/NF)		-	-	Expected by Sep. 30, 2024.
- Medi-Cal Disproportionate Share (DSH)	DHCS	435,252	1,452,877	Based on actual cost difference.
				Expected quarterly through June 30, 2025.
Non-IGT sub-total		9,884,829	9,874,903	
Program Grand Totals		14,139,911	17,564,484	
Total Received		1,504,829	18,970,344	
Total Pending		15,725,168	1,069,577	
Total Paid		(3,090,086)	(2,475,438)	
Net Supplemental Payments		14,139,911	17,564,484	



To: San Benito Health Care District Board of Directors
From: Drew Tartala, Human Resources Director
Date: November 21, 2024
Re: Chief Executive Officer – Appointment and Approval of Compensation

Recommendation: Continue to employ Mary Casillas as Chief Executive Officer ("CEO") and approve the Employment Agreement for a three-year term at an annual salary of \$463,500.

Background: Pursuant to California Health and Safety Code ("Local Health Care District Law") sections 32121.5 and 32121.6 and California Government Code section 53260, the San Benito Health Care District ("District") may enter into a contract of employment with a hospital administrator.

On January 25, 2024, the District Board of Directors ("Board") appointed Mary Casillas as CEO. Ms. Casillas' employment agreement stipulated a one-year term, a base salary of \$450,000, a 12-month severance provision, and an additional 10% incentive. The Board was expected to consult with Ms. Casillas to establish specific performance criteria, with the intention of returning for formal approval in an open session. However, this process was never completed. As a result, Ms. Casillas did not meet the conditions necessary to qualify for the 10% incentive for her first year.

In accordance with Board Policy 31, President Hernandez established an Ad Hoc Committee comprising of Directors Josie Sanchez and Jerrienne Hernandez. The Committee was tasked with conducting a comprehensive review of CEO compensation packages at comparable organizations and for similarly-qualified candidates, as well as evaluating the compensation of Ms. Casillas' predecessors, in order to assess the appropriateness of any potential adjustments to the current CEO's compensation.

Analysis: The Human Resources Director met with the Ad Hoc Committee to present and evaluate the findings of the compensation review. In its analysis, Human Resources considered multiple factors, including the District's annual cost of living adjustments for all employees and the contractual

provisions of prior CEOs. After a comprehensive review of the data, the Ad Hoc Committee recommends to the full Board a compensation adjustment for the CEO.

The proposed CEO Employment Agreement ("Agreement"), attached as Exhibit 1, sets forth a three-year term, which is in alignment with employment agreements executed for previous District CEOs. The Agreement provides for an annual base salary of \$463,500, reflecting the District-wide 3% cost of living adjustments granted to other employees. Furthermore, Ms. Casillas will be eligible for discretionary incentive compensation of up to 10%, contingent upon the achievement of specified performance objectives detailed in Exhibit B of the Agreement. The Agreement also includes a 12-month severance provision, consistent with standard terms for the CEO and other executive positions.

The proposed Agreement reflects the direction provided by the Ad Hoc Committee regarding Ms. Casillas' performance during critical challenges, including financial distress and the search for a strategic partner. Should the Board choose not to appoint Ms. Casillas as CEO, or decide to engage an executive search firm, the estimated cost of such a search would be three to four times her proposed salary and could extend the hiring process by approximately three to six months.

The Board's action is exempt from review under the California Environmental Quality Act (Public Resources Code section 21000 *et seq.*) ("CEQA") pursuant to 14 Cal. Code of Regulations section 15378, as it is not a project.

**[DRAFT] EMPLOYMENT AGREEMENT
(Chief Executive Officer)**

This Employment Agreement ("Agreement") is made and entered into effective November 1, 2024 ("Effective Date"), by and between San Benito Health Care District, a local health care district operating pursuant to Division 23 of the California Health and Safety Code ("District"), and Mary Casillas ("Employee").

