



# Board of Directors

## Meeting Agenda Packet

January 12, 2026



## Board of Directors

Michael Pacheco, Chair  
Jeffrey D. Griffith, EMT-P, Vice Chair  
Linda Greer, RN, Treasurer  
Theresa Corrales, RN, Secretary  
John Clark, Director  
Laurie Edwards-Tate, MS, Director  
Abbi Jahaaski, MSN, BSN, RN, Director

Diane Hansen, President and CEO

Regular meetings of the Board of Directors are held on the second Monday of each month at 6:30 p.m., unless indicated otherwise.

For an agenda, locations or further information please visit our website at [www.palomarhealth.org](http://www.palomarhealth.org), or call (760) 740-6375

## Our Mission

To heal, comfort, and promote health  
in the communities we serve

## Our Vision

Palomar Health will be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services

## Our Values

*Compassion* - Providing comfort and care  
*Integrity* - Doing the right thing for the right reason  
*Teamwork* - Working together toward shared goals

*Excellence* - Aspiring to be the best  
*Service* - Serving others and our community  
*Trust* - Delivering on promises

# BOARD OF DIRECTORS

## Meeting Agenda

**Monday, January 12, 2026**  
**6:30 p.m.**

*Please see page 3 of agenda for meeting location*

	<i>The Board may take action on any of the items listed below, including items specifically labeled "Informational Only"</i>	Time	Target
<b>Call To Order</b>			<b>6:30</b>
<b>I.</b>	<b>Establishment of Quorum</b>	1	6:31
<b>II.</b>	<b>Opening Ceremony</b>	4	6:35
	A. Pledge of Allegiance to the Flag		
<b>III.</b>	<b>Public Comments<sup>1</sup></b>	30	7:05
<b>IV.</b>	<b>Presentation(s) – Informational Only</b>	10	7:15
	A. Presentation: 2025 Year in Review		
<b>V.</b>	<b>Approval of Minutes (ADD A)</b>	5	7:20
	A. Regular Session Board of Directors Meeting – Monday, December 8, 2025 (Pp 7-17)		
	B. Special Closed Session Board of Directors Meeting – Monday, December 8, 2025 (Pp 18-21)		
	C. Special Session Board of Directors Meeting – Monday, December 8, 2025 (Pp 22-24)		
<b>VI.</b>	<b>Approval of Agenda to accept the Consent Items as listed (ADD B)</b>	5	7:25
	A. Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments (Pp 26-28)		
	B. Palomar Medical Center Poway Medical Staff Credentialing and Reappointments (Pp 29-32)		
	C. YTD FY2025 and October Financials (Pp 33-57)		
<b>VII.</b>	<b>Reports – Informational Only</b>		
	A. Medical Staff		

	1. Chief of Staff, Palomar Medical Center Escondido – <i>Andrew Nguyen, MD</i>	5	7:30
	2. Chief of Staff, Palomar Medical Center Poway – <i>Mark Goldsworthy, MD</i>	5	7:35
	<b>B. Administration</b>		
	1. President and CEO – <i>Diane Hansen</i>	5	7:40
	2. Chair of the Board – Michael Pacheco	5	7:45
<b>VIII.</b>	<b>Board Committees – <i>Informational Only</i> (ADD C)</b>	5	7:50
	A. Audit & Compliance Committee – Michael Pacheco, Committee Chair		
	B. Community Relations Committee – Terry Corrales, RN, Committee Chair		
	C. Finance Committee – Linda Greer RN, Committee Chair ( <i>Pp 59</i> )		
	D. Governance Committee – Jeff Griffith, EMT-P, Committee Chair		
	E. Human Resources Committee – Terry Corrales, RN, Committee Chair		
	F. Quality Review Committee – Linda Greer, RN, Committee Chair		
	G. Strategic & Facilities Planning – Michael Pacheco, Committee Chair		
<b>Final Adjournment</b>			<b>8:00</b>

NOTE: If you need special assistance to participate in the meeting, please call 760.740.6375 with requests 48 hours prior to the event, so we may provide reasonable accommodations.

<sup>1</sup> 3 minutes allowed per speaker. For further details, see Request for Public Comment Process and Policy on page 4 of agenda.

## **Board of Directors Meeting Location Options**

**Palomar Medical Center Escondido  
1<sup>st</sup> Floor Conference Room  
2185 Citracado Parkway, Escondido, CA 92029**

- Elected Board Members of the Palomar Health Board of Directors will attend at this location, unless otherwise noticed below
- Non-Board member attendees, and members of the public may also attend at this location

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting?rtc=1>

**Meeting ID: 265 833 941 875 61**

**Passcode: Gn3EG7xv**

**or**

**Dial in using your phone at 929.352.2216; Access Code: 505 548 779#<sup>1</sup>**

- Non-Board member attendees, and members of the public may also attend the meeting virtually utilizing the above link
- **822 Lanewood Place, Escondido, CA 92026**
- An elected member of the Board of Directors will be attending the meeting virtually from these locations

<sup>1</sup> New to Microsoft Teams? Get the app now and be ready when your first meeting starts: [Download Teams](#)

DocID: 21790  
Revision: 9  
Status: Official

**Source:**  
Administrative  
Board of Directors

**Applies to Facilities:**  
All Palomar Health Facilities

**Applies to Departments:**  
Board of Directors

## Policy: Public Comments and Attendance at Public Board Meetings

### I. PURPOSE:

A. It is the intention of the Palomar Health Board of Directors to hear public comment about any topic that is under its jurisdiction. This policy is intended to provide guidelines in the interest of conducting orderly, open public meetings while ensuring that the public is afforded ample opportunity to attend and to address the board at any meetings of the whole board or board committees.

### II. DEFINITIONS:

A. None defined.

### III. TEXT / STANDARDS OF PRACTICE:

- A. There will be one-time period allotted for public comment at the start of the public meeting. Should the chair determine that further public comment is required during a public meeting, the chair can call for such additional public comment immediately prior to the adjournment of the public meeting. Members of the public who wish to address the Board are asked to complete a [Request for Public Comment form](#) and submit to the Board Assistant prior to or during the meeting. The information requested shall be limited to name, address, phone number and subject, however, the requesting public member shall submit the requested information voluntarily. It will not be a condition of speaking.
- B. Should Board action be requested, it is encouraged that the public requestor include the request on the *Request for Public Comment* as well. Any member of the public who is speaking is encouraged to submit written copies of the presentation.
- C. The subject matter of any speaker must be germane to Palomar Health's jurisdiction.
- D. Based solely on the number of speaking requests, the Board will set the time allowed for each speaker prior to the public sections of the meeting, but usually will not exceed 3 minutes per speaker, with a cumulative total of thirty minutes.
- E. Questions or comments will be entertained during the "Public Comments" section on the agenda. All public comments will be limited to the designated times, including at all board meetings, committee meetings and board workshops.
- F. All voting and non-voting members of a Board committee will be seated at the table. Name placards will be created as placeholders for those seats for Board members, committee members, staff, and scribes. Any other attendees, staff or public, are welcome to sit at seats that do not have name placards, as well as on any other chairs in the room. For Palomar Health Board meetings, members of the public will sit in a seating area designated for the public.
- G. In the event of a disturbance that is sufficient to impede the proceedings, all persons may be excluded with the exception of newspaper personnel who were not involved in the disturbance in question.
- H. The public shall be afforded those rights listed below (Government Code Section 54953 and 54954).
  - 1. To receive appropriate notice of meetings;
  - 2. To attend with no pre-conditions to attendance;
  - 3. To testify within reasonable limits prior to ordering consideration of the subject in question;
  - 4. To know the result of any ballots cast;
  - 5. To broadcast or record proceedings (conditional on lack of disruption to meeting);
  - 6. To review recordings of meetings within thirty days of recording; minutes to be Board approved before release,
  - 7. To publicly criticize Palomar Health or the Board; and
  - 8. To review without delay agendas of all public meetings and any other writings distributed at the meeting. I. This policy will be reviewed and updated as required or at least every three years.

(REFERENCED BY [Public Comment Form](#))

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

[https://www.lucidoc.com/cgi/dgc-gw.pl?ref=pphealth:21790\\$9](https://www.lucidoc.com/cgi/dgc-gw.pl?ref=pphealth:21790$9).

# Regular Session Board of Directors Meeting

Meeting will begin at 6:30 p.m.

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## Request for Public Comments

If you would like to make a public comment, submit your request by doing the following:

- **In Person: Submit a Public Comment Form, or verbally submit a request, to the Board Clerk**
- **Virtual: Enter your name and “Public Comment” in the chat function**

Those who submit a request will be called on during the Public Comments section and given 3 minutes to speak.

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### Public Comments Process

Pursuant to the Brown Act, the Board of Directors can only take action on items listed on the posted agenda. To ensure comments from the public can be made, there is a 30 minute public comments period at the beginning of the meeting. Each speaker who has requested to make a comment is granted three (3) minutes to speak. The public comment period is an opportunity to address the Board of Directors on agenda items or items of general interest within the subject matter jurisdiction of Palomar Health.

# ADDENDUM A





<b>Board of Directors Meeting Minutes – Monday, December 8, 2025</b>	
<b>Agenda Item</b>	
<ul style="list-style-type: none"> <li><b>Discussion</b></li> </ul>	<b>Conclusion/Action/Follow Up</b>
<b>Notice of Meeting</b>	
Notice of Meeting was posted at the Palomar Health Administrative Office at 2125 Citracado Parkway, Suite 300, Escondido, CA. 92029, as well as on the Palomar Health website, on Friday, December 5, 2025, which is consistent with legal requirements.	
<b>Call to Order</b>	
The meeting, which was held at the Palomar Medical Center Escondido, First Floor Conference Room at 2185 Citracado Parkway, Escondido, CA. 92029, and called to order at 6:30 p.m. by Board Chair Jeffery Griffith.	
<b>1. Establishment of Quorum</b>	
Quorum was established via roll call comprising of Directors Clark; Corrales; Edwards-Tate; Greer; Griffith; Jahaaski; Pacheco Absences: none	
<b>2. Opening Ceremony</b>	
The Pledge of Allegiance was recited in unison led by Director Edwards-Tate.	
<b>3. Public Comments</b>	
Public Comments from John Stead-Mendez were heard	

