

BOARD OF DIRECTORS

Meeting Agenda

Monday, February 9, 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
Call To Order			6:30
I.	Establishment of Quorum	1	6:31
II.	Opening Ceremony	4	6:35
	A. Pledge of Allegiance to the Flag		
III.	Public Comments¹	30	7:05
IV.	Presentations – Informational Only	10	7:15
	A. Patient Experience Messages		
V.	Approval of Minutes (ADD A)	5	7:20
	A. Regular Session Board of Directors Meeting – Monday, January 12, 2025 (Pp 7-13)		
VI.	Approval of Agenda to accept the Consent Items as listed (ADD B)	5	7:25
	A. Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments (Pp 15-17)		
	B. Palomar Medical Center Poway Medical Staff Credentialing and Reappointments (Pp 18-22)		
	C. Revised Department of Surgery Rules and Regulations – Poway (Redline Pp 23-28; Clean Pp 29-34)		
	D. Revised Department of Emergency Medicine Core Privilege Checklist - Joint (Redline Pp 35-38; Clean Pp 42-47)		
	E. Notice of Medical Staff Bylaws Revision (Pp 48)		
	F. Policy and Procedure Approval (December 2025 – January 2026) (Pp 49-72)		

	G. YTD FY2025 and November and December Financials (Pp 73- 120)				
VII.	Reports – Informational Only				
	A. Annual Human Resources Compliance Report including AB 2561 Annual Update on Vacancies Chief Administrative Office, Russ Riehl			5	7:30
	B. Palomar Health Board of Directors Self-Assessment Consultant, Rich Roodman			20	7:50
	C. Medical Staff				
	1. Chief of Staff, Palomar Medical Center Escondido – <i>Andrew Nguyen, MD</i>			5	7:55
	2. Chief of Staff-Elect, Palomar Medical Center Poway – <i>Paul Ritchie, MD</i>			5	8:00
	D. Administration				
	1. President and CEO – <i>Diane Hansen</i>			10	8:10
	2. Chair of the Board – Michael Pacheco			5	8:15
VIII.	Approval of Bylaws, Charters, Resolutions and Other Actions (ADD C)			10	8:25
	Agenda Item	Committee/ Department	Action		
	A. Resolution No. 02.09.26(01)-01 of the Board of Directors of Palomar Health Proposing and Consenting to Amendment to CEO Employment Agreement (Pp 122-126)	Board of Directors	Review/ Approve		
	B. Resolution No.02.09.26(02)-02 of the Board of Directors of Palomar Health to Identify Annual Emergency Services Readiness Training for Staff of Palomar Health (Pp 127)	Board of Directors	Review/ Approve		
IX.	Board Committees – Informational Only (ADD D)			5	8:30
	A. Audit & Compliance Committee – Michael Pacheco, Committee Chair (Pp 129)				
	B. Community Relations Committee – Terry Corrales, RN, Committee Chair				
	C. Finance Committee – Linda Greer, RN, Committee Chair (Pp 130)				
	D. Governance Committee – Jeff Griffith, Committee Chair				
	E. Human Resources Committee – Terry Corrales, RN, Committee Chair				
	F. Quality Review Committee – Linda Greer, RN, Committee Chair (Pp 131)				
	G. Strategic & Facilities Planning – Michael Pacheco, Committee Chair				
Final Adjournment					8:30

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.

¹ 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
1st 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#¹

- Non-Board member attendees, and members of the public may also attend the meeting virtually utilizing the above link

- 2198 Palomar Airport Road, Carlsbad, CA, 92008

- An elected member of the Board of Directors will be attending the meeting virtually from these locations

¹ 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.



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.

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

Board of Directors Meeting Minutes – Monday, January 12, 2026

Agenda Item

• *Discussion*

Conclusion/Action/Follow Up

Notice of Meeting

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 Thursday, January 8, 2026 and an Amended on Friday, January 9, 2026, which is consistent with legal requirements.

Call To Order

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 Michael Pacheco.

I. Establishment of Quorum

Quorum was established via roll call comprising of Directors Edwards-Tate; Clark; Jahaaski; Corrales; Greer; Griffith (virtual); Pacheco

Absences: None

II. Opening Ceremony

The Pledge of Allegiance was recited in unison led by Director Jahaaski.

<i>Board of Directors Meeting Minutes – Monday, January 12, 2026</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <i>Discussion</i> 	<i>Conclusion/Action/Follow Up</i>
III. Public Comments	
Public Comments from: <ul style="list-style-type: none"> John Stead-Mendez Amy Marinovich Jennifer Kramer Margaret Osborne Palomar Health Nurse 	
IV. Presentations – Informational Only	
<ul style="list-style-type: none"> Video presentation was shown 	
V. Approval of Minutes	

Board of Directors Meeting Minutes – Monday, January 12, 2026

Agenda Item

<ul style="list-style-type: none"><i>Discussion</i>	<i>Conclusion/Action/Follow Up</i>
<ul style="list-style-type: none">A. Regular Session Board of Directors Meeting - Monday, December 8, 2025B. Special Closed Session Board of Directors Meeting – Monday, December 8, 2025C. Special Session Board of Directors Meeting – Monday, December 8, 2025	<p>MOTION: By Director Edwards-Tate, 2nd by Director Jahaaski and carried to approve the presented minutes for the December 8, 2025 Regular Session Board of Directors Meeting and the Special Closed Session Board of Directors Meeting Directors Meeting, minutes as written and the December 8, 2025 Special Session Board of Directors Meeting with the language change for the Palomar UCSD Health Authority Board of Directors Candidate Interviews to include that the Ad Hoc Committee slate of the top three candidates were interviewed by the Palomar Health Board of Directors.</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 Michael Pacheco announced that seven board members were in favor. None opposed. No abstention(s). None absent.</p> <p>Motion approved.</p>

<i>Board of Directors Meeting Minutes – Monday, January 12, 2026</i>	
<i>Agenda Item</i>	
<ul style="list-style-type: none"> <i>Discussion</i> 	<i>Conclusion/Action/Follow Up</i>
VI. Approval of Agenda to accept the Consent Items as listed	
<p>A. Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments</p> <p>B. Palomar Medical Center Poway Medical Staff Credentialing and Reappointments</p> <p>C. YTD FY2025 and October Financials</p>	<p>YTD FY2025 AND OCTOBER FINANCIALS PULLED FROM THE AGENDA FOR FURTHER DISCUSSION.</p> <p>MOTION: By Director Greer, 2nd by Director Corrales and carried to approve Consent Agenda items including the Palomar Medical Center Escondido Medical Staff Credentialing and Reappointments and the Palomar Medical Center Poway Medical Staff Credentialing and Reappointments 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 Michael Pacheco announced that seven board members were in favor. None opposed. No abstention(s). None absent.</p> <p>Motion approved.</p>

Board of Directors Meeting Minutes – Monday, January 12, 2026

Agenda Item

<ul style="list-style-type: none"><i>Discussion</i>	<i>Conclusion/Action/Follow Up</i>
C.YTD FY2025 and October Financials	<p>MOTION: By Director Edwards-Tate, 2nd by Director Clark and carried to approve the YTD FY 2025 and October 2025 Financials 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 Michael Pacheco announced that seven board members were in favor. None opposed. No abstention(s). None absent.</p> <p>Motion approved.</p>
<ul style="list-style-type: none">Director Clark requested agenda item VI.C. to be pulled from the consent agenda.Andrew Tokar, Chief Financial Officer, fielded questions from Director Clark and Director Pacheco.	
VII. Reports – Informational Only	
A. Medical Staff	
1. Palomar Medical Center Escondido	
Palomar Medical Center Escondido Chief of Staff, Andrew Nguyen, MD, provided a verbal report.	
2. Palomar Medical Center Poway	
Palomar Medical Center Poway Chief of Staff, Mark Goldsworthy, MD, provided a verbal report.	

Board of Directors Meeting Minutes – Monday, January 12, 2026

Agenda Item

- *Discussion*

Conclusion/Action/Follow Up

B. Administrative

1. President and CEO

Palomar Health President & CEO Diane Hansen provided a verbal report.

2. Chair of the Board

Palomar Health Vice Chair of the Board Michael Pacheco provided a verbal report.

VIII. Board Committees – Informational Only

A. Audit & Compliance Committee – Michael Pacheco, Committee Chair

- Director Michael Pacheco noted the committee did not meet.

B. Community Relations Committee – Terry Corrales, RN, Committee Chair

- Director Terry Corrales, RN noted the committee did not meet.

C. Finance Committee – Linda Greer, RN, Committee Chair

- Director Linda Greer, RN provided a verbal update.

D. Governance Committee – Jeff Griffith, EMT-P, Committee Chair

- Director Jeff Griffith, EMT-P noted the committee did not meet.

E. Human Resources Committee – Terry Corrales, RN, Committee Chair

- Director Terry Corrales, RN noted the committee did not meet.

F. Quality Review Committee – Linda Greer, RN, Committee Chair

- Director Linda Greer, RN noted the committee did not meet.

Board of Directors Meeting Minutes – Monday, January 12, 2026

Agenda Item

- Discussion*

Conclusion/Action/Follow Up

G. Strategic & Facilities Planning – Michael Pacheco, Committee Chair

- Director Michael Pacheco noted the committee did not meet.

Final Adjournment

- There being no further business, Board Chair Michael Pacheco adjourned the meeting at 7:31 p.m.

Signatures:

Board Secretary

Terry Corrales, R.N.

Board Clerk

Janet Kren

ADDENDUM B

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

February 3, 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: February 9, 2026

Subject: Palomar Medical Center Escondido Credentialing Recommendations

Provisional Appointment (02/09/2026 to 01/31/2028)

Aslian, Azita, M.D. – Obstetrics and Gynecology
Bauer, Nicholas H., M.D. - Anesthesiology
Chase, Jared S., D.O. – Anesthesiology
Harris, Glenn R., M.D. – Neurology
Hussey, Shaunn P., M.D. – Emergency Medicine
Larjani, Hasti D., M.D. – Teleradiology
Patel, Pooja H., M.D. – Anesthesiology
Rinehart, Charles V., M.D. – Urology
Sharsan, Afsaneh M.D. – Internal Medicine
Tabila, Brian T., M.D. – Pulmonary
Tran, Loc H., M.D. – Anesthesiology
Winograd, Evan K., M.D. – Neurosurgery
Yi, Jung Soo, M.D. - Anesthesiology
Zhang, Wei M.D. - Anesthesiology

Advance from Provisional to Active Category

Bergh, Justin, D.O. - Obstetrics and Gynecology - Dept. of Obstetrics & Gynecology (eff. 03/01/2026 to 10/31/2027)
Burton, Elijah J., M.D. - Diagnostic Radiology- Dept. of Radiology (eff. 03/01/2026 to 12/31/2026)
Cutts, Shanoë, M.D. - Radiology- Dept. of Radiology (eff. 03/01/2026 to 09/30/2027)
Leblang, Spencer A., M.D. - Anesthesiology- Dept. of Anesthesia (eff. 03/01/2026 to 03/31/2026)

Transfer of Category

Cotton, Paul J., M.D. – Anesthesiology – from Active to Affiliate Category (effective 01/16/2026 – 05/31/2027)

Engel, Richard C., M.D. – Anesthesiology – from Active to Affiliate Category (effective 01/16/2026 – 02/28/2027)

Lucas, Peter M., M.D. – Anesthesiology – from Active to Affiliate Category (effective 01/16/2026 – 11/30/2026)

Request for Additional Privileges

Kuk, Raafat J., M.D. – Surgery/General, Trauma

- Use of Fluoroscopy (eff. 02/09/2026 -05/31/2027)

Physician Voluntary Resignation

Delgado, George M.D. – Hospice & Palliative Medicine (eff. 01/16/2026)

Delgado, Paul A., M.D. – Anesthesiology (eff. 01/16/2026)

Hamiduzzaman, Saba M.D. – Pulmonary Disease (eff. 03/01/2026)

Reuther, Marsha S., M.D. – Otolaryngology (03/01/2026)

Tilford, Sarah A., M.D. – Obstetrics and Gynecology (eff. 02/01/2026)

Request for 2 Year Leave of Absence

Abouelhosn, Khaldoun R., M.D. – Internal Medicine (eff. 01/14/2026 – 07/31/2027)

Lim, Michael H., M.D. – Anesthesiology, 2 years (eff. 01/15/2026 – 01/14/2028)

PALOMAR MEDICAL CENTER ESCONDIDO RECOMMENDATIONS FOR REAPPOINTMENT

Reappointments (effective 03/01/2026 to 02/29/2028)

Alsabbak, Hassan A., M.D.	Internal Medicine	Dept. of Medicine	Active
Boonjindasup, Aaron G., M.D.	Surgery, Urology	Dept. of Surgery	Active
Camilon, Marinelle L., D.O.	Family Practice	Dept. of Family Practice	*Courtesy
*Category Change from Active to Courtesy			
Haffie, David A., D.O.	Family Practice	Dept. of Family Practice	Affiliate
Iem, Stephanie K., D.O.	Family Practice	Dept. of Family Practice	Affiliate
Ojha-Hammad, Anita R., M.D.	Wound Care	Dept. of Surgery	Active
Poudel, Regina, M.D.	Internal Medicine	Dept. of Medicine	Active
Shah, Saurabh B., M.D.	Otolaryngology	Dept. of Surgery	Courtesy
Song, Joyce Y., D.O.	Pediatrics	Dept. of Pediatrics	Active
Terramani, Thomas T., M.D.	Vascular Surgery	Dept. of Surgery	Courtesy
Tung, Howard, M.D.	Neurosurgery	Dept. of Surgery	Active
Venkatesh, Vijay B., M.D.	Diagnostic Radiology	Dept. of Radiology	Active
Wang, Chunyang T., M.D.	Neurology	Dept. of Medicine	Active
Wright, Anna A., M.D.	Anesthesiology	Dept. of Anesthesia	Active
Wu, Darrell, M.D.	Cardiothoracic Surgery	Dept. of Surgery	Active

Allied Health Professional Reappointments (effective 03/01/2026 to 02/29/2028)

Lilly, Anna M., NNP	Dept. of Pediatrics	(Sponsor: Dr. Fatayerji)
McMichael, Amanda M., NNP	Dept. of Pediatrics	(Sponsor: Dr. Fatayerji)
Murray, Rachael K., NNP	Dept. of Pediatrics	(Sponsor: Dr. Fatayerji)
O'Connell, Megan L., NNP	Dept. of Pediatrics	(Sponsor: Dr. Fatayerji)
Reimer, Errin B., NNP	Dept. of Pediatrics	(Sponsor: Dr. Fatayerji)

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: February 3, 2026
 To: Palomar Health Board of Directors – February 9, 2026 Meeting
 From: Mark Goldsworthy, M.D., Chief of Staff, PMC Poway Medical Staff
 Subject: Medical Staff Credentials Recommendations – February, 2026

Provisional Appointments: (02/09/2026 – 01/31/2028)

Nicholas Bauer, M.D., Anesthesiology
 Jared Chase, D.O., Anesthesiology
 Glenn Harris, M.D., Neurology
 Shaunn Hussey, M.D., Emergency Medicine
 Hasti Larjani, M.D., Teleradiology
 Pooja Patel, M.D., Anesthesiology
 Charles Rinehart, M.D., Urology
 Brian Tabila, M.D., Pulmonology
 Loc Tran M.D., Anesthesiology
 Jung Soo Yi, M.D., Anesthesiology
 Wei Zhang, M.D., Anesthesiology

Biennial Reappointments: (03/01/2026 - 02/29/2028)

Hassan Alsabbak, M.D., Internal Medicine, Active (Includes The Villas at Poway)
 Aaron Boonjindasup, M.D., Urology, Active
 Marinelle Camilon, D.O., Family Practice, Courtesy (transfer from Active)
 Regina Poudel, M.D., Internal Medicine, Active
 Saurabh Shah, M.D., Otolaryngology, Courtesy
 Vijay Venkatesh, M.D., Diagnostic Radiology, Active
 Chunyang Wang, M.D., Neurology, Active
 Anna Wright, M.D., Anesthesiology, Active

Advancements to Active Category:

Justin Bergh, D.O., OB/GYN, effective 03/01/2026 – 10/31/2027
 Elijah Burton, M.D., Teleradiology, effective 03/01/2026 – 12/31/2026
 Shaoe Cutts, M.D., Teleradiology, effective 03/01/2026 – 09/30/2027
 Spencer Leblang, M.D., Anesthesiology, effective 03/01/2026 – 03/31/2026

Requests for Additional Privileges:

- Narasa Madam, M.D., Internal Medicine
Requesting The Villas at Poway, effective 02/09/2026 – 09/30/2027
- Armen Malkhasian, M.D., Internal Medicine
Requesting The Villas at Poway, effective 02/09/2026 – 07/31/2027
- Afshin Nahavandi, M.D., Internal Medicine
Requesting The Villas at Poway, effective 02/09/2026 – 10/31/2027
- Saiyid-Naufal Zaidi, M.D., Family Practice
Requesting The Villas at Poway, effective 02/09/2026 – 03/31/2026

Transfer from Active to Affiliate:

Paul Cotton, M.D., Anesthesiology, effective 01/16/2026 – 05/31/2027
 Richard Engel, M.D., Anesthesiology, effective 01/16/2026 – 02/28/2027
 Peter Lucas, M.D., Anesthesiology, effective 01/16/2026 – 11/30/2026

Requests for Two Year Leave of Absence:

Michael Lim, M.D., Anesthesiology, effective 01/16/2026 – 01/15/2028
 Alaa Saghbini, M.D., Anesthesiology, effective 01/16/2026 – 01/15/2028

Voluntary Resignations:

Neil Anand, M.D., Teleradiology, effective 01/14/2026
 Paul Delgado, M.D., Anesthesiology, effective 01/16/2026
 Anam Goraya, M.D., Internal Medicine, effective 02/14/2026
 Bronson LeClair, M.D., Anesthesiology, effective 01/13/2026
 Carolyn Montes, M.D., Otolaryngology, effective 01/01/2026

Allied Health Professional Request for Two Year Leave of Absence:

Cherry Deolaso, FNP, effective 01/19/2026 – 01/18/2028

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



Aslian, Azita, MD
PMC Escondido

Status: Applicant
Specialty: Obstetrics and
Gynecology



Bauer, Nicholas H., MD
PMC Escondido and Poway

Status: Temporary
Privileges
Specialty: Anesthesiology



Chase, Jared S., DO
PMC Escondido and Poway

Status: Temporary
Privileges
Specialty: Anesthesiology



Harris, Glenn R., MD
PMC Escondido and Poway

Status: Applicant
Specialty: Neurology



Hussey, Shaunn P., MD
PMC Escondido and Poway

Status: Applicant
Specialty: Emergency
Medicine



Larjani, Hasti D., MD
PMC Escondido and Poway

Status: Applicant
Specialty: Diagnostic
Radiology

Provider Profiles



Patel, Pooja H., MD
PMC Escondido and Poway

Status: Temporary
Privileges
Specialty: Anesthesiology



Rinehart, Charles V., MD
PMC Escondido and Poway

Status: Temporary
Privileges
Specialty: Surgery,
Urology



Sharsan, Afsaneh, MD
PMC Escondido

Status: Applicant
Specialty: Internal
Medicine



Tabila, Brian T., MD
PMC Escondido and Poway

Status: Applicant
Specialty: Pulmonary
Disease
Critical Care
Medicine



Tran, Loc H., MD
PMC Escondido and Poway

Status: Temporary
Privileges
Specialty: Anesthesiology



Winograd, Evan K., MD
PMC Escondido

Status: Applicant
Specialty: Neurosurgery

Provider Profiles



Yi, Jung Soo, M.D.
PMC Escondido and Poway

Status: Applicant
Specialty: Anesthesiology



Zhang, Wei, MD, PhD
PMC Escondido and Poway

Status: Temporary
Specialty: Privileges
Anesthesiology

Palomar Medical Center Poway Medical Staff
Department of Surgery
Rules and Regulations

Redline

I. Organization

- A. By action of the Board of Directors of Palomar Health, a Department of Surgery is established under Article IX of the Palomar Medical Center Poway Medical Staff Bylaws, Section 9.2.
- B. The Department is composed of those practitioners who specialize primarily in the practice of surgery and its sub-specialties (recognized by the ACS), including: General Surgery; Neurosurgery; Ophthalmology; Orthopedics; Otolaryngology; Plastic Surgery; Proctology; Colorectal Surgery; Thoracic and Cardiovascular Surgery; Vascular Surgery; Urology; Dentistry; Oral Surgery; and Podiatry.
- C. The Department of Surgery shall consist of a Department Chairperson and Chairperson-Elect and Members who are categorized according to the Palomar Medical Center Poway Medical Staff Bylaws, Article IV.