RECITALS

A. The District provides inpatient and outpatient health care services to residents of District and surrounding communities through Hazel Hawkins Memorial Hospital, a licensed general acute care facility located in Hollister, California ("Hospital"); William and Inez Mabie Skilled Nursing Facility and Mabie Northside Skilled Nursing Facility, skilled nursing facilities located in Hollister, California ("SNF Facilities"); and rural health clinics operated under the name "Hazel Hawkins Community Health Clinic," (collectively, "Healthcare Facilities").

B. Pursuant to California Health and Safety Code ("Local Health Care District Law") sections 32121.5 and 32121.6 and California Government Code section 53260, the District may enter into a contract of employment with a hospital administrator under terms set forth in Local Health Care District Law and the California Government Code.

C. The District desires to continue to employ Employee as its Chief Executive Officer, and Employee desires to accept the position of Chief Executive Officer pursuant to the terms and conditions of employment set forth in this Employment Agreement.

AGREEMENT

The Parties agree as follows:

1. TERM OF EMPLOYMENT

1.1 **Term of Agreement.** The District engages Employee to serve as its Chief Executive Officer, and Employee agrees to serve in this capacity commencing on the Effective Date of this Agreement and continuing for a term of three (3) years ("Initial Term") to expire on November 1, 2027 ("Expiration Date"), unless otherwise (i) extended by mutual agreement of the Parties for an additional period upon which the parties agree, or (ii) terminated pursuant to the terms of this Agreement.

1.2 **Employee's Start Date.** Employee's duties, responsibilities, and services under this Agreement, and their compensation and benefits under this Agreement shall commence on their "Start Date," which shall occur on or before November 1, 2024.

2. DUTIES OF EMPLOYEE

2.1 Description of Services as Chief Executive Officer.

2.1.1 **Obligations to District.** Except as otherwise specified in this Agreement, Employee shall devote all their business time, attention, skill, efforts, and loyalty to the faithful performance of their duties under this Agreement, including activities and services related to the organization, operation, and management of District and its Healthcare Facilities. Employee further agrees to perform such services diligently, for the best interest of District, and in a manner consistent with the standards customarily applicable to persons rendering similar services. However, the expenditure of reasonable amounts of time, for which Employee shall not be compensated by District, for educational, charitable, or professional activities shall not be deemed a breach of this Agreement if those activities do not interfere with the services required of Employee.

2.1.2 **District Policies.** Employee shall remain subject to and agrees to adhere to all District policies, including, but not limited to, all policies relating to standards of conduct, conflicts of interest, and compliance with District rules and obligations. The written rules, policies, practices, and procedures of District shall be binding on Employee unless superseded by or in conflict with this Agreement, in which case this Agreement shall govern.

2.1.3 **Fiduciary Duties.** Employee acknowledges and understands that by entering into this Agreement, they undertake a fiduciary relationship with District and, as such, is under a fiduciary obligation to use due care and act in the best interest of District at all times.

2.1.4 **No Conflicting Obligations.** Employee represents and warrants to District that they are under no obligations or commitments inconsistent with their obligations under this Agreement. At no time during the employment of Employee shall they own or have any beneficial interest in, or have any relationship with, any company, business, or interest where to do so will or may conflict with the full and faithful performance of their duties, specifically including, and without being limited to, any persons or entities that do business with District and/or that perform services in competition with District. Nothing in this section shall be construed to prevent Employee from investing their assets in any form or manner that does not require any services on the part of Employee in the operation of the affairs of the companies in which such investments are made.

2.2 Specific Duties/Responsibilities.

2.2.1 Employee shall do and perform all services, acts or things necessary or advisable to manage and conduct the affairs of District and its Healthcare Facilities as permitted under Local Health Care District Law. In addition, Employee shall perform the normal and customary duties and responsibilities of the Chief Executive Officer, including, but not limited to, those duties and responsibilities set forth in the Chief Executive Officer Job Description attached to this Agreement as **Exhibit A** and incorporated into this Agreement by this reference.