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>4. Approval of Minutes</b>	
<ul style="list-style-type: none"> <li>a. Regular Session Board of Directors Meeting - Monday, November 10, 2025</li> <li>b. Special Closed Session Board of Directors Meeting – Thursday, November 6, 2025</li> <li>c. Special Session Board of Directors Meeting – Thursday, November 6, 2025</li> <li>d. Special Closed Session Board of Directors Meeting – Monday, November 10, 2025</li> <li>e. Special Session Board of Directors Meeting – Tuesday, November 18, 2025</li> </ul>	<p><b>MOTION:</b> By Director Pacheco, 2<sup>nd</sup> by Director Corrales and carried to approve all presented minutes that included the November 10, 2025 Regular Session Board of Directors Meeting, November 6, 2025 Special Closed Session Board of Directors Meeting, November 6, 2025 Special Session Board of Directors Meeting, November 10, 2025 Special Closed Session Board of Directors Meeting, and the November 18, 2025 Special Session Board of Directors Meeting.</p> <p>Roll call voting was utilized.          Director Clark – aye          Director Corrales – aye          Director Edwards-Tate – abstain          Director Greer – aye          Director Griffith – aye          Director Jahaaski – aye          Director Pacheco – aye</p> <p>Board Chair Griffith announced that six board members were in favor. None opposed. One abstention(s). None absent.</p> <p>Motion approved.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>5. Approval of Agenda to accept the Consent Items as Listed</b>	
<ul style="list-style-type: none"> <li>a. Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments</li> <li>b. Palomar Medical Center Poway Medical Staff Credentialing and Reappointments</li> <li>c. Palomar Medical Center Escondido Department of Pediatrics Rules and Regulations</li> <li>d. Palomar Medical Center Escondido Resident Rotations in Emergency Department Annual Report 2024-2025</li> <li>e. Policy and Procedure Approval (August 2025-November 2025)</li> </ul>	<p><b>MOTION:</b> By Director Pacheco, 2<sup>nd</sup> by Director Corrales and carried to approve Consent Agenda items that included the Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments, Palomar Medical center Poway Medical Staff Credentialing and Reappointments, Palomar Medical Center Escondido Department of Pediatrics Rules and Regulations, Palomar Medical Center Escondido Resident Rotations in Emergency Department Annual Report 2024-2025, and Policy and Procedure Approval (August 2025-November 2025) as presented.</p> <p>Roll call voting was utilized.          Director Clark – aye          Director Corrales – aye          Director Edwards-Tate – aye          Director Greer – aye          Director Griffith – aye          Director Jahaaski – aye          Director Pacheco – aye</p> <p>Board Chair Griffith announced that seven board members were in favor. None opposed. No abstention(s). One absent.</p> <p>Motion approved.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>6. Reports – Informational Only</b>	
<b>a. Medical Staffs</b>	
1) Palomar Medical Center of Escondido	
<ul style="list-style-type: none"> <li>Palomar Medical Center Escondido Chief of Staff, Kanchan Koirala, MD, provided a verbal report to the Board of Directors</li> </ul>	
2) Palomar Medical Center of Poway	
<ul style="list-style-type: none"> <li>Palomar Medical Center Poway Chief of Staff, Mark Goldsworthy, MD, provided a verbal report to the Board of Directors</li> </ul>	
<b>b. Administrative</b>	
1) President and CEO	
<ul style="list-style-type: none"> <li>Palomar Health President &amp; CEO, Diane Hansen provided a verbal report to the Board of Directors</li> </ul>	
2) Chair of the Board	
<ul style="list-style-type: none"> <li>Palomar Health Chair of the Board Jeff Griffith provided a verbal report to the Board of Directors</li> </ul>	

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>7. ELECTION OF OFFICERS</b>	
Board Chair	<p><b>MOTION:</b> By Director Griffith, 2<sup>nd</sup> by Director Greer to nominate Director Pacheco for the position of Board Chair for Calendar Year 2026. Director Pacheco accepted the nomination.</p> <p>Roll call voting was utilized.          Director Clark – aye          Director Corrales – aye          Director Edwards-Tate – abstain          Director Greer – aye          Director Griffith – aye          Director Jahaaski – aye          Director Pacheco – aye</p> <p>Parliamentarian David Holtzman announced by a 6-0 vote with one abstention(s) in favor of Director Pacheco. Director Michael Pacheco is nominated and elected as Board Chair for 2026.</p> <p><b>MOTION:</b> By Director Edwards-Tate, 2<sup>nd</sup> by Jahaaski to nominate Director Griffith for the position of Board Chair for Calendar Year 2026. Director Griffith declined the nomination. Nomination failed.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
Board Vice Chair	<p><b>MOTION:</b> By Director Greer, 2<sup>nd</sup> by Director Pacheco to nominate Director Griffith for the position of Board Vice Chair for Calendar Year 2026. Director Griffith accepted the nomination.</p> <p>Roll call voting was utilized.          Director Clark – abstain          Director Corrales – aye          Director Edwards-Tate – abstain          Director Greer – aye          Director Griffith – aye          Director Jahaaski – aye          Director Pacheco – aye</p> <p>Parliamentarian David Holtzman announced by a 5-0 vote with two abstention(s) in favor of Director Griffith. Director Jeffrey Griffith is nominated and elected as Board Vice Chair for 2026.</p> <p><b>MOTION:</b> By Director Clark with no 2<sup>nd</sup> to nominate Director Edwards-Tate for the position of Board Vice Chair for Calendar Year 2026. Motion withdrawn.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
Board Treasurer	<p><b>MOTION:</b> By Director Pacheco, 2<sup>nd</sup> by Director Corrales to nominate Director Greer for the position of Board Treasurer for Calendar Year 2026. Director Greer accepted the nomination.</p> <p><b>MOTION:</b> By Director Edwards-Tate, 2<sup>nd</sup> by Director Clark to nominate Director Jahaaski for the position of Board Treasurer for Calendar Year 2026. Director Jahaaski accepted the nomination.</p> <p>Board Members were asked to vote for Board Treasurer for Calendar Year 2026 by a vote of Director Greer or Director Jahaaski.</p> <p>Roll call voting was utilized.          Director Clark – Jahaaski          Director Corrales – Greer          Director Edwards-Tate – Jahaaski          Director Greer – Greer          Director Griffith – Greer          Director Jahaaski – Jahaaski          Director Pacheco – Greer</p> <p>Parliamentarian David Holtzman announced by a 4-3 vote in favor of Director Greer. Director Linda Greer is nominated and elected as Board Treasurer for 2026.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<p>Board Secretary</p>	<p><b>MOTION:</b> By Director Greer, 2<sup>nd</sup> by Griffith to nominate Director Corrales for the position of Board Secretary for Calendar Year 2026. Director Corrales accepted the nomination.</p> <p><b>MOTION:</b> By Director Edwards-Tate, 2<sup>nd</sup> by Director Clark to nominate Director Jahaaski for the position of Board Secretary for Calendar Year 2026. Director Jahaaski accepted the nomination.</p> <p>Board Members were asked to vote for Board Secretary for Calendar Year 2026 by a vote of Corrales or Jahaaski.</p> <p>Roll call voting was utilized.          Director Clark – Jahaaski          Director Corrales – Corrales          Director Edwards-Tate – Jahaaski          Director Greer – Corrales          Director Griffith – Corrales          Director Jahaaski – Jahaaski          Director Pacheco – Corrales</p> <p>Parliamentarian David Holtzman announced by a 4-3 vote in favor of Director Corrales. Director Terry Corrales is nominated and elected as Board Secretary for 2026.</p>
<ul style="list-style-type: none"> <li>Kevin DeBruin closed the election of officers and yielded the floor to Board Chair Jeffrey Griffith.</li> </ul>	



<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>8. Approval of Bylaws, Charters, Resolutions and Other Actions</b>	
a. Affirmation of the Board of Directors Code of Conduct	<b>ANNUAL ACKNOWLEDGEMENT:</b> By Board Members of his or her understanding of the requirements of and compliance with the Palomar Health Board of Directors Code of Conduct at an open session of a duly called regular Board meeting.
a. Resolution No. 12.08.25(04)-25 of the Board of Directors of Palomar Health Establishing Regular Board Meetings for Calendar Year 2026	<p><b>MOTION:</b> By Director Corrales, 2<sup>nd</sup> by Director Edwards-Tate and carried to approve Resolution No. 12.08.25(04)-25 of the Board of Directors of Palomar Health Establishing Regular Board of Directors Meetings for Calendar Year 2026</p> <p>Roll call voting was utilized.            Director Clark – aye            Director Corrales – aye            Director Edwards-Tate – aye            Director Greer – aye            Director Griffith – aye            Director Jahaaski – aye            Director Pacheco – aye</p> <p>Chair Griffith announced that seven board members were in favor. None opposed. No abstention. None absent.</p> <p>Motion approved.</p>

<i>Board of Directors Meeting Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <li><i>Discussion</i></li> </ul>	<i>Conclusion/Action/Follow Up</i>
<b>9. Board Committees – Informational Only</b>	
<ul style="list-style-type: none"> <li>Director Griffith announced that none of the Board Committees have met since the last Regular Session of the Board of Directors in November</li> </ul>	
a. Audit & Compliance Committee – Michael Pacheco, Committee Chair	
b. Community Relations Committee – Terry Corrales, Committee Chair	
c. Finance Committee – Linda Greer, Committee Chair	
d. Governance Committee – Jeff Griffith, Committee Chair	
e. Human Resources Committee – Terry Corrales, Committee Chair	
f. Quality Review Committee – Linda Greer, Committee Chair	
g. Strategic & Facilities Planning – Michael Pacheco, Committee Chair	
<b>Final Adjournment</b>	
<ul style="list-style-type: none"> <li>There being no further business, Chair Jeffrey Griffith adjourned the meeting at 7:03 p.m.</li> </ul>	

*Board of Directors Meeting Minutes – Monday, December 8, 2025*

<b>Signatures:</b>	<b>Board Secretary</b>	_____
	<b>Board Assistant</b>	_____
		Terry Corrales, R.N.
		Janet Kren

<i>Special Closed Session Board of Directors Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	<i>Conclusion / Action</i>
<i>Discussion</i>	
<b>Notice of Meeting</b>	
Notice of Meeting was posted at the Palomar Health Administrative Office at 2125 Citracado Parkway, Suite 300, Escondido, CA. 92029, as well as on the Palomar Health website, on Friday, December 5, 2025, which is consistent with legal requirements.	
<b>I. Call To Order</b>	
The meeting, which was held at the Palomar Medical Center Escondido, First Floor Conference Room at 2185 Citracado Parkway, Escondido, CA. 92029, and virtually, was called to order at 4:00 p.m. by Chair Jeffrey Griffith.	
<b>II. Establishment Of Quorum</b>	
Quorum was established via roll call comprising of Directors Clark; Corrales; Edwards-Tate; Greer; Griffith; Jahaaski; Pacheco Absences: None	
<b>III. Public Comments</b>	
<ul style="list-style-type: none"> <li>No public comments.</li> </ul>	
<b>IV. Adjournment to Closed Session at 4:04 p.m.</b>	
<b>V. Re-Adjournment to Open Session 4:26 p.m.</b>	
<b>VI. Action Resulting from Closed Session – if any</b>	

### VIII. Approval of Bylaws, Charters, Resolutions and other Actions

Resolution No. 12.08.25(01)-22 of the Board of Directors of Palomar Health Evaluating CEO and Directing Compliance with Employment Agreement

**MOTION:** By Director Edwards-Tate, 2<sup>nd</sup> by Director Clark for Resolution No. 12.08.25(01)-22 of the Board of Directors of Palomar Health Evaluating CEO and Directing Compliance with Employment Agreement to be considered at a later date after the items are more settled with UCSD Health.

Roll call voting was utilized.

Director Clark – aye

Director Corrales – nay

Director Edwards-Tate – aye

Director Greer – nay

Director Griffith – nay

Director Jahaaski – abstain

Director Pacheco – nay

Chair Griffith announced that two board members were in favor. Four opposed. One abstention. None absent.

Motion failed

	<p><b>MOTION:</b> By Director Corrales, 2<sup>nd</sup> by Director Greer and carried for Resolution No. 12.08.25(01)-22 of the Board of Directors of Palomar Health Evaluating CEO and Directing Compliance with Employment Agreement</p> <p>Roll call voting was utilized.          Director Clark – nay          Director Corrales – aye          Director Edwards-Tate – nay          Director Greer – aye          Director Griffith – aye          Director Jahaaski – abstain          Director Pacheco – aye</p> <p>Chair Griffith announced that four board members were in favor. Two opposed. One abstention. None absent.</p> <p>Motion approved</p>
<ul style="list-style-type: none"> <li>• Discussion ensued</li> </ul>	
<b>VIII. Final Adjournment</b>	
There being no further business, Chair Jeffrey Griffith adjourned the meeting at 4:47 p.m.	

