



PUBLIC NOTICE
KERN VALLEY HEALTHCARE DISTRICT
AGENDA FOR BOARD OF DIRECTORS

January 8, 2026 – 2:00 p.m.

Location: Administrative Conference Room

www.kvhd.org

REMOTE PARTICIPATION: Microsoft Teams
Meeting ID: 247 678 888 193 64 Passcode: oy2Pb2NK

A. CALL TO ORDER

B. APPROVAL OF AGENDA

(pages 1-4)

1. Flag Salute

2. Invocation

3. Mission Statement: We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.

C. PUBLIC COMMENT: This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. The Board cannot take action on items not listed on the agenda for action. Speakers are limited to three minutes. Please state your name before making your comment.

D. CONSENT AGENDA: The following items are considered routine and non-controversial by Hospital Staff. Consent items are listed as **ACTION** items and may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered separately.

1. Board of Directors Meeting Minutes – December 11, 2025

(pages 5-8)

Recommendation – Approve minutes as presented

2. Special Board of Directors Meeting Minutes – December 19, 2025

(page 9)

Recommendation – Approve minutes as presented

3. Board Governance Meeting Minutes – December 30, 2025

(pages 10-11)

Recommendation – Accept minutes pending committee approval

4. **Building & Planning Meeting Minutes – December 30, 2025** (pages 12-13)
Recommendation – Accept minutes pending committee approval
5. **Board Personnel & Policy Meeting Minutes – December 29, 2025** (pages 14-16)
Recommendation – Accept minutes pending committee approval
6. **Human Resources Report – October and November 2025** (pages 17-18)
Recommendation – Accept report as presented
7. **Policies:**
Recommendation – Approve policies as presented
Administration:
 - Compliance Hotline Reporting
 - Non-Denominational Pastor Roster
 - Quality Review/Risk Management ReportingEmergency Department:
 - Human Trafficking, Recognition, Reporting and DocumentationHuman Resources:
 - Benefits During a Leave of Absence
 - Open Door PolicyMesa Clinical Pharmacy:
 - Language Interpretation Services
 - Mesa Clinical Pharmacy Services
 - Pharmacy Hours and Delivery ScheduleNursing:
 - Involuntary Psychiatric Hold – 5150 – Suicide Management
 - Nursing Call-Off Labor PoolRadiology:
 - Radiation Safety – Pregnant Personnel
 - Radiation Safety Cumulative Dose Report
 - Radiology Department Services – GeneralRehabilitation Services:
 - Attendance
 - Billing
 - Cleaning Equipment and ClinicRural Health Clinic:
 - Cultural and Linguistics
 - Emergency Care of Patients
 - Housekeeping – Clinic
 - Orientation Checklist – Back Office
 - Orientation Checklist – Front Office
 - Registration of PatientsStaff Development:
 - Mock Codes
 - Training Injury DisclaimerTo Be Retired:
 - SNF – Incident Investigation – Witness Interview

8. Manuals:*Recommendation – Approve manuals as presented*

Rural Health Clinic

Infection Control

SNF Infection Control

Mesa Clinical Pharmacy

Lab – Chemistry

Lab – Hematology

Lab – Specimen Collection

9. Medical Appointments and Reappointments: None**10. Chief of Medical Staff Report***(page 19)**Recommendation – Review report***11. Chief Nursing Officer Report***(page 20)**Recommendation – Review report***12. Chief Information Officer Report***(page 21)**Recommendation - Review report***13. Foundation/Auxiliary Report***(pages 22-23)**Recommendation – Review report***14. Patient Safety Plan 2026***(pages 24-30)**Recommendation – Approve plan as presented***15. Quality Assurance/Performance Improvement Plan***(pages 31-37)**Recommendation – Approve plan presented***E. REPORTS:****1. Chief Executive Officer**

John Lovrich, Chief Executive Officer

*Information**Recommendation – Hear report***F. OLD BUSINESS: None****G. NEW BUSINESS:****1. Unaudited Financial Statement – November 2025***(pages 38-48)**Recommendation – Accept financial statement as presented***2. Financial Report Narrative Summary – November 2025***(page 49)**Recommendation - Accept report as presented***3. 13-Month Statistics – November 2025***(pages 50-51)**Recommendation - Accept report as presented***3. Contracts:***(page 52)**Recommendation – Continue with contracts*

a. Activity Connection – Activity Program for SNF Residents

- b. ADT Security Service – Auxiliary Thrift Store
- c. Owen Bowers, MD – Emergency Service
- d. California Critical Access Hospital Network – Credentialing Review
- e. Cardinal Health – Discounts/Source Rebates for Medication Purchases
- f. Healthstream – Intranet CMS w/Policy Manager
- g. Kern Community College Allied Health Education – MA Training
- h. Kern County Public Health EMS – Surge Capacity Resources
- i. Lake Isabella Storage – Storage Unit Rental
- j. Linde Gas and Equipment – O2 Cylinders
- k. MedBridge – HEP Essentials
- l. Merlin On Demand Transmitter – Abbott (ED)
- m. Nanosonics – Trophon/Ultrasound
- n. Redsail/QS1 – Docutrack Integra Cloud Connection
- o. Redsail/QS1 – LTC Software
- p. Reis RxCare Consulting – SNF Consultant Pharmacist
- q. Wolters Kluwer (Up-To-Date) – Clinical Decision Support Resource

4. Cooling Tower Rebuild – Resolution 26-01

Action

Bob Easterday, Plant Operations Manager

(handout)

Recommendation – Adopt resolution as presented

5. Election of Officers

Action

John Blythe, Board Chair

Recommendation – Select positions for 2026

H. DIRECTORS COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

I. CLOSED SESSION:

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD
- Existing Litigation – Rostad v. KVHD
- Potential Litigation – 3 Cases
- Performance Evaluation – Chief Executive Officer

J. CLOSED SESSION REPORT

Scott Nave, Legal Counsel

K. ADJOURNMENT



**KERN VALLEY HEALTHCARE DISTRICT
MINUTES FOR BOARD OF DIRECTORS MEETING**

Location: Administrative Conference Room/Teams
Thursday, December 11, 2025 – 2:00pm

PRESENT: John Blythe, Board Chair
Katheryn Elconin, 1st Vice Chair
Fred Clark, 2nd Vice Chair
Ross Elliott, Secretary
Gene Parks, Treasurer
John Lovrich, Chief Executive Officer
Mark Gordon, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Amy Smith, Controller
Scott Nave, Legal Counsel
Dena Griffith, Risk Manager
Nicolas Caver, Marketing Manager
Greg Davis, Director of Population Health

- A. CALL TO ORDER:** The meeting was called to order at 2:01pm by Director Blythe.
- B. APPROVAL OF THE AGENDA:** A motion was made by Director Parks to approve the agenda as presented. The motion was seconded by Director Clark. The motion passed unanimously.
- 1. FLAG SALUTE:** Director Clark
 - 2. INVOCATION:** Director Elconin
 - 3. MISSION STATEMENT:** We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.
- C. PUBLIC COMMENT:** None
- D. CONSENT AGENDA:**
1. Board of Directors Meeting Minutes – November 13, 2025
 2. Chief of Medical Staff Report
 3. Chief Nursing Officer Report
 4. Chief Information Officer Report
 5. Foundation/Auxiliary Report

Director Elliott requested that item 3, Chief Nursing Officer report, and item 4, the Chief Information Officer report, be pulled from consent for further discussion. These items will be placed under New Business as items 8 and 9. A motion was made by Director Elliott to approve

the consent agenda as amended. The motion was seconded by Director Parks. The motion passed with a vote of 5/0.

E. REPORTS:

1. **Chief Executive Officer:** The CEO Report was given by John Lovrich. Mr. Lovrich updated the Board on the progress made on the new pharmacy space. Carpet has been laid. Work will now begin on the t-bar and ceiling tiles as well as setting up the cabinets and workstations. The anticipated completion date is January 15th. The tile repairs in Skilled Nursing are being finished up today. New baseboards will be installed in January. The current census is 52, but efforts continue to increase the census including billboards in Bakersfield. The search for a new Chief Financial Officer is going slowly. The Board suggested a JPA with another facility or potentially even a remote CFO position. The clinic is in the process of evaluating the TruBridge system for the clinic EHR. Director Elliott asked who makes the decision to switch EHR's. Mr. Lovrich and Mr. Zuber stated those are collective decisions made with Administration and respective departments. As the question was the reason Director Elliott pulled the CIO report from consent, Director Elliott made a motion to receive and file the CIO report. The motion was seconded by Director Parks. Motion passed with a vote of 5/0. Mr. Lovrich reported that the wound care program is ongoing, the accounts have been billed, but we have not received payment yet. The cost report has been tentatively completed. The MediCare, MediCal, and independent audits are in progress. Mr. Lovrich is working on the contract details for the new physician for Mountain View Health Clinic. The anticipated start date for the new physician is the first week of January.

F. OLD BUSINESS: None.

G. NEW BUSINESS:

1. **Unaudited Financial Statement – October 2025:** Director Elliott expressed concerns about the YTD variance in operating expenses. Mr. Lovrich explained that this is primarily related to retail pharmacy supplies and salaries/wages. After brief discussion, a motion was made by Director Clark to receive and file the unaudited financial statement as presented. The motion was seconded by Director Elconin. Motion passed unanimously.
2. **13-Month Patient Statistics – October 2025:** Mr. Lovrich stated the District gained 12 FTE's in the last 13 months and the District is looking at this FTE creep. A motion was made by Director Clark to receive and file the report as presented. The motion was seconded by Director Elconin. Motion passed unanimously.
3. **Financial Report Narrative Summary – October 2025:** A motion was made by Director Elliott to receive and file the narrative summary. The motion was seconded by Director Clark. Motion passed unanimously.
4. **Contract Reviews:**
 - a. Christopher Burrows, MD – Emergency Services
 - b. Kern County EMS – Mass Casualty Storage Trailer
 - c. Cyrano Systems – Video Editing Software
 - d. DFI Enterprises – Inspector of Record
 - e. Kris Hall, MD – Emergency Service
 - f. Marvel Medical – Nurse Registry

- g. One Legacy – Organ Procurement
- h. Point Click Care – Skilled Nursing EHR
- i. Psychiatric Medical Practitioners – Behavioral Health Services
- j. Sparkle – Mats/Uniforms
- k. Teleconnect Therapies – Mental Health Telemedicine MVHC
- l. Texas Health Resources (Premier) – Membership for Purchasing Advantage
- m. TGL Medstaff – Nurse Registry

A motion was made by Director Clark to continue with the contracts as presented. The motion was seconded by Director Parks. Motion passed unanimously.

5. **Security System Proposals – Outlying Buildings:** With the upcoming retail pharmacy move and the recent break-ins at the Human Resources office, the District feels it is important for security monitoring. Mr. Easterday presented four proposals for review. After lengthy discussion, a motion was made by Director Parks to proceed with ADT. The motion was seconded by Director Elliott. The motion passed unanimously.
6. **Resolution 25-11 – A Resolution of the Board of Directors of Kern Valley Healthcare District Declaring Certain Property Surplus to the Needs of the District and Authorizing Disposition of the Property:** This resolution is to surplus old IT equipment, some of which has been in storage for many years and is now antiquated or obsolete. A motion was made by Director Parks to adopt the resolution as presented. The motion was seconded by Director Elliott. Motion passed unanimously.
7. **Approval of Compensation for Dr. Orson Anderson:** Mr. Lovrich stated that Dr. Anderson is evaluating whether he wants to be an employee or a 1099 contractor. As the conversation progressed, Legal Counsel suggested taking this matter into closed session under the Brown Act. A motion was made by Director Elliott to move this to closed session as a personnel appointment. The motion was seconded by Director Clark. Motion passed with a vote of 5/0. After closed session, a motion was made by Director Elliott to approve the income guarantee for two years and the proposed bonus for Dr. Anderson, and requested the Board to delegate the execution of either an employment offer or independent contract offer to the CEO. The motion was seconded by Director Clark. Motion passed with a vote of 4/0 (Parks left at 3:53pm).
8. **Chief Nursing Officer Report:** Director Elliott asked for a definition of precipitous delivery. Mr. Gordon stated these are the ones that cannot be avoided. Director Elliott also asked if coverage was good for the holidays. Mr. Gordon said we are well staffed. With that, a motion was made by Director Elliott to receive and file the report. The motion was seconded by Director Clark. Motion passed unanimously.
9. **Chief Information Officer Report:** This item was pulled from the consent agenda by Director Elliott, but his questions were answered during the CEO report and was approved at that time.

H. DIRECTOR’S COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA:

Director Elliott: Director Elliott wished everyone happy holidays.

Director Clark: Director Clark asked everyone to enjoy the holidays.

Director Parks: Director Parks stated he is happy that the Board is in harmony and the new CEO is doing a great job.

Director Elconin: Director Elconin wished everyone a Merry Christmas.

Director Blythe: Director Blythe stated the leadership information on our website is outdated and needs to be fixed. Director Blythe brought up a recent issue with Mesa Clinical Pharmacy being short staffed during the lunch hour. Mr. Lovrich stated he will follow up with the manager about lunch coverage. Director Blythe also mentioned the community health needs assessment and suggested another assessment or potentially a community meeting. Director Elliott stated he would like to hear what the community has to say.

I. CLOSED SESSION: The Board went into closed session at 3:17pm.

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD
- Existing Litigation – Rostad v. KVHD
- Potential Litigation – 3 Cases
 - Carrington v. KVHD
 - Moudy v. KVHD
 - Contreras v. KVHD
- Performance Evaluation – Chief Executive Officer
- Personnel Appointment

The Board came out of closed session at 3:55pm.