2.2.2 Employee shall report and be accountable to the District, a California local health care district, Board of Directors ("Board").

2.2.3 The Parties understand and agree that Employee is not authorized (i) to enter into any financing or loan agreements, (ii) to contract for or agree to any encumbrances on District property (real, tangible or intangible), or (iii) to exceed any procurement authority as specified in District policies without specific prior written approval of the District Board.

2.2.4 Employee shall oversee and manage, consistent with District Board directives and policies, the development, establishment, and implementation of operational plans, policies, and procedures in accordance with accepted and applicable laws and regulations.

2.2.5 Employee shall ensure compliance with governmental regulations and District policies, procedures, and contracts and attend local, state, and national meetings to remain current with industry and regulatory trends.

2.2.6 Employee shall oversee and manage preparation of fiscal and budgetary reports of District operations; prepare operating and capital budgets with data to support all budget requests; and implement necessary cost controls wherever possible to stay within budgetary or other limitations of District policy.

2.2.7 Employee shall perform such other duties and responsibilities as included in the job description for Chief Executive Officer and as the District Board may assign to Employee.

2.3 Annual Performance Evaluation. On an annual basis at or near the anniversary date of the Effective Date of this Agreement, or as otherwise scheduled by District, the District Board shall evaluate Employee's performance with respect to the position duties and responsibilities outlined in this Agreement and the goals and objectives established for Employee for that year. The District Board shall provide the annual performance evaluation of Employee in writing. Upon completion of the annual evaluation, the District Board will consider such amendments to the terms and conditions of this Agreement as deemed appropriate and mutually acceptable.

2.4 Any amendment of this Agreement shall be in writing, approved by the District Board of Directors, and executed by both parties.

3. COMPENSATION AND BENEFITS

3.1 Compensation and Benefits. In consideration of the duties, responsibilities, services, and covenants set forth in this Agreement, District shall provide the following compensation and benefits to Employee:

3.1.1 Salary. Commencing on Employee's Start Date, District agrees to pay Employee annual salary in the amount of Four Hundred Sixty Three Thousand Five Hundred Dollars (\$463,500.00), subject to payroll deductions and withholdings required by law or authorized by Employee, payable to Employee in accordance with District standard payroll schedule and practices. Employee shall be eligible to receive adjustments in their compensation, if any, as determined by the District Board in its sole discretion. During the annual performance

evaluation of Employee, the District Board shall reasonably consider a cost-of-living increase in the annual salary of no more than three percent.

3.1.2 Other Benefits and Eligibility. During the term of this Agreement, Employee shall maintain all such other benefits received in the position of Chief Operating Officer.

3.1.3 Incentive Compensation. At the anniversary of each year of this Agreement, Employee shall be entitled to receive incentive compensation in the amount of ten percent (10.0%) of Employee's annual base salary paid for the year in review, unless the District Board's determines that Employee has failed to satisfactorily accomplish the goals and incentive compensation criteria established by the District Board as set forth in the Chief Executive Officer Incentive Compensation Plan attached as Exhibit B of this Agreement, as may be modified in writing year to year by the District Board.

3.1.4 Paid Time Off. Employee shall be eligible to accrue paid time off (PTO) throughout the year in accordance with the District standard PTO policy, including any policy provisions with respect to maximum accrual, as it may be amended from time to time.

3.1.5 Health Benefits. Employee shall be eligible to participate in any health benefit plans maintained by District, subject in each case to the generally applicable terms and conditions of the plan in question, including eligibility criteria, and to the determinations of any person or committee administering such plan, and to the right of District to make changes and/or withdraw offering such plans from time to time.

3.1.6 Retirement Benefits. Employee shall be eligible to participate in any retirement benefit plans maintained by District, subject in each case to the generally applicable terms and conditions of the plan in question, including eligibility criteria, and to the determinations of any person or committee administering such plan, and to the right of District to make changes and/or withdraw offering such plans from time to time.