<b>Signatures:</b>	<b>Board Secretary</b>	_____ Terry Corrales, RN
	<b>Board Clerk</b>	_____ Janet Kren

<i>Special Session Board of Directors Minutes – Monday, December 8, 2025</i>	
<i>Agenda Item</i>	<i>Conclusion / Action</i>
<i>Discussion</i>	
<b>Notice of Meeting</b>	
Notice of Meeting was posted at the Palomar Health Administrative Office at 2125 Citracado Parkway, Suite 300, Escondido, CA. 92029, as well as on the Palomar Health website, on Friday, December 5, 2025, which is consistent with legal requirements.	
<b>I. Call To Order</b>	
The meeting, which was held at the Palomar Medical Center Escondido, First Floor Conference Room at 2185 Citracado Parkway, Escondido, CA. 92029, and virtually, was called to order at 5:05 p.m. by Chair Jeffrey Griffith.	
<b>II. Establishment Of Quorum</b>	
Quorum was established via roll call comprising of Directors Clark; Corrales; Edwards-Tate; Greer; Griffith; Jahaaski; Pacheco Absences: None	
<b>III. Public Comments</b>	
<ul style="list-style-type: none"> <li>No public comments.</li> </ul>	



#### IV. Palomar UCSD Health Authority Board of Directors Candidate Interviews

The following candidates were interviewed by the Palomar Health Board of Directors:

- Edward Prunchunas
- Pauline Gourdie
- Charlene Zettel

#### IV. Approval of Bylaws, Charters, Resolutions, and Other Actions

- a. Resolution No. 12.08.25(03)-24 of the Board of Directors of Palomar Health Appointing Directors to the Palomar UCSD Health Authority Board of Directors

**MOTION:** By Director Greer, 2<sup>nd</sup> by Director Jahaaski and carried for Resolution No. 12.08.25(03)-24 of the Board of Directors of Palomar Health Appointing Directors to the Palomar UCSD Health Authority Board of Directors

Roll call voting was utilized.  
Director Clark – abstain  
Director Corrales – aye  
Director Edwards-Tate – aye  
Director Greer – aye  
Director Griffith – aye  
Director Jahaaski – aye  
Director Pacheco – aye

Chair Griffith announced that six board members were in favor. None opposed. One abstention. None absent.

Motion approved

#### VII. Final Adjournment

There being no further business, Chair Jeffrey Griffith adjourned the meeting at 6:11 p.m.

<b>Signatures:</b>	<b>Board Secretary</b>	_____ Terry Corrales, RN
	<b>Board Clerk</b>	_____ Janet Kren

# **ADDENDUM B**

Palomar Medical Center Escondido  
2185 Citracado Parkway  
Escondido, CA 92029  
(442) 281-1005 (760) 233-7810 fax  
Medical Staff Services

January 5, 2026

To: Palomar Health Board of Directors

From: Andrew Nguyen, M.D., Ph.D., Chief of Staff  
Palomar Medical Center Escondido Medical Executive Committee

Board Meeting Date: January 12, 2026

Subject: Palomar Medical Center Escondido Credentialing Recommendations

Provisional Appointment (01/12/2026 to 12/31/2027)

Arutyunov, Boris S., M.D. – Internal Medicine  
Hammad, Chad J., M.D. – Internal Medicine  
Pilson, Catherine H., D.O. – Diagnostic Radiology  
Richardson, Phillip J., M.D. - Anesthesiology  
Sakkal, Loutfi D.O. – Internal Medicine  
Wiltchik, Erin D., M.D. - Pulmonary

Advance from Provisional to Active Category

Baig, Nabil D.O. – Internal Medicine – Dept. of Medicine (eff. 02/01/2026 to 06/30/2026)  
Choudry, Muneeb A., M.D. – Medical Oncology – Dept. of Medicine (eff. 02/01/2026 to 08/31/2026)  
Gailliot, Britain A., M.D. – Diagnostic Radiology – Dept. of Radiology (eff. 02/01/2026 to 11/30/2027)  
Oliver, Deanna L., M.D. – Internal Medicine – Dept. of Medicine (eff. 02/01/2026 to 08/31/2027)  
Rodriguez, Rebecca, M.D. – Pediatrics – Dept. of Pediatrics (eff. 02/01/2026 to 07/31/2026)  
Urioste, Alexander S., M.D. – Diagnostic Radiology – Dept. of Radiology (eff. 02/01/2026 to 03/31/2026)

Advance from Provisional to Courtesy Category

Sial, Khuram A., M.D. – Pain Medicine – Dept. of Orthopaedic Surgery/Rehabilitation (eff. 02/01/2026 to 02/28/2027)

Reinstatement from LOA to Affiliate Category

Hanna, Michael W., M.D. - Internal Medicine (eff. 01/12/2026 to 08/31/2027)

Reinstatement from LOA to Active Category

Vu, Quin H., M.D. - Anesthesiology (eff. 01/16/2026 to 04/30/2027)

Request for Additional Privileges

Kim, Paul D., M.D. – Orthopaedic Surgery

- Use of Robotic Assisted System for Spinal and Neurosurgical Procedures (eff. 01/12/2026 – 11/30/2027)

Physician Voluntary Resignation

Coelho, Isaias C., M.D. - Obstetrics and Gynecology (eff. 02/01/2026)

Knutson, Thomas R., M.D. – Orthopaedic Surgery/Rehabilitation (eff. 12/03/2025)

Moghbel, Shahla D.O. – Neurology (eff. 07/01/2025)

Monahan, Carolyn O., M.D. – Pediatrics (eff. 01/31/2026)

Turay, Hamid O., D.O. – Emergency Medicine (eff. 12/02/2025)

Request for 2 Year Leave of Absence

Davis, Graham W., D.O. – Anesthesiology, 2 years (eff. 01/15/2026 – 01/14/2028)

Gonsalves, Gary D., M.D. – Anesthesiology, 2 years (eff. 01/15/2026 – 01/14/2028)

Neustein, Paul, M.D. – Urology, 2 years (eff. 01/01/2026 – 12/31/2027)

Allied Health Professional Appointment (effective 02/01/2026 to 01/31/2028)

McPherson, Vickie PMHNP – Psych. Nurse Pract. Dept. of Psychiatry (Sponsor: Benjamin Hidy, MD)

Moreo, Hunter M., PA-C – Physician Assistant Dept. of Urology (Sponsor: Stephen Unterberg, MD)

Allied Health Professional Voluntary Resignation

Chorazy, Christina M., PA-C – Physician Assistant (eff. 03/14/2025)

Lopez, Amy PA-C – Physician Assistant (eff. 12/02/2025)

Vik, Pamela S., NNP – Neonatal Nurse Practitioner (eff. 01/31/2026)

PALOMAR MEDICAL CENTER ESCONDIDO RECOMMENDATIONS FOR REAPPOINTMENT

Reappointments effective 02/01/2026 to 01/31/2028

Coullahan, Jessica M., M.D.	Pediatrics	Dept. of Pediatrics	Active
Deaver, Mark J., M.D.	Emergency Medicine	Dept. of Emergency Medicine	Active
Georgiades, Toni B., DDS	Dentistry	Dept. of Surgery	Courtesy
Goelitz, Brian W., M.D.	Diagnostic Radiology	Dept. of Radiology	Active
Langford II, Gregory A., MD	OB/GYN	Dept. of OB/GYN	Active
Levin, Marina V., M.D.	Internal Medicine	Dept. of Medicine	Active
Mandava, Veena, M.D.	Diagnostic Radiology	Dept. of Radiology	Active
Mathis, Philip C., M.D.	Wound Care	Dept. of Surgery	Active
Sorkhi, Ramin, M.D.	Surgery, General	Dept. of Surgery	Active
Teal, Elizabeth N., M.D.	Maternal – Fetal Medicine	Dept. of OB/GYN	Active
Trestman, Kenneth G., M.D.	Pulmonary Disease	Dept. of Medicine	Active
Velky Jr., Thomas S., M.D.	Surgery, General	Dept. of Surgery	Affiliate
Wright, Tabita A., M.D.	Diagnostic Radiology	Dept. of Radiology	Courtesy
Yoo, Frank K., M.D.	Surgery, Neurosurgery	Dept. of Surgery	Active

Reappointment effective 02/01/2026 to 01/31/2027

Bokhari, Sayed R., M.D.	Surgery, Critical Care, Trauma	Dept. of Surgery/Trauma	Active
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Reappointment effective 02/01/2026 to 01/31/2027

Leonard, Lisa (Annalise) A., M.D.	Obstetrics & Gyn.	Dept. of OB/GYN	Active
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Allied Health Professional Reappointments effective 02/01/2026 to 01/31/2027

Clark, Brittany B., N.P.	Acute Care Nurse Prac.	Dept. of Trauma	(Sponsor: Dr. Steele)
McNally, Paul D., NP, RNFA	Nurse Practitioner	Dept. of Surgery	(Sponsors: Dr. A. Nguyen, Dr. Santiago-Dieppa)
Stewart, Katherine M., PA-C	Physician Assistant	Dept. of Surgery	(Sponsor: Dr. Palanca)

Certification by and Recommendation of Chief of Staff

As Chief of Staff of Palomar Medical Center Escondido, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment or alteration of staff membership or the granting of privileges and that the policy of Palomar Health's Board of Directors regarding such practices have been properly followed. I recommend that the action requested in each case be taken by the Board of Directors.

Palomar Medical Center Poway  
 Medical Staff Services  
 15615 Pomerado Road  
 Poway, CA 92064  
 (858) 613-4538 (858) 613-4217 fax

Date: January 5, 2026  
 To: Palomar Health Board of Directors – January 12, 2026 Meeting  
 From: Mark Goldsworthy, M.D., Chief of Staff, PMC Poway Medical Staff  
 Subject: Medical Staff Credentials Recommendations – December, 2025

Provisional Appointments: (01/12/2026 – 12/31/2027)

Chad Hammad, M.D., Internal Medicine  
 Catherine Pilson, D.O., Teleradiology  
 Phillip Richardson, M.D., Anesthesiology  
 Loutfi Sakkal, D.O., Internal Medicine  
 Erin Wiltchik, M.D., Pulmonology

Biennial Reappointments: (02/01/2026 - 01/31/2028)

Daniel Burgess, D.O., General Surgery, Active  
 Mark Deaver, M.D., Emergency Medicine, Active  
 Toni Georgiades, DDS, Dentistry, Affiliate (The Villas at Poway Only)  
 Brian Goelitz, M.D., Diagnostic Radiology, Active  
 Marina Levin, M.D., Internal Medicine, Active  
 Albert Lin, DDS, Oral & Maxillofacial Surgery, Active  
 Veena Mandava, M.D., Diagnostic Radiology, Active  
 Ramin Sorkhi, M.D., General Surgery, Transfer from Active to Courtesy  
 Kenneth Trestman, M.D., Pulmonology, Active (Includes The Villas at Poway)  
 Tabita Wright, M.D., Diagnostic Radiology, Active

Advancements to Active Category:

Nabil Baig, D.O., Internal Medicine, effective 02/01/2026 – 06/30/2026  
 Muneeb Choudry, M.D., Hematology/Oncology, effective 02/01/2026 – 11/30/2026  
 Britain Gailliot, M.D., Teleradiology, effective 02/01/2026 – 11/30/2027  
 Alexander Urioste, M.D., Diagnostic Radiology, effective 02/01/2026 – 03/31/2026

Requests for Reinstatement from Leave of Absence:

Michael Hanna, M.D., Internal Medicine, Affiliate, effective 01/12/2026 – 08/31/2027 (Includes The Villas at Poway)  
 Quin Vu, M.D., Anesthesiology, Active, effective 01/16/2026 – 04/30/2027

Requests for Additional Privileges:

Zachary Cohen, M.D., Pain Management

- Infusion port/pump implantation/Percutaneous/peripheral nerve/subcutaneous implantation of neurostimulator electrodes and Minimally invasive lumbar decompression (MILD) effective 01/12/2026 – 07/31/2026

Andres Zuleta, M.D., Family Practice

- The Villas at Poway, effective 01/12/2026 – 01/31/2027

Requests for Two Year Leave of Absence:

Graham Davis, D.O., Anesthesiology, effective 01/15/2026 – 01/14/2028

Gary Gonsalves, M.D., Anesthesiology, effective 01/15/2026 – 01/14/2028

Paul Neustein, M.D., Urology, effective 01/01/2026 – 12/31/2027

Voluntary Resignations:

Rami Al Assaad, M.D., Internal Medicine, effective 12/31/2025

Nella Green, M.D., Infectious Disease, effective 12/30/2025

Lachlan Macleay, M.D., Pathology, effective 12/31/2025

Gurpreet Singh, M.D., Internal Medicine, effective 12/31/2025

Hamid Turay, D.O., Emergency Medicine, effective 12/02/2025

Allied Health Professional Appointment effective 01/12/2026 – 12/31/2027:

Vickie McPherson, PMHNP, Psychiatry, Sponsor Dr. Hidy (Includes The Villas at Poway)

Hunter Moreo, PA, Urology, Sponsor Dr. Unterberg

Allied Health Professional Biennial Reappointment effective 02/01/2026 – 01/31/2028:

Katherine Stewart, PA, Orthopedics, Sponsor Dr. Palanca

Allied Health Professional Voluntary Resignations:

Christina Chorazy, PA, Urology, effective 03/14/2025

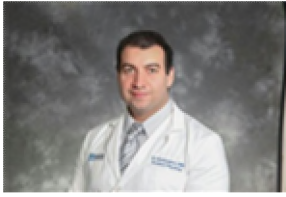
Amy Lopez, PA, Emergency Medicine, effective 12/02/2025

PALOMAR MEDICAL CENTER POWAY: Certification by and Recommendation of Chief of Staff:

As Chief of Staff of Palomar Medical Center Poway, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment, or alternation of staff membership or the granting of privileges and the policy of the Palomar Health's Board of Directors regarding such practices have been properly followed. I recommend that the Board of Directors take the action requested in each case.