J. CLOSED SESSION REPORT: The closed session report was given by Legal Counsel, Scott Nave. In closed session, Counsel updated the Board on the Benson, Volkava, and Rostad matters, as well as Carrington. Upon motion by Director Clark, seconded by Directors Parks, the Board vote unanimously to reject the Moudy claim. Upon motion by Director Parks, seconded by Director Clark, the Board voted unanimously to reject the Contreras claim. The Board performed an evaluation of the CEO's job performance. The Board discussed the appointment of Dr. Anderson. No other items were discussed.

K. ADJOURNMENT: The meeting was adjourned at 3:57pm by Director Blythe.

Approved by:

Ross Elliott, Secretary

John Blythe, Chair



**KERN VALLEY HEALTHCARE DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS
MINUTES**

**Friday, December 19, 2025 – 9:00 a.m.
Location: Administrative Conference Room**

IN ATTENDANCE:

John Blythe, Chairman
Katheryn Elconin, 1st Vice Chair
Fred Clark, 2nd Vice Chair
Ross Elliott, Secretary
Gene Parks, Treasurer
Scott Nave, Legal Counsel

- A. CALL TO ORDER:** The special Board of Directors meeting was called to order at 9:00am by Director Blythe.
- B. CLOSED SESSION:** In closed session, the Board conducted a Skelly Hearing.
- C. ADJOURNMENT:** The meeting was adjourned at 10:52am.

Submitted by:

Ross Elliott, Secretary

Approved by:

John Blythe, Chairman



BOARD OF DIRECTORS GOVERNANCE MEETING MINUTES

**Tuesday, December 30, 2025 – 9:00a.m.
Location: Administrative Conference Room**

In Attendance: John Blythe, Committee Chair
Katheryn Elconin, Committee Member
John Lovrich, Chief Executive Officer
Cary Zuber, Chief Information Officer

- A. CALL TO ORDER:** The meeting was called to order at 9:00am by Director Blythe.
- B. APPROVAL OF AGENDA:** The agenda was approved as distributed.
- C. APPROVAL OF MINUTES:** The minutes of the October 28, 2025 meeting were approved as distributed.
- D. PUBLIC COMMENT:** No public comment this morning.
- E. REPORTS:**
 - 1. Chairman's Report:** Director Blythe briefly mentioned some of the recent changes with to the Brown Act (SB707) which go into effect January 1st. These include remote participation, rules for disruption, and discussion of cyber-attacks in closed session.
 - 2. CEO Report:** Mr. Lovrich reported that the wound care program is continuing with Medicare patients. There is still some concern about reimbursement with some of the laws changing January 1st so we want to see how those changes may impact the program before trying to expand the program. The SNF census is currently 55, with efforts to increase it. The SNF beautification project is ongoing. The new space for Mesa Clinical Pharmacy is coming along. Maintenance thinks they will be finished around end of January. The suite for Medical Records is about ready, and they are looking forward to the move. Greg, Miranda, and Cary recently went to Arizona for a site-visit for a clinic using CPSI. The visit went well and it looks as though the clinic will be switching to CPSI for their EHR. The cost report is complete, and we are opening previous year's cost reports to try to get some money for bad debts.
 - 3. CIO Marketing Report:** The marketing report was reviewed and discussed. There was lengthy discussion about the SNF census and efforts that can be made to increase admissions. Mr. Zuber reported that the marketing department is working on their strategic plan for the new year.

- 4. Strategic Plan Update:** Mr. Lovrich stated he still plans to review and update the strategic plan, and hopes to have this completed by the end of March. Director Elconin stated she reviewed the last community needs health assessment that was completed in 2017 and thinks there are some items in that assessment that are still viable. Mr. Lovrich stated he will review the assessment with the executive team.

F. OLD BUSINESS: None

G. NEW BUSINESS: None

H. CLOSED SESSION: In closed session, the Board conducted a performance evaluation of the Chief Executive Officer. No action was taken and no other items were discussed.

I. ADJOURNMENT: The meeting was adjourned at 10:15am.

Submitted By: _____

Approved By: _____



**BUILDING AND PLANNING COMMITTEE
AND SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES
Tuesday, December 30, 2025 – 1:00pm
Administrative Conference Room**

In Attendance: John Blythe, Chairman
Katheryn Elconin, 1st Vice Chair
Fred Clark, 2nd Vice Chair
Gene Parks, Treasurer
John Lovrich, Chief Executive Officer
Mark Gordon, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Greg Davis, MVHC Manager

Absent: Ross Elliott, Secretary
Bob Easterday, Plant Operations Manager

- A. **Call to Order:** The meeting was called to order at 1:01pm by Director Blythe.
- B. **Approval of Agenda:** The agenda was approved as distributed. FC, GP – 4/0 (Elliott absent).
- C. **Public Comment:** There was no public comment today.
- D. **Approval of Minutes from October 28, 2025 Meeting:** The minutes of the October 28, 2025 meeting were approved as presented. FC, RE – Roll call vote - 4/0.
- E. **Project Update:** The project update summary was given by Mr. Lovrich.
 - 1. **Master Plan:** HCAI has granted an additional 1-year extension on the approval of our drawings to April 2027. Mr. Easterday is also working with HCAI for an additional grant to cover a position of the \$8.75million which would be the portion of the FEMA project that KVHD would be responsible for.
 - 2. **New Administration Building:** Work on suites D and E for the pharmacy should be complete by mid-January. The application has been submitted to the Board of Pharmacy to initiate the move. Work is proceeding on suite C for Medical Records. There was discussion about parking at the new building. Mr. Lovrich stated he will follow up with Mr. Easterday regarding the parking. Director Parks requested that the bowling alley sign at the corner also be addressed. There was also brief discussion about the security bars for the windows at the pharmacy.
 - 3. **Emergency Generator:** Once the final change order has been approved by HCAI, we can close this project.

4. **NPC Seismic Upgrade of Dietary, Surgery, and Central Plant Buildings:** The architects and engineers are completing the drawings that must be submitted by January 1, 2026.
 5. **Skilled Nursing Building Reclassification:** The architects and engineers are working on the drawing to bring the utility connections up to code.
 6. **Skilled Nursing Unit Cosmetic Work:** The cosmetic work to the Skilled Nursing unit is ongoing. The painting and repair of the floor tiles is complete. The baseboards should be arriving next week. Mr. Easterday is continuing to work with HCAI on the removal of the stainless built-in cabinet at the nurses station. The plan is to remove the unit and replace with a larger handwashing sink, cabinets, and refrigerator/freezer.
 7. **Dietary Area Cosmetic Work:** This project has been put on hold due to the priority completion of the retail pharmacy.
 8. **Acute Care Restrooms:** This project has also been put on hold due to the retail pharmacy project.
- F. **Mesa Clinical Pharmacy Upgrade:** Discussed under Project Update – New Administration Building.
- G. **Repair of Fire Alarm Panel – Staff Memo and Resolution 25-12 Authorizing Sole-Source Repair of the District Fire Alarm Panel:** After brief review of the staff memo, a motion was made by Director Clark to approve the repair of the fire alarm panel and adopt Resolution 25-12 authorizing the sole source repair. The motion was seconded by Director Parks. Motion passed with a vote of 4/0 (Elliott absent).
- H. **Invoice Review/Approval:** A motion was made by Director Clark to approve the invoice listed below. The motion was seconded by Director Elconin. The motion passed with a vote of 4/0 (Elliott absent).
1. Greenbough Design – Inv. #1007 – Seismic Retrofit - \$5,376.00
- I. **Approval of Emergency Department Physician Services Agreement and Privileges for Joseph Moza, MD:** After brief review and discussion, a motion was made by Director Clark to approve the agreement and privileges for Dr. Moza. The motion was seconded by Director Elconin. Motion passed with a vote of 4/0 (Elliott absent).
- J. **Adjournment:** The meeting was adjourned at approximately 1:27pm by Director Blythe.

Submitted By: _____

Approved By: _____



**MINUTES FOR
BOARD PERSONNEL AND POLICY COMMITTEE
Monday, December 29, 2025 – 9:00 A.M.**

1. **CALL TO ORDER:** The meeting was called to order by Fred Clark, Committee Chair, at 9:00am in the Administrative Conference Room.

PRESENT: Fred Clark, Committee Chair
John Blythe, Board Member (for Director Elliott)
John Lovrich, Chief Executive Officer
Mark Gordon, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Cassandra Coleman, Human Resources Manager
Greg Davis, Director of Population Health
Heidi Sage, Executive Assistant

2. **APPROVAL OF AGENDA:** The agenda was approved as distributed.
3. **APPROVAL OF MINUTES:** The minutes of the October 27, 2025 meeting were approved as distributed.

4. **REPORTS:**

- A. **Human Resources Report:** The HR reports for October and November 2025 was presented by Cassandra Coleman. Ms. Coleman updated the committee on hires and terminations for the month. The discrepancy for October to November with regard to head count is related to one report not including staff who are on leave of absence. It was suggested that we add a line item to account for staff on leave.
- B. **FTE Report:** The FTE reports for the last four pay periods were reviewed and discussed. For PPE 11/01/20/25, the District was 4.41 FTEs under target based on actual volume. For PPE 11/15/25, the District was 0.71 FTEs over target based on actual volume. For PPE 11/29/25, the District was 13.12 FTEs under target based on actual volume. For PPE 12/13/25, the District was 7.44 FTEs under target based on actual volume.
- C. **Chief Nursing Officer Report:** Mr. Gordon reported that the nursing staff shortages have improved with the recent adjustment of the salary ranges. As a result, we are also using less registry. The wound care program is ongoing, although we continue to work on billing/reimbursement issues. The wound care is being done in the PACU. New training programs for licensed nursing staff are in development. The Education Department has also begun purchasing equipment for the skills lab.
- D. **Chief Executive Officer Report:** Mr. Lovrich reported that the District is continues to look at ways to cut costs in preparation for potential cuts that may be coming. We are continuing to work on the wound care program. Mr. Lovrich stated we will continue with Medicare patients for now as he is unclear whether or not the managed MediCal plans will cover the cost of the supplies. Mr. Lovrich reported that the District is continuing to work on the wage ranges using data from HASC. The plan is to finalize the ranges and take them to the Board in January or February for

approval. The cost report is complete. Mr. Lovrich stated he has opened up past years cost reports to try to get additional reimbursement related to bad debts. The District is expecting to receive the KHS IGT funds in the amount of approximately \$8 million. The SNF beautification project is ongoing. The baseboards should be in later this week. Mr. Easterday is also working on the sink/refrigerator area at the nurses station. Marketing efforts for the SNF are moving forward. The billboards are up in Bakersfield and staff will begin visiting facilities so ensure they know we have bed availability. The Kern Valley Sun approached the District about taking over social media for our facility. Mr. Lovrich stated we are not considering it at this particular time, partially due to conflict of interest. Mr. Lovrich also continues to look into the reimbursement rate for the SNF due to controlling costs.

5. POLICY/PROCEDURES FOR REVIEW:

Manuals:

Rural Health Clinic – The Rural Health Clinic manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Infection Control – The Infection Control manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

SNF Infection Control – The SNF Infection Control manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Mesa Clinical Pharmacy – The Mesa Clinical Pharmacy manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Lab – Chemistry – The Chemistry manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Lab – Hematology – The Hematology manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Lab – Specimen Collection – The Specimen Collection manual was approved by this committee and will be placed on the Board of Directors consent agenda for final approval.

Policies:

Administration:

- | | |
|--|---|
| • Compliance Hotline Reporting | Approved – Will place on consent agenda |
| • Non-Denominational Pastor Roster | Approved – Will place on consent agenda |
| • Quality Review/Risk Management Reporting | Approved – Will place on consent agenda |

Emergency Department:

- | | |
|--|---|
| • Human Trafficking, Recognition, Reporting, Documentation | Approved – Will place on consent agenda |
|--|---|

Human Resources:

- | | |
|--------------------------------------|---|
| • Benefits During a Leave of Absence | Approved – Will place on consent agenda |
| • Open Door Policy | Approved – Will place on consent agenda |

Mesa Clinical Pharmacy:

- | | |
|--|---|
| • Language Interpretation Services | Approved – Will place on consent agenda |
| • Mesa Clinical Pharmacy Services | Approved – Will place on consent agenda |
| • Pharmacy Hours and Delivery Schedule | Approved – Will place on consent agenda |

Nursing:

- | | |
|---|---|
| • Involuntary Psychiatric Hold – 5150 – Suicide Mgmt. | Approved – Will place on consent agenda |
| • Nursing Call-Off Labor Pool | Approved – Will place on consent agenda |

Radiology:

- | | |
|---|---|
| • Radiation Safety – Pregnant Personnel | Approved – Will place on consent agenda |
| • Radiation Safety Cumulative Dose Report | Approved – Will place on consent agenda |
| • Radiology Department Services – General | Approved – Will place on consent agenda |

Rehabilitation Services:

- | | |
|----------------------------------|---|
| • Attendance | Approved – Will place on consent agenda |
| • Billing | Approved – Will place on consent agenda |
| • Cleaning: Equipment and Clinic | Approved – Will place on consent agenda |

Rural Health Clinic:

- Cultural and Linguistics
- Emergency Care of Patients
- Housekeeping – Clinic
- Orientation Checklist – Back Office
- Orientation Checklist – Front Office
- Registration of Patients

Approved – Will place on consent agenda
Approved – Will place on consent agenda
Approved – Will place on consent agenda
Approved – Will place on consent agenda
Approved – Will place on consent agenda
Approved – Will place on consent agenda

Skilled Nursing:

- Smoking Policy

Return to manager (redundancies in P/P)

Staff Development:

- Mock Codes
- Training Injury Disclaimer

Approved – Will place on consent agenda
Approved – Will place on consent agenda

TO BE RETIRED:

- SNF – Incident Investigation – Witness Interview

Okay to retire

Policy Tracking Form: The tracking forms for both clinical and non-clinical policies were briefly reviewed.