3.1.7 Other Benefits and Eligibility. Employee shall receive such other benefits that District makes available to its unrepresented (non-affiliated) employees. Employee shall be eligible for all benefits under this this section as of Employee's Start Date as defined below.

4. TERMINATION AND SEVERANCE PAY

4.1 Severance upon Termination by District Other Than for Cause. Should the District Board elect to terminate this Agreement, other than for cause, District shall pay to Employee in a single lump sum amount or in six (6) equal, monthly payments, at the option of District, the equivalent of Employee's then current monthly salary multiplied by the number of months remaining in the Term of the Agreement not to exceed **twelve (12) months**, as severance pay upon the termination of their employment during the Agreement Term in full and complete satisfaction of District's obligations under this Agreement.

4.2 Voluntary Resignation by Employee or Termination by District for Cause. No severance pay is owed by District to Employee if their employment is terminated for cause or if

they voluntarily resign from their employment with District, other than for change of control reasons as set forth in Section 4.3 below.

4.3 Voluntary Resignation by Employee upon Change of Control of District.

Notwithstanding Section 4.2 of this Agreement, in the event that there is a change of control of District resulting in ownership or control of fifty percent (50%) or more of District, Employee may elect to voluntarily resign from their employment with District within six (6) months from the effective date of the change of control and be entitled to the Severance Payment and as set forth in Section 4.1 of this Agreement. If, as a result of the change of control, Employee is involuntarily terminated or otherwise prevented from retaining the position of Chief Executive Officer for any reason other than for cause, Employee shall remain entitled to the Severance Payment as set forth in Section 4.1 of this Agreement.

4.4 Termination for Cause. District may terminate this Agreement at any time “for cause” effective immediately upon written notice to Employee. For purposes of this Agreement, “for cause” is defined to include any of the following:

4.4.1 Willful breach of District policies or of the duties/obligations of the Chief Executive Officer;

4.4.2 Neglect of duties or obligations required of the Chief Executive Officer;

4.4.3 Violation of written rules and policies of District;

4.4.4 Failure to adequately monitor, oversee and implement the compliance program for District;

4.4.5 Commission of any felony while employed as Chief Executive Officer of District;

4.4.6 Commission of any dishonest act in a public or private capacity, such as misappropriation or embezzlement of funds, theft, or fraud; or

4.4.7 Engagement in acts of disruption or violence or any other activity that would constitute grounds for immediate dismissal of any employee by District under existing policies or as may be subsequently enacted.

Upon termination for cause, Employee will be compensated for services rendered up to the effective date of termination of Employee’s employment with District.

4.5 Reimbursement upon Post-Termination Criminal Conviction. If this Agreement is terminated, any cash settlement related to the termination that Employee may receive from District shall be fully reimbursed to District if Employee is convicted of a crime involving an abuse of their office or position.

5. CONFIDENTIAL INFORMATION

5.1 **Confidential Information.** Employee acknowledges that, although much of District's information is subject to disclosure under The Ralph M. Brown Act and the California Public Records Act, certain information is not subject to disclosure and is confidential. "Confidential Information" as defined below relating to District to which Employee will have access as a result of employment is proprietary to and the property of District. "Confidential Information" shall mean all information, whatever its nature and form, obtained by Employee during or as a result of employment by District and is information that is not available to the public. "Confidential Information" includes all personnel, medical or similar records, closed session discussions, attorney and litigation consultations, trade secrets information, and business and customer information, including, but not limited to, marketing objectives and strategies, donor information, personnel information, financial information, Board activities, financial projections, planned product or services offerings, advertising and promotional materials, forms, client and customer information, data prepared for, stored in, processed by or obtained from an automated information system belonging to or in the possession of District and all information that constitutes a trade secret under applicable law.

5.2 **Use and Return of Confidential Information.** Employee agrees not to disclose or use any such Confidential Information, except as necessary to serve District's legitimate purposes or as required by law. Employee agrees to return all documentation, correspondence, and any other District data or property, whether maintained in tangible or intangible form, upon termination of their employment. Employee's obligations under this Section 5 shall survive termination of their employment for any reason.