## Provider Profiles



**Arutyunov, Boris S., MD**  
PMC Escondido

Status: Applicant  
Specialty: Internal Medicine



**Hammad, Chad J., MD**  
PMC Escondido and Poway

Status: Temporary  
Privileges  
Specialty: Internal Medicine



**McPherson, Vickie R., PMHNP**  
PMC Escondido and Poway

Status: Temporary  
Privileges  
Specialty: Nurse  
Practitioner

Psychiatry



**Moreo, Hunter M., PA-C**  
PMC Escondido and Poway

Status: Applicant  
Specialty: Physician  
Assistant

Urology



**Pilson, Catherine H., DO**  
PMC Escondido and Poway

Status: Applicant  
Specialty: Diagnostic  
Radiology



**Richardson, Phillip J., MD**  
PMC Escondido and Poway

Status: Applicant  
Specialty: Anesthesiology

## Provider Profiles



**Sakkal, Loutfi, DO**  
PMC Escondido and Poway

Status: Applicant  
Specialty: Internal Medicine



**Wiltchik, Erin D., MD**  
PMC Escondido and Poway

Status: Temporary  
Privileges  
Specialty: Pulmonary  
Disease  
Critical Care  
Medicine  
Internal Medicine

# Margin Improvement / Turnaround Project Financial Update

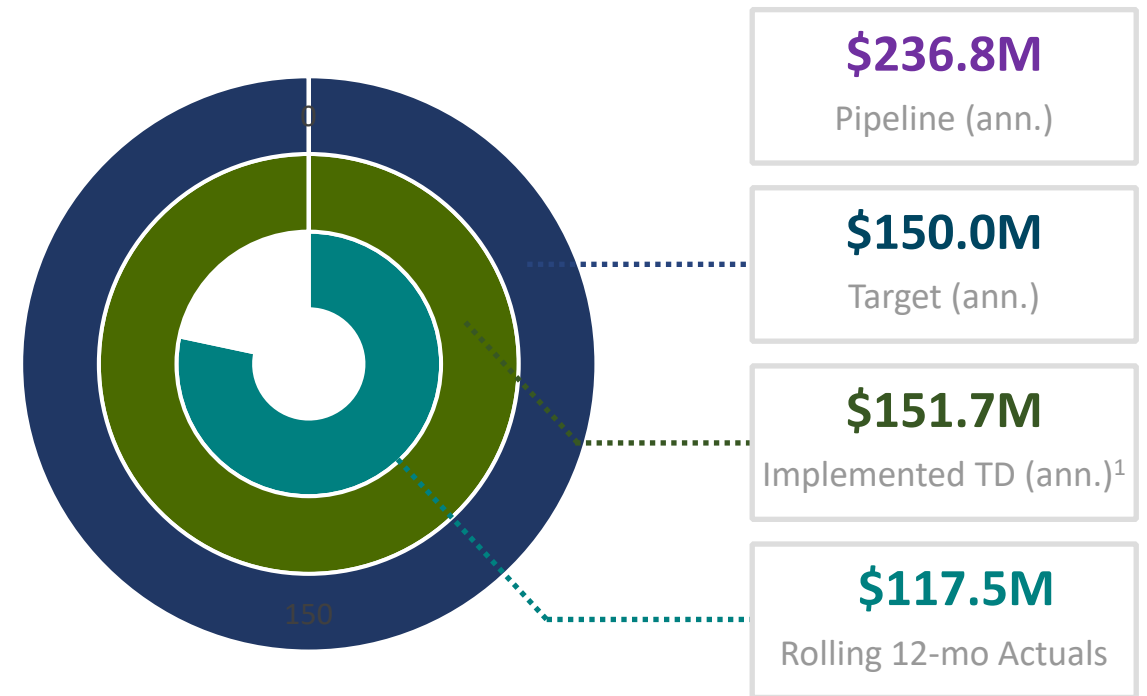
Reporting Month: Oct-25

December 17, 2025

# Palomar Health has implemented \$151.7M of initiatives, achieving annual improvement target; \$117.5M realized over past 12 months

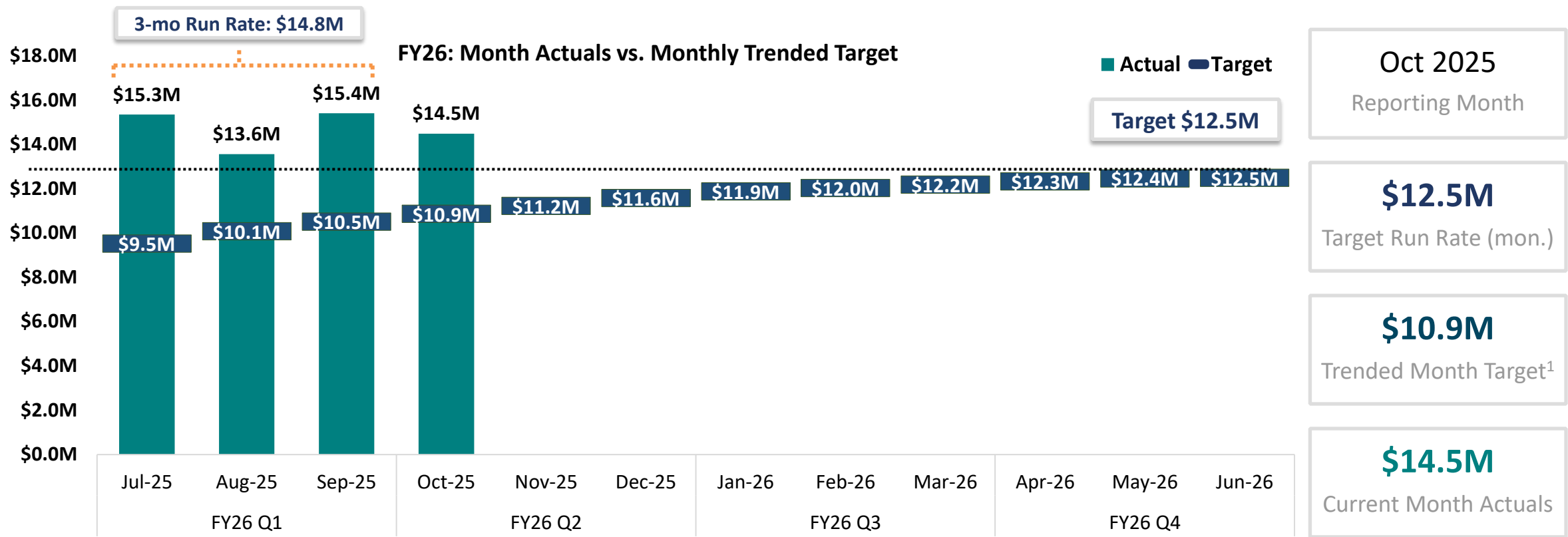
## Key upcoming high value initiatives include:

- ❑ **\$28.4M** **Denials Reduction** | Initial and fatal denials reduction, supported by UM improvement
- ❑ **\$3.7M** **PHMG** | Increased PB and HB revenue through improved patient access, capacity management, & collections; PCP playbook developed to enhance improvement efforts
- ❑ **\$4.3M** **Premium Pay & Bonus Programs** | Continued labor management targeting agency and premium pay reduction; aligning bonus, recruitment and incentive programs with best practices
- ❑ **\$4.9M** **Care Transitions** | Reinvigorate efforts to hardwire processes, improve throughput and optimize post-acute care (SNF) integration / referral strategy
- ❑ **\$2.0M** **OR Capacity** | Optimize perioperative scheduling and DOS workflows to minimize cancellations and maximize operating room capacity



Pipeline value has remained the same since 10/29 Finance Committee. Implemented value has only increased by \$67K from previously reported **\$151.6M** due to additional contract termination.

# Initiative performance in October 2025 resulted in \$14.5M in realization, exceeding monthly target of \$10.9M



First quarter run rate exceeded the monthly goal of \$12.5M, achieving \$14.8M. October results were lower than recent months, while still surpassing target run rate. Performance in October was largely driven by sustained improvements in revenue cycle management and reduced inpatient length of stay. High-value initiatives outlined on prior slide are projected to achieve additional impact in Q3-Q4, improving run rate in line with forecast.

<sup>1</sup>Workstream targets were established and communicated to board 1/27/25; actuals will be tracked against month targets moving forward. Monthly realization targets are trended to reflect initiative implementation timelines, building to a \$12.5M improvement to monthly run rate, annualized to \$150M

35

# In addition to sustaining improvements to date, acceleration of new initiatives will further drive workstream improvement

Workstream	Sep		Oct (Current Month)		Nov	Status
	Target	Actual	Target	Actual	Target	
Revenue Cycle	\$3.1M	\$7.6M	\$3.1M	\$7.7M	\$3.1M	
PHMG	\$1.4M	\$0.4M	\$1.4M	\$0.5M	\$1.5M	
Workforce & Periop	\$1.6M	\$3.1M	\$1.7M	\$2.3M	\$1.8M	
Corporate Services	\$1.3M	\$0.0M	\$1.4M	\$0.3M	\$1.5M	
Hospital Strategy	\$1.3M	\$0.9M	\$1.3M	\$0.6M	\$1.3M	
Care Transitions & PSA	\$1.0M	\$2.6M	\$1.0M	\$2.2M	\$1.0M	
Supply Chain & PS	\$0.8M	\$0.9M	\$0.8M	\$0.9M	\$0.8M	
Facilities & Real Estate	\$0.2M	\$0.0M	\$0.2M	\$0.0M	\$0.2M	
<b>Total:</b>	<b>\$10.5M</b>	<b>\$15.4M</b>	<b>\$10.9M</b>	<b>\$14.5M</b>	<b>\$11.2M</b>	

## Key Updates

- **Revenue Cycle:** Avoidable write-offs as a % of NPR have stayed below 3% for last 6 months; implementing UM KPI dashboard to target addition denial reduction and accelerate cash
- **PHMG:** Advancing productivity strategies to improve volume and revenue growth while controlling costs; developed PCP playbook and monthly KPI dashboard
- **Workforce:** Workforce initiatives continue to outperform baseline and show positive realization; recent month-over-month increases are primarily driven by premium pay which is being addressed through recruiting strategies / right-sizing float pool
- **Corporate Services:** Short-term increased HR and Legal spend impacting corporate realization; overall corporate expense expected to decline in coming months
- **Hospital Strategy:** Rad Onc, Cath Lab, and Infusion are beginning to demonstrate volume growth
- **Care Transitions & PSA:** Observed vs. expected LOS improving against baseline; however, opportunities remain particularly within post-acute strategy
- **Facilities & Real Estate:** Continuing to field property inquiries. Anticipating nominal savings starting in Jan-26