6. OLD BUSINESS:

A. Review of Evaluation Tracking Form: The evaluation tracking form was reviewed and discussed. The committee was pleased that the list of delinquencies is much shorter.

7. NEW BUSINESS:

A. Termination Trending Detail: This item was discussed under the HR Report.

B. Nectar Usage Report: The Nectar Usage reports were briefly reviewed. Mr. Gordon had questions about the stats as he feels his appear to be inaccurate. Mr. Zuber stated he will investigate this further.

8. ADJOURNMENT: The meeting was adjourned at 9:42am.

Submitted by: _____
Heidi Sage, Executive Assistant

Approved by: _____
Fred Clark, Committee Chair

**KERN VALLEY HALTCARE DISTRICT
HUMAN RESOURCES REPORT
OCTOBER 2025 – FY 25**

		OCT '25	SEP '25	AUG '25	OCT '24	
FULL TIME:		231	230	230	273	
PART TIME:		31	26	27	36	
PART TIME W/O BENEFITS:		12	10	9	28	
PER DIEM:		44	43	40	86	
TEMPORARY:		16	22	22	18	
HEADCOUNT:		275	273	275	272	
TURNOVER RATE:		2.9%	1.34%	2.18%	2.6%	
OPEN POSITIONS:	15	OPEN		DEPARTMENT	POSITION	STATUS
		1		SKILLED NURSING	CNA	FT
		2		SKILLED NURSING	LVN	PT
		1		SKILLED NURSING	RESIDENT MONITO	TEMP
		1		NUTRITION	DIETARY TECH	FT
		1		IN PATIENT PHARM	PHARMACIST	FT
		1		MVHC	CLINICAL PHYSICIAN	PT
		1		MVHC	MID-LEVEL PRACT	FT
		1		RADIOLOGY	RAD TECH	PD
		1		ULTRASOUND	ULTRASOUND TECH	PD
		1		REHAB	PTA	PT
		2		RESPIRATORY	RCP	FT
		1		LAB	LAB SCIENTIST II	FT
		1		FINANCE	CFO	FT
NEW HIRES:	4	NEW				
		2		NUTRITION	DIETARY TECH	PW
		1		SKILLED NURSING	CNA	PD
		1		RADIOLOGY	RAD TECH	PD
SEPARATION FROM EMPLOYMENT:	8	VOL	INVOL	DEPARTMENT		
		2		PURCHASING	BUYER/STOCK CLERK	FT
		1		SKILLED NURSING	RESIDENT MONITOR	TEMP
		1		SKILLED NURSING	CNA	FT
		1		SKILLED NURSING	CNA	PD
		1		NUTRITION	DIETARY TECH	PT
		1		ACUTE CARE	TELEMETRY TECH	FT
		1		ACUTE CARE	RN	PD
WORKERS' COMPENSATION NEW CLAIMS:				DEPARTMENT	LOST TIME?	RTW?
WC OPEN/CLOSED:		OPEN FY 24-30 10	CLOSED FY 24-30 7	TOTAL CLAIMS FY 24-30 17	TOTAL OPEN CLAIMS 10	
(FY24) 7/1/24 – 6/30/25		10	7	17		
(FY25) 7/1/25 – 6/30/26		5	0	5		

**KERN VALLEY HALTCARE DISTRICT
HUMAN RESOURCES REPORT
NOVEMBER 2025 – FY 25**

		NOV '25	OCT '25	SEP '25	NOV '24	
FULL TIME:		214	231	230	273	
PART TIME:		23	31	26	36	
PART TIME W/O BENEFITS:		8	12	10	28	
PER DIEM:		41	44	43	89	
TEMPORARY:		6	16	22	19	
HEADCOUNT:		292	275	273	267	
TURNOVER RATE:		1.03%	1.34%	1.34%	1.9%	
OPEN POSITIONS:	12	OPEN		DEPARTMENT	POSITION	STATUS
		1		SKILLED NURSING	CNA	FT
		2		SKILLED NURSING	LVN	PT
		1		NUTRITION	DIETARY TECH	FT
		1		MVHC	CLINICAL PHYSICIAN	PT
		1		MVHC	MID-LEVEL PRACT	FT
		1		RADIOLOGY	RAD TECH	PD
		1		REHAB	PTA	PT
		2		RESPIRATORY	RCP	FT
		1		LAB	LAB SCIENTIST II	FT
		1		FINANCE	CFO	FT
NEW HIRES:	9	NEW				
		1		ACUTE	LVN	FT
		1		MVHC	MA/RECEPTIONIST	FT
		2		EMERGENCY	RN	FT
		1		SKILLED NURSING	CNA	PD
		1		EMERGENCY	ER TECH	PD
		1		SKILLED NURSING	ACTIVITIES BUS DRIVER	PD
		1		PURCHASING	BUYER/STOCK CLERK	FT
		1		SKILLED NURSING	RN/CHARGE	FT
SEPARATION FROM EMPLOYMENT:	3	VOL	INVOL	DEPARTMENT		
		1		MVHC	NURSE PRACTITIONER	FT
		1		NUTRITION	DIETARY TECH	FT
			1	SKILLED NURSING	FAILED TO GET CERTIFICATION	TEMP
WORKERS' COMPENSATION NEW CLAIMS:				DEPARTMENT	LOST TIME?	RTW?
WC OPEN/CLOSED:		OPEN FY 24-30 14	CLOSED FY 24-30 8	TOTAL CLAIMS FY 24-30 22	TOTAL OPEN CLAIMS 14	
(FY24) 7/1/24 – 6/30/25		10	7	17		
(FY25) 7/1/25 – 6/30/26		4	1	5		



Chief of Staff Report – January 8, 2026 Board Meeting

Medical Quality Council – December 9, 2025

- Committee reviewed the 2026 Quality Assurance/Performance Improvement (QAPI) Plan.
- Committee reviewed the 2026 Patient Safety Plan.
- Committee reviewed a report relevant to a recent survey.
- Board members were given updates on regular reports – Risk Summary 3rd quarter, SNF QA Studies 3rd Quarter, MBQIP 2nd Quarter, NPSG 3rd Quarter, Department QR 3rd Quarter, SNF Plan of Corrections 3rd Quarter, CAHPS, and HCAHPS 3rd Quarter.

Utilization Review (UR) Committee – December 17, 2025

- Committee reviewed regular reports (Denials of Payment, Average Length of Stay, UR/Medical Records Study, and Monthly UR Worksheet)

Medication Error Reduction Program Committee – December 18, 2025

- Mountain View Health Center and Mesa Clinical Pharmacy gave verbal reports.
- Committee reviewed and discussed regular reports (Medication Events by Area, Category, and Severity Level, Medication Incidents and Near Misses, Top 3 Error Tracking Reports, Medication Events Report, Medication Pass Audit Overview, Med Verify Report)
- Also reviewed were the ISMP Medication Safety Alert newsletters for November 20 and December 4, 2025.

CHIEF NURSING OFFICER
Board Report 1/8/2026

Our nursing shortages are much improved, and we are currently covered in the med/surg and ER side of the house.

We are providing a weekly wound care program for outpatients and are looking at the revenue side of this process to ensure it will be lucrative for us.

New programs are being created for training the new nursing staff and will be worth the expense for retaining our own highly trained staff here. Mandatory training for new grads with < one year experience. Future classes include:

- Triage ESI training – Eric Wicker (mid-January)
- Precipitous delivery – Tina Bennett (after receipt of the new warmer)
- Chest tube insertion – Kahlie Chambers
- IV and Mid-line insertion and maintenance – Janel Valdez

The Nursing skills lab will require some investment in supplies and training materials which I believe we have needed for a long time. The Auxiliary has funding for many of these tools and supplies. Joy Donoho will be developing a list of supplies and products to purchase. We have ordered some preliminary tools (i.e. chest tube insertion materials, OB/precipitous delivery kit)

Nothing new to report!

KVHD CIO Report 1/8/2026

- The AZ Trip to view TruBridge's clinic software was a success. The product has many features that should increase productivity with only a few tradeoffs. John and Cary are working through the details of the agreement and will be presenting costs to the Board.
- The migration of our radiology server was successfully completed on 1/7. The server migration moved us to the latest version of eRAD's software as well as move control of critical updates back to KVHD.
- The kickoff call for migration to Tsystem EvOLVED took place on 1/7. Migration to this new product will bring a charge interface that will remove the need for finance staff to manually key in charges, instead charges will be added as items are used in the ED.
- The Process Improvement team is working through improving workflows identified in optimization reports provided by TruBridge. The next department we are working on is ensuring In-patient Pharmacy is utilizing recommended workflows withing the TruBridge application.
- 5 new billboards are up in Bakersfield advertising for bed availability in our SNF. We are hoping both discharge planners and families in need of our services will see and respond to these ads. Social Services staff are tracking referrals to determine if any are coming from the billboards.
- A new informational ad campaign will be starting soon. The goal of the ad is to bring understanding to the community about what a Critical Access Hospital is and the services we can provide at our facility.

Q4 Board Report: December EOY

Community Engagement & Education	Strategic Marketing & Digital Growth
<ul style="list-style-type: none"> • Holiday & Morale: Built strong momentum through Halloween activities, Veterans Day, and a successful employee food pantry. Employee moral seems to be boosted slightly after the Christmas party and gifts distributed. • Diabetic Cooking Classes: Initial classes saw high demand with 20 sign-up requests for only 10 spots. • New Support Group: Due to overwhelming positive feedback, participants have requested the formation of a Diabetic Support Group on hospital grounds. • Local Outreach: Launched “Dr. Tiffany’s Takeaways” to provide health education to the KRV community. 	<ul style="list-style-type: none"> • Instagram Expansion: Successfully gained access to the company Instagram account, allowing for multi-platform engagement and broader demographic reach. • Website Enhancements: Initiated strategic modifications and updates to the hospital website to improve user interface & experience (UI & UX) . • Bakersfield Outreach: Marketing materials were updated and approved in November. Current ads have been modified into English and Spanish to reach all local demographics. • CAH Education: Digital campaigns regarding our "Critical Access Hospital" status are in progress and will be going live Jan 2026 .

Operational Impact & Patient Growth	Patient Experience & Feedback
<ul style="list-style-type: none"> • SNF Census Increase: Observed a notable increase in Skilled Nursing Facility (SNF) patients, likely a direct result of the targeted Bakersfield advertising push. • Auxiliary Success: Operations continue to thrive, maintaining daily sales of over \$1,600-1,800 since September. • Advertising Efficiency: Transitioned to Lamar digital signage in December to maintain a cost-effective presence while focusing resources on Bakersfield outreach. Successfully negotiated with KRV Radio for 3 months free and taken down any & all old ads currently planning campaign for the future. <p>KGET 17 interview planned for John Lovrich discussing our new pharmacy, SNF updates, etc. (possible live or prerecorded will get details after new year.)</p>	<ul style="list-style-type: none"> • Patient Success Stories: Successfully documented the story of Mr. Duncan, who highlighted the superior, personalized care he received in Physical Therapy. • Survey Performance: Early survey results show positive ratings across three different departments. Slow start, but gaining traction. • Strategic Pivots: Following the October rollout, we are currently adjusting survey distribution methods to increase overall response rates. Such as trying out new designs and bigger qr codes to see what will gain the public's attention.

Patient Safety Plan

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Objectives

The objectives of the Patient Safety Plan are to:

- Encourage organizational learning about medical/health care errors and patient safety.
- Incorporate recognition of patient safety as an integral job responsibility.
- Provide education of patient safety into job specific competencies.
- Encourage recognition and reporting of medical/health care errors and risks to patient safety without judgement or placement of blame.
- Involve patients/residents in decisions about their health care and promote open communication about medical errors/consequences which occur.
- Collect and analyze data including monitoring for sociodemographic disparities, evaluating care processes for opportunities to reduce risk, and to develop and implement actions to reduce/prevent reoccurrence of safety events.
- Report internally what has been learned and the action taken with a focus on processes and systems to reduce risk.

Organization and Functions

The Patient Safety Team is a standing interdisciplinary group that manages the organization's Patient Safety Program through a systematic, coordinated, continuous approach. The team will meet regularly to ensure the maintenance and improvement of Patient Safety in establishment of plans, processes and mechanisms involved in the provision of patient care.

- A. The scope of the Patient Safety Team includes medical/healthcare errors or concerns and patient safety events involving the population of all ages, race, ethnicity, preferred language spoken, disability, payor and sex. Safety events may be reported anonymously by anyone including, but not limited, to healthcare practitioners, facility employees, patients, visitors, students and volunteers. Aggregate data*from internal (data collection, incident reports, questionnaires, Core Measure reports, etc.) and external resources (Sentinel Event Alerts, evidence-based medicine, etc.) will be used for review and analysis in prioritization of improvement efforts, implementation of action steps and follow-up monitoring for effectiveness.

The severity categories of medical/health care errors include:

- **Near Miss –**
 - Circumstance or unsafe condition that had the capacity to cause a safety event (Category A – No Harm).
 - Event did not reach the person (because of an action or intervention) (Category B – No Harm).
- **No Harm –**
 - Event reached the person and caused no harm, and required no monitoring to confirm and no intervention to preclude harm (Category C – No Harm).
 - Event reached the person and caused no harm, and required monitoring to confirm and/or intervention to preclude harm (Category D – No Harm).