II. Functions

In addition to assisting in the functions outlined in Article IX, Section 9.5 of the Palomar Medical Center Poway Medical Staff Bylaws, the purposes of the Department are:

- A. To enhance the provision of quality care for patients admitted under its jurisdiction.
- B. To promulgate recommendations to the Executive Committee based on an evaluation of all new applications, reappointments, changes in medical staff category, and requests for additional privileges as outlined in the Palomar Medical Center Poway Medical Staff Bylaws and Credentials Policy Manual.
- C. To provide ongoing review of professional performance.
- D. To provide educational activities and continually advance the Members' professional knowledge and skills.
- E. To initiate corrective action as deemed necessary by the Department in accordance with the Medical Staff Bylaws.
- F. To coordinate Department responsibilities with other Departments and Committees of the Medical Staff and Administration.
- G. To establish rules and regulations that will implement more specifically the general principles found within the Medical Staff Bylaws.
- H. To participate in the Hospital's Performance Improvement Program.

III. Membership

- A. Qualifications
Surgical care shall be provided by practitioners who have completed an approved residency program in one of the recognized surgical specialties, accredited by the Accreditation Council for Graduate Medical Education, or equivalent accreditation as determined by the Department of Surgery, and who are Board Certified in surgery or one of its recognized specialties. If not Board Certified in surgery, the applicant shall sign an affidavit as described in the Palomar Medical Center Poway Medical Staff Bylaws, Section 3.2.2, attesting to their ability achieve Board certification within a period not to exceed 48 months from the date of appointment to the Department.
- B. Responsibilities
 - 1. Participation in Department business by serving on committees and as monitors, as required.

2. Participation on the Emergency Department call panel as outlined in the Palomar Medical Center Poway Medical Staff Rules and Regulations, Section 12.
3. Compliance with the Department of Surgery rules and regulations.

IV. Performance Improvement Review Policy

The Department Chairperson-Elect or his/her designee shall serve on the Medical Staff Peer Review Committee.

V. Officers

The Department Chairperson and Chairperson-Elect shall be elected and shall serve as outlined in the Palomar Medical Center Poway Medical Staff Bylaws, Article IX, Section 9.4.

VI. Meetings

The Department of Surgery may hold meetings as required. As outlined in the Palomar Medical Center Poway Medical Staff Bylaws, Article XII, Section 12.6, the Department Chairperson shall sign the minutes of the meeting and transmit any recommendation to the Chief of Staff/Medical Executive Committee. Per Palomar Medical Center Poway Medical Staff Bylaws, only active category members may vote.

VII. Emergency Department

Patients who require surgical care and who do not have a doctor on the staff of Palomar Medical Center Poway shall be provided care by the surgery specialties of the Department who are eligible to serve on ER Call. The individual practitioner will be determined by reference to a monthly, published schedule maintained in the Emergency Department. Practitioners serving on this schedule will have a response time of ~~thirty (30)~~ **forty-five (45)** minutes or less. Service on the panel shall be in accordance with Medical Staff Rules and Regulations, Section 12.

VIII. Professionalism

- A. Members of the Department of Surgery are expected to behave in an ethical, professional, and collegial manner at all times. Members will adhere to the Palomar Health Code of Conduct. A surgeon is expected to be present in the operating room until skin closing except when it is necessary for the surgeon to be absent for short periods of time for a bio-break, to speak with the family, or speak with the pathologist, radiologist, or other consultant, or if there is a life threatening emergency that requires the surgeon's expertise within the hospital.
- B. It is expected that each surgeon participate in monitoring new surgical staff members and participate in a Focused Professional Practice Evaluation as requested by the Medical Executive Committee.

IX. Discipline

Situations in which corrective action may be necessary shall be brought to the attention of the Department Chairperson, and shall be handled in accordance with the Medical Staff Rights Manual. In the event a member's conduct appears to require that immediate action be taken for the reasons specified in Section 3.1 of the Medical Staff Rights Manual, a summary suspension may be initiated as specified therein. Any member who is subject to corrective action shall be entitled to the rights specified in the Medical Staff Rights Manual.

X. Department-Specific Monitoring Requirements

- A. All practitioners who apply for surgical privileges will be required to successfully complete monitoring requirements, in accordance with the Medical Staff Bylaws/Rules and Regulations. Such monitoring shall consist of pre-operative, intra-operative, and postoperative evaluation of the practitioner's abilities. The Department of Surgery may waive or modify monitoring requirements at its discretion.
- B. Guidelines for assigning required monitoring:
 - 1. Board Certified applicants shall be monitored for a minimum of seven major procedures.
 - 2. Board Eligible applicants shall be monitored for a minimum of seven major procedures.
 - 3. Applicants who have completed their monitoring of like privileges at Palomar Medical Center Escondido shall be monitored for a minimum of three major procedures.
 - 4. As per the Core Privilege checklists.
- C. The Department of Surgery will specify the number of cases for which the applicant must be monitored. The first consecutive 7 major procedures performed by the applicant are subject to monitoring.
- D. In unusual cases, the Executive Committee acting as the Credentials Committee of the Medical Staff, in consultation with the Department of Surgery, may also recommend the number of cases for which a practitioner may need to be monitored.
- E. The monitor must be a Member of the Department of Surgery and must have full privileges for the procedure to be monitored. Cases may be monitored at either Palomar Medical Center Escondido or Palomar Medical Center Poway. The monitor must have privileges and be in good standing at the same site as the physician being monitored, and their monitoring must be complete. Monitoring reports are to be treated in a confidential manner. The practitioner who was monitored will not have access to these reports except under certain, legally specific circumstances, and in accordance with the Medical Staff Bylaws/Rules and Regulations. It is the responsibility of the monitored practitioner for seeing that the monitoring reports are completed within two weeks. The monitor is responsible for completing the required report within two weeks of the date monitoring was performed. Reports shall be forwarded directly to Medical Staff Services. Medical Staff Services shall notify the Department Chairperson of Surgery when the required number of cases has been monitored. Monitoring reports will become a permanent part of the physician's credentials' file.
- F. The Department Chairperson of Surgery will review monitoring reports and recommend whether or not full privileges should be granted, or whether additional monitoring shall be required.
- G. The practitioner shall be notified, in writing, of the recommendation.
- H. Any practitioner who has completed the monitoring requirements and who is not deemed qualified by the Department of Surgery may appeal in person to the, the Department of Surgery. Thereafter, the practitioner shall be entitled to such rights as may be specified in the Medical Staff Rights Manual. Failure to complete the required number of monitored cases shall not entitle a physician to the hearing rights set forth in the Bylaws.
- I. Pre-operative monitoring will include a review of the patient's chart before surgery, with specific emphasis on the completeness and appropriateness of the pre-operative work-up and indications for the specific procedure. The monitor has the option of talking to the patient and examining the patient pre and postoperatively, but he/she is expected to inform the practitioner in advance as a courtesy.
- J. Intra-operative monitoring shall be performed with the monitor available in the room during the entire case.
- K. Postoperative monitoring will include a review of the chart, the frequency to be at the discretion of the monitor.
- L. No more than half of the monitored procedures shall be evaluated by any one monitor. The remainder shall be evaluated by at least two other monitors. In cases where there are insufficient numbers of qualified monitors to comply with this rule, the Department Chairperson may permit an exception.

- M. If the applicant has difficulty with the monitoring physician turning in the required monitoring reports, the applicant would then pursue the issue with the Department Chairperson, and if need be, the Chief of Staff.
- N. In the event that a monitor determines that the commencement or a continuance of a procedure poses a significant threat to the health or safety of the patient, the monitor is authorized to delay, postpone or terminate the procedure, and is authorized and requested to take such action as good medical practice warrants under the circumstances. The monitor shall thereafter notify the Department Chairperson, and/or Chief of Staff, or, in their absence, any member of the Executive Committee of the circumstances and the Executive Committee shall thereupon take appropriate action.
- O. A surgeon who has previously completed monitoring may be asked to have additional cases monitored at the discretion of the Medical Executive Committee as part of a Focused Professional Practice Evaluation.

XI. Consultation

It is the Member's responsibility to obtain consultation whenever the need arises or whenever the Member is faced with a situation that his/her privileges do not permit him/her to treat alone. If the patient's physician disagrees with the consultant's recommendation, he/she may call a second consultant, and if there is still disagreement, the Department Chairperson will be called. When a practitioner with privileges in other Departments has been accorded special privileges in the Department of Surgery, that practitioner's requirements for consultation when exercising the surgical privileges will be the same as for Members of the Department of Surgery.

XII. Rules Regarding Surgery

- A. Surgery may be done only by Members of the Palomar Medical Center Poway Medical Staff who have appropriate surgical privileges.
- B. All admissions, both ~~and~~ in-patient and outpatient, shall be in accordance with current hospital policy.
- C. Labs, orders, and H&P or Consult note will be on the patient's chart by the start of the case. If not, the surgeon and OR RN will be notified.
- D. It is recommended that in all cases of major surgery, the surgeon have an anesthesiologist. The surgeon may have an assistant of his/her choice.
- E. Contaminated cases shall always be scheduled following the regularly scheduled cases for that day. This would include Staph infections, active tuberculosis, or any known infected potential. Cultures of any infected or abscessed cases are advisable. The only exception to this scheduling policy would be life-threatening emergencies.
- F. All surgical cases must have a history and physical on the chart before surgery. An eligible Member of the Palomar Medical Center Poway medical staff must perform the history and physical. When the history and physical examination is not recorded before an operation, or any potentially hazardous diagnostic procedure, the procedure will be cancelled unless the attending practitioner states, in writing, that such a delay would be detrimental to the patient's health. In such cases the physician will dictate a history and physical and write an appropriate pre-operative and admitting note as soon as possible after surgery. Operative reports shall include a detailed account of the findings at surgery, as well as the details of the surgical technique. Operative reports shall be performed immediately upon completion of the operative or other high risk procedure for outpatients, as well as for inpatients. An operative report (brief) with all the required elements as outlined in the electronic health record (EHR) template must be entered directly into the electronic medical record within 30 minutes after the patient reaches the Recovery Room when the full operative report is dictated via transcriptionist. If the full operative report is generated electronically and immediately available, no brief operative report is required,

- G. Per Medical Staff Bylaws/Rules and Regulations, Section 4.8.
1. History and physical exams must be submitted in accordance with the Medical Staff Bylaws Section XIX, History and Physicals Policy. For Inpatient Surgical Procedures: If surgery is to be performed within the first 24 hours of admission, and an H&P was performed prior to admission, then an update note must be entered into the record on the day of surgery prior to the start of surgery. For Outpatient Surgical Procedures: If the H&P was performed within 30 days prior to surgery, an update note must be entered into the record on the day of surgery prior to the start of the procedure.
 2. The person responsible for administering anesthesia, or the surgeon if a general anesthetic is not to be administered, shall verify the patient's identity, the site and side of the body to be operated on, and ascertain that the foregoing medical history and tests, as described below, appear in the patient's medical record.
- H. Appropriate screening tests based on the needs of the patient shall be accomplished and recorded within seventy-two (72) hours prior to surgery. Appropriate screening tests based on the needs of the individual patient will be considered to be acceptable if done within seven (7) days prior to surgery. All routine laboratory work, including hematocrit and urinalysis, whether performed by the hospital or by an outside laboratory, and signed by a certified laboratory technologist, will be performed within a seven (7) day period preceding surgery on all surgical patients. Patients for minor surgery, which who are admitted the morning of surgery, should, if possible, obtain this laboratory work before admission. Surgery may be cancelled or moved back to the end of the operating schedule if pertinent laboratory results are not on the chart before surgery.
- I. Informed consent shall be documented in accordance with the Medical Staff Bylaws/Rules and Regulations, Section 7.
- J. The written consent of the patient or legal guardian, except in an emergency, must be obtained before surgery and before pre-operative narcotic medication has been administered, and must be specific to include the patient's name and the proposed surgical procedure, as well as the name of the surgeon. In the case of an emergency, and when written consent of the patient or legal guardian cannot be obtained, one physician may sign the operative permit and should include in their pre-operative note the indications for the emergency procedure.
- K. All tissues and other materials removed during an operation will be forwarded to the pathology laboratory except for limited categories approved under program flexibility, Section 70129, California Code of Regulations. (Exceptions are as noted in Lucidoc Procedure #15109, "Specimens, Standards and Care of," as appended to these Rules and Regulations.)
- L. For frozen specimens and breast tissue, see Lucidoc Procedure #15109, "Specimens, Standards and Care of." Unless the surgeon has unrestricted surgical privileges for doing radical breast surgery, they must have pre-operative consultation by a surgeon with such privileges on any diagnostic breast biopsy requiring frozen section if immediate further surgery may be contemplated.
- M. When planned surgery is based on a pathological diagnosis made through a laboratory outside the hospital, the operating surgeon will include in the medical record a copy of the original pathology report.

XIII. Rules Regarding Records

The Department will comply with the requirements outlined in the Medical Staff Bylaws, Rules and Regulations, and Medical Staff Rights Manual.

XIV. Specified Professional Personnel Staff

Utilization of Allied Health Professional Staff shall be in accordance with Medical Staff Bylaws, Article VI.

XV. Amendments

Proposed amendments to these Rules and Regulations shall be distributed to the active category members of the Department thirty (30) days prior to voting on said amendments. Voting may occur at either a special meeting of the Department or by ballot. Adoption of amendments shall require a two-thirds majority vote of the active category members of the Department. Amendments shall be submitted to the Executive Committee and shall become effective after approval by the Board of Directors.

Amendments:

Approved by the PMC Poway Dept of Surgery – 01/09/2026

Approved by the PMC Poway MEC – 01/27/2026

Approved by the Palomar Health Board of Directors –

Previous approvals:

Approved by the Palomar Health Board of Directors – 11/14/2022

Approved by the Palomar Medical Center Poway Executive Committee – 10/25/2022

Approved by the Palomar Medical Center Poway Department of Surgery – 10/14/2022

Palomar Medical Center Poway Medical Staff
Department of Surgery
Rules and Regulations

Clean

I. Organization

- A. By action of the Board of Directors of Palomar Health, a Department of Surgery is established under Article IX of the Palomar Medical Center Poway Medical Staff Bylaws, Section 9.2.
- B. The Department is composed of those practitioners who specialize primarily in the practice of surgery and its sub-specialties (recognized by the ACS), including: General Surgery; Neurosurgery; Ophthalmology; Orthopedics; Otolaryngology; Plastic Surgery; Proctology; Colorectal Surgery; Thoracic and Cardiovascular Surgery; Vascular Surgery; Urology; Dentistry; Oral Surgery; and Podiatry.
- C. The Department of Surgery shall consist of a Department Chairperson and Chairperson-Elect and Members who are categorized according to the Palomar Medical Center Poway Medical Staff Bylaws, Article IV.

II. Functions

In addition to assisting in the functions outlined in Article IX, Section 9.5 of the Palomar Medical Center Poway Medical Staff Bylaws, the purposes of the Department are:

- A. To enhance the provision of quality care for patients admitted under its jurisdiction.
- B. To promulgate recommendations to the Executive Committee based on an evaluation of all new applications, reappointments, changes in medical staff category, and requests for additional privileges as outlined in the Palomar Medical Center Poway Medical Staff Bylaws and Credentials Policy Manual.
- C. To provide ongoing review of professional performance.
- D. To provide educational activities and continually advance the Members' professional knowledge and skills.
- E. To initiate corrective action as deemed necessary by the Department in accordance with the Medical Staff Bylaws.
- F. To coordinate Department responsibilities with other Departments and Committees of the Medical Staff and Administration.
- G. To establish rules and regulations that will implement more specifically the general principles found within the Medical Staff Bylaws.
- H. To participate in the Hospital's Performance Improvement Program.

III. Membership

- A. **Qualifications**
Surgical care shall be provided by practitioners who have completed an approved residency program in one of the recognized surgical specialties, accredited by the Accreditation Council for Graduate Medical Education, or equivalent accreditation as determined by the Department of Surgery, and who are Board Certified in surgery or one of its recognized specialties. If not Board Certified in surgery, the applicant shall sign an affidavit as described in the Palomar Medical Center Poway Medical Staff Bylaws, Section 3.2.2, attesting to their ability achieve Board certification within a period not to exceed 48 months from the date of appointment to the Department.
- B. **Responsibilities**
 - 1. Participation in Department business by serving on committees and as monitors, as required.

2. Participation on the Emergency Department call panel as outlined in the Palomar Medical Center Poway Medical Staff Rules and Regulations, Section 12.
3. Compliance with the Department of Surgery rules and regulations.

IV. Performance Improvement Review Policy

The Department Chairperson-Elect or his/her designee shall serve on the Medical Staff Peer Review Committee.

V. Officers

The Department Chairperson and Chairperson-Elect shall be elected and shall serve as outlined in the Palomar Medical Center Poway Medical Staff Bylaws, Article IX, Section 9.4.

VI. Meetings

The Department of Surgery may hold meetings as required. As outlined in the Palomar Medical Center Poway Medical Staff Bylaws, Article XII, Section 12.6, the Department Chairperson shall sign the minutes of the meeting and transmit any recommendation to the Chief of Staff/Medical Executive Committee. Per Palomar Medical Center Poway Medical Staff Bylaws, only active category members may vote.

VII. Emergency Department

Patients who require surgical care and who do not have a doctor on the staff of Palomar Medical Center Poway shall be provided care by the surgery specialties of the Department who are eligible to serve on ER Call. The individual practitioner will be determined by reference to a monthly, published schedule maintained in the Emergency Department. Practitioners serving on this schedule will have a response time of forty-five (45) minutes or less. Service on the panel shall be in accordance with Medical Staff Rules and Regulations, Section 12.

VIII. Professionalism

- A. Members of the Department of Surgery are expected to behave in an ethical, professional, and collegial manner at all times. Members will adhere to the Palomar Health Code of Conduct. A surgeon is expected to be present in the operating room until skin closing except when it is necessary for the surgeon to be absent for short periods of time for a bio-break, to speak with the family, or speak with the pathologist, radiologist, or other consultant, or if there is a life threatening emergency that requires the surgeon's expertise within the hospital.
- B. It is expected that each surgeon participate in monitoring new surgical staff members and participate in a Focused Professional Practice Evaluation as requested by the Medical Executive Committee.

IX. Discipline

Situations in which corrective action may be necessary shall be brought to the attention of the Department Chairperson, and shall be handled in accordance with the Medical Staff Rights Manual. In the event a member's conduct appears to require that immediate action be taken for the reasons specified in Section 3.1 of the Medical Staff Rights Manual, a summary suspension may be initiated as specified therein. Any member who is subject to corrective action shall be entitled to the rights specified in the Medical Staff Rights Manual.