Oct 2025

Reporting Month

\$10.9M

Trended Month Target

\$14.5M

Current Month Actuals

## Status

On Track
Caution
At Risk

# Fiscal Year 2026 Financial Performance

\*Supplemental Section includes Palomar Health Medical Group (PHMG) and Consolidating Schedules

**October 2025 Unaudited**

<u>Page</u>	<u>Report</u>
3	Executive Summary
4	Management Discussion and Analysis
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8	Income Statement for Fiscal Period, Excludes PHMG
9	Income Statement for Fiscal Year-to-Date, Excludes PHMG
10	Income Statement for the Current Year versus Prior Year, Excludes PHMG
11	Income Statement for the Current Year Trend, Excludes PHMG
12	Statement of Net Position excluding G.O. Bonds, Excludes PHMG
13	Statement of Net Position including G.O. Bonds, Excludes PHMG
14	Statement of Cash Flows, Excludes PHMG
16	Condensed Combining Statement of Net Position for the Fiscal Year-to-Date Ended October 31, 2025
17	Condensed Combining Statement of Revenue, Expenses, and Changes in Net Position for the Fiscal Year-to-Date Ended October 31, 2025
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20	Condensed Combining Statement of Cash Flows for Fiscal Year-to-Date Ending October 31, 2025
21	Bond Covenants



## Highlights for October 2025

### Revenue

- Gross Revenue was \$41.5M above budget, or 8.6%
- Net Patient Revenue was above budget by \$181k
- High in-network capitation claims offset positive volume trends during October

### Volumes

- October continued to be a strong month for acute inpatient volumes
  - Acute discharges and patient days were 23.3% and 21.3% higher than budget, respectively
- For both surgery and emergency room, the trend has been reset for the current year
  - For the month, surgeries cases nearly met the budget target, with more inpatient cases and fewer outpatient cases (7% higher than budget and 11.8% lower, respectively)
  - IP ED visits continue to be very high, at 13.6% above the PYTD and 5.2% above the monthly budget
  - OP ED was slightly behind budget and prior year, at 4% and 4.7% behind respectively
- Radiation Oncology was higher than PY but missed budget by 3.7%
- Infusion Therapy had a strong month, meeting the budget target and exceeding prior year by 3.6%
- Length of Stay remained below budget for the month of October as well as the fiscal year to date

### Expenses

- Total expenses were 3.1% over budget
- The largest budget overages were in salaries and wage and professional fees, driven by higher volumes and transaction costs
- Supplies are only 1.2% above budget on a YTD basis, despite high volume, as continued efforts to manage contract pricing offset volume variances

### Other Highlights

- The FY25 audit, performed by Baker Tilly, was issued in November 2025 with no findings
- EBIDA\* margin remains strong at 12.3% based on FYTD results
- Days Cash on Hand Consolidated for October increased to 24.1 days, building cash to prepare for a November IGT payment
- Accounts Payable Current Liability increased as cash was preserved during a period of IGT outflow
- Days in Accounts Receivable (A/R) decreased to 59.9, representing the 5<sup>th</sup> month in a row of decreases
- Debt Service Coverage is 0.87 as of October, which is below covenant but positive
- Work with UCSD is beginning to transition from due diligence to implementation phase

### Payor Mix, Net Days in Accounts Receivable (A/R) and Cash Collections

The percentages of Gross Patient Service Revenue from the Medicare, Managed Care Medicare, Managed Care, Medi-Cal and Managed Care Medi-Cal financial classes for the month were consistent with budget. Cash postings were \$73.9 million. Days in Net A/R excluding supplemental government programs are 59.9, a decrease of 2.2 days from the prior month. Uncompensated Care decreased by \$4.9 million to \$8.3 million for the month.

### Revenue Cycle – Key Performance Indicators (KPIs)

Key Performance Indicators (KPI)	June 2025	July 2025	August 2025	September 2025	October 2025	Target
Total Net A/R (\$) <sup>1</sup>	\$ 143,433,565	\$ 138,245,508	\$ 135,609,856	\$ 129,039,121	\$ 119,687,568	
Net Days in A/R (Days) <sup>2</sup>	75.0	67.7	66.6	62.1	59.9	55.0
% AR > 90 Days	40.5%	38.8%	39.4%	38.5%	38.8%	22.5%
% of Avoidable Denial Write-Offs	1.4%	1.3%	1.6%	2.1%	2.1%	2.1%
Net Revenue Yield	106.6%	104.3%	106.1%	111.8%	112.9%	98.0%

<sup>1</sup> Total Net A/R: This is the total amount of accounts receivable which management expects to collect from patients, insurance companies, Medicare, Medi-Cal, in future months, for services to patients through the end of the current accounting period. This number is computed by subtracting estimated contractual adjustments, bad debt and charity write-offs from gross accounts receivable.

<sup>2</sup> Net Days in A/R (Days): The full name for this performance indicator is "Net Days of Revenue in Net Accounts Receivable." This statistic is a measure of the effectiveness of the organization's collections of revenue. For example, if the organization has average daily net revenues of \$2 million and \$140 million in Net A/R, then the organization has 70 days of net revenue/potential cash (\$140M divided by \$2M) tied up in its Accounts Receivable.

	Month					Year to Date				
	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance
<b>Key Volumes</b>										
<b>Discharges - Total</b>	<b>2,387</b>	<b>1,950</b>	<b>22.4%</b>	<b>2,056</b>	<b>16.1%</b>	<b>9,501</b>	<b>8,276</b>	<b>14.8%</b>	<b>8,407</b>	<b>13.0%</b>
Acute - General	2,345	1,902	23.3%	2,018	16.2%	9,346	8,097	15.4%	8,262	13.1%
Total Acute Discharges	2,345	1,902	23.3%	2,018	16.2%	9,346	8,097	15.4%	8,262	13.1%
The Villas at Poway	42	48	(12.2%)	38	10.5%	155	179	(13.5%)	145	6.9%
<b>Patient Days - Total</b>	<b>12,160</b>	<b>11,089</b>	<b>9.7%</b>	<b>11,278</b>	<b>7.8%</b>	<b>47,592</b>	<b>46,313</b>	<b>2.8%</b>	<b>46,127</b>	<b>3.2%</b>
Acute - General	9,564	7,884	21.3%	8,561	11.7%	37,256	34,039	9.5%	35,420	5.2%
Total Acute Patient Days	9,564	7,884	21.3%	8,561	11.7%	37,256	34,039	9.5%	35,420	5.2%
The Villas at Poway	2,596	3,205	(19.0%)	2,717	(4.5%)	10,336	12,274	(15.8%)	10,707	(3.5%)
Acute Adjusted Discharges	3,768	3,428	9.9%	3,379	11.5%	15,145	13,528	12.0%	13,335	13.6%
Total Adjusted Discharges*	3,818	3,091	23.5%	3,424	11.5%	15,325	13,137	16.7%	13,504	13.5%
Acute Adjusted Patient Days	15,366	12,614	21.8%	14,335	7.2%	60,365	54,461	10.8%	57,153	5.6%
Total Adjusted Patient Days*	17,962	15,819	13.6%	17,052	5.3%	70,701	66,735	5.9%	67,860	4.2%
Calendar Days	31	31	0.0%	31	0.0%	123	123	0.0%	123	0.0%
Acute Average Daily Census	309	254	21.3%	276	11.7%	303	277	9.5%	288	5.2%
Total Average Daily Census*	392	358	9.7%	364	7.8%	387	377	2.8%	375	3.2%
<b>Surgeries - Total</b>	<b>955</b>	<b>974</b>	<b>(1.9%)</b>	<b>994</b>	<b>(3.9%)</b>	<b>3,703</b>	<b>3,729</b>	<b>(0.7%)</b>	<b>3,798</b>	<b>(2.5%)</b>
Inpatient	547	511	7.0%	508	7.7%	2,059	2,074	(0.7%)	2,062	(0.2%)
Outpatient	408	463	(11.8%)	486	(16.1%)	1,644	1,655	(0.7%)	1,736	(5.3%)
Deliveries	293	313	(6.5%)	306	(4.3%)	1,120	1,245	(10.1%)	1,216	(7.9%)
<b>ER Visits (Includes Trauma) - Total</b>	<b>10,251</b>	<b>10,504</b>	<b>(2.4%)</b>	<b>10,476</b>	<b>(2.2%)</b>	<b>40,956</b>	<b>41,996</b>	<b>(2.5%)</b>	<b>41,888</b>	<b>(2.2%)</b>
Inpatient	1,858	1,766	5.2%	1,668	11.4%	7,473	6,960	7.4%	6,576	13.6%
Outpatient	8,393	8,738	(4.0%)	8,808	(4.7%)	33,483	35,035	(4.4%)	35,312	(5.2%)

	Month					Year to Date				
	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance
Cardiac Cath RVUs	1,073	960	11.7%	989	8.5%	4,608	4,222	9.1%	4,325	6.5%
Escondido Interv. Radiology RVUs	935	985	(5.1%)	989	(5.5%)	3,433	3,889	(11.7%)	3,896	(11.9%)
Poway Interv. Radiology RVUs	328	360	(8.8%)	335	(2.1%)	1,214	1,137	6.8%	1,055	15.0%
Radiation Oncology RVUs	3,354	3,482	(3.7%)	3,207	4.6%	13,119	13,816	(5.1%)	12,565	4.4%
Infusion Therapy Hours	1,115	1,113	0.2%	1,076	3.6%	4,120	4,417	(6.7%)	3,917	5.2%
<b>Imaging</b>										
Escondido CAT Procedures	10,383	9,448	9.9%	9,104	14.1%	40,620	36,838	10.3%	35,484	14.5%
Poway CAT Procedures	2,848	2,523	12.9%	2,453	16.1%	11,484	10,257	12.0%	9,982	15.1%
Escondido MRI Procedures	565	506	11.6%	486	16.3%	2,121	1,923	10.3%	1,826	16.2%
Poway MRI Procedures	152	127	19.7%	129	17.8%	586	536	9.2%	544	7.7%
Escondido Diagnostic Rad. Procedures	6,984	6,700	4.2%	6,759	3.3%	27,991	27,759	0.8%	27,998	(0.0%)
Poway Diagnostic Rad. Procedures	2,200	2,163	1.7%	2,164	1.7%	8,789	8,635	1.8%	8,649	1.6%

\*Includes The Villas at Poway

	Month					Year to Date				
	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance	Actual Oct-25	Budget Oct-25	Budget Variance	Prior Year Oct-24	Prior Year Variance
<b>Key Statistics</b>										
Acute Average LOS - Days	4.08	4.15	1.7%	4.24	4.0%	3.99	4.20	5.5%	4.29	7.6%
Average Observation Hours	28	26	(10.0%)	26	(6.2%)	27	28	5.9%	29	8.0%
Acute Case Mix - Excludes Deliveries	1.69	1.69	0.0%	1.69	0.0%	1.65	1.74	5.2%	1.74	5.5%
Acute Case Mix -Medicare Only	1.66	1.74	4.6%	1.74	4.8%	1.63	1.73	5.8%	1.73	6.1%
Labor Productivity by Hrs						99.6%	100%		103%	3.4%
Days Cash on Hand						28.8			15.4	
<b>Financial Performance</b>										
Operating Income	(215,675)	(999,999)	784,324	(3,327,754)	3,112,079	4,037,418	(6,000,001)	10,037,419	(22,629,207)	26,666,625
Net Income	(215,675)	(3,470,492)	3,254,817	(6,474,885)	6,259,211	(2,127,573)	(15,789,795)	13,662,222	(31,481,364)	29,353,791
Oper. Expenses/Adj. Patient Days	3,827	4,224	(9.4%)	4,148	(7.7%)	3,823	4,021	(4.9%)	4,083	(6.4%)
EBIDA Margin-Excludes PHMG	7.5%	10.0%	(25.0%)	6.7%	11.9%	12.3%	9.3%	32.3%	4.6%	167.4%
EBIDA-Excludes PHMG	5,256,438	7,047,847	(1,791,409)	4,893,032	363,406	35,627,477	26,283,558	9,343,919	12,528,733	23,098,744