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- **Mild/Moderate Harm –**
 - Event reached the person and caused mild harm, and may have required minimal intervention or care (Category E – Mild).
 - Event reached the person and caused moderate harm, and required moderate intervention or care (Category F – Moderate).
- **Severe Harm –**
 - Event reached the person and caused severe harm, and required significant intervention (Category G – Severe).
 - Event reached the person and caused severe harm, and required intervention to sustain life (Category H – Severe).
- **Sentinel Event –**
 - Event reached the person and contributed to or caused death (Category I – Death).
 - Person's death due to admitting diagnosis or unrelated disease, not caused by a safety event (Category X – Death).

Medication errors will be categorized by the MERP index listed below:

- A – Circumstance or unsafe condition that has the capacity to cause a safety event
- B – Event occurred but did not reach the person (because of an action or intervention) (Errors of omission are listed here)
- C – Event reached the person but caused no harm, and no intervention or monitoring was required
- D – Event increased the need for monitoring or evaluation but caused no harm
- E – Event caused mild temporary harm but did not require significant intervention or care (e.g. no more than bandage, ointment, etc.)
- F – Event contributed or resulted in temporary harm, AND required additional intervention or care
- G – Event may have contributed or resulted in permanent harm but did NOT require intervention to sustain life
- H – Event resulted in permanent harm, AND required intervention to sustain life
- I – Event caused and/or contributed to death
- X - Death due to admitting diagnosis or unrelated disease (i.e., not caused by or related to a safety event)

* **The Patient Safety Team** will only evaluate aggregate data/processes and NOT specific clinical details related to individual occurrences. Clinical details will be reviewed/addressed through the established Medical Staff Peer Review process.

- B. The Patient Safety Team will be chaired by the Chief Nursing Officer or designee.
1. A Patient Safety Officer will be assigned by the Chief Nursing Officer. The responsibilities of the Patient Safety Officer include compliance with patient safety standards and initiatives, evaluation of work performance as it relates to patient safety, reinforcement of the expectations of the Patient Safety Plan, and acceptance of

Patient Safety Plan

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accountability for measurably improving safety and reducing errors. These duties may include listening to employees' and patient concerns, interviews with staff to determine what is being done to safeguard against occurrences, and immediate response to reports concerning workplace conditions.

2. Team membership includes services involved in providing patient care, i.e., Pharmacy, Surgical Services, Risk Management, Infection Control, Education, Radiology, Dietary and Nursing. Other departments may be invited as needed.

- C. The mechanism to ensure all components of the organization are integrated into the program is through a collaborative effort of multiple disciplines. This is accomplished by:
- Reporting of potential or actual occurrences utilizing the RL Datix Safety and Risk Management software tool by any facility employee, healthcare practitioner, student and volunteer in every department.
 - Communication between the Patient Safety Officer and the Operational Safety Leader to assure a comprehensive knowledge of not only clinical, but also environmental factors involved in providing an overall safe environment.
 - Reporting patient safety and operational safety measurements/activity to the performance improvement oversight group, Medical Quality Council.
- D. The mechanism for identification and reporting a Sentinel Event/other medical error is in effect, and a root cause analysis of hospital processes conducted on either Sentinel Events or near misses will be submitted for review/recommendations to the Patient Safety Team, Medical Quality Council and the Medical Executive Committee.
- E. As this organization supports the concept that errors may occur due to a breakdown in systems and processes, staff involved in an event with an adverse outcome will be supported by:
- Use of the Just Culture algorithm
 - A non-punitive approach and without fear of reprisal.
 - Voluntary participation into the root cause analysis for educational purposes and prevention of further occurrences.
 - Providing resources such as Pastoral Care, Social Services, and Employee Assistance Programs.
- F. As a member of an integrated healthcare system and in cooperation with system initiatives, the following Patient Safety Measures will be the focus of Patient Safety activities:
1. Adverse Drug Events
 2. Hospital Acquired Infection (HAI)
 3. Blood Reactions
 4. Slips and Falls
 5. Serious Event Reports
- G. Implementation of new processes, or redesign of current processes, will incorporate patient safety principles and an emphasis on the important hospital and patient care functions of:

Patient Safety Plan

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Patient Rights	Patient/Family Education	Improving Organizational Performance
Patient Assessment	Continuum of Care	Management of Information
Care of the Patient	Leadership	Management of Human Resources
Infection Control	Patient Dietary Needs	Management of Environment of Care
Radiation Exposure		

- H. The procedures for immediate response to medical/health care error and patient safety events are as follows:
1. Staff will immediately report the event to the supervisor (either the nursing manager or the house supervisor if the event occurs during off-hours).
 2. The supervisor will immediately communicate the event to the Patient Safety Officer to initiate investigation and follow-up actions. Should this occur during off-hours, the administrator on-call should be notified and a voice message left on the Patient Safety Officer's voice mail.
 3. Staff will complete an Incident report in RL Datix to preserve information.
 4. Staff will obtain required orders to support the patient's clinical condition.
 5. The Plant Operation Safety Leader will be notified of any situation of potential risk to others.
 6. If an occurrence happens with significant consequences to the patient, the Chief Nursing Officer or Patient Safety Officer will begin discussions with the patient/resident/family/caregivers regarding adverse outcomes:
 - a. Events impacting the patient's clinical condition – The Patient Safety Officer will notify the care-giving physician about informing the patient/resident/family/caregivers in a timely fashion (within 48-72 hours). Should the care-giving physician refuse or decline communication with the patient/resident/family/caregivers, the Chief of Staff will be notified by the Patient Safety Officer. The patient/resident/family/caregivers will NOT be contacted without the permission and/or notification of the care-giving physician involved. The care-giving physician will determine the appropriateness of documentation of the occurrence in the medical record and will communicate this to the Patient Safety Officer.
 - b. Events NOT impacting the patient clinical condition but causing a delay or inconvenience – The Patient Safety Officer will communicate with the Nursing Manager the need for communication with the patient/family/caregivers in the interest of patient satisfaction.

The Patient Safety Officer will follow usual protocols to investigate the error and coordinate the factual information/investigation for presentation, review and action by the Patient Safety Team as applicable.
- I. Solicitation of input and participation from patients, residents, families, and caregivers in improving patient safety will be accomplished by:
1. Conversations with patients, residents, families, and caregivers during nursing manager or administrative rounds.
 2. Comments from Patient Satisfaction surveys.

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- J. Procedures used in communicating with patients, residents, families and caregivers regarding the organization's role and commitment to meet the patient's right to have unexpected outcomes or adverse events explained to them in an appropriate, timely fashion include:
1. Patient's rights statements.
 2. Patient responsibilities – A list of patient responsibilities will be included in the admission information packet. These responsibilities include the patient providing correct information about perceived risks and changes in their condition, asking questions, following instructions, accepting consequences, following facility rules, etc.
 3. Annual assessment for information barriers to effective communication among caregivers.
- K. Methods to assure ongoing in-services, education and training programs for maintenance and improvement of staff competence and support to an interdisciplinary approach to patient care is accomplished by:
1. Providing information and reporting mechanisms to new staff in the orientation training.
 2. Providing ongoing education, including reporting mechanisms, through the Learning Management System.
 3. Encouraging facility staff to report suspected instances of racism and discrimination.
 4. Evaluating staff knowledge levels and participation of patient safety principles in annual performance evaluations.
 5. Patient Safety Surveys conducted biennially.
- L. Internal reporting – To provide a comprehensive view of both the clinical and operational safety activity of the organization:
- A monthly report of patient safety events will include (when reported by the patient) age, race, ethnicity, and sex. Additionally, gender identity, sexual orientation, preferred language spoken, disability status, and payor may be provided as needed.
 - The minutes/reports of the Patient Safety Team will be submitted to the Medical Quality Council.
 - These regular reports will include ongoing activities including data collection presented in statistical process control charts, analysis, actions taken and monitoring for the effectiveness of actions.
- M. External reporting will be completed in accordance with all state, federal and regulatory body rules, regulations and requirements.
- N. The Patient Safety Officer will submit an Annual Report to the Board of Directors through the Medical Quality Council and may include:
1. Detail of activities that demonstrate the patient safety program has a proactive component by identifying the high-risk process selected.
 2. A description of how the function of process design that incorporates patient safety has been carried out using specific examples of process design or redesign that include patient safety principles.
 3. The results of how input is solicited and participation from patients and families in improving patient safety is obtained.
 4. The results of the program that assesses and improves staff willingness to report medical/health care errors.

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5. A description of the procedures used and examples of communication occurring with families about adverse events or unanticipated outcomes of care.
6. A description of the examples of ongoing in-service, and other education and training programs that are maintaining and improving staff competence and supporting an interdisciplinary approach to patient care.

Review of the Patient Safety Plan

The Patient Safety Plan will be evaluated annually or as changes occur, and revised as necessary at the direction of the Medical Quality Council.

Patient Safety Plan

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Approvals:

Mark Gordon, Chief Nursing Officer

Date

John Lovrich, Chief Executive Officer

Date

Gary A. Finstad, M.D., Chief of Staff

Date

John Blythe, Chairman, Board of Directors

Date

Mission Statement

Kern Valley Healthcare District is committed to providing the highest quality of care to each resident/patient. We are dedicated to the concept of quality assurance and performance improvement in all aspects of our care and services. Providing high quality and safe care is our highest priority. An ongoing quality assurance and performance improvement program allows Kern Valley Healthcare District to meet or exceed the goal of 'high quality of services' that are safely performed to our residents/patients of the Kern River Valley.

Purpose

The purpose of Kern Valley Healthcare Districts Quality Assurance Performance Improvement (QAPI) Program is to enhance patients' health and safety, continuously improve patient perceptions of care, enhance staff morale, and improve organizational efficiency and effectiveness. Our QAPI Program will enable us to achieve our vision of quality in all that we do by continuously improving the degree of excellence of our Districts processes, provider and support staff performance, decisions, and human interactions.

Authority and Responsibility

The Board of Directors has the authority and responsibility to require and support a QAPI Program at Kern Valley Healthcare District. The Board of Directors has delegated the responsibility of implementing an organization-wide QAPI program to the Chief Executive Officer (CEO), the Chief of Staff and the Quality Improvement Manager.

Board of Directors

The Board of Directors have two members appointed to the Medical Quality Council (MQC). All Board of Directors receive a report from the Chief of Staff during monthly board meetings. The Board of Directors may also receive other quality related reports and recommendations, as necessary, from the Medical Executive Committee (MEC).

Medical Quality Council

Chief Executive Officer, Chief Nursing Officer, Chief of Staff, Director of Nursing SNF, appointed Board Members, and Quality Improvement Manager serve as the Medical Quality Council. The council is responsible to approve and oversee the organization-wide QAPI Program.

The Medical Quality Council shall:

- Annually approve the organizational wide QAPI plan including individualized department or service specific indicators to improve quality care utilizing evidence-based practices.
- Receive and act on reports of QAPI outcomes and communicate findings and actions to the MEC and Board of Directors.

The Medical Quality Council shall (cont'd):

- Assure QAPI monitoring outcomes are communicated to hospital and medical staff members.
- Assure the effectiveness of sentinel event corrective action through QAPI monitoring.
- Facilitate integration of risk reduction strategies into the QAPI program to reduce medical errors.

Chief Executive Officer

The CEO oversees the development and implementation of the QAPI activities to assure the integration and coordination of service-specific activities into the organization program. Educational resources shall be allocated by Administration for employee education and participation in QAPI activities. The CEO delegates authority to the Quality Improvement Manager and the Chief Nursing Officer for coordinating and implementing the program.

Medical Staff

Medical Staff Members are assigned by the MEC to serve on the Medical Quality Council. MQC monitors the approved QAPI Plan indicators and reports actions and findings to the MEC.

Plan

The organization wide QAPI Plan encompasses major important aspects of care provided by the hospital and Medical Staff in support of the achievement of KVHD's mission and strategic goals. This includes continual quality data measurement, assessment, and process improvement activities. The Plan describes the overall process for Departments and Services to collaboratively perform QAPI activities in a systematic manner, including the communication of activities and outcomes directed towards improving quality care and services.

"Department" refers to the Medical Staff departments and "Service" refers to the clinical and non-clinical hospital support services, including those provided under contract. Each Service Manager develops a department specific plan, consistent with the mission and scope of services provided in their department which describes the goals and measurements to be utilized in performance improvement.

Nursing Services

The Chief Nursing Officer is responsible for the integration, development, and coordination of the nursing QAPI into the organization-wide performance improvement program through participation and representation of nursing on organizational performance improvement teams in conjunction with the Quality Improvement Manager. The nursing department also maintains quality control programs as required for safe patient care delivery. The substantive results of nursing QAPI monitors are reported to the assigned Medical Staff Committees, MEC and Medical Quality Council.

Quality Control

Each Service and Department maintains quality control measures and programs as appropriate. The substantive results of quality control programs will be regularly reported to the assigned Committees and, when necessary, to the Medical Quality Council and Board of Directors.

Education

QAPI education will be provided to the Medical Staff members at the time of appointment and to Service Department Managers and hospital employees at the time of hire. Ongoing QAPI education and reports will be provided to all involved employees and Medical Staff members, which is an important component of QAPI activities.

Patient Safety and Medical Error Reduction Integration

Reduction of medical errors and the delivery of safe patient care is a priority. Occurrences are reported through the electronic event management system overseen by Risk Management. Individual occurrence reports are provided to department managers and Administration through the electronic event management system for information and follow up. Information related to adverse events, unusual occurrences, medical errors, sentinel events and error reduction is also provided to appropriate committees and other organizational teams for implementation of risk reduction strategies and monitoring. Aggregate information related to patient safety and the risk management program is reported to the Medical Quality Council, MEC and Board of Directors on a regular basis by Risk Management. Additionally, aggregated event data is reported to CHPSO, the California Hospital Patient Safety Organization, to facilitate state-wide review and learning about safety issues impacting patients in California.