X. Department-Specific Monitoring Requirements

- A. All practitioners who apply for surgical privileges will be required to successfully complete monitoring requirements, in accordance with the Medical Staff Bylaws/Rules and Regulations. Such monitoring shall consist of pre-operative, intra-operative, and postoperative evaluation of the practitioner's abilities. The Department of Surgery may waive or modify monitoring requirements at its discretion.
- B. Guidelines for assigning required monitoring:
 - 1. Board Certified applicants shall be monitored for a minimum of seven major procedures.
 - 2. Board Eligible applicants shall be monitored for a minimum of seven major procedures.
 - 3. Applicants who have completed their monitoring of like privileges at Palomar Medical Center Escondido shall be monitored for a minimum of three major procedures.
 - 4. As per the Core Privilege checklists.
- C. The Department of Surgery will specify the number of cases for which the applicant must be monitored. The first consecutive 7 major procedures performed by the applicant are subject to monitoring.
- D. In unusual cases, the Executive Committee acting as the Credentials Committee of the Medical Staff, in consultation with the Department of Surgery, may also recommend the number of cases for which a practitioner may need to be monitored.
- E. The monitor must be a Member of the Department of Surgery and must have full privileges for the procedure to be monitored. Cases may be monitored at either Palomar Medical Center Escondido or Palomar Medical Center Poway. The monitor must have privileges and be in good standing at the same site as the physician being monitored, and their monitoring must be complete. Monitoring reports are to be treated in a confidential manner. The practitioner who was monitored will not have access to these reports except under certain, legally specific circumstances, and in accordance with the Medical Staff Bylaws/Rules and Regulations. It is the responsibility of the monitored practitioner for seeing that the monitoring reports are completed within two weeks. The monitor is responsible for completing the required report within two weeks of the date monitoring was performed. Reports shall be forwarded directly to Medical Staff Services. Medical Staff Services shall notify the Department Chairperson of Surgery when the required number of cases has been monitored. Monitoring reports will become a permanent part of the physician's credentials' file.
- F. The Department Chairperson of Surgery will review monitoring reports and recommend whether or not full privileges should be granted, or whether additional monitoring shall be required.
- G. The practitioner shall be notified, in writing, of the recommendation.
- H. Any practitioner who has completed the monitoring requirements and who is not deemed qualified by the Department of Surgery may appeal in person to the, the Department of Surgery. Thereafter, the practitioner shall be entitled to such rights as may be specified in the Medical Staff Rights Manual. Failure to complete the required number of monitored cases shall not entitle a physician to the hearing rights set forth in the Bylaws.
- I. Pre-operative monitoring will include a review of the patient's chart before surgery, with specific emphasis on the completeness and appropriateness of the pre-operative work-up and indications for the specific procedure. The monitor has the option of talking to the patient and examining the patient pre and postoperatively, but he/she is expected to inform the practitioner in advance as a courtesy.
- J. Intra-operative monitoring shall be performed with the monitor available in the room during the entire case.
- K. Postoperative monitoring will include a review of the chart, the frequency to be at the discretion of the monitor.
- L. No more than half of the monitored procedures shall be evaluated by any one monitor. The remainder shall be evaluated by at least two other monitors. In cases where there are insufficient numbers of qualified monitors to comply with this rule, the Department Chairperson may permit an exception.

- M. If the applicant has difficulty with the monitoring physician turning in the required monitoring reports, the applicant would then pursue the issue with the Department Chairperson, and if need be, the Chief of Staff.
- N. In the event that a monitor determines that the commencement or a continuance of a procedure poses a significant threat to the health or safety of the patient, the monitor is authorized to delay, postpone or terminate the procedure, and is authorized and requested to take such action as good medical practice warrants under the circumstances. The monitor shall thereafter notify the Department Chairperson, and/or Chief of Staff, or, in their absence, any member of the Executive Committee of the circumstances and the Executive Committee shall thereupon take appropriate action.
- O. A surgeon who has previously completed monitoring may be asked to have additional cases monitored at the discretion of the Medical Executive Committee as part of a Focused Professional Practice Evaluation.

XI. Consultation

It is the Member's responsibility to obtain consultation whenever the need arises or whenever the Member is faced with a situation that his/her privileges do not permit him/her to treat alone. If the patient's physician disagrees with the consultant's recommendation, he/she may call a second consultant, and if there is still disagreement, the Department Chairperson will be called. When a practitioner with privileges in other Departments has been accorded special privileges in the Department of Surgery, that practitioner's requirements for consultation when exercising the surgical privileges will be the same as for Members of the Department of Surgery.

XII. Rules Regarding Surgery

- A. Surgery may be done only by Members of the Palomar Medical Center Poway Medical Staff who have appropriate surgical privileges.
- B. All admissions, both in-patient and outpatient, shall be in accordance with current hospital policy.
- C. Labs, orders, and H&P or Consult note will be on the patient's chart by the start of the case. If not, the surgeon and OR RN will be notified.
- D. It is recommended that in all cases of major surgery, the surgeon have an anesthesiologist. The surgeon may have an assistant of his/her choice.
- E. Contaminated cases shall always be scheduled following the regularly scheduled cases for that day. This would include Staph infections, active tuberculosis, or any known infected potential. Cultures of any infected or abscessed cases are advisable. The only exception to this scheduling policy would be life-threatening emergencies.
- F. All surgical cases must have a history and physical on the chart before surgery. An eligible Member of the Palomar Medical Center Poway medical staff must perform the history and physical. When the history and physical examination is not recorded before an operation, or any potentially hazardous diagnostic procedure, the procedure will be cancelled unless the attending practitioner states, in writing, that such a delay would be detrimental to the patient's health. In such cases the physician will dictate a history and physical and write an appropriate pre-operative and admitting note as soon as possible after surgery. Operative reports shall include a detailed account of the findings at surgery, as well as the details of the surgical technique. Operative reports shall be performed immediately upon completion of the operative or other high risk procedure for outpatients, as well as for inpatients. An operative report (brief) with all the required elements as outlined in the electronic health record (EHR) template must be entered directly into the electronic medical record within 30 minutes after the patient reaches the Recovery Room when the full operative report is dictated via transcriptionist. If the full operative report is generated electronically and immediately available, no brief operative report is required,

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1. History and physical exams must be submitted in accordance with the Medical Staff Bylaws Section XIX, History and Physicals Policy. For Inpatient Surgical Procedures: If surgery is to be performed within the first 24 hours of admission, and an H&P was performed prior to admission, then an update note must be entered into the record on the day of surgery prior to the start of surgery. For Outpatient Surgical Procedures: If the H&P was performed within 30 days prior to surgery, an update note must be entered into the record on the day of surgery prior to the start of the procedure.
 2. The person responsible for administering anesthesia, or the surgeon if a general anesthetic is not to be administered, shall verify the patient's identity, the site and side of the body to be operated on, and ascertain that the foregoing medical history and tests, as described below, appear in the patient's medical record.
- H. Appropriate screening tests based on the needs of the patient shall be accomplished and recorded within seventy-two (72) hours prior to surgery. Appropriate screening tests based on the needs of the individual patient will be considered to be acceptable if done within seven (7) days prior to surgery. All routine laboratory work, including hematocrit and urinalysis, whether performed by the hospital or by an outside laboratory, and signed by a certified laboratory technologist, will be performed within a seven (7) day period preceding surgery on all surgical patients. Patients for minor surgery, which who are admitted the morning of surgery, should, if possible, obtain this laboratory work before admission. Surgery may be cancelled or moved back to the end of the operating schedule if pertinent laboratory results are not on the chart before surgery.
- I. Informed consent shall be documented in accordance with the Medical Staff Bylaws/Rules and Regulations, Section 7.
- J. The written consent of the patient or legal guardian, except in an emergency, must be obtained before surgery and before pre-operative narcotic medication has been administered, and must be specific to include the patient's name and the proposed surgical procedure, as well as the name of the surgeon. In the case of an emergency, and when written consent of the patient or legal guardian cannot be obtained, one physician may sign the operative permit and should include in their pre-operative note the indications for the emergency procedure.
- K. All tissues and other materials removed during an operation will be forwarded to the pathology laboratory except for limited categories approved under program flexibility, Section 70129, California Code of Regulations. (Exceptions are as noted in Lucidoc Procedure #15109, "Specimens, Standards and Care of," as appended to these Rules and Regulations.)
- L. For frozen specimens and breast tissue, see Lucidoc Procedure #15109, "Specimens, Standards and Care of." Unless the surgeon has unrestricted surgical privileges for doing radical breast surgery, they must have pre-operative consultation by a surgeon with such privileges on any diagnostic breast biopsy requiring frozen section if immediate further surgery may be contemplated.
- M. When planned surgery is based on a pathological diagnosis made through a laboratory outside the hospital, the operating surgeon will include in the medical record a copy of the original pathology report.

XIII. Rules Regarding Records

The Department will comply with the requirements outlined in the Medical Staff Bylaws, Rules and Regulations, and Medical Staff Rights Manual.

XIV. Specified Professional Personnel Staff

Utilization of Allied Health Professional Staff shall be in accordance with Medical Staff Bylaws, Article VI.

XV. Amendments

Proposed amendments to these Rules and Regulations shall be distributed to the active category members of the Department thirty (30) days prior to voting on said amendments. Voting may occur at either a special meeting of the Department or by ballot. Adoption of amendments shall require a two-thirds majority vote of the active category members of the Department. Amendments shall be submitted to the Executive Committee and shall become effective after approval by the Board of Directors.

Approved by the PMC Poway Dept of Surgery – 01/09/2026

Approved by the PMC Poway MEC – 01/27/2026

Approved by the Palomar Health Board of Directors – 02/09/2026

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Redline

Name: _____

Page 1

Effective From ____/____/____ To _____

- ☐ Palomar Medical Center Escondido
☐ Palomar Medical Center Poway

- ☐ Initial Appointment
☐ Reappointment

If any privileges are covered by an exclusive contract or an employment contract, practitioners who are not a party to the contract are not eligible to request the privilege(s), regardless of education, training, and experience. Exclusive or employment contracts are indicated by [EC].

Applicant: Check off the "Requested" box for each privilege requested. Applicants have the burden of producing information deemed adequate by the Medical Staff for a proper evaluation of current competence, current clinical activity, and other qualifications and for resolving any doubts related to qualifications for requested privileges.

Department Chair: Check the appropriate box for recommendation on the last page of this form. If recommended with conditions or not recommended, provide condition or explanation on the last page of this form.

Other Requirements

- Note that privileges granted may only be exercised at the site(s) and/or setting(s) that have the appropriate equipment, license, beds, staff and other support required to provide the services defined in this document. Site-specific services may be defined in hospital and/or department policy.
- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.

QUALIFICATIONS FOR EMERGENCY MEDICINE [EC]

To be eligible to apply for core privileges in emergency medicine, the initial applicant must meet the following criteria:

Successful completion of an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency in emergency medicine.

AND

Current certification or active participation in the examination process, with achievement of certification within 4 years of appointment leading to certification in emergency medicine by the American Board of Emergency Medicine or the American Osteopathic Board of Emergency Medicine, or another board with equivalent requirements.

AND

Physician must provide documentation of ATLS training at least one time for file. If physician is not board certified, physician must maintain ALS. If board certified, ALS not required.

Move ultrasound to core
Dept of Emerg Med – 01/21/2026
MECs – Esco 1/26/26 Poway 1/27/26
Board of Directors -

Previously Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

Required Previous Experience: Applicants for initial appointment must be able to demonstrate an adequate volume of active practice in an ED, reflective of the scope of privileges requested, in the past 12 months or demonstrate successful completion of an ACGME or AOA accredited residency, clinical fellowship, or research in a clinical setting within the past 12 months.

Focused Professional Practice Evaluation (FPPE) / Monitoring guidelines: Monitoring shall be performed for at least twenty-five (25) cases. Monitoring shall include an ongoing review of the physician's charting and concurrent review of procedures performed, when deemed necessary.

Reappointment Requirements: To be eligible to renew core privileges in emergency medicine, the applicant must meet the following maintenance of privilege criteria:

Current demonstrated competence and an adequate volume of experience with acceptable results, reflective of the scope of privileges requested, for the past 24 months based on results of ongoing professional practice evaluation and outcomes. Evidence of current ability to perform privileges requested is required of all applicants for renewal of privileges.

CORE PRIVILEGES**EMERGENCY MEDICINE CORE PRIVILEGES [EC]**

- ☐ **Requested** Assess, evaluate, diagnose and initially treat patients of all ages, who present in the ED with any symptom, illness, injury or condition and provide services necessary to treat minor illnesses or injuries; stabilize patients with major illnesses or injuries and to assess all patients to determine if additional care is necessary in accordance with the 2019 Model of Clinical Practice of Emergency Medicine. Privileges do not include long-term care of patients on an in-patient basis. Emergency Medicine physicians will be responsible for the ED admission note and may write general transition orders that will expire within 6 hours. May not perform scheduled elective procedures with the exception of procedures performed during routine emergency room follow-up visits. The core privileges in this specialty include the procedures on the attached procedure list and such other procedures that are extensions of the same techniques and skills.

SPECIAL NON-CORE PRIVILEGES (SEE SPECIFIC CRITERIA)

If desired, Non-Core Privileges are requested individually in addition to requesting the Core. Each individual requesting Non-Core Privileges must meet the specific threshold criteria governing the exercise of the privilege requested including training, required previous experience, and for maintenance of clinical competence.

EMERGENCY ULTRASOUND FOR DIAGNOSIS OF EMERGENT CONDITION

~~**Criteria:** Successful completion of an accredited postgraduate training program in emergency medicine that included training in ultrasound interpretation, OR formal emergency ultrasound education that conforms to the ACEP guidelines as per CQI reviewer/ultrasound director. **Maintenance of Privilege:** Demonstrated current competence and evidence of the completion of at least 25 scans in the past 2 years as reviewed/provided by the CQI reviewer/ultrasound director.~~

~~☐ **Requested**~~

Move ultrasound to core
Dept of Emerg Med – 01/21/2026
MECs – Esco 1/26/26 Poway 1/27/26
Board of Directors -

Previously Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

CORE PROCEDURE LIST

This list is a sampling of procedures included in the core. This is not intended to be an all-encompassing list but rather reflective of the categories/types of procedures included in the core. Core privileges included are in accordance with the 2019 Model of Clinical Practice of Emergency Medicine, Supplemental Table 4.

To the applicant: If you wish to exclude any procedures, please strike through those procedures which you do not wish to request, initial, and date. Core Procedure List (continued)

This list is a sampling of procedures included in the core. This is not intended to be an all-encompassing list but rather reflective of the categories/types of procedures included in the core.

- Airway Techniques
 - Intubation
 - Airway adjuncts
 - Surgical airway
 - Mechanical ventilation
 - Noninvasive ventilator management
 - Ventilatory monitoring
- Resuscitation
 - Cardiopulmonary resuscitation
 - Neonatal resuscitation
 - Pediatric resuscitation
 - Post-resuscitative care
 - Therapeutic, hypothermia (or targeted temperature management)
 - Blood, fluid, and component therapy
 - Arterial catheter insertion
 - Central venous access
 - Intraosseous line placement
 - Defibrillation
 - Thoracotomy
 - Extracorporeal membrane oxygenation (ECMO)
- Anesthesia and Acute Pain Management (per hospital policy)
 - Regional anesthesia
 - Procedural sedation

[Move ultrasound to core](#)

[Dept of Emerg Med – 01/21/2026](#)

[MECs – Esco 1/26/26 Poway 1/27/26](#)

[Board of Directors -](#)

[Previously](#) Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

Page 4

Effective From ____/____/____ To _____

- Analgesia
- Diagnostic and Therapeutic Procedures:
 - Abdominal and gastrointestinal
 - Anoscopy
 - Excision of thrombosed hemorrhoid
 - Gastrostomy tube placement
 - Nasogastric tube
 - Paracentesis
 - Mechanical control of upper gastrointestinal bleeding
 - Cardiovascular and Thoracic
 - Cardiac pacing
 - Cardioversion
 - ECG interpretation
 - Pericardiocentesis
 - Thoracentesis
 - Thoracostomy
 - Cutaneous
 - Escharotomy
 - Incision and drainage
 - Trephination, nails
 - Wound closure techniques
 - Wound management
 - Head, ear, eye, nose, and throat
 - Control of epistaxis
 - Drainage of peritonsillar abscess
 - Laryngoscopy
 - Lateral canthotomy
 - Slit lamp examination
 - Tonometry

Move ultrasound to core
Dept of Emerg Med – 01/21/2026
MECs – Esco 1/26/26 Poway 1/27/26
Board of Directors -

Previously Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

- Tooth stabilization
- Corneal foreign body removal
- Drainage of hematoma
- Systemic infectious
 - Personal protection (equipment and techniques)
 - Universal precautions and exposure management
- Musculoskeletal
 - Arthrocentesis
 - Compartment pressure measurement
 - Fracture/Dislocation immobilization techniques
 - Fracture/Dislocation reduction techniques
 - Spine immobilization techniques
 - Fasciotomy
- Nervous System
 - Lumbar Puncture
- Obstetrics and gynecology
 - Delivery of newborn
 - Resuscitative hysterotomy
 - Sexual assault examination
- Psychobehavioral
 - Psychiatric screening examination
 - Violent patient management/Restraint
- Renal and urogenital
 - Bladder catheterization
 - Urethral catheter
 - Suprapubic catheter
 - Cystourethrogram
 - Antidote administration
- Other Diagnostic and Therapeutic Procedures
 - Foreign body removal

[Move ultrasound to core](#)
[Dept of Emerg Med – 01/21/2026](#)
[MECs – Esco 1/26/26 Poway 1/27/26](#)
[Board of Directors -](#)

[Previously](#) Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

Page 6

Effective From ____/____/____ To _____

- Collection and handling of forensic material
- Emergency ultrasound for diagnosis of emergency condition
- Perform History and Physical

Move ultrasound to core
Dept of Emerg Med – 01/21/2026
MECs – Esco 1/26/26 Poway 1/27/26
Board of Directors -

Previously Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

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Effective From ____/____/____ To _____

ACKNOWLEDGEMENT OF PRACTITIONER

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform and for which I wish to exercise at Palomar Health, and I understand that:

- a. In exercising any clinical privileges granted, I am constrained by Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation and in such situation my actions are governed by the applicable section of the Medical Staff Bylaws or related documents.

Signed _____

Date _____

Move ultrasound to core
Dept of Emerg Med – 01/21/2026
MECs – Esco 1/26/26 Poway 1/27/26
Board of Directors -

Previously Approved by: Board of Directors: 7/11/2022

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Clean

Name: _____

Page 1

Effective From ____/____/____ To _____

- ☐ Palomar Medical Center Escondido
☐ Palomar Medical Center Poway

- ☐ Initial Appointment
☐ Reappointment

If any privileges are covered by an exclusive contract or an employment contract, practitioners who are not a party to the contract are not eligible to request the privilege(s), regardless of education, training, and experience. Exclusive or employment contracts are indicated by [EC].

Applicant: Check off the "Requested" box for each privilege requested. Applicants have the burden of producing information deemed adequate by the Medical Staff for a proper evaluation of current competence, current clinical activity, and other qualifications and for resolving any doubts related to qualifications for requested privileges.

Department Chair: Check the appropriate box for recommendation on the last page of this form. If recommended with conditions or not recommended, provide condition or explanation on the last page of this form.

Other Requirements

- Note that privileges granted may only be exercised at the site(s) and/or setting(s) that have the appropriate equipment, license, beds, staff and other support required to provide the services defined in this document. Site-specific services may be defined in hospital and/or department policy.
- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.

QUALIFICATIONS FOR EMERGENCY MEDICINE [EC]

To be eligible to apply for core privileges in emergency medicine, the initial applicant must meet the following criteria:

Successful completion of an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency in emergency medicine.

AND

Current certification or active participation in the examination process, with achievement of certification within 4 years of appointment leading to certification in emergency medicine by the American Board of Emergency Medicine or the American Osteopathic Board of Emergency Medicine, or another board with equivalent requirements.

AND

Physician must provide documentation of ATLS training at least one time for file. If physician is not board certified, physician must maintain ALS. If board certified, ALS not required.

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

Page 2

Effective From ____/____/____ To _____

Required Previous Experience: Applicants for initial appointment must be able to demonstrate an adequate volume of active practice in an ED, reflective of the scope of privileges requested, in the past 12 months or demonstrate successful completion of an ACGME or AOA accredited residency, clinical fellowship, or research in a clinical setting within the past 12 months.

Focused Professional Practice Evaluation (FPPE) / Monitoring guidelines: Monitoring shall be performed for at least twenty-five (25) cases. Monitoring shall include an ongoing review of the physician's charting and concurrent review of procedures performed, when deemed necessary.

Reappointment Requirements: To be eligible to renew core privileges in emergency medicine, the applicant must meet the following maintenance of privilege criteria:

Current demonstrated competence and an adequate volume of experience with acceptable results, reflective of the scope of privileges requested, for the past 24 months based on results of ongoing professional practice evaluation and outcomes. Evidence of current ability to perform privileges requested is required of all applicants for renewal of privileges.

CORE PRIVILEGES**EMERGENCY MEDICINE CORE PRIVILEGES [EC]**

- ☐ **Requested** Assess, evaluate, diagnose and initially treat patients of all ages, who present in the ED with any symptom, illness, injury or condition and provide services necessary to treat minor illnesses or injuries; stabilize patients with major illnesses or injuries and to assess all patients to determine if additional care is necessary in accordance with the 2019 Model of Clinical Practice of Emergency Medicine. Privileges do not include long-term care of patients on an in-patient basis. Emergency Medicine physicians will be responsible for the ED admission note and may write general transition orders that will expire within 6 hours. May not perform scheduled elective procedures with the exception of procedures performed during routine emergency room follow-up visits. The core privileges in this specialty include the procedures on the attached procedure list and such other procedures that are extensions of the same techniques and skills.