Note: Financial Performance excludes GO Bonds

	<u>Actual</u> <u>Oct 25</u>	<u>Budget</u> <u>Oct 25</u>	<u>Variance</u> <u>Oct 25</u>	<u>Variance</u>		<u>Dollars/Adjusted Patient Day</u>		
				<u>Volume</u>	<u>Rate/Eff</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Adjusted Patient Days</b>	17,962	15,819	2,143					
<b>Adjusted Discharges</b>	3,818	3,091	727					
<b>Operating Revenue</b>								
Gross revenue	526,244,883	484,735,041	41,509,842	65,670,216	(24,160,374)	29,297.68	30,642.76	(1,345.08)
Deductions from revenue	(456,700,924)	(415,372,391)	(41,328,533)	(56,273,206)	14,944,673	(25,425.95)	(26,257.97)	832.02
Net patient revenue	69,543,959	69,362,650	181,309	9,397,010	(9,215,701)	3,871.73	4,384.79	(513.07)
Other operating revenue	945,491	1,159,790	(214,299)	157,124	(371,423)	52.64	73.32	(20.68)
Total net revenue	70,489,450	70,522,440	(32,990)	9,554,135	(9,587,125)	3,924.37	4,458.11	(533.74)
<b>Operating Expenses</b>								
Salaries, wages & contract labor	31,790,235	29,965,800	(1,824,435)	(4,059,662)	2,235,227	1,769.86	1,894.30	124.44
Benefits	7,427,821	7,894,608	466,787	(1,069,534)	1,536,321	413.53	499.06	85.53
Supplies	11,238,958	11,022,746	(216,212)	(1,493,323)	1,277,111	625.71	696.81	71.10
Prof fees & purch svcs	14,915,536	14,410,487	(505,049)	(1,952,283)	1,447,234	830.39	910.97	80.57
Depreciation & amortization	4,975,598	4,703,549	(272,049)	(637,220)	365,171	277.01	297.34	20.33
Other	3,367,857	3,525,249	157,392	(477,588)	634,980	187.50	222.85	35.35
Total expenses	73,716,005	71,522,439	(2,193,566)	(9,689,611)	7,496,045	4,104.00	4,521.33	417.33
Income from operations	(3,226,555)	(999,999)	(2,226,556)	(135,476)	(2,091,080)	(179.63)	(63.22)	(951.07)
<b>Non-operating revenue (expense)</b>								
Property tax revenues <sup>1</sup>	2,141,666	2,141,667	(1)					
Investment Income	1,159,725	1,176,843	(17,118)					
Interest Expense	(4,462,078)	(4,335,990)	(126,088)					
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	-					
Other non-operating revenue(expense)	206,005	25,788	180,217					
Net income(loss) <sup>2</sup>	(5,660,037)	(3,470,491)	(2,189,546)					

EBIDA Margin 7.5% 10.0% (2.5%)

1= Property Tax Revenue excludes G.O. Bonds Levy

2= Excludes G.O. Bonds income / expense

	<u>Actual</u> <u>Oct 25</u>	<u>Budget</u> <u>Oct 25</u>	<u>Variance</u> <u>Oct 25</u>	<u>Variance</u>		<u>Dollars/Adjusted Patient Day</u>		
				<u>Volume</u>	<u>Rate/Eff</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Adjusted Patient Days</b>	70,701	66,735	3,966					
<b>Adjusted Discharges</b>	15,325	13,137	2,188					
<b>Operating Revenue</b>								
Gross revenue	2,053,305,697	1,954,163,656	99,142,041	116,136,515	(16,994,474)	29,042.10	29,282.47	(240.37)
Deductions from revenue	(1,766,339,818)	(1,677,655,629)	(88,684,188)	(99,703,563)	11,019,374	(24,983.24)	(25,139.10)	155.86
Net patient revenue	286,965,879	276,508,027	10,457,853	16,432,953	(5,975,101)	4,058.87	4,143.38	(84.51)
Other operating revenue	3,805,436	4,639,160	(833,724)	275,707	(1,109,431)	53.82	69.52	(15.69)
Total net revenue	290,771,315	281,147,187	9,624,129	16,708,659	(7,084,531)	4,112.69	4,212.89	(100.20)
<b>Operating Expenses</b>								
Salaries, wages & contract labor	125,679,489	121,383,086	(4,296,404)	(7,213,832)	2,917,429	1,777.62	1,818.88	41.26
Benefits	28,614,594	31,903,706	3,289,112	(1,896,047)	5,185,159	404.73	478.07	73.34
Supplies	43,768,905	43,269,967	(498,938)	(2,571,547)	2,072,609	619.07	648.39	29.32
Prof fees & purch svcs	58,487,048	57,663,983	(823,065)	(3,426,987)	2,603,922	827.24	864.08	36.83
Depreciation & amortization	19,462,254	18,814,194	(648,060)	(1,118,133)	470,073	275.28	281.92	6.65
Other	13,732,488	14,112,252	379,764	(838,695)	1,218,459	194.23	211.47	17.23
Total expenses	289,744,778	287,147,188	(2,597,591)	(17,065,241)	14,467,651	4,098.17	4,302.80	204.63
Income from operations	1,026,537	(6,000,001)	7,026,538	(356,582)	7,383,120	14.52	(89.91)	(304.84)
<b>Non-operating revenue (expense)</b>								
Property tax revenues <sup>1</sup>	8,566,664	8,566,667	(3)					
Investment Income	4,722,230	4,707,374	14,856					
Interest Expense	(17,821,960)	(17,343,960)	(478,000)					
Non-operating depreciation & amortization	(5,915,200)	(5,915,200)	-					
Other non-operating revenue(expense)	1,849,795	195,323	1,654,472					
Net income(loss) <sup>2</sup>	(7,571,934)	(15,789,797)	8,217,863					

EBIDA Margin 12.3% 9.3% 2.9%

1= Property Tax Revenue excludes G.O. Bonds Levy

2= Excludes G.O. Bonds income / expense

	<u>Actual</u> <u>Oct 25</u>	<u>Prior Year</u> <u>Oct 24</u>	<u>Variance</u> <u>Oct 25</u>	<u>Variance</u>		<u>Dollars/Adjusted Patient Day</u>		
				<u>Volume</u>	<u>Rate/Eff</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Adjusted Patient Days</b>	70,701	67,860	2,841					
<b>Adjusted Discharges</b>	15,325	13,504	1,821					
<b>Operating Revenue</b>								
Gross revenue	2,053,305,697	1,908,641,951	144,663,746	79,906,451	64,757,295	29,042.10	28,126.17	915.93
Deductions from revenue	(1,766,339,818)	(1,637,801,808)	(128,538,009)	(68,567,565)	(59,970,445)	(24,983.24)	(24,135.01)	(848.23)
Net patient revenue	286,965,879	270,840,143	16,125,737	11,338,887	4,786,849	4,058.87	3,991.16	67.71
Other operating revenue	3,805,436	3,950,462	(145,024)	165,388	(310,414)	53.82	58.21	(4.39)
Total net revenue	290,771,315	274,790,605	15,980,713	11,504,275	4,476,435	4,112.69	4,049.38	63.32
<b>Operating Expenses</b>								
Salaries, wages & contract labor	125,679,489	127,029,237	1,349,747	(5,318,156)	6,667,904	1,777.62	1,871.93	94.31
Benefits	28,614,594	33,358,592	4,743,998	(1,396,578)	6,140,576	404.73	491.58	86.85
Supplies	43,768,905	41,328,914	(2,439,991)	(1,730,260)	(709,731)	619.07	609.03	(10.04)
Prof fees & purch svcs	58,487,048	62,970,641	4,483,593	(2,636,304)	7,119,897	827.24	927.95	100.70
Depreciation & amortization	19,462,254	20,364,308	902,054	(852,564)	1,754,618	275.28	300.09	24.82
Other	13,732,488	12,368,120	(1,364,367)	(517,799)	(846,569)	194.23	182.26	(11.97)
Total expenses	289,744,778	297,419,812	7,675,034	(12,451,661)	20,126,695	4,098.17	4,382.84	284.67
Income from operations	1,026,537	(22,629,207)	23,655,744	(947,385)	24,603,129	14.52	(333.47)	(221.36)
<b>Non-operating revenue (expense)</b>								
Property tax revenues <sup>1</sup>	8,566,664	8,500,000	66,664					
Investment Income	4,722,230	5,056,977	(334,747)					
Interest Expense	(17,821,960)	(17,732,406)	(89,554)					
Non-operating depreciation & amortization	(5,915,200)	(5,913,379)	(1,821)					
Other non-operating revenue(expense)	1,849,795	1,236,651	613,144					
Net income(loss) <sup>2</sup>	(7,571,934)	(31,481,364)	23,909,430					

EBIDA Margin 12.3% 4.6% 7.7%

1= Property Tax Revenue excludes G.O. Bonds Levy

2= Excludes G.O. Bonds income / expense



	Jul 25	Aug 25	Sep 25	Oct 25	Fiscal Year 2026
<b>Adjusted Patient Days</b>	17,851	17,948	16,940	17,962	70,701
<b>Adjusted Discharges</b>	3,734	3,988	3,785	3,818	15,325
<b>Operating Revenue</b>					
Gross revenue	514,243,464	500,282,001	512,535,349	526,244,883	2,053,305,697
Deductions from revenue	(441,255,169)	(428,250,221)	(440,133,502)	(456,700,924)	(1,766,339,816)
Net patient revenue	72,988,295	72,031,780	72,401,847	69,543,959	286,965,880
Other operating revenue	864,100	946,365	1,049,479	945,491	3,805,436
Total net revenue	73,852,396	72,978,145	73,451,326	70,489,450	290,771,315
<b>Operating Expenses</b>					
Salaries, wages & contract labor	31,865,141	31,104,110	30,920,004	31,790,235	125,679,489
Benefits	7,366,292	6,306,806	7,513,675	7,427,821	28,614,594
Supplies	11,103,543	10,692,013	10,734,391	11,238,958	43,768,906
Prof fees & purch svcs	13,799,753	14,509,520	15,262,239	14,915,537	58,487,048
Depreciation & amortization	4,843,923	4,776,143	4,866,590	4,975,598	19,462,254
Other	2,794,212	4,173,848	3,396,570	3,367,857	13,732,488
Total expenses	71,772,864	71,562,440	72,693,470	73,716,005	289,744,778
Income from operations	2,079,532	1,415,705	757,856	(3,226,555)	1,026,537
<b>Non-operating revenue (expense)</b>					
Property tax revenues <sup>1</sup>	2,141,666	2,141,666	2,141,666	2,141,666	8,566,664
Investment Income	1,263,898	1,124,368	1,174,237	1,159,725	4,722,230
Interest Expense	(4,435,614)	(4,465,415)	(4,458,852)	(4,462,078)	(17,821,960)
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(5,915,200)
Other non-operating revenue(expense)	759,733	541,399	342,659	206,005	1,849,795
Net income(loss) <sup>2</sup>	330,414	(721,077)	(1,521,235)	(5,660,037)	(7,571,934)
<b>EBIDA Margin</b>	15.0%	13.7%	12.6%	7.5%	12.3%