Emergency Medical Treatment and Active Labor Act (EMTALA)

A medical screening examination (MSE) will be the same for all individuals coming to the hospital's emergency department with the same or similar signs and symptoms, regardless of the individual's diagnosis; race and color; national origin; disability; financial status; or other nonmedical factors. The medical record must reflect ongoing monitoring in accordance with the individual's needs. Monitoring must continue until it is determined that the individual does not have an emergency medical condition or until such time as the individual is admitted, stabilized or appropriately transferred or discharged. Aggregate data from ongoing audits conducted monthly and provided to the quality improvement coordinator will be reported quarterly to the Medical Quality Council, Medical Executive Committee and Board of Directors by the Quality Improvement Manager. EMTALA education will be conducted annually and as needed through opportunities identified in the auditing process.

Improvement Approach

Process improvement activities are carried out on an ongoing basis, as described in this plan utilizing the rapid cycle Plan*Do*Study*Act (PDSA) model to improve the timeliness of transforming information into activities and improve care delivery and outcomes. PDSA tests a change in the real work setting by planning it, trying it, observing the results, and acting on what is learned. This is the scientific method used for action-oriented learning. When actions are taken to improve a process, the following elements should occur, if appropriate:

- Plan specific process changes.

Improvement Approach, continued

- Collect baseline data of performance.
- Implement process changes on a pilot / trial basis.
- Measure and assess the effectiveness of the actions taken.
- If initiated actions do not achieve desired outcomes, then redesign process changes.
- If implemented process changes meet desired outcomes, then implement changes on an organization- wide basis.
- Continue measurement to ensure that the process improvement is maintained.

MONITORING**Process Design**

When KVHD is designing or redesigning a process or system, they will be based upon;

- KVHD's mission and vision.
- Health care needs of the community and input from community leaders.
- The needs and expectations of patients, staff and other customers.
- Department goals and services provided.
- Quality and performance indicators designed to improve quality care delivery and outcomes.
- Up-to-date information including evidence-based practice guidelines.

Measurement

KVHD has systematic process in place to collect QAPI data.

- Key indicators selected for review shall be prioritized according to high volume, high risk or specific identified problem prone areas.
- Data sources measured may be internal and/or include from external comparative databases.
- Data is collected monthly and reported quarterly.
- Measures related to quality control activities will also be carried out on an ongoing basis as determined to be necessary by each Department or Service.
- Indicators identified for focused improvement must be measured until expected outcomes are met and sustained for a minimum of six to nine months.
- Some key indicators may be measured indefinitely.
- Thresholds for Evaluation/Benchmark (TFE/B) shall be based upon targeted performance goals and/or published standards. If no published data is available, measures from past performance may be used.
- Source data must be verifiable from KVHD medical records or from observed data. Statistical measurements must include adequate data sampling, as follows:
 - For a population size of fewer than 30 cases, sample 100% of cases.
 - For a population size of 30-100cases, sample 30 cases.
 - For a sample population of 101-500 cases, sample 50 cases.
 - For a sample population greater than 500 cases sample 70 cases.

Assessment and Reporting

- Utilize assessment tools and techniques including data aggregation, analyzing performance over time, statistical process control, comparative data, comparison to clinical practice guidelines and other techniques that may be appropriate to evaluate the outcome data.
- Reports shall be submitted by the 15th of each month and include verifiably correct numerators and denominators.
- Display results with run charts, control charts and other statistical methods. Graphs should include data points, color for distinction of columns or graphs. Add targeted benchmarks whenever possible. Desired direction symbols and chart interpretation text may be added to the chart. Outcomes below expected thresholds require an analysis and action summarized on the report.
- Intensified assessments related to a sentinel event will include a thorough and credible root cause analysis.
- Clinical contracted patient care services will be assessed annually by the Medical Quality Council, Medical Executive Committee and recommendations made to Administration and Board of Directors to ensure services meet contractual, patient safety, timeliness, and quality requirements.

Priorities for 2026

The priorities for hospital-wide improvement projects for this year include:

1. Continuation of Commitment to Health Equity; developing an infrastructure supporting equitable healthcare within five domains:
 - a. Equity as a Strategic Priority
 - b. Data Collection
 - c. Data Analysis
 - d. Quality Improvement activities focused on reducing health disparities
 - e. Leadership Engagement
2. Continuation of Social Determinants of Health; develop a process for reporting Accountable Health Communities Health-Related Social needs screening data; collected during an inpatient initial interview, and used to identify social needs and provide community resource information in five domains:
 - a. Living Situation
 - b. Food
 - c. Transportation
 - d. Utilities
 - e. Safety
3. Hospital-acquired condition prevention – prevention of CAUTI (Catheter associated urinary tract infections), MRSA, C-diff and VRE prevention and other post-surgical complications.
4. Medication Error Prevention Program (MERP) – adherence to measure(s) defined by the MERP Committee according to high volume, high risk or specific identified prone areas.
5. Patient Experience improvement – using Survey Solutions as our vendor, the district will address the patient experience by review of HCAHPS surveys with identification of best practices and implementation of action plans to improve scores. All grievances shall be investigated and resolved per KVHD policy.

Current priorities for clinical and service departments are provided in attachment I.

Annual Evaluation

An annual report summarizing the outcomes of the QAPI program will be submitted to the Medical Quality Council for approval after conclusion of the plan year. The report will contain information regarding opportunities identified to improve care through the QAPI process and the effectiveness of actions taken. The annual report serves as the basis for the development of the subsequent annual QAPI Plan. The Medical Quality Council shall forward the annual summary to the Medical Executive Committee and Board of Directors.

Review of the Quality Improvement Plan

The Quality Improvement Plan will be evaluated annually and revised as necessary at the direction of the Medical Quality Council.

Approvals:

Dena Griffith, Quality Improvement Manager

Date

John Lovrich, Chief Executive Officer

Date

Gary A. Finstad, M.D., Chief of Staff

Date

John Blythe, Chairman, Board of Directors

Date



Unaudited Financial Statements

for

Fifth Month Ending November 30, 2025

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

Amy Smith
Controller

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KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fifth Month Ending November 30, 2025

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Patient Statistics

KERN VALLEY HEALTHCARE DISTRICT LAKE ISABELLA, CALIFORNIA Fifth Month Ending November 30, 2025

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Current Month					Year-To-Date				
	Actual 11/30/25	Budget 11/30/25	Positive/ (Negative) Variance	Prior Year 11/30/24	STATISTICS	Actual 11/30/25	Budget 11/30/25	Positive/ (Negative) Variance	Prior Year 11/30/24
Discharges									
[1]	20	29	(9)	18	Acute	118	146	(28)	124
[2]	2	2	(0)	1	Swing Beds	12	11	1	13
[3]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[4]	0	0	0	0	Respite	0	0	0	0
[5]	22	31	(9)	19	Total Adult Discharges	130	157	(27)	137
[6]	0	0	0	0	Newborn	0	0	0	0
[7]	22	31	(9)	19	Total Discharges	130	157	(27)	137
Patient Days:									
[8]	86	95	(9)	76	Acute	450	484	(34)	418
[9]	5	44	(39)	24	Swing Beds	114	226	(112)	229
[10]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[11]	0	0	0	0	Respite	0	0	0	0
[12]	91	139	(48)	100	Total Adult Patient Days	564	710	(146)	647
[13]	0	0	0	0	Newborn	0	0	0	0
[14]	91	139	(48)	100	Total Patient Days	564	710	(146)	647
Average Length of Stay (ALOS)									
[15]	4.3	3.3	(1.0)	4.2	Acute	3.81	3.3	(0.5)	3.4
[16]	2.5	20.6	18.1	24.0	Swing Bed	9.5	20.7	11.2	17.6
[17]	0.0	0.0	0.0	0.0	Psychiatric/Rehab	0.0	0.0	0.0	0.0
[18]	4.1	4.5	0.4	5.3	Total Adult ALOS	4.3	4.5	0.2	4.7
[19]	0.0	0.0	0.0	0.0	Newborn ALOS	0.0	0.0	0.0	0.0
[1]									
Average Daily Census (ADC)									
[20]	2.9	3.2	(0.3)	2.5	Acute	2.9	3.2	(0.2)	2.7
[21]	0.2	1.5	(1.3)	0.8	Swing Beds	0.7	1.5	(0.7)	1.5
[22]	0.0	0.0	0.0	0.0	All Other Adult	0.0	0.0	0.0	0.0
[23]	3.0	4.6	(1.6)	3.3	Total Adult ADC	3.7	4.6	(1.0)	4.2
[24]	0.0	0.0	0.0	0.0	Newborn	0.0	0.0	0.0	0.0
Long Term Care:									
[25]	1,584	1,584	0	1,425	SNF/ECF Resident Days	7,988	8,078	(90)	7,133
[26]	0	2	(2)	0	SNF/ECF Resident Discharges	0	13	(13)	15
[27]	0	0	0	0	CBRF/Assisted Living Days	0	0	0	0
[28]	52.8	52.8	0.0	47.5	Average Daily Census	52.2	52.8	(0.6)	46.6
Emergency Room Statistics									
[29]	19	25	(6)	17	ER Visits - Admitted	113	130	(17)	116
[30]	307	290	17	330	ER Visits - Discharged	1,740	1,450	290	1,862
[31]	274	344	(70)	277	ER - Urgent Care Visits	1,383	1,753	(370)	1,395
[32]	600	659	(59)	624	Total ER Visits	3,236	3,332	(96)	3,373
[33]	3.17%	3.86%		2.72%	% of ER Visits Admitted	3.49%	3.89%		3.44%
[34]	86.36%	88.71%		94.44%	ER Admissions as a % of Total	95.76%	88.71%		93.55%
Outpatient Statistics:									
[35]	840	901	(61)	935	Total Outpatients Visits	5,102	4,595	507	4,908
[36]	18	16	2	14	Observation Bed Days	88	83	5	90
[37]	906	1,219	(313)	1,199	Clinic Visits - Primary Care	5,010	6,218	(1,208)	6,321
[38]	190	260	(70)	222	Clinic Visits - Specialty Clinics	1,176	1,331	(155)	1,208
[39]	0	0	0	0	IP Surgeries	0	0	0	0
[40]	0	0	0	0	OP Surgeries	0	0	0	0
[41]	0	0	0	0	Outpatient Scopes	0	0	0	0
[42]	6,220	6,280	(60)	4,871	Retail Pharmacy Scripts	35,497	32,027	3,470	23,836
[43]	0	0	0	0	Clinic Visits-Mobile Van	0	0	0	12
Productivity Statistics:									
[44]	223.66	212.97	(10.69)	211.24	FTE's - Worked	223.90	212.97	(10.93)	210.49
[45]	246.99	242.06	(4.93)	234.03	FTE's - Paid	247.90	242.06	(5.84)	234.91
[46]	0.8826	1.0550	0.17	1.0987	Case Mix Index -Medicare	0.9630	1.0550	0.09	1.0593
[47]	0.9045	0.9968	0.09	1.0204	Case Mix Index - All payers	0.9525	0.9968	0.04	1.0154

KERN VALLEY HEALTHCARE DISTRICT

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EXECUTIVE FINANCIAL SUMMARY

Fifth Month Ending November 30, 2025

BALANCE SHEET		
	11/30/2025	6/30/2025
ASSETS		
Current Assets	13,690,837	7,584,064
Assets Whose Use is Limited	9,595,961	15,669,268
Property, Plant and Equipment (Net)	11,846,439	11,735,542
Other Assets	624,276	624,276
Total Unrestricted Assets	35,757,512	35,613,150
Restricted Assets	0	0
Total Assets	35,757,512	35,613,150
LIABILITIES AND NET ASSETS		
Current Liabilities	5,659,464	5,508,276
Long-Term Debt	9,681,318	9,790,571
Other Long-Term Liabilities	2,840,954	2,677,318
Total Liabilities	18,181,735	17,976,165
Net Assets	17,575,777	17,636,985
Total Liabilities and Net Assets	35,757,512	35,613,150
STATEMENT OF REVENUE AND EXPENSES - YTD		
	ACTUAL	BUDGET
Revenue:		
Gross Patient Revenues	58,578,554	57,290,157
Deductions From Revenue	(39,962,177)	(39,809,625)
Net Patient Revenues	18,616,377	17,480,532
Other Operating Revenue	177,996	144,180
Total Operating Revenues	18,794,373	17,624,711
Expenses:		
Salaries, Benefits & Contract Labor	10,925,537	10,099,008
Purchased Services & Physician Fees	2,663,360	2,682,796
Supply Expenses	3,851,506	3,231,858
Other Operating Expenses	1,411,736	1,527,966
Bad Debt Expense	0	0
Depreciation & Interest Expense	294,484	402,803
Total Expenses	19,146,623	17,944,431
NET OPERATING SURPLUS	(352,250)	(319,719)
Non-Operating Revenue/(Expenses)	291,340	506,149
TOTAL NET SURPLUS	(60,910)	186,430
KEY STATISTICS AND RATIOS - YTD		
	ACTUAL	BUDGET
Total Acute Patient Days	450	484
Average Acute Length of Stay	3.8	3.3
Total Emergency Room Visits	3,236	3,332
Outpatient Visits	5,102	4,595
Total Surgeries	0	0
Total Worked FTE's	223.90	212.97
Total Paid FTE's	247.90	242.06
Productivity Index	0.9765	1.0000
EBITDA - YTD	-0.85%	-0.13%
Current Ratio		
Days Expense in Accounts Payable	39.49	