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

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To the applicant: If you wish to exclude any procedures, please strike through those procedures which you do not wish to request, initial, and date. Core Procedure List (continued)

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 - Arterial catheter insertion
 - Central venous access
 - Intraosseous line placement
 - Defibrillation
 - Thoracotomy
 - Extracorporeal membrane oxygenation (ECMO)
- Anesthesia and Acute Pain Management (per hospital policy)
 - Regional anesthesia
 - Procedural sedation
 - Analgesia

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

• Diagnostic and Therapeutic Procedures:

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- Anoscopy
- Excision of thrombosed hemorrhoid
- Gastrostomy tube placement
- Nasogastric tube
- Paracentesis
- Mechanical control of upper gastrointestinal bleeding

• Cardiovascular and Thoracic

- Cardiac pacing
- Cardioversion
- ECG interpretation
- Pericardiocentesis
- Thoracentesis
- Thoracostomy

• Cutaneous

- Escharotomy
- Incision and drainage
- Trephination, nails
- Wound closure techniques
- Wound management

• Head, ear, eye, nose, and throat

- Control of epistaxis
- Drainage of peritonsillar abscess
- Laryngoscopy
- Lateral canthotomy
- Slit lamp examination
- Tonometry
- Tooth stabilization
- Corneal foreign body removal
- Drainage of hematoma

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

Page 5

Effective From ____/____/____ To _____

- Systemic infectious
 - Personal protection (equipment and techniques)
 - Universal precautions and exposure management
- Musculoskeletal
 - Arthrocentesis
 - Compartment pressure measurement
 - Fracture/Dislocation immobilization techniques
 - Fracture/Dislocation reduction techniques
 - Spine immobilization techniques
 - Fasciotomy
- Nervous System
 - Lumbar Puncture
- Obstetrics and gynecology
 - Delivery of newborn
 - Resuscitative hysterotomy
 - Sexual assault examination
- Psychobehavioral
 - Psychiatric screening examination
 - Violent patient management/Restraint
- Renal and urogenital
 - Bladder catheterization
 - Urethral catheter
 - Suprapubic catheter
 - Cystourethrogram
 - Antidote administration
- Other Diagnostic and Therapeutic Procedures
 - Foreign body removal
 - Collection and handling of forensic material
 - Emergency ultrasound for diagnosis of emergency condition
- Perform History and Physical

EMERGENCY MEDICINE CLINICAL PRIVILEGES

Name: _____

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Effective From ____/____/____ To _____

ACKNOWLEDGEMENT OF PRACTITIONER

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform and for which I wish to exercise at Palomar Health, and I understand that:

- a. In exercising any clinical privileges granted, I am constrained by Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation and in such situation my actions are governed by the applicable section of the Medical Staff Bylaws or related documents.

Signed _____

Date _____

Mandated Amendment to the Medical Staff Bylaws:

Section 4.8 of the Rules and Regulations of the Medical Staff Bylaws (both PMC Poway and Escondido) currently state:

“4.8. Operative reports shall include a detailed account of the findings at surgery, as well as the details of the surgical technique. Operative reports shall be performed immediately upon completion of the operative or other high risk procedure for outpatients, as well as for inpatients. An operative report (brief) with all the required elements as outlined in the electronic health record (EHR) template must be entered directly into the electronic medical record within 30 minutes after the patient reaches the Recovery Room when the full operative report is dictated via transcription. If the full operative report is generated electronically and immediately available, no brief operative report is required.”

During the Stroke Survey at PMC Escondido in September, 2025, there was a finding related to a brief operative note not being done within 30 minutes. The Joint Commission regulation states that it should be done “immediately after the procedure if the operative report cannot be dictated before transfer to the next level of care.” For that reason, the Medical Executive Committees approved revising Section 4.8 to say:

“4.8. Operative reports shall include a detailed account of the findings at surgery, as well as the details of the surgical technique. Operative reports shall be performed immediately upon completion of the operative or other high risk procedure for outpatients, as well as for inpatients. An operative report (brief) with all the required elements as outlined in the electronic health record (EHR) template must be entered directly into the electronic medical record ~~within 30 minutes~~ immediately after the patient reaches the Recovery Room when the full operative report is dictated via transcription. If the full operative report is generated electronically and immediately available, no brief operative report is required.”

Because this is a revision based on a Joint Commission regulation, a vote of the Active Medical Staff is not needed. Per the Bylaws:

15.3 Mandated Amendments

In the event any amendment to the Rules and Regulations is required based on any provision of state or federal statute or regulation, such amendment may be provisionally adopted by the Medical Executive Committee and presented to the Board of Directors..... Notwithstanding any other provision of this article, such amendment shall become effective upon approval by the Board, and shall be distributed to Members as soon as reasonably possible.

Therefore, the Chiefs of Staff of PMC Poway and Escondido are presenting to you (the Board) for approval.



POLICIES & PROCEDURES

(December 2025 – January 2026)

FOR

BOARD OF DIRECTORS REVIEW & APPROVAL

FOR

BOARD REVIEW

Prepared by:

Jami Pearson, BSN, MBA, MSN

Regulatory Director

February 9, 2026

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3	Policy and Procedures Approval Policy (Lucidoc #61492)
8	Consent Agenda – Policy & Procedure Committee December 2025
13	Consent Agenda – Policy & Procedure Committee January 2026
22	MEC Approved Policies & Procedures, Scopes, and Plans December 2025 – January 2026



Passion. People. Purpose.™

Date: February 9, 2026

To: The Board of Directors

From: Jami Pearson, Regulatory Director

Regarding: Pursuant to Policy #61492, Policy and Procedure Approval Process § 3a, b, c, and d: Board of Directors Oversight:

I attest that Palomar Health complies with the following requirements for the appropriate delegation approval of their policies, procedures, protocols, and scope of service:

Process for Board of Directors' Approval:

- a. Responsibility
 - i. The Board of Directors is responsible for ensuring that the organization develops and periodically reviews policies necessary for the safe and effective provision of care, treatment, and service.
 - ii. By approval of this policy, the Board of Directors – except where reserved – officially delegates its responsibility as follows:
 - I. The Chief Executive Officer is delegated the responsibility to approve/revise all non-governance organizational policies, procedures, and guidelines.
 - II. The Medical Executive Committee is delegated responsibility to approve/revise medical staff related policies, procedures, and guidelines.
 - III. The CNE is delegated the responsibility to approve/revise nursing and or patient care specific policies, procedures, guidelines, scopes of services and standardized procedures.
 - IV. Vice Presidents and Directors are delegated the responsibility to approve/revise unit specific policies, guidelines, and procedures, within their respective departments and services. This delegation includes but is not limited to Pharmacy, Dietary, Utilization, and other clinical departments
 - V. As required, those policies that require Board of Director approval will be sent to the Board as part of the agenda to receive final approval from the Board.

Signature: _____



Date: 1/29/26

Regulatory Compliance

120 Craven Road, Suite 106, San Marcos, CA 92078 | T 442.291.9145 F 442.281.3699 | [PalomarHealth.org](https://www.PalomarHealth.org)

Palomar Health is a California Public Health Care District.

Board of Directors
Consent Agenda for Policies, Procedures, Plans, Scopes of
Service & Protocols

TO: Board of Directors President

MEETING DATE: February 9, 2026

FROM: Jami Pierson, Regulatory Compliance Director

Background: Pursuant to Policy 61492, Policy and Procedure Approval Process. In order to assure that the Board of Directors has appropriately delegated its responsibility, it shall receive on, at least an annual basis, a list of all documents, to include but not limited to policies, protocols, and procedures that have been approved and/or revised along with a signed attestation from the Chair of the Policies and Procedures Committee, that state all approvals/revisions have been done in accordance with the criteria established within this policy.

The policies, procedures, scopes of services, and protocols that have been approved from December 2025 through January 2026, are being sent via a consent agenda as required to the Board of Directors President.

Board President Recommendation:

I have reviewed the signed attestation from the Policy and Procedure Committee Chairperson. The Chair has validated that all the documents have been approved following the delegated policy and procedure delegated approval process.

Jeff Griffith, EMT-P, Board Chair

Date _____



DocID: 61492
 Revision: 5
 Status: Official

Source:
 Administrative
 Administrative

Applies to Facilities:
 All Palomar Health Facilities

Applies to Departments:
 All Departments

Procedure : Policy and Procedure Approval Process

I. SUMMARY:

To define Palomar Health District's process for the approval of policies and procedures. All physicians are referred to providers in all policies and procedures with the exception of Standardized Procedures.

II. DEFINITIONS:

- A. **Policy:** A policy covers broad principles or complex standards requiring Board/Administrative approval and may have significant legal, regulatory, or financial implications.
- B. **Procedure:** A formal, approved, written description of how a governance, management, or clinical care process is defined, organized, or carried out.
- C. **Power Plans:** Power Plans sent for medication are predetermined, evidenced based prescribing electronic tools that help healthcare professionals implement best practices. They organize and automate the process of placing an order. Power plans group several orders together to make order entry convenient and efficient. They are designed based on a condition, disease, or procedure.
- D. **The Villas at Poway:** Title 22 (72521 & 72523) dictates the Skilled Nursing Facility (SNF) procedures all be reviewed and approved in writing at the patient care committee and governing body for the SNF.
- E. **IGC:** Interdisciplinary Governance Council
- F. **PMSC:** Patient and Medication Safety Council
- G. **P&T:** Pharmacy and Therapeutics
- H. **Provider:** In the medical field, a provider is a healthcare professional or organization that delivers medical services to patients. This includes:
 - 1. **Physicians:** Doctors, such as general practitioners, specialists, and surgeons.
 - 2. **Advanced practice providers:** Nurse practitioners, physician assistants, and certified midwives.
 - 3. **Nurses:** Registered nurses, licensed practical nurses, and nurse anesthetists.
 - 4. **Other healthcare professionals:** Therapists, pharmaceuticals, laboratory technicians, and social workers. Providers are authorized to practice medicine or provide healthcare services in their respective states. They are responsible for diagnosing and treating patients, providing medical advice, and coordinating care.

III. PROCEDURE: COMPLIANCE - KEY STEPS:

A. Standards of Practice

1. Documents that may support the policy/procedure; including but not limited to practices, pre-printed orders, and chart forms; are not defined for the purposes of this policy.
2. The electronic policy management system will be the primary source utilized for policies and procedures. Any other third party references (e.g. Dynamic Health) may be utilized as an additional resource as applicable.
3. Palomar Health policies/procedures are: to be reviewed or revised per regulatory requirements, or organizational processes and submitted through the approval process (See policies and procedure review grid J).
 - a. Developed in collaboration with the medical staff if relevant to medical staff activities and/or direct patient care.
 - b. Developed in collaboration with nursing leadership if relevant to direct patient care. Consistent with professional references, applicable regulations, legal requirements, accreditation standards, and the mission and philosophy of the organization.
4. Creating and revising documents:
 - a. The editable version will be stored in the electronic policy management system.
 - b. Revisions to the documents will be tracked as changes while going through the approval process.
 - c. Any changes to content, deletions, and/or combining of policies/procedures will require the full approval process.

5. Creating and revising Power plans

1. Any provider can request a power plan or change a power plan
2. If the power plan affects more than one provider group, the power plan will need to go through Clinical Informatics Council and then to the appropriate Medical Staff Committee structures.
3. The request for revisions will go to Interdisciplinary Governance Council for their approval after appropriate approval from the medical staff committees as applicable
4. Refer to attached [Power Plan Approval Process Flow Chart](#)

6. Maintenance of power plans to include, but not limited to:

- a. Order sentence corrections, duplication therapy, removal of medications, adding or removing pre-approved sub phases or edits based on regulatory requirement, or medication shortages will be approved by the Chief Medical Information Officer (CMIO).
- b. Expedited approval based on regulatory need will be done by Chair of the Department, Pharmacy & Therapeutics Committee, and routed to Medical Executive Committee for final approval.
- c. All power plans that do not meet the exceptions noted above require approval beginning with the applicable medical staff committee for approval. Routing of these power plans will follow the medical staff approval process up to include Pharmacy and Therapeutics, and the Medical Executive Committee.
- d. Board of Directors approval will be done twice per year via consent agenda.

B. Steps of Procedure

1. Nursing Service Policies and Procedures

- a. Palomar Medical Center written policies and procedures for patient care shall be developed, maintained and implemented by the nursing service.
 - i. Policies and procedures which involve the medical staff shall be reviewed and approved by the medical staff prior to implementation.
 - ii. Policies and procedures of other departments which contain requirements for the nursing service shall be reviewed and approved by the nursing service prior to implementation.
 - iii. The nursing service shall review and revise policies and procedures every three years, or more often if necessary. (See policies and procedure Review grid in section J.).
 - iv. The hospital administration and the governing body shall review and approve all policies and procedures that relate to the nursing service every three years or more often, if necessary
 - I. Patient care policies and procedures shall be based on current standards of nursing practice and shall be consistent with the nursing process which includes: assessment, nursing diagnosis, planning, intervention, evaluation, and, as circumstances require, patient advocacy.

2. Medical Service Approval Mechanism

- a. A committee of the medical staff shall be assigned responsibility for:
 - i. Patient care policies and procedures will be routed to the appropriate medical staff committee including the Medical Executive Committee as required.
 - ii. Developing, maintaining and implementing written policies and procedures in consultation with other appropriate health professionals and administration. Policies shall be approved by the governing body. Procedures shall be approved by the administration and medical staff where such is appropriate.

3. Process for Board of Directors' Approval:

a. Responsibility

- i. The Board of Directors is responsible for ensuring that the organization develops and periodically reviews policies necessary for the safe and effective provision of care, treatment, and service.
- ii. By approval of this policy, the Board of Directors – except where reserved – officially delegates its responsibility as follows:
 - I. The Chief Executive Officer is delegated the responsibility to approve/revise all non-governance organizational policies, procedures, and guidelines.
 - II. The Medical Executive Committee is delegated responsibility to approve/revise medical staff related policies, procedures, and guidelines.
 - III. The CNE/COO is delegated the responsibility to approve/revise nursing and or patient care specific policies, procedures, guidelines, scopes of services and standardized procedures.
 - IV. Vice Presidents and Directors are delegated the responsibility to approve/revise unit specific policies, guidelines, and procedures, within their respective departments and services. This delegation includes but is not limited to Pharmacy, Dietary, Utilization, and other clinical departments
 - V. As required, those policies that require Board of Director approval will be sent to the Board as part of the agenda to receive final approval from the Board.

b. Approval/Revision Criteria

- i. Policies, guidelines, scope of service, or procedures shall be approved / revised to ensure that they:

- I. Are consistent with the Mission and Values of Palomar Medical Center.
- II. Meet applicable law, regulation, and related accreditation standards
- III. Are consistent with prevailing standards of care
- IV. Are consistent with evidence-based practice

- c. Frequency of Review

- i. Unless otherwise noted, policies, guidelines, scope of service, and procedures must be reviewed – and if necessary revised – at least once every three years or more frequently if required to meet regulatory requirements or any changes in current clinical practice.

- d. Board of Directors Oversight

- i. In order to assure that the Board of Directors has appropriately delegated its responsibility, it shall receive on, at least an annual basis, a list of all documents, to include but not limited to policies, protocols, and procedures that have been approved and/or revised along with a signed attestation from the Chair of Policies and Procedures that state all approvals/revisions have been done in accordance with the criteria established within this policy.
- ii. The Board of Directors reserves the right to further review, approve or revise any policies developed by the organization or the medical staff.
- iii. The Board of Directors shall have electronic access to the latest policies, guidelines, scopes of services and procedures currently in place.

- e. All Palomar Medical Center Policies promulgated prior to the effective date of this Policy are hereby ratified to the extent they are not inconsistent with this Policy or each other and notwithstanding the manner in which they were promulgated.

C. Issue date should be the final approval date by delegated authority.

D. Revision dates should reflect approval dates each time the policy/procedure is approved by the delegated authority.

E. Staff shall be notified of any new policies/procedures or significant revisions. Education shall be provided as appropriate.

F. A hard copy of all current policies/procedures must be available in the departments for downtime.

G. PROCESS FOR ADMINISTRATIVE PROCEDURE APPROVAL

- 1. Approval Process

- a. Content Expert
- b. Policies and Procedures Committee
- c. Pharmacy and Therapeutics Committee (P&T), if contains medication, medication administration or if standardized procedure
- d. Medical Executive Committee (MEC), if relevant to medical staff activities and/or direct patient care
- e. Delegated authority final approval

H. PROCESS FOR NURSING SERVICES APPROVAL:

- 1. Approval Process

- a. Content Expert
- b. Medical Staff/Department , if relevant to medical staff activities or direct patient care
- c. Nursing Leadership Committee(s) such as IGC and PMSC as applicable
- d. Policies and Procedures Committee
- e. P&T, if contains medication, medication administration or if standardized procedure
- f. Interdisciplinary Practice Committee (IPC), if a standardized procedure
- g. MEC, if relevant to medical staff activities and/or direct patient care
- h. Delegated authority final approval

I. PROCESS FOR DEPARTMENT SPECIFIC MANUAL APPROVAL:

- 1. Approval Process

- a. Content Expert
- b. Department Manager and/or Director
- c. Medical Director for clinical areas with a Medical Director when appropriate
- d. Medical Staff/Department Division, if relevant to medical staff activities or direct patient care
- e. MEC, if relevant to medical staff activities and/or direct patient care
- f. Delegated authority final approval

- 2. Each Department is responsible for maintaining their own department specific manual.

- a. Makes revisions in the electronic policy management system to policies/procedures using tracked changes.

- b. Obtain Medical Director's approval if applicable for policies/procedures related to Medical Staff activities or direct patient care.

3. Expedited Process Approval:

- a. If a procedure is required to be immediately revised on a patient care need with regulatory justification it can be approved by the CNE/COO and / or Medical Director and move forward to Policy and Procedure Committee and other approval mechanism as appropriate.
- b. Education will be provided if indicated.

1. Policies and Procedures Review Grid

Category	Policy and Procedure Name	Review Period	Regulation Requirement
Nursing Policies	All	3 years	Title 22
Standardized Procedures	All	Annual; Annual Competency required for Nursing	California Board Of Registered Nursing
Neonatal Unit	All	2 years	California Children Services (CCS)
Laboratory	All	2 years	College of American Pathologists(CAP)
Interpretation and Discharging Planning for Homeless Population	Nursing Services	Annual	Joint Commission(JC) and CDPH
Utilization	Utilization Plan	Annual	Joint Commission(JC)
Environment of Care Plans	Engineering: Utility Management Plan Environment of Care: Hazardous material and Waste Management and Communication Plan Environment of Care: Life Safety Management Plan Environment of Care: Safety Plan Environment of Care: Security Management Plan	Annual	Joint Commission (JC)
Disaster Plan	Emergency Operations Plan (Disaster Plan)	Annual	Joint Commission (JC)
Pharmacy	Pharmacy: Automatic Therapeutic Interchange Pharmacy: Black Box Warnings, Drugs with Policy Pharmacy: Sterile Products Preparation	Annual	United States Pharmacopeia (USP) < 797>, <800>

Infection Control	Infection Control: Aerosol transmissible Diseases and Tuberculosis Control Plan Infection Control: Blood borne Pathogen Exposure Control Plan Infection Control: Risk Assessment and Surveillance Plan	Annual	Joint Commission (JC)
Administrative	HR, Compliance, Legal, Education & other administrative documents	3 years or with regulatory required updates	Joint Commission (JC), CMS or any other regulated body
Protocol	Clinical Protocols	Annual	CMS
Power Plans/Order Sets	Power Plan Approval Process for Medical Staff	At least every 3 years	CMS
Finance Documents	Finance documents	Every 3 years	Title 22
Emergency Department	Capacity Management - Full Plan	Annual	California AB40
Emergency Department	Patient Transfer Request Processing from Other Facilities	Annual	CMS

J. REFERENCE(S):

1. California Department of Public Health, Title 22 California Code of Regulations
2. The Joint Commission Standards
3. California Children's Services Standards
4. College of American Pathologists
5. Board General Powers: The Board is the governing body of the District. All District powers may be exercised by or under the direction of the Board. The Board is authorized to make appropriate delegations of its powers and authority to officers and employees. It is the responsibility of the Board, functioning collectively, to govern the institution. To that end the Board will oversee the development of policies, processes, and procedures that enable the District to fulfill its mission and vision in an effective and ethical manner.
6. CFR 482.12 - CMS Condition of Participation: Governing Body
7. Joint Commission Leadership Standard - The hospital has policies and procedures that guide and support patient care, treatment, and services.