1= Property Tax Revenue excludes G.O. Bonds Levy

2= Excludes G.O. Bonds income / expense

**Statement of Net Position excluding G.O. Bonds**  
Excludes PHMG

Assets	Current Fiscal Year			Prior Fiscal Year
	Aug-25	Sep-25	Oct-25	Jun-25
<b>Current Assets</b>				
Cash and cash equivalents	5,915,164	8,555,786	32,610,582	15,000,751
Investments	11,942,190	16,999,733	30,685,605	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	17,857,354	25,555,520	63,296,187	43,464,492
<b>Patient Accounts Receivable</b>	495,184,265	515,473,592	470,087,042	504,133,063
Allowance on accounts	(359,574,409)	(386,434,472)	(350,399,474)	(360,699,498)
Net accounts receivable	135,609,856	129,039,121	119,687,568	143,433,565
Inventories	12,193,745	12,191,916	12,120,439	12,194,024
Prepaid expenses	9,163,504	7,967,855	8,246,858	8,309,163
Est. third party settlements	118,658,419	121,734,538	119,056,456	95,529,680
Other	76,480,905	78,978,057	82,365,041	71,655,917
Total current assets	369,963,782	375,467,006	404,772,549	374,586,840
<b>Non-Current Assets</b>				
Restricted assets	86,679,118	86,969,493	86,968,788	87,348,717
Restricted other	357,836	357,905	357,973	357,688
Total restricted assets	87,036,954	87,327,398	87,326,761	87,706,405
Property, plant & equipment	1,593,370,018	1,594,521,102	1,594,320,807	1,593,114,786
Accumulated depreciation	(693,613,872)	(697,255,551)	(700,519,720)	(686,328,663)
Construction in process	39,757,446	40,374,705	40,395,599	39,167,673
Net property, plant & equipment	939,513,592	937,640,256	934,196,685	945,953,795
<b>Right of Use Assets</b>				
Building leases	274,153,716	272,814,196	271,474,675	276,832,758
Sub-leases	214,643	207,285	199,928	234,948
Equipment leases	16,936,144	17,034,113	17,662,097	18,084,940
SBITA	14,561,793	14,051,161	13,348,640	16,006,107
Net right of use assets	305,866,296	304,106,755	302,685,339	311,158,754
Investment related companies	6,341,720	5,958,932	5,900,035	5,718,913
Prepaid debt insurance costs	6,934,349	6,908,375	6,882,401	6,986,297
Other non-current assets	65,607,632	65,320,388	65,031,845	66,188,501
Total non-current assets	1,411,300,543	1,407,262,104	1,402,023,065	1,423,712,664
<b>Total assets</b>	<b>1,781,264,326</b>	<b>1,782,729,110</b>	<b>1,806,795,615</b>	<b>1,798,299,504</b>
Deferred outflow of resources-loss on refunding of debt	41,466,911	41,248,997	41,031,082	41,902,741
<b>Total assets and deferred outflow of resources</b>	<b>1,822,731,237</b>	<b>1,823,978,107</b>	<b>1,847,826,697</b>	<b>1,840,202,245</b>

Liabilities	Current Fiscal Year			Prior Fiscal Year
	Aug-25	Sep-25	Oct-25	Jun-25
<b>Current Liabilities</b>				
Accounts payable	86,828,127	99,672,474	106,418,419	94,240,154
Accrued payroll	38,101,618	35,839,681	35,614,386	49,881,621
Accrued PTO	24,439,919	24,366,560	24,768,858	23,828,506
Accrued interest payable	14,056,227	16,591,544	19,746,423	7,842,158
Current portion of bonds	8,925,000	8,925,000	8,925,000	8,925,000
Current portion of lease liab	21,233,917	21,278,235	21,835,269	21,510,594
Est. third party settlements	8,593,099	8,593,089	8,593,089	8,593,099
Other current liabilities	154,318,697	151,063,420	153,663,550	147,853,726
Total current liabilities	356,496,604	366,330,003	379,564,995	362,674,858
<b>Long Term Liabilities</b>				
Other LT liabilities	27,400,837	24,878,932	45,779,250	27,444,646
Bonds & contracts payable	712,754,386	712,531,680	712,308,973	713,199,799
Lease liabilities	324,357,809	323,356,786	322,382,524	327,879,779
Total long term liabilities	1,064,513,032	1,060,767,398	1,080,470,747	1,068,524,225
<b>Total liabilities</b>	<b>1,421,009,636</b>	<b>1,427,097,401</b>	<b>1,460,035,742</b>	<b>1,431,199,083</b>
Deferred inflow of resources-unearned revenue	6,738,102	7,058,812	7,029,127	6,547,471
<b>Total liabilities and deferred inflow of resources</b>	<b>1,427,747,738</b>	<b>1,434,156,213</b>	<b>1,467,064,869</b>	<b>1,437,746,554</b>
<b>Net Position</b>				
Unrestricted	394,625,662	389,463,989	380,403,854	402,098,003
Restricted for other purpose	357,836	357,905	357,973	357,688
Total net position	394,983,498	389,821,894	380,761,827	402,455,691
<b>Total liabilities, deferred inflow of resources and net position</b>	<b>1,822,731,237</b>	<b>1,823,978,107</b>	<b>1,847,826,697</b>	<b>1,840,202,245</b>

**Statement of Net Position including G.O. Bonds**  
Excludes PHMG

	Current Fiscal Year			Prior Fiscal Year
<b>Assets</b>	Aug-25	Sep-25	Oct-25	Jun-25
<b>Current Assets</b>				
Cash and cash equivalents	5,915,164	8,555,786	32,610,582	15,000,751
Investments	11,942,190	16,999,733	30,685,605	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	17,857,354	25,555,520	63,296,187	43,464,492
<b>Patient Accounts Receivable</b>	495,184,265	515,473,592	470,087,042	504,133,063
Allowance on accounts	(359,574,409)	(386,434,472)	(350,399,474)	(360,699,498)
Net accounts receivable	135,609,856	129,039,121	119,687,568	143,433,565
Inventories	12,193,745	12,191,916	12,120,439	12,194,024
Prepaid expenses	9,163,504	7,967,855	8,246,858	8,309,163
Est. third party settlements	118,658,419	121,734,538	119,056,456	95,529,680
Other	84,244,513	90,348,947	97,451,957	71,973,475
Total current assets	377,727,391	386,837,896	419,859,466	374,904,398
<b>Non-Current Assets</b>				
Restricted assets	128,969,562	129,924,368	130,474,536	163,601,420
Restricted other	357,836	357,905	357,973	357,688
Total restricted assets	129,327,398	130,282,273	130,832,509	163,959,108
Property, plant & equipment	1,593,370,018	1,594,521,102	1,594,320,807	1,593,114,786
Accumulated depreciation	(693,613,872)	(697,255,551)	(700,519,720)	(686,328,663)
Construction in process	39,757,446	40,374,705	40,395,599	39,167,673
Net property, plant & equipment	939,513,592	937,640,256	934,196,685	945,953,795
<b>Right of Use Assets</b>				
Building leases	274,153,716	272,814,196	271,474,675	276,832,758
Sub-leases	214,643	207,285	199,928	234,948
Equipment leases	16,936,144	17,034,113	17,662,097	18,084,940
SBITA	14,561,793	14,051,161	13,348,640	16,006,107
Net right of use assets	305,866,296	304,106,755	302,685,339	311,158,754
Investment related companies	6,341,720	5,958,932	5,900,035	5,718,913
Prepaid debt insurance and other costs	8,060,467	8,022,840	7,985,214	8,136,372
Other non-current assets	65,607,632	65,320,388	65,031,845	66,188,501
Total non-current assets	1,454,717,105	1,451,331,444	1,446,631,626	1,501,115,443
<b>Total assets</b>	<b>1,832,444,495</b>	<b>1,838,169,340</b>	<b>1,866,491,092</b>	<b>1,876,019,841</b>
Deferred outflow of resources-loss on refunding of debt	43,806,630	43,570,855	43,335,080	44,278,181
<b>Total assets and deferred outflow of resources</b>	<b>1,876,251,126</b>	<b>1,881,740,196</b>	<b>1,909,826,172</b>	<b>1,920,298,022</b>

	Current Fiscal Year			Prior Fiscal Year
<b>Liabilities</b>	Aug-25	Sep-25	Oct-25	Jun-25
<b>Current Liabilities</b>				
Accounts payable	86,828,127	99,672,474	106,419,419	94,240,154
Accrued payroll	38,101,618	35,839,681	35,614,386	49,881,621
Accrued PTO	24,439,919	24,366,560	24,768,858	23,828,506
Accrued interest payable	17,327,756	23,134,602	29,561,010	29,897,032
Current portion of bonds	19,731,216	19,731,216	19,731,216	19,081,756
Current portion of lease liab	21,233,917	21,278,235	21,835,269	21,510,594
Est. third party settlements	8,593,099	8,593,089	8,593,089	8,593,099
Other current liabilities	89,374,885	86,736,837	89,942,569	81,698,710
Total current liabilities	305,630,537	319,352,694	336,465,816	328,731,473
<b>Long Term Liabilities</b>				
Other LT liabilities	27,400,837	24,878,932	45,779,250	27,444,646
Bonds & contracts payable	1,328,386,445	1,327,817,548	1,327,248,651	1,340,117,039
Lease liabilities	324,357,809	323,356,786	322,382,524	327,879,779
Total long term liabilities	1,680,145,091	1,676,053,266	1,695,410,425	1,695,441,465
<b>Total liabilities</b>	<b>1,985,775,629</b>	<b>1,995,405,960</b>	<b>2,031,876,241</b>	<b>2,024,172,938</b>
Deferred inflow of resources- unearned revenue	71,681,913	71,385,395	70,750,108	72,702,486
<b>Total liabilities and deferred inflow of resources</b>	<b>2,057,457,542</b>	<b>2,066,791,355</b>	<b>2,102,626,349</b>	<b>2,096,875,424</b>
<b>Net Position</b>				
Unrestricted	(181,564,253)	(185,409,064)	(193,158,151)	(176,935,090)
Restricted for other purpose	357,836	357,905	357,973	357,688
Total net position	(181,206,416)	(185,051,159)	(192,800,178)	(176,577,402)
<b>Total liabilities, deferred inflow of resources and net position</b>	<b>1,876,251,126</b>	<b>1,881,740,196</b>	<b>1,909,826,172</b>	<b>1,920,298,022</b>

	<u>Oct-25</u>	<u>YTD</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Income (Loss) from operations	(3,221,065)	1,032,029
<b>Adjustments to reconcile change in net assets to net cash provided from operating activities:</b>		
Depreciation Expense	4,975,598	19,462,254
Provision for bad debts	1,270,679	22,653,810
<b>Changes in operating assets and liabilities:</b>		
Patient accounts receivable	8,080,873	1,092,187
Property Tax and other receivables	(1,389,414)	(2,898,306)
Inventories	71,477	73,585
Prepaid expenses and other current assets	(200,746)	991,587
Accounts payable	6,746,945	12,179,265
Accrued compensation	177,004	(13,326,883)
Estimated settlement amounts due third-party payors	2,678,082	(23,526,786)
Other liabilities	3,465,771	9,375,704
Net cash provided from (used by) operating activities	<u>22,655,203</u>	<u>27,108,447</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net (purchases) sales of investments	(14,236,108)	30,904,735
Income (Loss) on investments	1,293,292	5,489,581
Investment in affiliates	<u>(3,997,962)</u>	<u>(15,871,222)</u>
Net cash provided from (used by) investing activities	<u>(16,940,778)</u>	<u>20,523,094</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Receipt of G.O. Bond Taxes	417,307	1,763,975
Receipt of District Taxes	<u>254,899</u>	<u>1,199,054</u>
Net cash provided from non-capital financing activities	<u>672,206</u>	<u>2,963,029</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of property plant and equipment	(231,004)	(2,844,352)
G.O. Bond Interest paid	0	(25,121,525)
ROU Interest paid	(1,291,882)	(5,156,460)
Proceeds (Payments) of Long Term Debt	20,922,223	8,265,467
Payments of Long Term Lease Liabilities	<u>(1,731,340)</u>	<u>(8,128,583)</u>
Net cash provided from (used by) capital and related financing activities	<u>17,668,165</u>	<u>(32,984,738)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>24,054,797</u>	<u>17,609,831</u>
<b>CASH AND CASH EQUIVALENTS - Beginning of period</b>	<u>8,555,786</u>	<u>15,000,751</u>
<b>CASH AND CASH EQUIVALENTS - End of period</b>	<u><u>32,610,582</u></u>	<u><u>32,610,582</u></u>