Balance Sheet - Assets

KERN VALLEY HEALTHCARE DISTRICT

LAKE ISABELLA, CALIFORNIA

Fifth Month Ending November 30, 2025

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Fifth Month Ending November 30, 2025			ASSETS			
[1]	Net to Gross AR %	35.4%	35.6%		34.5%	
[2]	CASH -ALL SOURCES	9,435,980	16,598,868	(7,162,888)	20,764,508	
		Current Month 11/30/2025	Prior Month 10/31/2025	Positive/ (Negative) Variance	Percentage Variance	Prior YR. UNAUDITED 6/30/2025
Current Assets						
[3]	Cash and Cash Equivalents	651,954	1,852,591	(1,200,637)	-64.81%	6,160,678
[4]	Gross Patient Accounts Receivable	25,497,985	23,722,068	1,775,918	7.49%	25,088,793
[5]	Less: Bad Debt and Allowance Reserves	(16,462,219)	(15,275,053)	(1,187,166)	-7.77%	(16,444,711)
[6]	Net Patient Accounts Receivable	9,035,767	8,447,015	588,752	6.97%	8,644,083
[7]	Interest Receivable	0	0	0	0.00%	0
[8]	Other Receivables	5,416,201	(839,401)	6,255,602	-745.25%	(4,756,524)
[9]	Inventories	385,218	501,168	(115,950)	-23.14%	388,816
[10]	Prepaid Expenses	757,957	758,224	(267)	-0.04%	453,271
[11]	Due From Third Party Payers	(2,556,260)	(3,306,260)	750,000	-22.68%	(3,306,260)
[12]	Due From Affiliates/Related Organizations	0	0	0	0.00%	0
[13]	Other Current Assets	0	0	0	0.00%	0
[14]	Total Current Assets	13,690,837	7,413,338	6,277,499	84.68%	7,584,064
Assets Whose Use is Limited						
[15]	Auxillary Cash	317,930	309,136	8,793	2.84%	498,591
[16]	Investments -LAIF	293,006	289,840	3,166	1.09%	286,699
[17]	Debt Payment Fund	494,005	393,199	100,806	25.64%	566,847
[18]	UBS Funds	5,251,887	11,226,887	(5,975,000)	-53.22%	11,126,887
[19]	Cash Westamerica	52,609	52,609	1	0.00%	52,605
[20]	Project Fund	3,186,523	3,176,941	9,582	0.30%	3,137,639
[21]	Covid Stimulus Cash Assets	0	0	0	0.00%	0
[22]	Total Limited Use Assets	9,595,961	15,448,612	(5,852,652)	-37.88%	15,669,268
Property, Plant, and Equipment						
[23]	Land and Land Improvements	383,800	383,800	0	0.00%	383,800
[24]	Building and Building Improvements	14,947,912	14,947,912	0	0.00%	14,947,912
[25]	Equipment	23,778,166	23,758,788	19,378	0.08%	23,478,028
[26]	Construction In Progress	7,571,519	7,569,904	1,615	0.02%	7,466,276
[27]	Capitalized Interest	0	0	0	0.00%	0
[28]	Gross Property, Plant, and Equipment	46,681,396	46,660,403	20,993	0.04%	46,276,015
[29]	Less: Accumulated Depreciation	(34,834,958)	(34,775,523)	(59,435)	-0.17%	(34,540,473)
[30]	Net Property, Plant, and Equipment	11,846,439	11,884,881	(38,442)	-0.32%	11,735,542
Other Assets						
	Unamortized Loan Costs	0	0	0	0.00%	0
[31]	Assets Held for Future Use	0	0	0	0.00%	0
	Investments in Subsidiary/Affiliated Org.	0	0	0	0.00%	0
	Other	624,276	624,276	0	0.00%	624,276
[32]	Total Other Assets	624,276	624,276	0	0.00%	624,276
[33]	TOTAL UNRESTRICTED ASSETS	35,757,512	35,371,107	386,405	1.09%	35,613,150
Restricted Assets		0	0	0	0.00%	0
[34]	TOTAL ASSETS	35,757,512	35,371,107	386,405	1.09%	35,613,150

Balance Sheet - Liabilities and Net Assets

KERN VALLEY HEALTHCARE DISTRICT

LAKE ISABELLA, CALIFORNIA

Fifth Month Ending November 30, 2025

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		LIABILITIES AND FUND BALANCE				
		Current Month 11/30/2025	Prior Month 10/31/2025	Positive/ (Negative) Variance	Percentage Variance	Prior Yr. UNAUDITED 6/30/2025
Current Liabilities						
[1]	Accounts Payable	2,432,435	2,054,259	(378,175)	-18.41%	1,688,097
[2]	Notes and Loans Payable	0	0	0	0.00%	0
[3]	Accrued Payroll	858,266	744,759	(113,507)	-15.24%	881,879
[4]	Accrued Payroll Taxes	213,250	226,382	13,132	5.80%	211,249
[5]	Accrued Benefits	1,414,343	1,364,163	(50,179)	-3.68%	1,342,995
[6]	Accrued Pension Expense (Current Portion)	(167,583)	(136,691)	30,892	-22.60%	(1,089)
[7]	Other Accrued Expenses	210,991	374,242	163,250	43.62%	295,335
[8]	Patient Refunds Payable	812,236	760,139	(52,097)	-6.85%	828,636
[9]	Property Tax Payable	0	0	0	0.00%	0
[10]	Due to Third Party Payers	(658,427)	(633,926)	24,502	-3.87%	(652,210)
[11]	Advances From Third Party Payers	0	0	0	0.00%	0
[12]	Current Portion of LTD (Bonds/Mortgages)	458,000	458,000	0	0.00%	910,000
[13]	Current Portion of LTD (Leases)	85,954	90,655	4,701	5.19%	3,384
[14]	Other Current Liabilities	0	0	0	0.00%	0
	Total Current Liabilities	5,659,464	5,301,983	(357,481)	-6.74%	5,508,276
Long Term Debt						
[15]	Bonds/Mortgages Payable	8,712,000	8,712,000	0	0.00%	9,164,000
[16]	Leases/Notes Payable	1,513,272	1,517,973	4,701	0.31%	1,539,955
[17]	Less: Current Portion Of Long Term Debt	543,954	548,655	4,701	0.86%	913,384
	Total Long Term Debt (Net of Current)	9,681,318	9,681,318	0	0.00%	9,790,571
Other Long Term Liabilities						
[18]	Deferred Revenue	0	0	0	0.00%	0
[19]	Accrued Pension Expense (Net of Current)	312,485	279,018	(33,466)	-11.99%	148,849
[20]	Long Term Settlements	2,528,469	2,528,469	0	0.00%	2,528,469
	Total Other Long Term Liabilities	2,840,954	2,807,487	(33,466)	-1.19%	2,677,318
[21]	TOTAL LIABILITIES	18,181,735	17,790,788	(390,948)	-2.20%	17,976,165
Net Assets:						
[22]	Unrestricted Fund Balance	16,640,302	16,640,302	0	0.00%	16,640,302
[23]	Inter-Departmental Transfer (DSH)	0	0	0	0.00%	0
[24]	Restricted Fund Balance	0	0	0	0.00%	0
[25]	Net Revenue/(Expenses)	935,475	940,018	(4,542)	-0.48%	996,683
[26]	TOTAL NET ASSETS	17,575,777	17,580,319	4,542	0.03%	17,636,985
[27]	TOTAL LIABILITIES AND NET ASSETS	35,757,512	35,371,107	(386,405)	-1.09%	35,613,150

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fifth Month Ending November 30, 2025

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	CURRENT MONTH				Prior Year 11/30/24
	Actual 11/30/25	Budget 11/30/25	Positive (Negative) Variance	Percentage Variance	
Gross Patient Revenue					
[1] Inpatient Revenue	916,902	1,158,579	(241,677)	-20.86%	988,923
[2] Clinic Revenue	1,380,389	1,480,975	(100,587)	-6.79%	1,450,778
[3] Outpatient Revenue	5,687,840	5,331,703	356,137	6.68%	4,910,316
[4] Long Term Care Revenue	2,841,120	2,713,072	128,048	4.72%	2,545,925
[5] Retail Pharmacy Revenue	456,862	549,034	(92,172)	-16.79%	428,228
[6] Total Gross Patient Revenue	11,283,113	11,233,364	49,749	0.44%	10,324,169
Deductions From Revenue %	66%	69%			68%
[7] Discounts and Allowances (incl IGTs)	(7,263,153)	(7,648,478)	385,325	5.04%	(6,875,691)
[8] Bad Debt Expense (Governmental Providers Only)	(163,337)	(157,330)	(6,007)	-3.82%	(148,462)
	0	0	0	0.00%	0
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	(7,426,491)	(7,805,809)	379,318	4.86%	(7,024,153)
[11] Net Patient Revenue	3,856,622	3,427,555	429,067	12.52%	3,300,016
[12] Other Operating Rev (Incl HHS Stimulus)	13,656	28,836	(15,180)	-52.64%	18,404
[13] Total Operating Revenue	3,870,278	3,456,391	413,887	11.97%	3,318,420
Operating Expenses					
[14] Salaries and Wages	1,729,861	1,608,062	(121,798)	-7.57%	1,502,965
[15] Fringe Benefits	360,838	311,429	(49,409)	-15.87%	303,150
[16] Contract Labor	104,784	60,707	(44,077)	-72.61%	121,450
[17] Professional & Physician Fees	361,292	387,546	26,254	6.77%	361,950
[18] Purchased Services	170,788	138,493	(32,296)	-23.32%	135,518
[19] Supply Expense	890,936	633,698	(257,239)	-40.59%	549,141
[20] Utilities	65,742	75,851	10,109	13.33%	61,188
[21] Repairs and Maintenance	5,082	5,655	573	10.14%	6,771
[22] Insurance Expense	67,428	84,735	17,306	20.42%	66,818
[23] All Other Operating Expenses	85,330	100,376	15,046	14.99%	92,438
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	29,952	32,985	3,033	9.20%	33,070
[26] Depreciation and Amortization	59,435	78,981	19,546	24.75%	63,250
[27] Interest Expense (Non-Governmental Providers)	0	0.00	0	0.00%	0
[28] Total Operating Expenses	3,931,468	3,518,516	(412,953)	-11.74%	3,297,709
Net Operating Surplus/(Loss)	(61,190)	(62,125)	934	-1.50%	20,711
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	0	13,556	(13,556)	-100.00%	0
[30] Investment Income	37,933	76,871	(38,938)	-50.65%	72,573
[31] Income Derived from Property Taxes	29,931	27,591	2,340	8.48%	27,974
[32] Interest Expense (Governmental Providers Only)	(20,009)	(20,713)	(703)	3.40%	(22,342)
[33] Other Non-Operating Revenue/(Expenses)	8,793	1,940	6,853	353.26%	10,315
[34] Total Non Operating Revenue/(Expense)	56,648	99,245	(42,597)	-42.92%	88,520
Total Net Surplus/(Loss)	(4,542)	37,120	(41,663)	-112.24%	109,231
[35] Operating Margin	-1.58%	-1.80%			0.62%
[36] Total Profit Margin	-0.12%	1.07%			3.29%
[37] EBITDA	-0.56%	-0.11%			1.86%
[38] Cash Flow Margin	1.94%	3.96%			5.87%

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fifth Month Ending November 30, 2025

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YEAR-TO-DATE					
	Actual 11/30/25	Budget 11/30/25	Positive (Negative) Variance	Percentage Variance	Prior Year 11/30/24
Gross Patient Revenue					
[1] Inpatient Revenue	5,340,901	5,908,752	(567,851)	-9.61%	5,488,835
[2] Clinic Revenue	7,421,518	7,552,975	(131,457)	-1.74%	7,591,926
[3] Outpatient Revenue	28,317,317	27,191,688	1,125,629	4.14%	26,842,732
[4] Long Term Care Revenue	14,284,898	13,836,668	448,230	3.24%	12,760,191
[5] Retail Pharmacy Revenue	3,213,921	2,800,074	413,847	14.78%	2,107,243
[6] Total Gross Patient Revenue	58,578,554	57,290,157	1,288,398	2.25%	54,790,927
Deductions From Revenue	68%	69%			70%
[7] Discounts and Allowances (incl IGTs)	(39,215,431)	(39,007,240)	(208,191)	-0.53%	(37,616,206)
[8] Bad Debt Expense (Governmental Providers Only)	(746,746)	(802,385)	55,639	6.93%	(743,762)
	0	0	0	0.00%	0
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	(39,962,177)	(39,809,625)	(152,552)	-0.38%	(38,359,968)
[11] Net Patient Revenue	18,616,377	17,480,532	1,135,846	6.50%	16,430,959
[12] Other Operating Rev (Incl HHS Stimulus)	177,996	144,180	33,816	23.45%	160,885
[13] Total Operating Revenue	18,794,373	17,624,711	1,169,662	6.64%	16,591,844
Operating Expenses					
[14] Salaries and Wages	8,716,921	8,201,116	(515,805)	-6.29%	7,553,315
[15] Fringe Benefits	1,793,776	1,588,288	(205,488)	-12.94%	1,490,366
[16] Contract Labor	414,840	309,604	(105,236)	-33.99%	527,459
[17] Professional & Physician Fees	1,883,373	1,976,483	93,110	4.71%	1,786,780
[18] Purchased Services	779,987	706,312	(73,674)	-10.43%	742,662
[19] Supply Expense	3,851,506	3,231,858	(619,648)	-19.17%	2,806,245
[20] Utilities	342,830	386,839	44,009	11.38%	403,216
[21] Repairs and Maintenance	45,434	28,840	(16,594)	-57.54%	35,744
[22] Insurance Expense	377,757	432,146	54,390	12.59%	377,295
[23] All Other Operating Expenses	479,496	511,918	32,422	6.33%	414,473
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	166,219	168,222	2,003	1.19%	147,674
[26] Depreciation and Amortization	294,484	402,803	108,319	26.89%	313,554
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[28] Total Operating Expenses	19,146,623	17,944,431	(1,202,193)	-6.70%	16,598,784
Net Operating Surplus/(Loss)	(352,250)	(319,719)	(32,531)	10.17%	(6,939)
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	238,694	69,134	169,560	245.26%	13,312
[30] Investment Income	185,329	392,043	(206,714)	-52.73%	394,978
[31] Income Derived from Property Taxes	149,656	140,714	8,942	6.36%	139,871
[32] Interest Expense (Governmental Providers Only)	(101,678)	(105,635)	3,956	-3.75%	(113,848)
[33] Other Non-Operating Revenue/(Expenses)	(180,661)	9,894	(190,555)	-1925.99%	50,951
[34] Total Non Operating Revenue/(Expense)	291,340	506,149	(214,810)	-42.44%	485,263
Total Net Surplus/(Loss)	(60,910)	186,430	(247,340)	-132.67%	478,324
	ACTUAL YTD	BUD YTD	ACT FYE 24	PROJ FYE 25	Prior YTD
[35] Operating Margin	-1.87%	-1.81%			-0.04%
[36] Total Profit Margin	-0.32%	1.06%			2.88%
[37] EBITDA	-0.85%	-0.13%			1.16%
[38] Cash Flow Margin	1.78%	3.94%			5.46%