Document Owner:

Pearson, Jami

Approvals**- Committees:**

(04/24/2025) Policies & Procedures

Original Effective Date:

02/12/2020

Revision Date:

[04/24/2025 Rev. 5]

Attachments:[Power Plan Approval Process Flow Chart](#)

(REFERENCED BY THIS DOCUMENT)

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/api/auth/login?org=10343&returnto=%2Fcgi%2Fdoc-gw.pl%3Fref%3Dpphealth%3A61492>.

Consent Agenda for Policies and Procedures Committee – December 2025

Non- Clinical Documents	Discussion	Approval or Denial	Owner/Responsible Person
1. Procedure : Guidelines for Employee Referral Incentive 22812 Rev 9		Approved	Kathleen Ballard
2. Procedure : Mileage Reimbursement When On Call at Multiple Facilities 11000 Rev 7		Approved	Kathleen Ballard
3. Procedure : New Hire Processing/New Hire Paperwork 11035 Rev 4		Approved	Kathleen Ballard
4. Procedure : Witness Duty 11843 Rev 6		Approved	Kathleen Ballard
5. Procedure : Workplace Lactation 40072 Rev 2		Approved	Kathleen Ballard
6. Procedure : Qualify Account for Bad Debt 30376 Rev 8		Approved	Andrew Tokar
7. Procedure : Radioactive Contamination – Emergency 13723 Rev 6		Approved	Sims Kendall
8. Procedure : Radiologic Technologists General Operating Instructions 11381 Rev 7		Approved	Sims Kendall
9. Form : Surgical Site Fire Risk Assessment Guide 61292 Rev 1		Approved	Bruce Grendell
Clinical Documents for Approval			
10. None			
Scopes of Service – Review/Approval			
11. Scope of Service : Tele, Med/Surg/Tele Scope of Service 57732 Rev 7		Approved	Meghan Jaremczuk
Documents Approved by P&P and/or Department Chair(s) Informational			

12. Procedure : Admission to the Birth Center 10086 Rev 9 <i>P&P Chair Approval 11/18/2025</i>			
13. Form : Birth Center Interdisciplinary Standards of Care 46852 Rev 13 <i>P&P Chair Approval 11/18/2025</i>			
14. Procedure : Standards of Care for Birth Center 18468 Rev 7 <i>P&P Chair Approval 11/18/2025</i>			
15. Policy : Management of Surgical and Interventional Drains (non-Cardiac/non-Neuro) 67412 Rev 1 <i>P&P Chair Approval 11/18/2025</i>			
16. Policy : Discharge Planning Clinical Resource Management (CRM) 77992 Rev 0 <i>P&P Chair Approval 11/25/2025</i>			
17. Reference Materials : NICU Mindray Alarm Parameters, Limits, Default Settings and User Maintenance Alarm Settings 70632 Rev 3 <i>P&P Chair Approval 12/01/2025</i>			
18. Reference Materials : NICU Mindray User Maintenance Alarm Settings 71192 Rev 1 <i>P&P Chair Approval 12/01/2025</i>			
19. Reference Materials : ICU Mindray Alarm Parameters/Limits/Default Settings 70473 Rev 0 <i>P&P Chair Approval 12/01/2025</i>			
20. Procedure : Guidelines for the Sign-on Bonus Program 77892 Rev 0 <i>P&P Chair Approval 12/03/2025</i>			

Documents to Archive	Discussion	Approval or Denial	Responsible Person
21. Procedure : Firearms Reporting Laws-CSU 67012 Rev 0			
22. Procedure : Case Management 10456 Rev 9			
23. Procedure : Documentation in Medical Records 10483 Rev 8			
24. Procedure : Re-Infusion System, Stryker Constavac 16830 Rev 2			
25. Reference Materials : Pediatric Mindray Alarm Parameters/Limits/Settings 70673 Rev 0 <i>P&P Chair Approval 12/01/2025</i>			
Transfer Ownership			
26.			
Laboratory Documents for Awareness			
27. See Attached Excel Log		Approve	

Document ID	Title	Facility ID	RevNo	Document Type	Approval Type	Source
60134	2025 PMC Esc Chemistry Activity Menu		8	Reference Materials	Officialize	Chemistry
65372	Alternate Performance of Proficiency Testing for Chemistry- Poway		3	Reference Materials	Officialize	Chemistry
66056	Alternate Performance of Proficiency Testing for Hematology- Escondido		3	Reference Materials	Officialize	Hematology
66053	Alternate Performance of Proficiency Testing for Hematology- Poway		3	Reference Materials	Officialize	Hematology
11741	Antibody Identification-TUBE		15	Procedure	Review	Blood Bank
10132	Antibody Screen-Gel Test		17	Procedure	Review	Blood Bank
76093	Atellica IM Prolactin (PRL)		1	Form	Officialize	Chemistry
77832	Atellica IM Testosterone II (TSTII)		0	Form	Officialize	Chemistry
13026	Biochemical: Coagulase		21	Procedure	Officialize	Microbiology
13567	Biochemical: Optochin Susceptibility Test		21	Procedure	Officialize	Microbiology
12900	Bladder Cystectomy		14	Procedure	Review	Anatomic Pathology
12943	Breast-Mastectomy		17	Procedure	Review	Anatomic Pathology
12950	CD43 (T-Cell)		18	Procedure	Review	Histology
13418	CD45 (LCA)		17	Procedure	Review	Histology
49252	CD56		6	Procedure	Review	Histology
53852	Chemistry Blood Specimen Requirements		8	Reference Materials	Officialize	Chemistry
13050	Complaint Reports - Follow Up		18	Policy	Review	Quality Assurance
22212	Contacting the On Call Pathologist after hours		14	Procedure	Review	Anatomic Pathology
13102	Delta Checking of Selected Laboratory Tests		18	Procedure	Review	General Laboratory
13230	Esophagus-Esophagectomy		14	Procedure	Review	Anatomic Pathology
10635	Fetal Cell Screen (Rosette Test)		19	Procedure	Review	Blood Bank
24217	Gallbladder Template		12	Procedure	Review	Anatomic Pathology
23833	Gram Sure		15	Procedure	Review	Microbiology
33233	India Ink		13	Procedure	Officialize	Microbiology
13414	Kidney-Nephrectomy for Tumor		14	Procedure	Review	Anatomic Pathology
13427	Large Bowel-Colectomy for Tumor		14	Procedure	Review	Anatomic Pathology
13429	Larynx, Pharynx & Epiglottis		13	Procedure	Review	Anatomic Pathology
13451	Lung-Resection for Tumor		15	Procedure	Review	Anatomic Pathology
13461	Malignant Melanoma		14	Procedure	Review	Anatomic Pathology
13579	Ovary-Oophorectomy		13	Procedure	Review	Anatomic Pathology
22772	Processing Prostate Specimens		14	Procedure	Review	Anatomic Pathology
22152	Reportable Conditions, Laboratory Notification		35	Procedure	Officialize	Microbiology
13833	Specimen Acceptance Criteria and Redraw Guidelines		20	Procedure	Officialize	Chemistry
13865	Stomach-Gastrectomy for Tumor		14	Procedure	Review	Anatomic Pathology
13914	Testicle-Orchiectomy		14	Procedure	Review	Anatomic Pathology
13923	Thymus Gland-Thymectomy		13	Procedure	Review	Anatomic Pathology
13926	Thyroid Gland-Thyroidectomy		14	Procedure	Review	Anatomic Pathology
13992	Uterus-Hysterectomy for Cervical Carcinoma (In Situ or Invasive)		14	Procedure	Review	Anatomic Pathology

13993	Uterus-Hysterectomy for Endometrial Hyperplasia or Carcinoma		14	Procedure	Review	Anatomic Pathology
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Consent Agenda for Policies and Procedures Committee - January 2026

Agenda Item	Discussion	Approval	Responsible Person
Non- Clinical Documents	Discussion	Approval or Denial	Owner/Responsible Person
1. Procedure : Appointment Scheduling 27632 Rev 7		Approved	Sims Kendall
2. Procedure : Consumer Complaints 27456 Rev 14	✓ Link to Valerie's Complaint and Grievance policy	Approved	Sims Kendall
3. Procedure : Fire / Disaster Plan 40452 Rev 6	✓ Link Brian's Disaster Plan - Emergency Operations Plan (Disaster Plan) and Emergency Management Program 10549	Approved	Sims Kendall
4. Procedure : Image and Record Maintenance and Retention 27552 Rev 9		Approved	Sims Kendall
5. Procedure : Medical Outcomes Audit 27572 Rev 8		Approved	Sims Kendall
6. Procedure : Outpatient Scheduling 11509 Rev 9		Approved	Sims Kendall
7. Procedure : Previous Breast Images, Obtaining 27593 Rev 7		Approved	Sims Kendall
8. Procedure : Report Production 27614 Rev 8		Approved	Sims Kendall
9. Procedure : Scheduling - Multiple Exam Sequence 11508 Rev 6		Approved	Sims Kendall
10. Procedure : Quality Control Program 27535 Rev 8		Approved	Sims Kendall
11. Procedure : Discharge Planning - Homeless Population 61093 Rev 4		Approved	Jami Pearson for Tracy Page
12. Procedure : Graphic Standards for PH, Use & Implementation of 10695 Rev 3		Approved	Helen Waishkey
13. Procedure : Holiday Party Procedure 41892 Rev 7		Approved	Helen Waishkey

14. Procedure : Voting Rights 33112 Rev 2	✓ Sent to Ashley to educate leaders on posting requirement in Section III, 1, via Nursing News.	Approved	Kathleen Ballard
15. Procedure : Master Patient Index (MPI) Duplicate Number Combining and Reporting 15286 Rev 11		Approved	Carla Hacker for Andrew Tokar
16. Procedure : Medical Record - Unit Medical Record System 15297 Rev 12		Approved	Carla Hacker for Andrew Tokar
17. Procedure : Release of Information - Child Abuse 15314 Rev 7		Approved	Carla Hacker for Andrew Tokar
18. Procedure : Abbreviation List Guidelines 10040 Rev 12		Approved	Carla Hacker for Andrew Tokar
19. Procedure : Chart Analysis Guidelines 15249 Rev 11		Approved	Carla Hacker for Andrew Tokar
20. Procedure : Forms Process 10678 Rev 10		Approved	Carla Hacker for Andrew Tokar
21. Form : Fax Cover Sheet (Clinical) 34192 Rev 10		Approved	Lori Schmollinger
22. Form : Fax Cover Sheet (General) 34852 Rev 8		Approved	Lori Schmollinger
23. Procedure : Information Blocking 65812 Rev 2	<ul style="list-style-type: none"> ✓ II.E. "There are ten (10) recognized exceptions" ✓ II.E.2. "Six exceptions involve... Health IT Performance Exception; and Protecting Care Access Exception." ✓ III.B.6. "Evaluation and Application of the Ten Exceptions" 	Approved with edits	Lori Schmollinger
24. Procedure : Privacy - Confidentiality and Access to Patient Information 11321 Rev 12	✓ Add to survey entrance document binder	Approved	Lori Schmollinger
25. Procedure : Privacy - De-identification of Data and Limited		Approved	Lori Schmollinger

Data Sets Containing PHI 11322 Rev 6			
26. Policy : Privacy - Disposing of Confidential Information 29272 Rev 9		Approved	Lori Schmollinger
27. Procedure : Privacy - Use of PHI for Fundraising 50612 Rev 2		Approved	Lori Schmollinger
28. Procedure : Release of PHI to Law Enforcement 14240 Rev 8	<ul style="list-style-type: none"> ✓ Recommendation to educate staff/clinical staff re procedure when ICE requests PHI at venues such as huddles & Nursing News. ✓ Lori will develop and send bullet points with necessary information to include the security component. 	Approved	Lori Schmollinger
29. Policy : Reporting Privacy Law Violations 33312 Rev 13		Approved	Lori Schmollinger
30. Procedure : AMA, Patient Leaving Against Medical Advice 10039 Rev 8		Approved	Lori Schmollinger
31. Policy : Privacy - Use of PHI for Marketing 11328 Rev 6		Approved	Lori Schmollinger
32. Procedure : Interpreter, Language and Hearing Services 10815 Rev 25	<ul style="list-style-type: none"> ✓ Recommendation to edit vendor name to a generic name such as interpreter services ✓ Edit Pathmaker description of clothing. III, A, 4, b ✓ Confirm telephone number is correct. ✓ Remove Section III, 7, b. 	Approved with edits	Valerie Martinez
33. Procedure : Oxygen Management for the Adult 14140 Rev 8	<ul style="list-style-type: none"> ✓ Ashley will educate nursing on 9E, then will educate all of nursing thereafter. ✓ Send to Med Staff Committee. Ensure Meghan Jaremczuk is invited to meeting(s). 	Approved	Holly Porter

34. Form : Admission and Level of Care Criteria Grid 49752 Rev 8	✓ Page 5 - Edit CIWA criteria to reflect process to determine level of care when CIWA score is fluctuating	Approved with edits	Carol Suarez for Meghan Jaremczuk
35. Procedure : Abnormal Report Follow-up, Diagnostic and Screening 27412 Rev 8		Approved	Sims Kendall
36. Procedure : Administration of Local Anesthetic - Women's Center 27432 Rev 8	✓ Submitted edit however not reflected on draft – Sally to obtain edits from Sims to update	Approved with edits	Sims Kendall
37. Procedure : Adverse Reaction to Image-Guided Biopsy 40352 Rev 5		Approved	Sims Kendall
38. Procedure : Augmented Breast, Imaging the Asymptomatic 27452 Rev 10		Approved	Sims Kendall
39. Procedure : Biopsy or Cyst Aspiration, Scheduling and Pre-Procedure Patient Education Rev 27453 Rev 8		Approved	Sims Kendall
40. Procedure : Breast Self-Exam Education 27454 Rev 9		Approved	Sims Kendall
41. Procedure : Diagnostic Breast Ultrasound 27480 Rev 10		Approved	Sims Kendall
42. Procedure : Diagnostic Mammogram 27457 Rev 10		Approved	Sims Kendall
43. Procedure : Galactogram (Ductogram) 31172 Rev 9		Approved	Sims Kendall
44. Procedure : Patient Education, Pre-Procedure 27752 Rev 7		Approved	Sims Kendall
45. Procedure : Patient History, Obtaining 27455 Rev 7		Approved	Sims Kendall
46. Procedure : Patient Identification in Women's Center 28432 Rev 8	✓ Submitted edit however not reflected on draft – Sally to obtain edits from Sims to update	Approved with edits	Sims Kendall
47. Procedure : Public Radiation Protection 27595 Rev 8		Approved	Sims Kendall

48. Procedure : Radiologist Ordering Additional Exam 27596 Rev 7		Approved	Sims Kendall
49. Procedure : Repeat Images and Re-takes 27612 Rev 7		Approved	Sims Kendall
50. Procedure : Stereotactic Guided Biopsy 27734 Rev 7		Approved	Sims Kendall
51. Procedure : Ultrasound Guided Biopsy or Cyst Aspiration 27772 Rev 7		Approved	Sims Kendall
Scopes of Service – Review/Approval			
52. Scope of Service : Medical Acute Care (Non-Monitored) Unit 57875 Rev 8		Approved	Meghan Jaremczuk
Transfer Documents – Annual Review			
53. Reference Materials : EMTALA Checklist for Accepting Emergency Patients 72532 Rev 1		Approved	Tracy Page
54. Procedure : EMTALA Medical Screening Policy 10971 Rev 12		Approved	Tracy Page
55. Procedure : Emergency Medical Treatment and Active Labor Act (EMTALA) Reporting Violations 11425 Rev 9		Approved	Tracy Page
56. Procedure : Patient Transfer Request Processing from Other Facilities 11200 Rev 10		Approved	Tracy Page
57. Procedure : Pediatric Patient - Transfer to Inpatient or Tertiary Facility 32373 Rev 5		Approved	Tracy Page
58. Procedure : Transfer Policy 11695 Rev 9		Approved	Tracy Page
59. Procedure : Transfer of Trauma Patients 45512 Rev 6		Approved	Tracy Page
Management Plan(s) – Annual Review			
60. Plan : Medical Equipment	✓ Marcos will develop a quick reference	Approved	Marcos Fierro

Management Plan 10963 Rev 13	guide, and have Jami review, to distribute to leadership staff for refresher education.		
Documents to Archive	Discussion	Approval or Denial	Responsible Person
61. Procedure : Clostridium Difficile Toxin Xpert PCR 40632 Rev 18		Approved	Jessica D'Angelo
62. Form : Micro Individualized Quality Control Plan (IQCP) Cepheid Xpert Clostridium Difficile(PCR) 54552 Rev 11		Approved	Jessica D'Angelo
63. Procedure : CT Dose Reporting 50292 Rev 3		Approved	Sims Kendall
64. Procedure : Operation of Automatic External Defibrillator (AED) 34392 Rev 4		Approved	Tracy Page
65. Procedure : Sexual Assault Nurse Examiners (SANE) 12136 Rev 9		Approved	Michelle Shores
66. Plan : Emergency Operations Plan 70653 Rev 0		Approved	Brian Willey
67. Policy : Patient Status Order (PSO) Documentation Guidance 69712 Rev 0			Harry Kallipolitis
Transfer Ownership			
68. Anatomic Pathology Procedures – Transferred from Tim Barlow to Jessica D'Angelo		Approved	
69. Procedure : Interpreter, Language and Hearing Services 10815 Rev 25		Approved	
70. Crisis Stabilization Procedures – Transferred from Don Myers to Darrel Opperman		Approved	
Laboratory Documents for Awareness			
71. See Attached Excel Log		Approve	

DocId	Title	Revision	DocType	Type	Department
13505	Acid Fast Bacilli Stain-Modified	24	Procedure	review	Microbiology
39832	ACL TOP 550 and 350 CTS Coagulation System Maintenance Schedule	16	Procedure	officialize	Coagulation
38972	ACL TOP 550 and 350 CTS Coagulation System Operation	22	Procedure	officialize	Coagulation
39132	ACL TOP 550 and 350 CTS Coagulation System Startup and Shutdown	14	Procedure	officialize	Coagulation
12805	AFB Auramine-Rhodamine Fluorescent Stain	22	Procedure	review	Microbiology
73852	Anti Xa, Unfractionated and Low Molecular Weight Heparin	2	Procedure	officialize	Coagulation, PH Escondido
10135	Antigen Screening-Gel Method	15	Procedure	review	Blood Bank
74392	Antithrombin Activity	2	Procedure	officialize	Coagulation, PH Escondido
12869	Automatic Pipetting Systems Carryover Check	18	Procedure	officialize	Chemistry
22013	Batch Result Entry	13	Procedure	review	Information System in Lab
66874	BD MAX CT/GC/TV2 by PCR	3	Procedure	review	Microbiology
70142	BD MAX Enteric Parasite Panel	2	Procedure	review	Microbiology
73493	BinaxNOWâ„¢ Legionella Urinary Antigen	3	Procedure	officialize	Microbiology
13581	Biochemical: Oxidase Test	18	Procedure	officialize	Microbiology
13593	Biochemical: PYR (L-Pyrrolidonyl- β -Naphthylamide) Test	18	Procedure	officialize	Microbiology
12898	Biosafety Levels Exposure Control Plan	19	Procedure	officialize	Microbiology
36573	Body Fluids pH Testing	13	Procedure	officialize	Chemistry
12944	Bronch Brush-Wash Quantitative Culture	22	Procedure	officialize	Microbiology
12955	Calibration Verification, Linearity and AMR Validation	20	Procedure	officialize	Chemistry
12959	Campy GasPak EZ Gas Generating Pouch/Container System	18	Procedure	review	Microbiology
67612	Candida Auris Culture Screen	2	Procedure	review	Microbiology
32152	Cefoxitin Screen for Staphylococcus Mec-A Oxacillin Resistance	14	Procedure	review	Microbiology
42692	Centaur BNP, B-Type Natriuretic Peptide	11	Procedure	officialize	Chemistry
55152	Centaur Dilution Check	4	Form	officialize	Chemistry
54372	Centaur HIV Ag/Ab Combo	5	Procedure	officialize	Chemistry
43452	Centaur iPTH (Intact PTH)	10	Procedure	officialize	Chemistry
21872	Cerner Millennium Application Toolbar	12	Procedure	review	Information System in Lab
22032	Cerner Millennium Laboratory Training Manual Part 1	13	Form	review	Information System in Lab
21932	Cerner Millennium Laboratory Training Manual Part 2 PDF Version	13	Form	review	Information System in Lab
56372	Cerner Millennium Upgrade 2015.01 New Look Guide	6	Form	officialize	Information System in Lab
52132	Chemistry Automatic Pipette Carryover Check	4	Form	officialize	Chemistry
61712	Chemistry Laboratory Test Panels	4	Reference Materials	officialize	Chemistry
40632	Clostridium Difficile Toxin Xpert PCR	18	Procedure	archive	Microbiology
13028	Coagulation Quality Control Program	23	Procedure	officialize	Coagulation
13782	Common Analyte Comparisons	30	Procedure	officialize	General Laboratory
10334	Compatibility Testing before Blood Transfusion	18	Procedure	officialize	Blood Bank
21975	Container Inquiry	13	Procedure	review	Information System in Lab
13059	Continuing Education- Laboratory	14	Procedure	review	General Laboratory
22113	Corynebacterium RapID CB PLUS	16	Procedure	review	Microbiology
22732	Couriers - Spill Kits and Sharps	17	Procedure	review	Safety in Laboratory
13095	D-Dimer, Automated Latex Enhanced Immunoassay	29	Procedure	officialize	Coagulation
21852	Department Order Entry (DOE)	12	Procedure	review	Information System in Lab
37032	Direct to Consumer Laboratory Testing	8	Policy	review	General Laboratory
10489	Downtime Transfusion Log	14	Procedure	review	Blood Bank
10490	Downtime Transfusion Request Form	13	Procedure	review	Blood Bank