# Supplemental Information

\*Financial performance includes Palomar Health Medical Group (PHMG) and Consolidating Schedules

**Condensed Combining Statement of Net Position**  
For the Fiscal Year-to-Date Ended October 31, 2025

	Palomar Health	PHMG	PAC	NCRE	SANDEMA	Eliminations	Total
<b>ASSETS</b>							
Current assets	463,421,395	41,615,339	-	218,198	2,155,819	(66,818,374)	440,592,377
Capital assets - net	934,196,685	6,391,134	-	868,948	-	-	941,456,767
Right of use assets - net	302,685,339	26,103,116	-	-	-	(17,813,946)	310,974,509
Non-current assets	166,187,673	2,204,315	-	-	-	-	168,391,987
Total assets	1,866,491,092	76,313,904	-	1,087,146	2,155,819	(84,632,320)	1,861,415,640
Deferred outflow of resources	43,335,080	-	-	-	-	-	43,335,080
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>1,909,826,172</b>	<b>76,313,904</b>	<b>-</b>	<b>1,087,146</b>	<b>2,155,819</b>	<b>(84,632,320)</b>	<b>1,904,750,720</b>
<b>LIABILITIES AND NET POSITION</b>							
Current liabilities	297,949,462	100,862,471	-	1,519,842	370,385	(69,963,233.21)	330,738,923
Long-term liabilities	1,390,369,681	(0)	-	-	-	-	1,390,369,681
Right of use lease liabilities	322,382,524	22,144,921	-	-	-	(15,759,863)	328,767,582
Total liabilities	2,010,701,667	123,007,392	-	1,519,842	370,385	(85,723,096)	2,049,876,186
Deferred inflow of resources - deferred revenue	91,924,683	-	-	-	-	-	91,924,683
Total liabilities and deferred inflow of resources	2,102,626,350	123,007,392	-	1,519,842	370,385	(85,723,096)	2,141,800,869
Invested in capital assets - net of related debt	(324,285,631)	4,854,976	-	1,660,879	-	1,090,776	(316,678,999)
Restricted	15,624,536	-	-	-	-	-	15,624,536
Unrestricted	115,860,917	(51,548,464)	(0)	(2,093,575)	1,785,435	-	64,004,315
Total net position	(192,800,178)	(46,693,488)	(0)	(432,696)	1,785,435	1,090,776	(237,050,147)
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION</b>	<b>1,909,826,172</b>	<b>76,313,904</b>	<b>(0)</b>	<b>1,087,146</b>	<b>2,155,819</b>	<b>(84,632,320)</b>	<b>1,904,750,720</b>

Note: Financial Performance includes GO Bonds  
Financial Performance excludes PHMG

	Palomar Health	PHMG	PAC	NCRE	SANDEMA	Elimination	YTD Consolidated
OPERATING REVENUE:							
Net patient service revenue	257,804,367	25,465,223	-	-	-	-	283,269,590
Shared risk revenue	29,161,512	6,024,541	-	-	-	-	35,186,053
Other revenue	3,805,436	1,036,161	-	2,462,421	8,241,185	(182,954)	15,362,249
PH Program revenue	-	9,730,139	-	-	-	(9,730,139)	-
Total operating revenue	290,771,315	42,256,064	-	2,462,421	8,241,185	(9,913,093)	333,817,892
OPERATING EXPENSES	270,282,526	62,617,040	3,935,535	2,866,392	7,050,752	(9,913,093)	336,839,152
DEPRECIATION AND AMORTIZATION	19,462,254	1,615,825	-	-	-	-	21,078,079
Total operating expenses	289,744,780	64,232,865	3,935,535	2,866,392	7,050,752	(9,913,093)	357,917,231
INCOME (LOSS) FROM OPERATIONS	1,026,535	(21,976,801)	(3,935,535)	(403,971)	1,190,433	-	(24,099,339)
NON-OPERATING INCOME (EXPENSE):							
Investment income	5,489,579	3,671,306	-	-	-	-	9,160,885
Interest expense	(29,650,556)	(28,671)	-	-	-	-	(29,679,227)
Property tax revenue	25,099,997	-	-	-	-	-	25,099,997
Other - net	(3,885,703)	(26,680)	-	-	-	1,392,305	(2,520,078)
Total non-operating expense - net	(2,946,683)	3,615,955	-	-	-	1,392,305	2,061,577
CHANGE IN NET POSITION	(1,920,148)	(18,360,846)	(3,935,535)	(403,971)	1,190,433	1,392,305	(22,037,762)
Interfund - PHMG	(14,162,261)	14,140,052	-	-	-	-	(22,209)
Net Position - Beginning of year	(176,717,770)	(42,472,695)	3,935,535	(324,790)	1,334,334	(301,529)	(214,546,915)
Prior Period Adj-Assets				296,065	(739,332)		
Effect of adopting GASB 87		-	-			-	-
NET POSITION - Beginning of year	(176,717,770)	(42,472,695)	3,935,535	(28,725)	595,002	(301,529)	(214,990,182)
NET POSITION - Year to date	(192,800,178)	(46,693,493)	(0)	(432,696)	1,785,435	1,090,776	(237,050,149)
EBIDA							34,634,745
EBIDA Margin							10.4%

Note: Financial Performance includes GO Bonds  
Financial Performance excludes PHMG

**Condensed Combining Statement of Net Position**  
For the Fiscal Year-to-Date Ended October 31, 2025

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 35,178,007
Investments	30,685,605
Patient accounts receivable - net of allowances for uncollectible accounts of \$114,584	135,211,184
Other receivables	53,443,846
Supplies and inventories	12,796,645
Prepaid expenses and other	10,658,705
Estimated third-party payor settlements receivable	119,056,466
Assets whose use is limited - current portion	56,181
Restricted cash and investments, current	43,505,748

Total current assets 440,592,387

**Restricted Noncurrent Cash and Investments**

Held by trustee under indenture agreements	86,233,239
Held by trustee under general obligation bonds indenture	43,505,748
Held in escrow for street improvements	735,548
Restricted by donor and other	357,973

Total restricted cash and investments 130,832,508

Less amounts required to meet current obligations 43,561,929

Total restricted noncurrent cash and investments 87,270,579

Capital Assets - net 941,456,767

Right of Use Assets - Net 310,974,509

**Other Assets**

Prepaid debt insurance costs	7,985,214
Investment in and amounts due from affiliated entities	6,497,263
Other	66,638,921

Total other assets 81,121,398

Total assets 1,861,415,640

Deferred outflow of resources - loss on refunding of debt 43,335,080

Total Assets and Deferred Outflow of Resources \$ 1,904,750,720

**Liabilities**

**Current Liabilities**

Accounts payable	108,589,453
Accrued compensation and related liabilities	54,527,784
Current portion of general obligation bonds	10,806,216
Current portion of long-term debt	8,993,114
Current portion of lease liabilities	24,184,762
Other accrued liabilities	94,041,455
Accrued interest payable	28,192,697
Accrued interest payable-ROU's	1,403,442

Total current liabilities 330,738,923

Workers' compensation - net of current portion 8,748,682

Other long-term liabilities -

Long-term debt - general obligation bonds - net of current portion 614,939,677

Long-term debt - net of current portion 766,681,322

Long-term debt - Lease liability - net of current portion 328,767,582

Total liabilities 2,049,876,186

Deferred inflow of resources - unearned revenue 91,924,683

Total liabilities and deferred inflow of resources 2,141,800,869

**Net Position**

Net investment in capital assets	(316,678,999)
Restricted, expendable for:	
Repayment of debt	14,531,015
Capital acquisitions	735,548
Other purposes	357,973
Unrestricted	64,004,315

Total net position (237,050,148)

Total Liabilities, Deferred Inflow of Resources, and Net Position \$ 1,904,750,720



Operating Revenue	
Patient service revenue, net of provision for uncollectible accounts of \$21,599	\$ 283,269,594
Premium revenue	
Shared risk revenue	35,186,053
Other revenue	<u>15,362,249</u>
Total operating revenue	<u>333,817,896</u>
Operating Expenses	
Salaries, wages, and benefits	203,972,317
Professional fees	24,055,190
Supplies	46,435,628
Purchased services	36,784,183
Depreciation and amortization	21,078,079
Rent expense	7,074,126
Utilities	3,050,826
Other	<u>15,466,883</u>
Total operating expenses	<u>357,917,233</u>
Income (Loss) From Operations	<u>(24,099,337)</u>
Non-Operating Income (Expenses)	
Investment income	9,160,885
Interest expense	(29,679,225)
Property tax revenue - unrestricted	8,566,664
Property tax revenue - restricted	16,533,333
Amortization expense	(5,915,200)
Other - net	<u>2,929,648</u>
Total non-operating expenses - net	<u>1,596,104</u>
Change in net position	(22,503,233)
Net Position - Beginning of year	<u>(214,546,915)</u>
Net Position - October 31, 2025	<u>\$ (237,050,148)</u>

CASH FROM OPERATING ACTIVITIES

Receipts from:

Patients, insurers, and other third-party payers	337,499,686
Other sources	(26,850,818)

Payments to:

Employees	(217,612,804)
Suppliers	(100,665,192)

Net cash provided by operating activities (7,629,127)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Receipt of district taxes 8,566,664

Net cash provided by noncapital financing activities 8,566,664

CASH FLOWS FROM CAPITAL AND RELATED

FINANCING ACTIVITIES

Acquisition and construction of capital assets	(9,629,276)
Interest payments on long-term debt	(26,228,669)
Interest payments on lease liabilities	(4,763,173)
Principal repayment on long-term debt	(12,795,713)
Principal repayment on lease obligations	(7,526,056)
Proceeds on sale of capital assets	914
Receipt of property taxes restricted for debt service on general obligation bonds	16,533,333
Other	(4,983,882)

Net cash used in capital and related financing activities (28,470,299)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments	(20,263,975)
Proceeds from sale of investments	53,604,018
Interest received on investments and notes receivable	6,725,577
Net cash provided by (used in) investing activities	<u>40,065,620</u>

NET INCREASE (DECREASE) IN CASH AND  
CASH EQUIVALENTS

12,532,857

CASH AND CASH EQUIVALENTS - beginning of year

22,645,150

CASH AND CASH EQUIVALENTS - end of year

\$ 35,178,007

Days Cash on Hand Ratio Covenant	October 31, 2025 Consolidated
Cash and Cash Equivalents	65,863,612
Divide Total by Average Adjusted Expenses per Day	
Total Expenses	357,917,233
Less: Depreciation	21,078,079
Adjusted Expenses	336,839,154
Number of days in period	123
Average Adjusted Expenses per Day	2,738,530
<b>Days Cash on Hand</b>	<b>24.1</b>
<b>REQUIREMENT</b>	<b>65</b>

Debt Service Coverage Ratio Covenant	October 31, 2025 Consolidated
Excess of revenues over expenses	(28,476,005)
REVERSE:	
Depreciation and Amortization	21,078,079
Depreciation and Amortization-NonOp	5,915,200
Interest Expense	17,850,629
Income Available for Debt Service	16,367,903
Divided by:	
Maximum Annual Debt Service (excludes GO Bonds)	18,763,452
<b>Debt Service Coverage Ratio</b>	<b>0.87</b>
<b>REQUIREMENT</b>	<b>1.15</b>
	NOT ACHIEVED

NOTE: Pre-audit results shown

# **ADDENDUM C**

**To:** Board of Directors  
**From:** Linda Greer, RN - Chair, Board Finance Committee  
**Date:** Monday, January 12, 2026  
**Re:** Finance Committee Meeting, December 17, 2025

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**Board Member Attendance:** Directors Greer, Griffith, and Pacheco

**Action Items:**

- **Finance Committee Minutes, October 29, 2025:** The voting members reviewed and approved Finance Committee minutes from October 29, 2025
- **YTD FY2025 and October 2025 Volumes:** The voting members reviewed and approved YTD FY2025 and October 2025 Volumes and moved item to full Board for ratification