6. DISPUTE RESOLUTION

6.1 **Arbitration.** This arbitration provision is governed by the Federal Arbitration Act, 9 U.S.C. § 1, *et seq.* and evidences a transaction involving commerce. It shall not apply to any claims within the sole jurisdiction of the Workers' Compensation Appeals Board.

6.1.1 This arbitration provision applies to any dispute arising out of or related to Employee's employment with District or termination of employment. Nothing contained in this arbitration provision shall be construed to prevent or excuse Employee from utilizing District's existing internal procedures for resolution of complaints, and this arbitration provision is not intended to be a substitute for the utilization of such procedures. Except as it otherwise provides, this arbitration provision is intended to apply to the resolution of disputes that otherwise would be resolved in a court of law, and, therefore, this arbitration provision requires all such disputes to be resolved only by an arbitrator through final and binding arbitration and not by way of court or jury trial. Such disputes include, without limitation, disputes arising out of or relating to interpretation or application of this arbitration provision, but not as to the enforceability, revocability, or validity of the arbitration provision or any portion of the arbitration provision. This arbitration provision applies, without limitation, to disputes, whether brought individually or in a representative capacity, regarding the employment relationship, trade secrets, unfair competition, compensation, termination, or harassment and claims arising under the Uniform Trade Secrets Act, Civil Rights Act of 1964, Americans with Disabilities Act, Age

Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Employee Retirement Income Security Act, and state statutes, if any, addressing the same or similar subject matters, and all other state statutory and common law claims (excluding workers' compensation, state disability insurance, and unemployment insurance claims). Claims may be brought before an administrative agency, but only to the extent applicable law permits access to such an agency notwithstanding the existence of an arbitration provision to arbitrate. Such administrative claims include those brought before the Equal Employment Opportunity Commission, U.S. Department of Labor, or Office of Federal Contract Compliance Programs. Nothing in this arbitration provision shall be deemed to preclude or excuse a party from bringing an administrative claim before any agency in order to fulfill the party's obligation to exhaust administrative remedies before making a claim in arbitration.

6.1.2 A neutral arbitrator shall be selected by mutual agreement of the Parties from JAMS, the American Arbitration Association, or the California State Mediation and Conciliation Service unless the parties agree in writing to the selection of an arbitrator from another recognized arbitration service. The location of the arbitration proceeding shall be in San Benito County, California, unless each party agrees in writing otherwise. If for any reason the parties cannot agree to an arbitrator, either party may apply to a court of competent jurisdiction for appointment of a neutral arbitrator. The court shall then appoint a retired judge to act as the arbitrator, and the appointed arbitrator shall act under this Arbitration provision with the same force and effect as if the parties had selected the arbitrator by mutual arbitration provision.

6.1.3 A demand for arbitration must be in writing and delivered by hand or first-class mail to the other party at the address indicated in Section 7.1 within the applicable statute of limitations period. The arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration. In arbitration, the parties will have the right to conduct civil discovery, bring motions, and present witnesses and evidence as provided by the forum state's procedural rules.

6.1.4 Each party will pay the fees for their or its own attorneys, subject to any remedies to which that party may later be entitled under applicable law. However, in all cases where required by law, District will pay the Arbitrator's and arbitration fees. If under applicable law District is not required to pay all of the Arbitrator's and/or arbitration fees, such fee(s) will be apportioned between the parties by the Arbitrator in accordance with said applicable law.

6.1.5 Within thirty (30) days of the close of the arbitration hearing, any party will have the right to prepare, serve on the other party, and file with the Arbitrator a brief. The Arbitrator may award any party any remedy to which that party is entitled under applicable law, but such remedies shall be limited to those that would be available to a party in a court of law for the claims presented to and decided by the Arbitrator. The Arbitrator will issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Except as may be permitted or required by law, neither a party nor an Arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all parties. A court of competent jurisdiction shall have the authority to enter a judgment upon the award made pursuant to the arbitration. The Arbitrator shall not have the power to commit errors of law or legal reasoning, and the award may be vacated or corrected on appeal to a court of competent jurisdiction for any such error.