10499	Dress Code in Laboratory Department	16	Procedure	review	General Laboratory
13185	Electrical Safety-Lab Equipment	16	Procedure	review	Safety in Laboratory
13227	Error Correction	14	Procedure	review	General Laboratory
13177	ETest	37	Procedure	officialize	Microbiology
10687	Gel Du Test	15	Procedure	review	Blood Bank
13295	Gram Stain	32	Procedure	officialize	Microbiology
21130	Hand Off Communication, Effective	13	Procedure	review	General Laboratory
10704	HCV Look-back	16	Procedure	review	Blood Bank
53952	Hemolysis - Index versus Visual Estimate	6	Form	officialize	Chemistry
10708	HTLV Look-back	13	Procedure	review	Blood Bank
74172	Identification Manual: Gram-Negative Rods	1	Procedure	review	Microbiology
18163	In House/Inter-Lab Proficiency Testing FORM	19	Form	officialize	General Laboratory
10762	In Vivo Cross Match	13	Procedure	review	Blood Bank
33233	India Ink	14	Procedure	officialize	Microbiology
10799	Inspection Protocol	13	Procedure	review	Blood Bank
10857	Irradiated Blood	14	Procedure	review	Blood Bank
21978	Label Reprint	12	Procedure	review	Information System in Lab
10901	Leukocyte-Reduced Red Blood Cells	13	Procedure	review	Blood Bank
13434	Licensed Assistance for Phlebotomists at the Drawing Stations	16	Procedure	review	General Laboratory
65252	List of Modified FDA-Cleared Tests - Escondido	3	Form	officialize	Chemistry
37012	Lookback Notification to Medical Staff	8	Procedure	review	General Laboratory
58372	MALDI-TOF	7	Procedure	officialize	Microbiology
10967	Medical Record Number Change	13	Procedure	review	Blood Bank
54552	Micro Individualized Quality Control Plan (IQCP) Cepheid Xpert Clostridium Difficile(PCR)	11	Form	archive	IQCP
54532	Micro Individualized Quality Control Plan (IQCP) Commercially Prepared Media Exempt	9	Form	review	IQCP
71354	Micro Individualized Quality Control Plan (IQCP) GenMark ePlex Fungal Pathogen Blood Culture (BCID-FP) Nucleic Acid Test	1	Form	review	IQCP
12830	Mixing Studies for Protime and PTT	34	Procedure	officialize	Coagulation, PH Escondido
18142	Mixing Studies for Protime and PTT - Worksheet	21	Form	officialize	Coagulation, PH Escondido
21977	Modify Collections	13	Procedure	review	Information System in Lab
13510	Mono Test (Heterophile Screen)	16	Procedure	review	Serology
19730	Mucolyse	18	Procedure	officialize	Microbiology
62252	Mycobacterium Tuberculosis Complex Detection and Rifampin Resistance Xpert PCR	3	Procedure	review	Microbiology
13532	Neonatal-Maternal Drug Screen including Chain of Custody FORM	18	Procedure	officialize	General Laboratory
21952	Order Result Viewer (ORV)	13	Procedure	review	Information System in Lab
13570	Organism Workup - Miscellaneous	20	Procedure	review	Microbiology
11099	Organizational Issues - Blood Bank	14	Procedure	review	Blood Bank
12834	Osmolality Using the Advanced Osmometer	23	Procedure	officialize	Chemistry
56732	PBP2a Staph Aureus Culture Colony Test by Alere	6	Procedure	review	Microbiology
21992	Pending Inquiry	12	Procedure	review	Information System in Lab
13633	Personnel Selection	15	Procedure	review	Quality Assurance
36852	Pharmacy Media Fill Cultures	17	Procedure	review	Microbiology
13645	Pinworm Prep (Enterobius Vermicularia)	18	Procedure	review	Microbiology
13661	Pre-Surgical Admission & Test Screening Procedure	15	Procedure	review	General Laboratory
11307	Pre-warming Technique	13	Procedure	review	Blood Bank
13678	Process Control	16	Procedure	review	Quality Assurance
13679	Process Improvement	15	Procedure	review	Quality Assurance

13680	Process Validation Protocol	15	Procedure	review	Quality Assurance
13234	Processing of Proficiency Surveys-Manually or Automated via LIS	17	Procedure	review	General Laboratory
16811	Proficiency Testing and Processing When Multiple Lab Departments are Involved.	14	Procedure	review	Laboratory - Clinical
22014	QC Inquiry	13	Procedure	review	Information System in Lab
25132	QC Maintenance in LIS	17	Form	officialize	Information System in Lab
13864	Quality Control: Stock Cultures	22	Procedure	review	Microbiology
18243	Remel RapIDâ„¢ NH System	17	Procedure	review	Microbiology
21982	Request a Chart	14	Procedure	review	Information System in Lab
32112	Requisitions-Setup and Print of Outreach Forms	9	Procedure	review	General Laboratory
11447	Results Review	14	Procedure	review	Blood Bank
11373	RH Typing	16	Procedure	review	Blood Bank
33232	Scabies Skin Scrapings	14	Procedure	officialize	Microbiology
13813	Self Inspection - Interim	15	Procedure	review	General Laboratory
11553	Shipping Blood and Components	17	Procedure	officialize	Blood Bank
67352	Siemens, Barcoding CAP Specimens	2	Procedure	officialize	General Laboratory
13837	Specimen Collection and Handling for Coagulation	24	Procedure	officialize	Coagulation
11577	Specimen Criteria	15	Procedure	review	Blood Bank
21976	Specimen Login	12	Procedure	review	Information System in Lab
75232	Specimen Processing and Culture Set-Up for Microbiology	2	Form	officialize	Microbiology
15863	Specimen Processing, Tissue Grinding	17	Procedure	officialize	Microbiology
66073	Urine Collection Female, Instructions	2	Form	officialize	Urinalysis
66072	Urine Collection Male, Instructions	2	Form	officialize	Urinalysis
23912	Urine Drug Screen Collection-Medical Staff	12	Procedure	review	General Laboratory
42412	Vista Acetaminophen	9	Procedure	officialize	Chemistry
42912	Vista ALTI, Alanine Aminotransferase.	10	Procedure	officialize	Chemistry
42492	Vista Ammonia	12	Procedure	officialize	Chemistry
42632	Vista Bilirubin, Direct	11	Procedure	officialize	Chemistry
42652	Vista Bilirubin, Total	10	Procedure	officialize	Chemistry
42752	Vista BUN	8	Procedure	officialize	Chemistry
42812	Vista Calcium	9	Procedure	officialize	Chemistry
42832	Vista Carbamazepine	8	Procedure	officialize	Chemistry
42952	Vista CO2	9	Procedure	officialize	Chemistry
42892	Vista Creatine Kinase (CK)	8	Procedure	officialize	Chemistry
43032	Vista Digoxin	9	Procedure	officialize	Chemistry
48252	Vista Gentamicin	7	Procedure	officialize	Chemistry
44832	Vista HCG Quant	9	Procedure	officialize	Chemistry
43472	Vista Iron	9	Procedure	officialize	Chemistry
73392	Vista Lipase	3	Form	officialize	Chemistry
43852	Vista Protein, CSF and Urine	12	Procedure	officialize	Chemistry
44132	Vista Transferrin	9	Procedure	officialize	Chemistry

APPROVALS AT MEC ESCONDIDO AND POWAY DECEMBER 2025 - JANUARY 2026

ID	Title	Type	Owner	Active Date
10597	Biomedical Ethics Consultations	Procedure	Schmollinger, Lori	Effective 01/28/2026
10906	Life Sustaining Treatment	Policy	Grendell, Bruce	Effective 01/28/2026
11381	Radiologic Technologists General Operating Instructions	Procedure	Kendall, Sims	Effective 01/28/2026
13723	Radioactive Contamination - Emergency	Procedure	Kendall, Sims	Effective 12/11/2025
34653	Delivery of Medicare Beneficiary Notices	Procedure	Kallipolitis, Harry	Effective 01/28/2026
66492	Bladder Assessment and Management Post Removal of Indwelling Urinary Catheter	Form	Martinez, Valerie A	Effective 01/28/2026
68372	Infusion Services: Therapeutic Phlebotomy	Procedure	Renner, Todd	Effective 01/28/2026
68772	NICU Standard Concentrations	Reference Materials	Ghobrial, Nada	Effective 01/27/2026
69172	Centers of Excellence Total Joint and Spine	Scope of Service	Martinez, Valerie A	Effective 01/28/2026
70632	NICU Mindray Alarm Parameters, Limits, Default Settings and User Maintenance Alarm Settings	Reference Materials	Porter, Holly	Effective 12/01/2025
70672	Emergency Room Mindray Alarm Parameters/Limits/Settings (Adult & Pediatrics)	Reference Materials	Page, Tracy	Effective 12/01/2025
72612	Aerosolized Epoprostenol Sodium (Flolan®) Administration Guideline for Patients with Acute Respiratory Distress Syndrome (ARDS)	Procedure	Martinez, Valerie A	Effective 12/08/2025
77072	Aerosolized Epoprostenol Sodium (Flolan) Administration Power Plan	Power Plan	Ginther, Bret	Effective 12/08/2025
77512	Bispecific Antibody Management	Procedure	Renner, Todd	Effective 12/01/2025
77912	ED Triage Trauma Resource Power Plan	Power Plan	Ginther, Bret	Effective 01/28/2026

Margin Improvement / Turnaround Project Financial Update

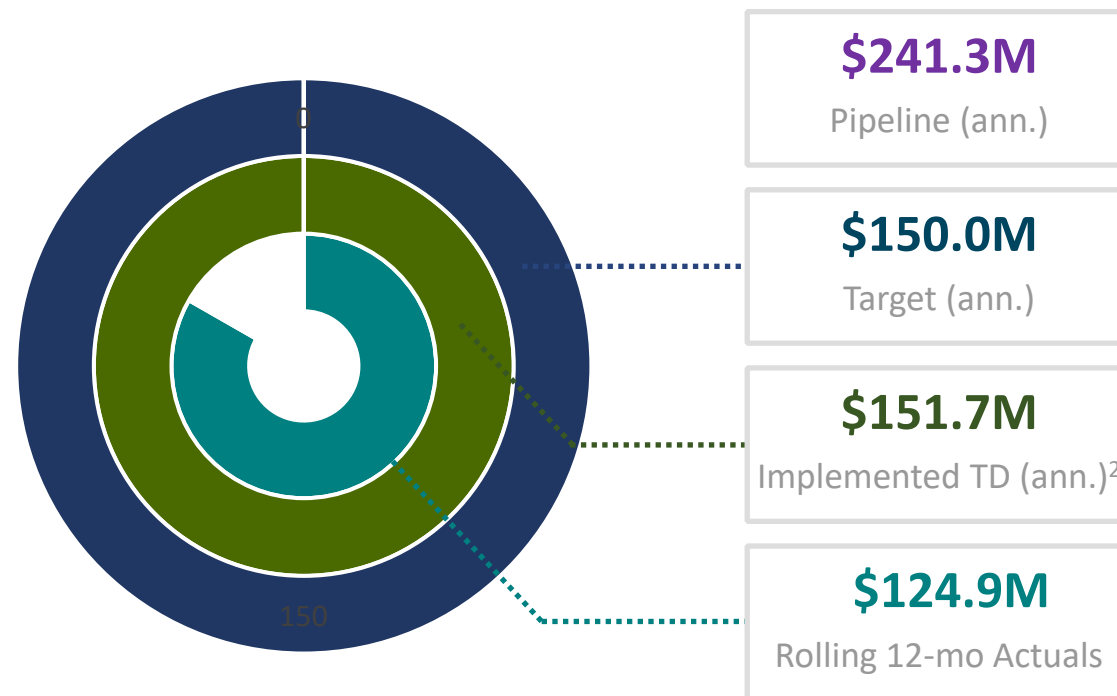
Reporting Month: Nov-25

February 2, 2026

Palomar Health has implemented \$151.7M of initiatives, achieving annual improvement target; \$124.9M realized over past 12 months

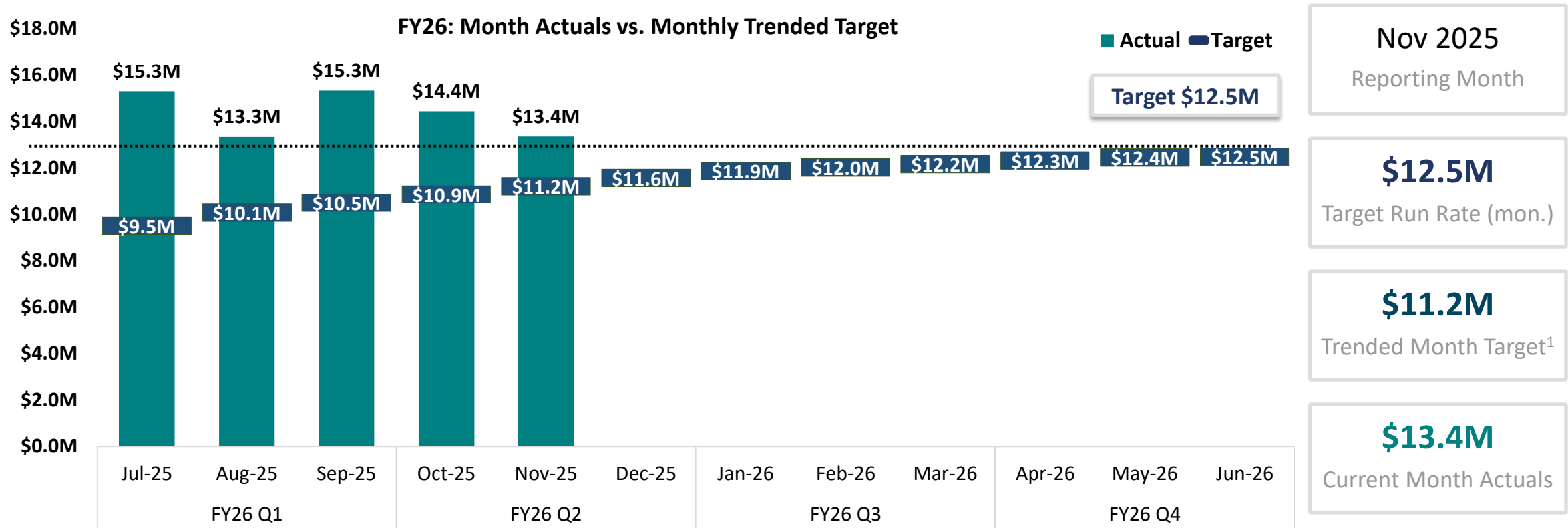
Key upcoming high value initiatives include:

- ❑ **\$26.5M¹** **Denials Reduction** | Initial and fatal denials reduction, supported by UM improvement through operational management metric dashboard
- ❑ **\$4.3M** **Premium Pay & Bonus Programs** | Continued agency and premium pay reduction; aligning bonus, recruitment and incentive programs with best practices
- ❑ **\$3.2M** **Care Transitions** | Reinvigorate efforts to hardwire processes, improve throughput and optimize post-acute care (SNF) integration / referral strategy
- ❑ **\$0.4M** **PHMG** | Increased PB and HB revenue through improved patient access, capacity management, & collections; implement performance improvement framework
- ❑ **\$0.3M** **Real Estate** | Sublease of satellite building



Pipeline value has increased **\$4.5M** from **\$236.8M** reported at 12/17 Finance Committee; increase driven by refreshed PHMG provider productivity opportunity in downstream and OP revenue. Implemented value has remained the same as previously reported.

Initiative performance in November 2025 resulted in \$13.4M in realization, exceeding monthly target of \$11.2M



November results were lower than recent months, while still surpassing target run rate. Performance in November was largely driven by sustained improvements in revenue cycle management and tight management of labor expenses. High-value initiatives outlined on prior slide are projected to achieve additional impact in Q3-Q4, improving run rate in line with forecast. *Note:* Jul-25 to Oct-25 actuals were lower than previously reported due to retrospective adjustments within provider productivity (PHMG).

¹Workstream 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

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

Workstream	Oct		Nov (Current Month)		Dec	Status
	Target	Actual	Target	Actual	Target	
Revenue Cycle	\$3.1M	\$7.7M	\$3.1M	\$7.4M	\$3.2M	
PHMG	\$1.4M	\$0.4M	\$1.5M	\$0.2M	\$1.6M	
Workforce & Periop	\$1.7M	\$2.3M	\$1.8M	\$3.0M	\$2.0M	
Corporate Services	\$1.4M	\$0.3M	\$1.5M	\$0.3M	\$1.6M	
Hospital Strategy	\$1.3M	\$0.6M	\$1.3M	\$0.2M	\$1.3M	
Care Transitions & PSA	\$1.0M	\$2.2M	\$1.0M	\$1.4M	\$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	
Total:	\$10.9M	\$14.4M	\$11.2M	\$13.4M	\$11.6M	

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; developing performance improvement framework
- **Workforce:** Workforce initiatives continue to outperform baseline and show positive realization; recent activities include premium pay reduction and optimization of bonus programs
- **Corporate Services:** Short-term increased HR and Legal spend impacting corporate realization; overall corporate expense expected to decline in coming months
- **Hospital Strategy:** Infusion demonstrates some volume growth, with SNF and OP Cath Lab volumes lowered
- **Care Transitions & PSA:** IP LOS slightly higher this month; opportunities remain within post-acute strategy
- **Facilities & Real Estate:** Anticipating nominal savings starting in Jan-26 from satellite building sublease

Nov 2025

Reporting Month

\$11.2M

Trended Month Target

\$13.4M

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

November 2025 Unaudited

Highlights for November 2025Revenue

- Gross Revenue was \$21.3M above budget, or 4.4%
- Net Patient Revenue was above budget by \$4.3M
- Low in-network capitation claims offset positive volume trends during November, reversing the previous two month trend

Volumes

- November continued to be a strong month for acute inpatient volumes
 - Acute discharges and patient days were 6.7% and 13.6% higher than budget, respectively
- For both surgery and emergency room, the trends were off budget
 - For the month, surgeries cases 6.2% below budget
 - IP ED visits missed budget by 1.8%
 - OP ED was slightly behind budget and prior year, at 0.1% and 4.4% behind respectively
- Imaging continues with strong volume increases over budget and prior year
- Infusion Therapy slowed a bit to a miss of 3.8% to budget, but was 11.0% higher than prior year
- Length of Stay recently increased to 4.5 days, but continue to be below budget on the year at 4.1 days and is 5.2% lower than the prior year

Expenses

- Total expenses were 3.9% over budget in the month
- The largest budget overages were in salaries and wage and professional fees, driven by higher volumes and transaction costs
- Supplies are 4.9% better than budget on the month despite higher volumes. YTD we are not at budget.