Statement of Revenue and Expense - 13 Month Trend

KERN VALLEY HEALTHCARE DISTRICT LAKE ISABELLA, CALIFORNIA

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	30	31	30	31	31	30	31	30	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	11/30/25	10/31/25	09/30/25	08/31/25	07/31/25	06/30/25	05/31/25	04/30/25	03/31/25
Gross Patient Revenue									
[1] Inpatient Revenue	916,902	993,847	1,043,247	973,987	1,412,918	878,031	919,766	1,178,765	1,284,233
[2] Clinic Revenue	1,380,389	1,507,686	1,484,378	1,434,986	1,614,079	1,443,923	1,506,100	1,454,900	1,455,217
[3] Outpatient Revenue	5,687,840	5,284,368	5,901,662	5,484,908	5,958,538	5,822,291	5,131,157	4,937,503	5,087,083
[4] Long Term Care Revenue	2,841,120	2,907,090	2,716,734	2,857,113	2,962,842	2,813,800	2,794,698	2,657,872	2,731,394
[5] Retail Pharmacy Revenue	456,862	674,168	625,071	739,348	718,471	716,476	594,645	528,898	488,497
[6] Total Gross Patient Revenue	11,283,113	11,367,159	11,771,092	11,490,342	12,666,849	11,674,521	10,946,365	10,757,938	11,046,425
Deductions From Revenue									
[7] Discounts and Allowances (incl IGTs)	66%	68%	69%	67%	71%	69%	68%	68%	68%
[8] Bad Debt Expense (Governmental Providers Only)	(7,263,153)	(7,626,640)	(7,923,166)	(7,555,625)	(8,846,846)	(7,964,781)	(7,294,455)	(7,225,317)	(7,333,013)
[7B] Medi-Cal Deductions due to IGTs	(163,337)	(131,266)	(146,919)	(153,678)	(151,546)	(95,513)	(108,897)	(140,024)	(133,860)
[9] Charity Care	0	0	0	0	0	0	0	0	0
[10] Total Deductions From Revenue	(7,426,491)	(7,757,906)	(8,070,085)	(7,709,303)	(8,998,392)	(8,060,294)	(7,403,352)	(7,365,340)	(7,466,872)
[11] Net Patient Revenue	3,856,622	3,609,253	3,701,007	3,781,038	3,668,456	3,614,226	3,543,013	3,392,597	3,579,553
[12] Other Operating Rev (Incl HHS Stimulus)	13,656	16,934	14,349	57,207	75,849	12,398	13,869	15,316	14,822
[13] Total Operating Revenue	3,870,278	3,626,188	3,715,357	3,838,245	3,744,306	3,626,624	3,556,882	3,407,913	3,594,375
Operating Expenses									
[14] Salaries and Wages	1,729,861	1,731,138	1,662,964	1,829,589	1,763,370	1,656,279	1,648,035	1,654,167	1,702,621
[15] Fringe Benefits	360,838	354,691	355,301	376,530	346,415	326,522	326,902	332,810	338,337
[16] Contract Labor	104,784	92,882	80,271	71,738	65,166	78,264	79,951	95,657	92,401
[17] Professional & Physician Fees	361,292	378,156	391,393	375,135	377,397	354,404	384,120	377,024	381,284
[18] Purchased Services	170,788	157,456	158,577	143,475	149,690	119,935	169,025	150,363	136,423
[19] Supply Expense	890,936	692,858	627,492	838,255	801,965	785,215	677,345	583,304	610,130
[20] Utilities	65,742	62,128	74,699	73,972	66,288	61,519	92,322	67,955	71,311
[21] Repairs and Maintenance	5,082	11,403	8,287	9,808	10,855	11,241	(1,411)	20,186	13,905
[22] Insurance Expense	67,428	70,271	105,200	67,428	67,428	106,726	67,043	39,371	102,241
[23] All Other Operating Expenses	85,330	76,037	105,490	98,026	114,613	93,575	125,211	89,736	126,676
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[25] Leases and Rentals	29,952	30,044	39,484	29,950	36,790	24,052	21,687	33,523	19,438
[26] Depreciation and Amortization	59,435	59,183	59,183	58,910	57,774	59,348	60,983	61,216	62,599
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[28] Total Operating Expenses	3,931,468	3,716,248	3,668,341	3,972,816	3,857,750	3,677,079	3,651,213	3,505,312	3,657,368
Net Operating Surplus/(Loss)	(61,190)	(90,060)	47,015	(134,570)	(113,445)	(50,455)	(94,331)	(97,399)	(62,992)
Non-Operating Revenue:									
[29] Contributions/Grants/PPP/ERC	0	171,089	54,552	13,053	0	11,335	50,000	35,372	0
[30] Investment Income	37,933	35,714	37,810	37,278	36,594	24,384	73,241	71,937	71,922
[31] Income Derived from Property Taxes	29,931	29,931	29,931	29,931	29,931	57,491	27,974	27,974	27,974
[32] Interest Expense (Governmental Providers Only)	(20,009)	(20,049)	(20,301)	(20,201)	(21,117)	(29,005)	(23,657)	(21,252)	(21,219)
[33] Other Non-Operating Revenue/(Expenses)	8,793	(155,179)	(48,902)	(352)	14,979	185	(26,297)	10,157	12,755
[34] Total Non Operating Revenue/(Expense)	56,648	61,505	53,091	59,708	60,387	64,390	101,261	124,187	91,431
Total Net Surplus/(Loss)	(4,542)	(28,555)	100,107	(74,862)	(53,058)	13,935	6,930	26,789	28,439
[35] Operating Margin	-1.58%	-2.48%	-3.51%	-3.51%	-3.03%	-1.39%	-2.65%	-2.86%	-1.75%
[36] Total Profit Margin	-0.12%	-79.00%	-1.95%	-1.95%	-1.42%	0.38%	0.19%	0.79%	0.79%
[37] EBITDA	-0.56%	-1.40%	-2.50%	-2.50%	-2.05%	-0.55%	-1.60%	-1.69%	-0.60%
[38] Cash Flow Margin	1.94%	1.40%	0.11%	0.11%	0.69%	2.82%	2.57%	3.21%	3.12%

Statement of Revenue and Expense - 13 Month
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA

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	28	31	31	30
	Actual	Actual	Actual	Actual
	02/28/25	01/31/25	12/31/24	11/30/24
Gross Patient Revenue				
[1] Inpatient Revenue	1,211,376	1,135,510	1,306,206	988,923
[2] Clinic Revenue	1,337,711	1,539,352	1,464,884	1,450,778
[3] Outpatient Revenue	4,787,593	5,179,894	4,968,077	4,910,316
[4] Long Term Care Revenue	2,484,620	2,678,085	2,622,111	2,545,925
[5] Retail Pharmacy Revenue	494,336	512,293	485,298	428,228
[6] Total Gross Patient Revenue	10,315,637	11,045,134	10,846,577	10,324,169
Deductions From Revenue				
[7] Discounts and Allowances (incl IGTs)	68% (6,828,153)	68% (7,373,039)	68% (7,153,760)	68% (6,875,691)
[8] Bad Debt Expense (Governmental Providers Only)	(141,973)	(129,120)	(237,723)	(148,462)
[7B] Medi-Cal Deductions due to IGTs	0	0	0	0
[9] Charity Care	0	0	0	0
[10] Total Deductions From Revenue	(6,970,126)	(7,502,159)	(7,391,483)	(7,024,153)
[11] Net Patient Revenue	3,345,511	3,542,974	3,455,094	3,300,016
[12] Other Operating Rev (Incl HHS Stimulus)	13,026	37,551	16,291	18,404
[13] Total Operating Revenue	3,358,537	3,580,525	3,471,386	3,318,420
Operating Expenses				
[14] Salaries and Wages	1,449,506	1,596,692	1,528,996	1,502,965
[15] Fringe Benefits	309,541	333,485	305,656	303,150
[16] Contract Labor	92,061	90,138	120,093	121,450
[17] Professional & Physician Fees	345,689	346,313	382,994	361,950
[18] Purchased Services	144,838	177,262	97,464	135,518
[19] Supply Expense	657,134	587,830	604,025	549,141
[20] Utilities	87,258	69,307	83,915	61,188
[21] Repairs and Maintenance	2,474	3,498	6,888	6,771
[22] Insurance Expense	67,042	143,408	66,818	66,818
[23] All Other Operating Expenses	122,447	116,907	102,655	92,438
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0
[25] Leases and Rentals	48,534	30,076	35,006	33,070
[26] Depreciation and Amortization	62,511	63,250	63,250	63,250
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0
[28] Total Operating Expenses	3,389,037	3,558,166	3,397,761	3,297,709
Net Operating Surplus/(Loss)	(30,499)	22,359	73,625	20,711
Non-Operating Revenue:				
[29] Contributions/Grants/PPP/ERC	0	60,239	67,285	0
[30] Investment Income	75,712	76,592	72,436	72,573
[31] Income Derived from Property Taxes	27,974	27,974	27,974	27,974
[32] Interest Expense (Governmental Providers Only)	(21,357)	(22,295)	(30,435)	(22,342)
[33] Other Non-Operating Revenue/(Expenses)	10,214	10,738	(56,167)	10,315
[34] Total Non Operating Revenue/(Expense)	92,543	153,247	81,093	88,520
Total Net Surplus/(Loss)	62,043	175,606	154,718	109,231
[35] Operating Margin	-0.91%	0.62%	2.12%	0.62%
[36] Total Profit Margin	1.85%	4.90%	4.46%	3.29%
[37] EBITDA	0.32%	1.77%	3.07%	1.86%
[38] Cash Flow Margin	4.34%	7.29%	7.16%	5.87%

Statement of Cash Flows

KERN VALLEY HEALTHCARE DISTRICT LAKE ISABELLA, CALIFORNIA Fifth Month Ending November 30, 2025

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	CASH FLOW	
	Current Month 11/30/2025	Current Year-To-Date 11/30/2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
[1] Net Income (Loss)	(4,542)	(60,910)
[2] Adjustments to Reconcile Net Income to Net Cash		
[3] Provided by Operating Activities:		
[4] Depreciation	59,435	294,484
[5] (Increase)/Decrease in Net Patient Accounts Receivable	(588,752)	(391,684)
[6] (Increase)/Decrease in Other Receivables	(6,255,602)	(10,172,725)
[7] (Increase)/Decrease in Inventories	115,950	3,598
[8] (Increase)/Decrease in Pre-Paid Expenses	267	(304,686)
[9] (Increase)/Decrease in Other Current Assets	0	0
[10] Increase/(Decrease) in Accounts Payable	378,175	744,040
[11] Increase/(Decrease) in Notes and Loans Payable	0	0
[12] Increase/(Decrease) in Accrued Payroll and Benefits	119,662	(116,759)
[13] Increase/(Decrease) in Accrued Expenses	(163,250)	(84,343)
[14] Increase/(Decrease) in Patient Refunds Payable	52,097	(16,400)
[15] Increase/(Decrease) in Third Party Advances/Liabilities	(774,502)	(756,218)
[16] Increase/(Decrease) in Other Current Liabilities	0	0
[17] Net Cash Provided by Operating Activities:	(7,061,061)	(10,861,602)
CASH FLOWS FROM INVESTING ACTIVITIES:		
[18] Purchase of Property, Plant and Equipment	(20,993)	(405,381)
[19] (Increase)/Decrease in Limited Use Cash and Investments	(11,959)	174,354
[20] (Increase)/Decrease in Other Limited Use Assets	5,864,611	5,898,954
[21] (Increase)/Decrease in Other Assets	0	0
[22] Net Cash Used by Investing Activities	5,831,659	5,667,926
CASH FLOWS FROM FINANCING ACTIVITIES:		
[23] Increase/(Decrease) in Bond/Mortgage Debt	0	(452,000)
[24] Increase/(Decrease) in Capital Lease Debt	(4,701)	(26,683)
[25] Increase/(Decrease) in Other Long Term Liabilities	33,466	163,635
[26] Net Cash Used for Financing Activities	28,766	(315,048)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	0
[27] Net Increase/(Decrease) in Cash	(1,200,637)	(5,508,723)
[28] Cash, Beginning of Period	1,852,591	6,160,678
[29] Cash, End of Period	651,954	651,954

Kern Valley Healthcare District

Financial Report

For the month of November 2025 (5th month in FY 26)

Profit/Loss Summary

Net loss in November was \$ 4,542, a (-.12%) total profit margin, and \$ 41,663 below budget.