6.1.6 Employee acknowledges and understands that they have a right to consult with counsel of their choice concerning this arbitration provision.

6.1.7 This Section 6 is the full and complete arbitration provision relating to the formal resolution of employment-related disputes. Should any portion of this Section 6 be deemed unenforceable, the remainder of this arbitration provision will be enforceable.

7. GENERAL PROVISIONS

7.1 **Notice.** Notices and other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by overnight courier or U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Employee, mailed notices shall be addressed to Employee at the home address they most recently communicated to District in writing. In the case of District, mailed notices shall be addressed to the Board President, San Benito Health Care District, 911 Sunset Drive, Hollister, California 95023.

7.2 **Modifications and Waivers.** No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver, or discharge is agreed to in writing and signed by Employee and by the President of the District Board. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

7.3 **Withholding Taxes.** All payments made under this Agreement shall be subject to reduction to reflect taxes or other charges required by law.

7.4 **Applicable Law.** This Agreement shall be construed in accordance with and governed by California law, with the exception of Section 6.1, Arbitration, which shall be governed by the Federal Arbitration Act. Venue shall be in San Benito County, California.

7.5 **Severability.** The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

7.6 **Assignment.** This Agreement and all rights and obligations of Employee under this Agreement are personal to Employee and may not be transferred or assigned by Employee at any time. District may assign its rights and obligations under this Agreement to another entity in connection with any sale or transfer of all or a substantial portion of District's assets to such entity. Should District assign this Agreement to another entity pursuant to this section, such successor entity shall assume all District's obligations and responsibilities under this Agreement.

7.7 **Construction of Agreement.** This Agreement is the result of negotiation by and between the parties. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against either party. Employee represents and agrees that they have reviewed all aspects of this Agreement, have carefully read and fully understand all provisions of this Agreement, and are voluntarily entering into this Agreement.

7.8 Entire Agreement. This Agreement, including Exhibit A and Exhibit B, constitutes the entire agreement between the Parties with respect to the subject matters of this Agreement and, upon its effectiveness, supersedes all prior agreements, understandings, and arrangements, both oral and written, between Employee and District with respect to such subject matters covered. No representation, promise, or inducement has been made by either party that is not embodied in this Agreement, and neither Employee nor District shall be bound by or liable for any alleged representation, promise or inducement not so set forth.

Each of the parties has executed this Agreement to be effective as of the Effective Date first set forth above.

District
SAN BENITO HEALTH CARE DISTRICT

EMPLOYEE
MARY CASILLAS

By: _____
Name, Board President

Mary Casillas

Dated: _____

Dated: _____

EXHIBIT A

CHIEF EXECUTIVE OFFICER JOB DESCRIPTION

JOB SUMMARY:

Overall responsibility for the leadership and administration of the San Benito Health Care District in order to carry out the mission, purpose and objectives necessary to maintain a hospital environment conducive to quality care and participation in promotion of community health. Ensures programs, policies and general directives of the Board of Directors are carried out in addition to ensuring federal, state and district laws and regulations and standards of accreditation are maintained. Coordinates activities of Medical Staff with those of other departments.

DUTIES AND RESPONSIBILITIES: Demonstrates Competency By:

1. Interviews, hires, orients, disciplines and evaluates leadership staff in compliance with EEO laws and other regulations in order to ensure continuity in the delivery of quality patient care and service.
2. Ensures that all physical properties are kept in a good state of repair and operation condition to continue to provide proper patient care and maintain a safe working environment.
3. Remains aware of and responsive to legislative and regulatory issues impacting healthcare in order to provide timely and accurate information and recommendations to the Board of Directors regarding current trends, opportunities and challenges in healthcare to help facilitate proper planning and policy making.
4. Responsible for the overall planning and coordination of successful JCAHO accreditation process, as well as regulatory and statutory Standards, including Title 22, Medicare and Medi-Cal regulations.
5. Ensures a yearly budget for control of expenditures is prepared, based on past experience, knowledge of market trends, and other financial considerations, while maintaining the highest possible level of care at the most reasonable cost.
6. Ensures a monthly report for the Board of Directors and Medical Staff reflecting various phases of the healthcare system operation and its financial condition.
7. Monitors budget and fiscal reports on a continuing basis and initiates appropriate modifications as needed.
8. Interprets and transmits policies to the governing board, to the medical staff and to personnel. Ensures compliance with policies.
9. Through exemplary leadership initiates, develops and implements programs, policies and procedures to fulfill the stated purposes and mission of San Benito Healthcare District and the policies of the Board of Directors.
10. Provide strategic, enthusiastic, and visionary leadership, which results in a dynamic organization that is responsive to the needs of the community.
11. Responsible for (in conjunction with the Chief Financial Officer) preparing the annual Operating, Capital and Facilities Budgets and submitting the annual budgets to the Board of Directors.
12. Responsible for operating within the annual budgets as adopted by the Board of Directors.

13. Responsible for retaining Joint Commission accreditation and state licensure, as well as meeting requirements of all governmental health programs in which the District participates.
14. Responsible for the business affairs of each entity and service to ensure funds are collected and expended to the best possible advantage and within the provision of the annual budgets.
15. Reports performance of the Hospital to the Board of Directors.
16. Provides positive public relations for the District through involvement in various health or District related activities. Attends meetings of professional, community, civic, and service organization as a representative of San Benito Healthcare District.
17. Initiates new revenue producing programs or services as approved by the Board of Directors.
18. Responsible for the development and implementation of the District's strategic plan.
19. Provides liaison between the Medical Staff, Board of Directors and employees of San Benito Healthcare District.
20. Organizes the administrative functions of the District. Delegates duties and establishes formal means of accountability on the part of line management. Creates an organization that embraces the concept of shared governance and collaborative care. Such organization shall be responsive in a timely manner to the needs of all consumers of services, be they patients, physicians, employee or members of the community.
21. Maintains the physical properties in a good state of repair and operating condition. Recommends to the Board of Directors improvement of District facilities including construction or renovation of structures and the purchase of new capital items, keeping in mind the communities needs and the districts resources.
22. The CEO will mentor and facilitate professional development of direct reports
23. Ensures system-wide compliance with safety and security policies, procedures and practices in order to achieve and maintain a safe, efficient, productive and cost-effective work environment.
24. Effectively communicates patient related information to the health care team.
25. Maintains courteous and professional relationships with patient, family, public, staff and physicians. Always introduces self to others.
26. Displays an attitude of acceptance of various cultures.
27. Advises appropriate persons of situations requiring follow-up attention.
28. Communicates in a positive manner with consumers via telephone.
29. Conducts all written contacts professionally (i.e. writes clear concise memos, letter, and or reports).
30. Accepts and responds professionally to constructive criticism.
31. Interacts in a way that increases the likelihood that an agreement can be reached during a conflict.
32. Participates in orientation of new employees.
33. Self- motivates to supervise and perform department tasks as needed.
34. Keeps current with applicable laws and San Benito Health Care District policy.

EXHIBIT B

CHIEF EXECUTIVE OFFICER INCENTIVE COMPENSATION PLAN

An Incentive equal to 10% of base compensation will be available 12 months after start date by achieving the following metrics:

FY 25 EBIDA %

EBIDA %	INCENTIVE %
5.18%	2.00%
5.68%	3.00%
6.18%	4.00%

HCAHPS IP RATE 1-10 TOP
BOX

12-MONTH ROLLING PERCENTILE RANK OCTOBER 2024	INCENTIVE %
50.00%	2.00%
55.00%	3.00%
60.00%	4.00%

EMPLOYEE TURNOVER RATE

	INCENTIVE %
Under 20.7%	2.00%