Other Highlights

- EBIDA* margin remains strong at 12.5% based on FYTD results
- Operating Margin* was 1.3% on the month
- Days Cash on Hand Consolidated for November decreased to 13.9 days, as a large payment was made for IGTs
- Accounts Payable Current Liability held steady as cash was used for IGT outflows at \$106.8M
- Days in Accounts Receivable (A/R) increased to 60.3 days, reversing a downward trend. Daily cash receipts were strong however, we had fewer working days due to holidays in the month of November. We expect this trend to reverse in December.
- Debt Service Coverage is 0.91 as of November, which is below covenant but positive and did improve from the previous month
- Work with UCSD is beginning to transition from due diligence to implementation phase

*Earnings Before Interest, Depreciation and Amortization (EBIDA) and Operating Margin corresponds to PH only

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 \$60.7 million. Days in Net A/R excluding supplemental government programs are 60.3 days, an increase of 0.4 days from the prior month. Uncompensated Care increased by \$3.8 million to \$12.1 million for the month.

Revenue Cycle – Key Performance Indicators (KPIs)

Key Performance Indicators (KPI)	July 2025	August 2025	September 2025	October 2025	November 2025	Target
Total Net A/R (\$) ¹	\$ 138,245,508	\$ 135,609,856	\$ 129,039,121	\$ 119,687,568	\$ 121,665,415	
Net Days in A/R (Days) ²	67.7	66.6	62.1	59.9	60.3	55.0
% AR > 90 Days	38.8%	39.4%	38.5%	38.8%	43.5%	22.5%
% of Avoidable Denial Write-Offs	1.3%	1.6%	2.1%	2.1%	2.1%	2.1%
Net Revenue Yield	104.3%	106.1%	111.8%	112.9%	111.6%	98.0%

¹ 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.

² 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

Key Volumes

	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance
Discharges - Total	2,127	2,003	6.2%	2,066	3.0%	11,628	10,279	13.1%	10,473	11.0%
Acute - General	2,089	1,957	6.7%	2,027	3.1%	11,435	10,054	13.7%	10,289	11.1%
Total Acute Discharges	2,089	1,957	6.7%	2,027	3.1%	11,435	10,054	13.7%	10,289	11.1%
The Villas at Poway	38	46	(17.1%)	39	(2.6%)	193	225	(14.3%)	184	4.9%
Patient Days - Total	11,856	11,400	4.0%	11,530	2.8%	59,448	57,713	3.0%	57,657	3.1%
Acute - General	9,372	8,253	13.6%	8,698	7.8%	46,628	42,292	10.3%	44,118	5.7%
Total Acute Patient Days	9,372	8,253	13.6%	8,698	7.8%	46,628	42,292	10.3%	44,118	5.7%
The Villas at Poway	2,484	3,147	(21.1%)	2,832	(12.3%)	12,820	15,421	(16.9%)	13,539	(5.3%)
Acute Adjusted Discharges	3,327	3,238	2.7%	3,192	4.2%	18,472	16,766	10.2%	16,527	11.8%
Total Adjusted Discharges*	3,372	3,178	6.1%	3,237	4.2%	18,697	16,315	14.6%	16,741	11.7%
Acute Adjusted Patient Days	14,924	13,204	13.0%	13,698	9.0%	75,289	67,665	11.3%	70,851	6.3%
Total Adjusted Patient Days*	17,408	16,351	6.5%	16,530	5.3%	88,109	83,086	6.1%	84,390	4.4%
Calendar Days	30	30	0.0%	30	0.0%	153	153	0.0%	153	0.0%
Acute Average Daily Census	312	275	13.6%	290	7.8%	305	276	10.3%	288	5.7%
Total Average Daily Census*	395	380	4.0%	384	2.8%	389	377	3.0%	377	3.1%
Surgeries - Total	832	887	(6.2%)	903	(7.9%)	4,535	4,616	(1.8%)	4,701	(3.5%)
Inpatient	463	499	(7.2%)	496	(6.7%)	2,522	2,573	(2.0%)	2,558	(1.4%)
Outpatient	369	388	(4.9%)	407	(9.3%)	2,013	2,043	(1.5%)	2,143	(6.1%)
Deliveries	258	293	(11.9%)	286	(9.8%)	1,378	1,538	(10.4%)	1,502	(8.3%)
ER Visits (Includes Trauma) - Total	8,907	8,942	(0.4%)	8,914	(0.1%)	49,863	50,937	(2.1%)	50,802	(1.9%)
Inpatient	1,534	1,562	(1.8%)	1,476	3.9%	9,007	8,522	5.7%	8,052	11.9%
Outpatient	7,373	7,380	(0.1%)	7,438	(0.9%)	40,856	42,415	(3.7%)	42,750	(4.4%)

Month

Year to Date

	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance
Cardiac Cath RVUs	1,044	1,058	(1.3%)	1,080	(3.3%)	5,652	5,281	7.0%	5,405	4.6%
Escondido Interv. Radiology RVUs	814	935	(12.9%)	935	(12.9%)	4,247	4,824	(12.0%)	4,831	(12.1%)
Poway Interv. Radiology RVUs	237	264	(10.1%)	244	(2.9%)	1,451	1,400	3.6%	1,299	11.7%
Radiation Oncology RVUs	3,062	3,370	(9.1%)	3,246	(5.7%)	16,181	17,186	(5.9%)	15,811	2.3%
Infusion Therapy Hours	1,037	1,077	(3.8%)	934	11.0%	5,157	5,495	(6.1%)	4,851	6.3%
Imaging										
Escondido CAT Procedures	9,553	9,559	(0.1%)	9,203	3.8%	50,173	46,397	8.1%	44,687	12.3%
Poway CAT Procedures	2,738	2,675	2.4%	2,606	5.1%	14,222	12,932	10.0%	12,588	13.0%
Escondido MRI Procedures	579	500	15.8%	474	22.2%	2,700	2,423	11.4%	2,300	17.4%
Poway MRI Procedures	135	130	3.8%	134	0.8%	721	667	8.2%	678	6.3%
Escondido Diagnostic Rad. Procedures	6,880	6,586	4.5%	6,643	3.6%	34,871	34,346	1.5%	34,641	0.7%
Poway Diagnostic Rad. Procedures	2,140	2,132	0.4%	2,134	0.3%	10,929	10,767	1.5%	10,783	1.4%
*Includes The Villas at Poway										

Month

Year to Date

	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance	Actual Nov-25	Budget Nov-25	Budget Variance	Prior Year Nov-24	Prior Year Variance
Key Statistics										
Acute Average LOS - Days	4.49	4.22	(6.0%)	4.29	(4.4%)	4.08	4.21	3.2%	4.29	5.2%
Acute - General	4.49	4.22	(6.0%)	4.29	(4.4%)	4.08	4.21	3.2%	4.29	5.2%
Acute Behavioral Health	0.00	0.00	0.0%	0.00	0.0%	0.00	0.00	0.0%	0.00	0.0%
Average Observation Hours	29	26	(9.4%)	26	(8.6%)	27	28	2.7%	28	2.8%
Acute Case Mix - Excludes Deliveries	1.69	1.75	3.4%	1.75	3.6%	1.66	1.74	4.6%	1.74	4.8%
Acute Case Mix -Medicare Only	1.72	1.69	(1.8%)	1.69	(1.7%)	1.64	1.72	4.7%	1.72	4.9%
Labor Productivity by Hrs					0.0%	99.4%	100%		92.1%	
Days Cash on Hand					0.0%	16.1			17.7	
Financial Performance										
Operating Income	973,566	(500,000)	1,473,566	(8,452,768)	9,426,334	2,000,101	(6,500,000)	8,500,101	(31,081,973)	33,082,074
Net Income	(976,273)	(2,925,848)	1,949,575	(10,559,275)	9,583,002	(8,548,212)	(18,715,643)	10,167,431	(42,040,637)	33,492,425
Oper. Expenses/Adj. Patient Days	4,196	4,302	(2.5%)	4,012	4.6%	3,842	4,019	(4.4%)	4,083	(5.9%)
EBIDA Margin-Excludes PHMG	13.4%	10.9%	22.9%	0.4%	3,250.0%	12.5%	9.7%	28.9%	3.8%	229.0%
EBIDA-Excludes PHMG	9,920,329	7,592,491	2,327,838	236,825	9,683,504	45,547,806	33,876,049	11,671,757	12,765,557	32,782,249

Note: Financial Performance excludes GO Bonds

PALOMAR HEALTH
Reimagining Healthcare®

	Actual	Budget	Variance	Variance		Dollars/Adjusted Patient Day		
	Nov 25	Nov 25	Nov 25	Volume	Rate/Eff	Actual	Budget	Variance
Adjusted Patient Days	17,408	16,351	1,057					
Adjusted Discharges	3,372	3,178	194					
Operating Revenue								
Gross revenue	492,983,821	471,657,741	21,326,080	30,490,015	(9,163,935)	28,319.38	28,845.80	(526.42)
Deductions from revenue	(420,035,285)	(402,982,389)	(17,052,896)	(26,050,540)	8,997,644	(24,128.87)	(24,645.73)	516.87
Net patient revenue	72,948,536	68,675,352	4,273,184	4,439,474	(166,290)	4,190.52	4,200.07	(9.55)
Other operating revenue	1,075,318	1,159,790	(84,472)	74,974	(159,446)	61.77	70.93	(9.16)
Total net revenue	74,023,854	69,835,142	4,188,712	4,514,448	(325,736)	4,252.29	4,271.00	(18.71)
Operating Expenses								
Salaries, wages & contract labor	31,212,533	29,307,717	(1,904,816)	(1,894,579)	(10,237)	1,793.00	1,792.41	(0.59)
Benefits	7,243,795	7,790,418	546,623	(503,607)	1,050,230	416.12	476.45	60.33
Supplies	10,095,256	10,590,999	495,743	(684,648)	1,180,391	579.92	647.73	67.81
Prof fees & purch svcs	15,556,548	14,402,690	(1,153,858)	(931,053)	(222,805)	893.64	880.84	(12.80)
Depreciation & amortization	4,834,844	4,703,549	(131,295)	(304,058)	172,763	277.74	287.66	9.92
Other	4,107,312	3,539,769	(567,543)	(228,826)	(338,717)	235.94	216.49	(19.46)
Total expenses	73,050,288	70,335,142	(2,715,146)	(4,546,771)	1,831,625	4,196.36	4,301.58	105.22
Income from operations	973,566	(500,000)	1,473,566	(32,322)	1,505,888	55.93	(30.58)	(123.93)
Non-operating revenue (expense)								
Property tax revenues ¹	2,141,666	2,141,667	(1)					
Investment Income	2,032,287	1,176,843	855,444					
Interest Expense	(4,582,958)	(4,335,990)	(246,968)					
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	-					
Other non-operating revenue(expense)	(62,034)	70,432	(132,466)					
Net income(loss) ²	(976,273)	(2,925,848)	1,949,575					

2= Excludes G.O. Bonds income / expense

Income Statement for the Fiscal Year to Date
Excludes PHMG

	<u>Actual</u> <u>Nov 25</u>	<u>Budget</u> <u>Nov 25</u>	<u>Variance</u> <u>Nov 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>
Adjusted Patient Days	88,109	83,086	5,023					
Adjusted Discharges	18,697	16,315	2,382					
Operating Revenue								
Gross revenue	2,546,289,518	2,425,821,397	120,468,121	146,654,080	(26,185,959)	28,899.31	29,196.51	(297.20)
Deductions from revenue	(2,186,375,101)	(2,080,638,018)	(105,737,085)	(125,785,870)	20,048,787	(24,814.44)	(25,041.98)	227.55
Net patient revenue	359,914,417	345,183,379	14,731,036	20,868,210	(6,137,172)	4,084.88	4,154.53	(69.65)
Other operating revenue	4,880,751	5,798,950	(918,199)	350,578	(1,268,777)	55.39	69.79	(14.40)
Total net revenue	364,795,168	350,982,329	13,812,837	21,218,788	(7,405,949)	4,140.27	4,224.33	(84.05)
Operating Expenses								
Salaries, wages & contract labor	156,892,022	150,690,804	(6,201,220)	(9,110,078)	2,908,860	1,780.66	1,813.67	33.01
Benefits	35,858,390	39,694,124	3,835,734	(2,399,725)	6,235,459	406.98	477.75	70.77
Supplies	53,864,161	53,860,966	(3,195)	(3,256,188)	3,252,993	611.34	648.26	36.92
Prof fees & purch svcs	74,043,596	72,066,673	(1,976,922)	(4,356,822)	2,379,899	840.36	867.37	27.01
Depreciation & amortization	24,297,096	23,517,742	(779,354)	(1,421,775)	642,421	275.76	283.05	7.29
Other	17,839,802	17,652,020	(187,782)	(1,067,160)	879,378	202.47	212.45	9.98
Total expenses	362,795,067	357,482,329	(5,312,739)	(21,611,749)	16,299,011	4,117.57	4,302.56	184.99
Income from operations	2,000,101	(6,500,000)	8,500,101	(392,960)	8,893,061	22.70	(78.23)	(269.04)
Non-operating revenue (expense)								
Property tax revenues ¹	10,708,330	10,708,333	(3)					
Investment Income	6,754,515	5,884,219	870,296					
Interest Expense	(22,404,920)	(21,679,950)	(724,970)					
Non-operating depreciation & amortization	(7,394,002)	(7,394,000)	(2)					
Other non-operating revenue(expense)	1,787,764	265,754	1,522,010					
Net income(loss) ²	(8,548,212)	(18,715,644)	10,167,432					

EBIDA Margin 12.5% 9.7% 2.8%

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

2= Excludes G.O. Bonds income / expense

Income Statement for the Current Year versus Prior Year
Excludes PHMG

	<u>Actual</u> <u>Nov 25</u>	<u>Prior Year</u> <u>Nov 24</u>	<u>Variance</u> <u>Nov 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>
Adjusted Patient Days	88,109	67,860	20,249					
Adjusted Discharges	18,697	13,504	5,193					
Operating Revenue								
Gross revenue	2,546,289,518	2,368,976,790	177,312,728	706,887,872	(529,575,144)	28,899.31	34,909.77	(6,010.45)
Deductions from revenue	(2,186,375,104)	(2,036,491,359)	(149,883,744)	(607,676,297)	457,792,552	(24,814.44)	(30,010.19)	5,195.75
Net patient revenue	359,914,414	332,485,431	27,428,984	99,211,575	(71,782,592)	4,084.88	4,899.58	(814.70)
Other operating revenue	4,880,753	5,077,639	(196,884)	1,515,136	(1,712,022)	55.39	74.83	(19.43)
Total net revenue	364,795,167	337,563,070	27,232,100	100,726,711	(73,494,614)	4,140.27	4,974.40	(834.13)
Operating Expenses								
Salaries, wages & contract labor	156,892,023	157,199,314	307,290	(46,907,293)	47,214,584	1,780.66	2,316.52	535.87
Benefits	35,858,389	41,193,810	5,335,421	(12,291,976)	17,627,397	406.98	607.04	200.06
Supplies	53,864,161	50,561,294	(3,302,867)	(15,087,174)	11,784,307	611.34	745.08	133.75
Prof fees & purch svcs	74,043,595	79,632,662	5,589,067	(23,761,889)	29,350,956	840.36	1,173.48	333.12
Depreciation & amortization	24,297,098	25,264,247	967,149	(7,538,693)	8,505,842	275.76	372.30	96.54
Other	17,839,800	14,793,716	(3,046,083)	(4,414,352)	1,368,268	202.47	218.00	15.53
Total expenses	362,795,066	368,645,043	5,849,977	(110,001,377)	115,851,354	4,117.57	5,432.44	1,314.86
Income from operations	2,000,101	(31,081,973)	33,082,074	(9,274,667)	42,356,741	22.70	(458.03)	(2,149.00)
Non-operating revenue (expense)								
Property tax revenues ¹	10,708,330	10,625,000	83,330					
Investment Income	6,754,517	6,047,715	706,802					
Interest Expense	(22,404,918)	(22,150,522)	(254,396)					
Non-operating depreciation & amortization	(7,394,001)	(7,391,425)	(2,576)					
Other non-operating revenue(expense)	1,787,761	1,910,568	(122,807)					
Net income(loss) ²	(8,548,210)	(42,040,637)	33,492,427					

EBIDA Margin 12.5% 3.8% 8.7%

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

2= Excludes G.O. Bonds income / expense

Income Statement for the Current Year Trend
Excludes PHMG

	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Fiscal Year 2026
Adjusted Patient Days	17,851	17,948	16,940	17,962	17,408	88,109
Adjusted Discharges	3,734	3,988	3,785	3,818	3,372	18,697
Operating Revenue						
Gross revenue	514,243,464	500,282,001	512,535,349	526,244,883	492,983,821	2,546,289,518
Deductions from revenue	(441,255,169)	(428,250,221)	(440,133,502)	(456,700,924)	(420,035,285)	(2,186,375,101)
Net patient revenue	72,988,295	72,031,780	72,401,847	69,543,959	72,948,536	359,914,417
Other operating revenue	864,100	946,365	1,049,479	945,491	1,075,318	4,880,751
Total net revenue	73,852,396	72,978,145	73,451,326	70,489,450	74,023,854	364,795,168
Operating Expenses						
Salaries, wages & contract labor	31,865,141	31,104,110	30,920,004	31,790,235	31,212,533	156,892,022
Benefits	7,366,292	6,306,806	7,513,675	7,427,821	7,243,795	35,858,390
Supplies	11,103,543	10,692,013	10,734,391	11,238,958	10,095,256	53,864,161
Prof fees & purch svcs	13,799,753	14,509,520	15,262,239	14,915,537	15,556,548	74,043,596
Depreciation & amortization	4,843,923	4,776,143	4,866,590	4,975,598	4,834,844	24,297,096
Other	2,794,212	4,173,848	3,396,570	3,367,857	4,107,312	17,839,802
Total expenses	71,772,864	71,562,440	72,693,470	73,716,005	73,050,288	362,795,067
Income from operations	2,079,532	1,415,705	757,856	(3,226,555)	973,566	2,000,101
Non-operating revenue (expense)						
Property tax revenues ¹	2,141,666	2,141,666	2,141,666	2,141,666	2,141,666	10,708,330
Investment Income	1,263,898	1,124,368	1,174,237	1,159,725	2,032,287	6,754,515
Interest Expense	(4,435,614)	(4,465,415)	(4,458,852)	(4,462,078)	(4,582,958)	(22,404,920)
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(7,394,002)
Other non-operating revenue(expense)	759,733	541,399	342,659	206,005	(62,034)	1,787,764
Net income(loss) ²	330,414	(721,077)	(1,521,235)	(5,660,037)	(976,273)	(8,548,212)
EBIDA Margin	15.0%	13.7%	12.6%	7.5%	13.4%	12.5%

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

	Current Fiscal Year			Prior Fiscal Year
Assets	Sep-25	Oct-25	Nov-25	Jun-25
Current Assets				
Cash and cash equivalents	8,555,786	32,610,582	13,829,562	15,000,751
Investments	16,999,733	30,685,605	21,740,862	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	25,555,520	63,296,187	35,570,424	43,464,492
Patient Accounts Receivable	515,473,592	470,087,042	464,592,746	504,133,063
Allowance on accounts	(386,434,472)	(350,399,474)	(342,927,330)	(360,699,498)
Net accounts receivable	129,039,121	119,687,568	121,665,415	143,433,565
Inventories	12,191,916	12,120,439	12,061,648	12,194,024
Prepaid expenses	7,967,855	8,246,858	7,972,932	8,309,163
Est. third party settlements	121,734,538	119,056,466	154,794,861	95,529,680
Other	78,978,057	82,365,041	79,238,494	71,655,917
Total current assets	375,467,006	404,772,559	411,303,774	374,586,840
Non-Current Assets				
Restricted assets	86,969,493	86,968,788	90,301,663	87,348,717
Restricted other	357,905	357,973	358,039	357,688
Total restricted assets	87,327,398	87,326,761	90,659,702	87,706,405
Property, plant & equipment	1,594,521,102	1,594,320,807	1,594,372,659	1,593,114,786
Accumulated depreciation	(697,255,551)	(700,519,720)	(703,846,545)	(686,328,663)
Construction in process	40,374,705	40,395,599	40,501,598	39,167,673
Net property, plant & equipment	937,640,256	934,196,685	931,027,711	945,953,795
Right of Use Assets				
Building leases	272,814,196	271,474,675	270,135,154	276,832,758
Sub-leases	207,285	199,928	192,571	234,948
Equipment leases	17,034,113	17,662,097	17,020,796	18,084,940
SBITA	14,051,161	13,348,640	12,664,294	16,006,107
Net right of use assets	304,106,755	302,685,339	300,012,814	311,158,754
Investment related companies	5,958,932	5,900,035	7,284,261	5,718,913
Prepaid debt insurance costs	6,908,375	6,882,401	6,856,462	6,986,297
Other non-current assets	65,320,388	65,031,845	64,738,965	66,188,501
Total non-current assets	1,407,262,104	1,402,023,065	1,400,579,915	1,423,712,664
Total assets	1,782,729,110	1,806,795,624	1,811,883,689	1,798,299,504
Deferred outflow of resources-loss on refunding of debt	41,248,997	41,031,082	40,813,167	41,902,741
Total assets and deferred outflow of resources	1,823,978,107	1,847,826,706	1,852,696,856	1,840,202,245