Net Patient Revenue- MTD positive-YTD positive

Month-The Net Patient Revenue in November was \$3,856,622 (12.52%) above budget. The volume was lower in the acute areas where patient days were down by 36 from October and under budget (48 days below budget), Gross Inpatient Revenues were below budget (\$241,677). Skilled Nursing revenues decreased in November (\$65,970 below prior month) (days were down by 44, and census was up by .3 days and revenues were over budget by \$128,048. Outpatient revenues were \$356,137 above budget (6.68%) Outpatient visits were under budget by 61 and ER Visits were under budget by 59. Retail Pharmacy revenue was 16.79% under budget for the month (prescriptions were 60 under budget, and 901 below prior month).

YTD-Net Patient Revenue is over budget by \$1,135,846 (6.50%). Volumes are under budget in the acute (146 days) and Skilled Nursing (90 days) and ER (96 visits). Volumes are over budget in the Outpatient (507 visits) and the retail pharmacy (3,470 prescriptions). Inpatient (\$567,851) and Clinic revenue (\$131,457) are under budget. Outpatient revenue (\$1,125,629), Skilled nursing revenue (\$448,230) and Retail pharmacy (\$413,847) are over budget.

Operating Expenses- MTD Negative YTD Negative

Month-Operating Expenses in November were \$412,953 (11.74%) above budget (unfavorable). Labor expenses were over budget with November salaries and wages and fringe benefits above budget by \$171,207 and contract labor was \$44,077 above budget. Supply expense was over budget by \$257,239

primarily due to the retail pharmacy drug expenses being over budget by \$51,193 and wound care supplies of \$273,343 being unbudgeted. We are starting to realize more of the savings from the 340B program for pharmacy drug costs.

YTD- Operating Expenses are \$1,202,193 (6.7%) above budget (unfavorable). Labor expenses are over budget with salaries and wages and fringe benefits above budget by \$721,293 and contract labor is \$105,236 above budget. Supply expense is over budget by \$619,648 primarily due to the retail pharmacy drug expenses being over budget by \$434,086 due to prescriptions filled being over budget by 3,470 and wound care supplies being over budget by \$273,343.

Balance Sheet/Cash Flow

Patient cash collections in November were down from \$3,109,471 in October to \$1,718,367 in November. The Gross AR Days increased to 68 days in November from 63 in October. Gross AR increased by \$1,775,918. We are still reviewing all of the accounts to get the AR days down. Cash Balances (all sources) decreased to \$9,435,980 compared to \$16,598,868 in October primarily due to the \$5.4 million IGT payment.

The Accounts Payable balances increased by \$378,175 in November.

Concluding Summary

Positive takeaways for the month:

- 1) Long Term Care revenue was over budget.
- 2) Net patient revenue was over budget.
- 3) Outpatient Revenue was over budget.

Negative takeaways for the month:

- 1) Operating expenses were over budget.
- 2) Most volumes were under budget.
- 3) Operating expenses increased.
- 4) Retail pharmacy revenue was under budget.
- 5) Gross AR days increased by 5.

Prepared by John Lovrich, CEO

January 2, 2026

KVHD

Patient Statistics

Thirteen Months Ended November 30, 2025

STATISTICS		Actual 10/31/24	Actual 11/31/24	Actual 12/31/2024	Actual 1/31/2025	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025	Actual 11/30/2025
Discharges															
[1]	Acute	27	18	26	31	27	28	29	24	22	27	21	23	27	20
[2]	Swing Beds	3	1	4	1	2	1	1	0	0	4	1	3	2	2
[3]	Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[4]	Respite	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[5]	Total Adult Discharges	30	19	30	32	29	29	30	24	22	31	22	26	29	22
[6]	Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[7]	Total Discharges	30	19	30	32	29	29	30	24	22	31	22	26	29	22
Patient Days:															
[8]	Acute	98	76	102	90	84	103	93	73	79	109	76	91	88	86
[9]	Swing Beds	51	24	54	24	20	34	13	0	0	39	17	14	39	5
[10]	Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[11]	Respite	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[12]	Total Adult Patient Days	149	100	156	114	104	137	106	73	79	148	93	105	127	91
[13]	Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[14]	Total Patient Days	149	100	156	114	104	137	106	73	79	148	93	105	127	91
Average Length of Stay (ALOS)															
[15]	Acute	3.6	4.2	3.8	2.9	3.1	3.7	3.2	3.0	3.6	4.0	3.6	4.0	3.3	4.3
[16]	Swing Bed	17.0	24.0	13.5	24.0	10.0	34.0	13.0	0.0	0.0	9.8	17.0	4.7	19.5	2.5
[17]	Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[18]	Total Adult ALOS	5.0	5.3	5.2	3.6	3.6	4.7	3.5	3.0	3.6	4.8	4.2	4.0	4.4	4.1
[19]	Newborn ALOS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[1]															
Average Daily Census (ADC)															
[20]	Acute	3.16	2.5	3.3	2.9	3.0	3.3	3.1	2.4	2.6	3.5	2.5	3.0	2.8	2.9
[21]	Swing Beds	1.64	0.8	1.7	0.8	0.7	1.1	0.4	0.0	0.0	1.3	0.5	0.5	1.3	0.2
[22]	All Other Adult	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[23]	Total Adult ADC	4.8	3.3	5.0	3.7	3.7	4.4	3.5	2.4	2.6	4.8	3.0	3.5	4.1	3.0
[24]	Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Long Term Care:															
[25]	SNF/ECF Resident Days	1441	1425	1463	1487	1393	1531	1487	1571	1573	1662	1593	1521	1628	1584
[26]	SNF/ECF Resident Discharges	1	0	1	1	1	1	1	2	1	0	3	2	2	1
[27]	CBRF/Assisted Living Days	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[28]	Average Daily Census	46.5	47.5	47.2	48.0	49.8	49.4	49.6	50.7	52.4	53.6	51.4	50.7	52.5	52.8
Emergency Room Statistics															
[29]	ER Visits - Admitted	24	17	22	29	22	28	25	23	22	27	23	23	24	19
[30]	ER Visits - Discharged	352	330	355	308	302	343	311	324	344	381	328	364	360	307
[31]	ER - Urgent Care Visits	264	277	299	330	288	310	322	310	312	316	304	270	241	274
[32]	Total ER Visits	640	624	676	667	612	681	658	657	678	724	655	657	625	600
[33]	% of ER Visits Admitted	3.75%	2.72%	3.36%	4.35%	3.59%	4.11%	3.80%	3.50%	3.24%	3.73%	3.51%	3.50%	3.84%	3.17%
[34]	ER Admissions as a % of Total	80.00%	89.47%	70.97%	85.29%	75.86%	87.50%	86.21%	79.31%	75.86%	96.43%	95.83%	85.19%	88.89%	86.36%

KVHD
Patient Statistics
Thirteen Months Ended November 30, 2025

STATISTICS		Actual 10/31/24	Actual 11/31/24	Actual 12/31/2024	Actual 1/31/2025	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025	Actual 11/30/2025
Outpatient Statistics:															
[35]	Total Outpatients Visits	1047	935	874	1001	846	868	1047	1025	1055	1135	955	1082	1090	840
[36]	Observation Bed Days	21	14	16	22	18	11	27	19	25	17	21	17	15	18
[37]	Clinic Visits - Primary Care	1342	1199	1145	1276	1138	1253	1054	1145	976	1168	975	922	1039	906
[38]	Clinic Visits - Specialty Clinics	256	222	228	223	228	248	264	222	261	264	224	235	263	190
[39]	IP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[40]	OP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[41]	Outpatient Scopes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
[42]	Retail Pharmacy Scripts	5340	4871	5360	5620	5167	5101	5541	5858	6654	7799	7499	6858	7121	6220
[43]	Clinic Visits-Mobile Van	11	0	0	0	0	0	0	0	0	0	0	0	0	0
[44]	FTE's - Worked	212.15	211.24	211.30	221.42	217.79	222.25	223.42	220.81	216.58	220.73	227.94	222.87	224.62	223.66
[45]	FTE's - Paid	234.5	234.03	234.69	240.10	239.27	241.63	247.25	246.07	242.25	248.21	248.35	247.12	248.82	246.99
[46]	Case Mix Index -Medicare	1.1602	1.0987	0.9632	0.8510	0.9070	1.0770	1.1230	1.3689	1.0734	0.9978	0.9270	1.0765	0.9313	0.8826
[47]	Case Mix Index - All payers	0.9767	1.0204	0.9527	0.9030	0.9520	1.0170	0.9990	1.1085	0.9517	1.0036	0.9840	0.9601	0.9654	0.9045

KERN VALLEY HEALTHCARE DISTRICT									
Dec-25									
CONTRACT	VEN #	CONTRACT TYPE	DESCRIPTION	COST		BEGIN	RENEW	REVIEW	TERMS
ACTIVITY CONNECTION.COM	52939	SUBSCRIPTION	ACTIVITY PROGRAMS FOR SNC RESIDENTS	\$ 600.95	ANN	03/30/25	03/30/26	12/01/25	CANNOT TERM UNTIL END OF THE INITIAL COMMITMENT. 15 DAY NOTICE PRIOR TO THE TERM
ADT SECURITY SERVICE	05046	SERVICE	AUXILIARY THRIFT STORE	PAID BY AUXILIARY	QTR	03/08/11	OPEN	12/01/25	
BOWERS, OWEN M.D.		PHYSICIAN	EMERGENCY SERVICE	75.00 PER VISIT 70.00 S.B. MIN 300.00 HR	MO	03/13/25	02/28/28	12/01/25	60 DAY WRITTEN NOTICE, MAY RENEW AFTER FIRST YEAR FOR TWO ONE YEAR TERMS
CALIFORNIA CRITICAL ACCESS HOSPITAL NETWORK (CCAHN)		SERVICE	CREDENTIALING REVIEW	VARIOUS		03/01/12	OPEN	12/01/25	RENEWS AUTOMATICALLY FOR SUCCESSIVE ONE YEAR TERMS UNLESS EITHER PARTY GIVE WRITTEN NOTICE. 90 DAY NOTICE
CARDINAL HEALTH		SERVICE	DISCOUNTS AND SOURCE REBATES FOR MEDICATION PURCHASES			03/10/25	OPEN	12/01/25	60 DAY WRITTEN NOTICE
HEALTHSTREAM	53199	SUBSCRIPTION	INTRANET CMS WITH POLICY MANAGER.	\$ 9,138.88	ANN	04/01/25	03/31/26	12/01/25	NON CANCELLABLE TO TERM
KERN COMMUNITY COLLEGE- ALLIED HEALTH EDUCATION		AGREEMENT	MEDICAL ASSISTANT TRAINING			03/01/25	03/01/28	12/01/25	TERMS WITH 60 DAY NOTICE
KERN COUNTY PUBLIC HEALTH SERVICES - EMS		EMERGENCY RESPONSE	DEPLOYMENT OF EMERGENCY RESPONSE AND SURGE CAPACITY RESOURCES OBTAINED THROUGH GRANTS.			03/09/06	OPEN	12/01/25	AGREEMENT TO PURCHASE STORE THEN BE REIMBURSED FOR EMERGENCY RESOURCES
LAKE ISABELLA STORAGE	51917	RENTAL	STORAGE UNIT	\$ 75.00	EA	03/31/92	OPEN	12/01/25	
LINDE GAS AND EQUIPMENT	04183	SERVICE	O2 CYLINDERS	VARIOUS		03/01/07	OPEN	12/01/25	FORMERLY PRAXAIR
MEDBRIDGE	53643	SUBSCRIPTION	HEP ESSENTIALS	\$ 441.26	ANN	03/06/25	03/05/26	12/01/25	45 DAY WRITTEN NOTICE
MERLIN ON DEMAND TRANSMITTER		AGREEMENT	ABBOTT - ED DEPARTMENT			03/08/24	OPEN	12/01/25	EQUIPMENT LOAN
NANOSONICS	52482	SERVICE	TROPHON - ULTRASOUND	\$ 8,460.00	ANN	03/01/23	02/28/29	12/01/25	
REDSAIL TECHNOLOGIES (INTEGRA SUBSCRIPTION)	53366	SERVICE/SUBSCRIPTION	DOCUTRACK-INTEGRA CLOUD CONNECTION	\$ 1114.00/50.00	MONTH	03/01/23	03/01/26	12/01/25	
REDSAIL TECHNOLOGIES PRIMECARE QS/1 (LTC Software)	53366	SOFTWARE	LTC SOFTWARE	\$ 642.91	MONTH	03/01/23	03/01/26	12/01/25	
REIS RxCARE CONSULTING		SERVICE	SNC CONSULTANT PHARMACIST	\$26.00 PER MRR \$150. HR MEETING	MO	03/15/23	OPEN	12/01/25	
WOLTERS KLUWER-UP TO DATE	52302	SOFTWARE	EVIDENTS/BASED CLINICAL DECISION SUPPORT RESOURCE	13,006.38	ANN	03/01/25	02/28/26	12/01/25	ANNUAL SUBSCRIPTION