	Current Fiscal Year			Prior Fiscal Year
Liabilities	Sep-25	Oct-25	Nov-25	Jun-25
Current Liabilities				
Accounts payable	99,672,474	106,418,419	106,777,768	94,240,154
Accrued payroll	35,839,681	35,614,386	39,150,537	49,881,621
Accrued PTO	24,366,560	24,768,858	24,672,380	23,828,506
Accrued interest payable	16,591,544	19,746,423	5,451,191	7,842,158
Current portion of bonds	8,925,000	8,925,000	9,365,000	8,925,000
Current portion of lease liab	21,278,235	21,835,269	21,756,699	21,510,594
Est. third party settlements	8,593,089	8,593,099	8,235,649	8,593,099
Other current liabilities	151,063,420	153,663,550	158,032,317	147,853,726
Total current liabilities	366,330,003	379,565,005	373,441,540	362,674,858
Long Term Liabilities				
Other LT liabilities	24,878,932	45,779,250	74,835,123	27,444,646
Bonds & contracts payable	712,531,680	712,308,973	702,721,398	713,199,799
Lease liabilities	323,356,786	322,382,524	320,731,288	327,879,779
Total long term liabilities	1,060,767,398	1,080,470,747	1,098,287,808	1,068,524,225
Total liabilities	1,427,097,401	1,460,035,752	1,471,729,348	1,431,199,083
Deferred inflow of resources-unearned revenue	7,058,812	7,029,127	6,895,276	6,547,471
Total liabilities and deferred inflow of resources	1,434,156,213	1,467,064,879	1,478,624,625	1,437,746,554
Net Position				
Unrestricted	389,463,989	380,403,854	373,714,193	402,098,003
Restricted for other purpose	357,905	357,973	358,039	357,688
Total net position	389,821,894	380,761,827	374,072,232	402,455,691
Total liabilities, deferred inflow of resources and net position	1,823,978,107	1,847,826,706	1,852,696,856	1,840,202,245

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

Assets	Current Fiscal Year			Prior Fiscal Year
	Sep-25	Oct-25	Nov-25	Jun-25
Current Assets				
Cash and cash equivalents	8,555,786	32,610,582	13,829,562	15,000,751
Investments	16,999,733	30,685,605	21,740,862	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	25,555,520	63,296,187	35,570,424	43,464,492
Patient Accounts Receivable	515,473,592	470,087,042	464,592,746	504,133,063
Allowance on accounts	(386,434,472)	(350,399,474)	(342,927,330)	(360,699,498)
Net accounts receivable	129,039,121	119,687,568	121,665,415	143,433,565
Inventories	12,191,916	12,120,439	12,061,648	12,194,024
Prepaid expenses	7,967,855	8,246,858	7,972,932	8,309,163
Est. third party settlements	121,734,538	119,056,466	154,794,861	95,529,680
Other	90,348,947	97,451,957	94,778,253	71,973,475
Total current assets	386,837,896	419,859,475	426,843,533	374,904,398
Non-Current Assets				
Restricted assets	129,924,368	130,474,536	137,624,565	163,601,420
Restricted other	357,905	357,973	358,039	357,688
Total restricted assets	130,282,273	130,832,509	137,982,604	163,959,108
Property, plant & equipment	1,594,521,102	1,594,320,807	1,594,372,659	1,593,114,786
Accumulated depreciation	(697,255,551)	(700,519,720)	(703,846,545)	(686,328,663)
Construction in process	40,374,705	40,395,599	40,501,598	39,167,673
Net property, plant & equipment	937,640,256	934,196,685	931,027,711	945,953,795
Right of Use Assets				
Building leases	272,814,196	271,474,675	270,135,154	276,832,758
Sub-leases	207,285	199,928	192,571	234,948
Equipment leases	17,034,113	17,662,097	17,020,796	18,084,940
SBITA	14,051,161	13,348,640	12,664,294	16,006,107
Net right of use assets	304,106,755	302,685,339	300,012,814	311,158,754
Investment related companies	5,958,932	5,900,035	7,284,261	5,718,913
Prepaid debt insurance and other costs	8,022,840	7,985,214	7,947,622	8,136,372
Other non-current assets	65,320,388	65,031,845	64,738,965	66,188,501
Total non-current assets	1,451,331,444	1,446,631,626	1,448,993,977	1,501,115,443
Total assets	1,838,169,340	1,866,491,101	1,875,837,510	1,876,019,841
Deferred outflow of resources-loss on refunding of debt	43,570,855	43,335,080	43,099,305	44,278,181
Total assets and deferred outflow of resources	1,881,740,196	1,909,826,181	1,918,936,815	1,920,298,022

Liabilities	Current Fiscal Year			Prior Fiscal Year
	Sep-25	Oct-25	Nov-25	Jun-25
Current Liabilities				
Accounts payable	99,672,474	106,419,419	106,778,293	94,240,154
Accrued payroll	35,839,681	35,614,386	39,150,537	49,881,621
Accrued PTO	24,366,560	24,768,858	24,672,380	23,828,506
Accrued interest payable	23,134,602	29,561,010	18,537,307	29,897,032
Current portion of bonds	19,731,216	19,731,216	20,171,216	19,081,756
Current portion of lease liab	21,278,235	21,835,269	21,756,699	21,510,594
Est. third party settlements	8,593,089	8,593,099	8,235,649	8,593,099
Other current liabilities	86,736,837	89,942,569	94,916,938	81,698,710
Total current liabilities	319,352,694	336,465,826	334,219,017	328,731,473
Long Term Liabilities				
Other LT liabilities	24,878,932	45,779,250	74,835,123	27,444,646
Bonds & contracts payable	1,327,817,548	1,327,248,651	1,317,314,884	1,340,117,039
Lease liabilities	323,356,786	322,382,524	320,731,288	327,879,779
Total long term liabilities	1,676,053,266	1,695,410,425	1,712,881,295	1,695,441,465
Total liabilities	1,995,405,960	2,031,876,251	2,047,100,312	2,024,172,938
Deferred inflow of resources- unearned revenue	71,385,395	70,750,108	70,010,656	72,702,486
Total liabilities and deferred inflow of resources	2,066,791,355	2,102,626,359	2,117,110,968	2,096,875,424
Net Position				
Unrestricted	(185,409,064)	(193,158,151)	(198,532,191)	(176,935,090)
Restricted for other purpose	357,905	357,973	358,039	357,688
Total net position	(185,051,159)	(192,800,178)	(198,174,152)	(176,577,402)
Total liabilities, deferred inflow of resources and net position	1,881,740,196	1,909,826,181	1,918,936,815	1,920,298,022

	Nov-25	YTD
CASH FLOWS FROM OPERATING ACTIVITIES:		
Income (Loss) from operations	973,566	2,005,595
Adjustments to reconcile change in net assets to net cash provided from operating activities:		
Depreciation Expense	4,834,844	24,297,098
Provision for bad debts	8,982,433	31,636,243
Changes in operating assets and liabilities:		
Patient accounts receivable	(10,960,281)	(9,868,094)
Property Tax and other receivables	2,895,824	(2,481)
Inventories	58,791	132,376
Prepaid expenses and other current assets	(2,050,793)	(1,059,206)
Accounts payable	358,874	12,538,139
Accrued compensation	3,439,671	(9,887,212)
Estimated settlement amounts due third-party payors	(36,095,845)	(59,622,631)
Other liabilities	4,960,186	14,335,890
Net cash provided from (used by) operating activities	(22,602,730)	4,505,717
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net (purchases) sales of investments	1,794,648	32,699,383
Income (Loss) on investments	2,168,951	7,658,532
Investment in affiliates	(6,135,858)	(22,007,080)
Net cash provided from (used by) investing activities	(2,172,259)	18,350,835
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Receipt of G.O. Bond Taxes	3,680,490	5,444,465
Receipt of District Taxes	2,483,191	3,682,245
Net cash provided from non-capital financing activities	6,163,681	9,126,710
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds on asset sale	186	902
Acquisition of property plant and equipment	(264,391)	(3,108,743)
G.O. Bond Interest paid	0	(25,121,525)
Revenue Bond Interest paid	(17,581,585)	(17,581,585)
ROU Interest paid	(1,275,328)	(6,431,789)
Proceeds (Payments) of Long Term Debt	20,152,777	28,418,244
Payments of Long Term Lease Liabilities	(1,201,372)	(9,329,955)
Net cash provided from (used by) capital and related financing activities	(169,713)	(33,154,451)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(18,781,021)	(1,171,189)
CASH AND CASH EQUIVALENTS - Beginning of period	32,610,582	15,000,751
CASH AND CASH EQUIVALENTS - End of period	13,829,562	13,829,562

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 November 30, 2025

	Palomar Health	PHMG	PAC	NCRE	SANDEMA	Eliminations	Total
ASSETS							
Current assets	476,650,931	39,632,536	-	218,198	2,262,744	(63,494,869)	455,269,540
Capital assets - net	931,027,711	6,222,325	-	868,948	-	-	938,118,984
Right of use assets - net	300,012,814	25,503,375	-	-	-	(17,455,264)	308,060,925
Non-current assets	168,146,054	2,204,653	-	-	-	-	170,350,706
Total assets	1,875,837,510	73,562,889	-	1,087,146	2,262,744	(80,950,133)	1,871,800,155
Deferred outflow of resources	43,099,305	-	-	-	-	-	43,099,305
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	1,918,936,815	73,562,889	-	1,087,146	2,262,744	(80,950,133)	1,914,899,460
LIABILITIES AND NET POSITION							
Current liabilities	295,934,527	100,395,333	-	1,519,842	347,235	(66,411,087.42)	331,785,845
Long-term liabilities	1,409,370,723	(0)	-	-	-	-	1,409,370,723
Right of use lease liabilities	320,731,288	21,906,899	-	-	-	(15,633,961)	327,004,226
Total liabilities	2,026,036,538	122,302,232	-	1,519,842	347,235	(82,045,048)	2,068,160,794
Deferred inflow of resources - deferred revenue	91,074,428	-	-	-	-	-	91,074,428
Total liabilities and deferred inflow of resources	2,117,110,966	122,302,232	-	1,519,842	347,235	(82,045,048)	2,159,235,222
Invested in capital assets - net of related debt	(318,933,041)	4,565,097	-	1,660,879	-	1,094,915	(311,612,149)
Restricted	33,554,453	-	-	-	-	-	33,554,453
Unrestricted	87,204,436	(53,304,438)	(0)	(2,093,575)	1,915,509	-	33,721,934
Total net position	(198,174,152)	(48,739,341)	(0)	(432,696)	1,915,509	1,094,915	(244,335,761)
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	1,918,936,815	73,562,891	(0)	1,087,146	2,262,743	(80,950,133)	1,914,899,460

Note: Financial Performance includes GO Bonds
Financial Performance excludes PHMG

Condensed Combining Statement of Revenue, Expenses, and Changes in Net Position
For the Fiscal Year-to-Date Ended November 30, 2025

	<u>Palomar Health</u>	<u>PHMG</u>	<u>PAC</u>	<u>NCRE</u>	<u>SANDEMA</u>	<u>Elimination</u>	<u>YTD Consolidated</u>
OPERATING REVENUE:							
Net patient service revenue	324,538,313	32,584,270	-	-	-	-	357,122,583
Shared risk revenue	35,376,103	7,244,178	-	-	-	-	42,620,281
Other revenue	4,880,753	222,329	-	2,462,421	9,065,789	(218,773)	16,412,519
PH Program revenue	-	12,223,570	-	-	-	(12,223,570)	-
Total operating revenue	364,795,169	52,274,347	-	2,462,421	9,065,789	(12,442,343)	416,155,383
OPERATING EXPENSES	338,497,967	78,023,823	3,935,535	2,866,392	7,745,282	(12,442,343)	418,626,656
DEPRECIATION AND AMORTIZATION	24,297,098	1,953,528	-	-	-	-	26,250,626
Total operating expenses	362,795,065	79,977,351	3,935,535	2,866,392	7,745,282	(12,442,343)	444,877,282
INCOME (LOSS) FROM OPERATIONS	2,000,104	(27,703,004)	(3,935,535)	(403,971)	1,320,507	-	(28,721,899)
NON-OPERATING INCOME (EXPENSE):							
Investment income	7,658,530	3,689,989	-	-	-	-	11,348,519
Interest expense	(37,188,365)	(35,084)	-	-	-	-	(37,223,449)
Property tax revenue	31,374,997	-	-	-	-	-	31,374,997
Other - net	(5,427,048)	(34,504)	-	296,065	(739,332)	1,396,444	(4,508,375)
Total non-operating expense - net	(3,581,886)	3,620,401	-	296,065	(739,332)	1,396,444	991,692
CHANGE IN NET POSITION	(1,581,782)	(24,082,604)	(3,935,535)	(107,906)	581,175	1,396,444	(27,730,207)
Interfund - PHMG	(19,874,598)	17,815,958	-	-	-	-	(2,058,640)
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				-	-		
Effect of adopting GASB 87		-	-			-	-
NET POSITION - Beginning of year	(176,717,770)	(42,472,695)	3,935,535	(324,790)	1,334,334	(301,529)	(214,546,915)
NET POSITION - Year to date	(198,174,149)	(48,739,344)	(0)	(432,696)	1,915,509	1,094,915	(244,335,759)
EBIDA							43,137,869
EBIDA Margin							10.4%

Condensed Combining Statement of Net Position
For the Fiscal Year-to-Date Ended November 30, 2025

Assets

Current Assets

Cash and cash equivalents	\$ 16,158,852
Investments	21,740,862
Patient accounts receivable - net of allowances for uncollectible accounts of \$115,960	138,342,071
Other receivables	51,543,971
Supplies and inventories	12,737,854
Prepaid expenses and other	10,143,671
Estimated third-party payor settlements receivable	154,794,861
Assets whose use is limited - current portion	2,484,496
Restricted cash and investments, current	47,322,902

Total current assets 455,269,540

Restricted Noncurrent Cash and Investments

Held by trustee under indenture agreements	89,566,111
Held by trustee under general obligation bonds indenture	47,322,902
Held in escrow for street improvements	735,552
Restricted by donor and other	358,039

Total restricted cash and investments 137,982,604

Less amounts required to meet current obligations 49,807,398

Total restricted noncurrent cash and investments 88,175,206

Capital Assets - net 938,118,984

Right of Use Assets - Net 308,060,925

Other Assets

Prepaid debt insurance costs	7,947,622
Investment in and amounts due from affiliated entities	7,900,172
Other	66,327,706

Total other assets 82,175,500

Total assets 1,871,800,155

Deferred outflow of resources - loss on refunding of debt 43,099,305

Total Assets and Deferred Outflow of Resources \$ 1,914,899,460

Liabilities

Current Liabilities

Accounts payable	112,508,385
Accrued compensation and related liabilities	57,879,166
Current portion of general obligation bonds	10,806,216
Current portion of long-term debt	9,397,291
Current portion of lease liabilities	24,094,184
Estimated third-party payor settlements	-
Other accrued liabilities	98,524,316
Accrued interest payable	17,170,277
Accrued interest payable-ROU's	1,406,010

Total current liabilities 331,785,845

Workers' compensation - net of current portion 8,985,067

Long-term debt - general obligation bonds - net of current portion 614,593,487

Long-term debt - net of current portion 785,792,169

Long-term debt - Lease liability - net of current portion 327,004,226

Total liabilities 2,068,160,794

Deferred inflow of resources - unearned revenue 91,074,428

Total liabilities and deferred inflow of resources 2,159,235,222

Net Position

Net investment in capital assets	(311,612,149)
Restricted, expendable for:	
Repayment of debt	32,460,862
Capital acquisitions	735,552
Other purposes	358,039
Unrestricted	33,721,935

Total net position (244,335,762)

Total Liabilities, Deferred Inflow of Resources, and Net Position \$ 1,914,899,460

Condensed Combining Statement of Revenue, Expenses, and Changes in Net Position
For the Fiscal Year-to-Date Ended November 30, 2025

Operating Revenue	
Patient service revenue, net of provision for uncollectible accounts of \$30,751	\$ 357,122,587
Premium revenue	
Shared risk revenue	42,620,281
Other revenue	16,412,519
	<hr/>
Total operating revenue	416,155,387
	<hr/>
Operating Expenses	
Salaries, wages, and benefits	254,219,538
Professional fees	29,844,827
Supplies	56,863,803
Purchased services	46,108,771
Depreciation and amortization	26,250,626
Rent expense	8,911,321
Utilities	3,820,155
Other	18,858,240
	<hr/>
Total operating expenses	444,877,282
	<hr/>
Income (Loss) From Operations	(28,721,895)
	<hr/>
Non-Operating Income (Expenses)	
Investment income	11,348,519
Interest expense	(37,223,448)
Property tax revenue - unrestricted	10,708,330
Property tax revenue - restricted	20,666,667
Amortization expense	(7,394,001)
Other - net	826,980
	<hr/>
Total non-operating expenses - net	(1,066,953)
	<hr/>
Change in net position	(29,788,848)
	<hr/>
Net Position - Beginning of year	(214,546,915)
	<hr/>
Net Position - November 30, 2025	\$ (244,335,762)
	<hr/>

Condensed Combining Statement of Cash Flows
For the Fiscal Year-to-Date Ended November 30, 2025

Cash Balance at 6/30/26(+/-DEBIT -/CREDIT)	16,158,852
<i>Cash Balance at 6/30/25(+/-DEBIT -/CREDIT)</i>	22,645,150
<u>OPERATING ACTIVITIES:</u>	
Income (Loss) from Operations	(28,721,899)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	-
(Gain)/Loss on write off of PAM-SD	-
Depreciation and amortization	19,440,739
Amortization of lease right-of-use asset	9,922,068
Amortization of SBITA	4,281,819
Provision for bad debts	30,751,163
Equity in Earnings of Affiliates	(1,530,078)
(Gain)/Loss on disposal of fixed assets	(1,100)
Changes in Assets and Liabilities	
Patient accounts receivable	(6,673,474)
Other receivables	(21,500,269)
Inventories	132,376
Prepaid expenses and other current assets	785,267
Estimated settlement amounts due third-party payors	(59,622,631)
Accounts payable	20,567,959
Accrued Compensation and Other Liabilities	(10,052,720)
Other accrued liabilities	12,675,320
Deferred Revenue	(3,444,132)
Other net	639,137
Net cash provided by (used in) operating activities	(32,350,455)
<u>INVESTING ACTIVITIES:</u>	
Purchases of investments	(75,509,304)
Proceeds on Sale of Investments	111,068,603
Income received on investments	8,488,604
Receipt of Payment on Loans Receivable	-
Other	-
Net cash provided by (used in) investing activities	44,047,903
<u>FINANCING ACTIVITIES</u>	
Acquisition of Fixed Assets	(10,101,421)
Proceeds on the sale of fixed assets	1,100
Other Misc. Receipts	(8,885,303)
Receipt of district taxes - G.O. Bonds	20,666,667
Payments on long-term debt	(21,756,536)
Payment on lease liabilities	(9,255,861)
Deferred Financing Costs	-
Interest Paid	(43,352,777)
Interest Paid Lease Obligations	(6,502,390)
Proceeds on LOC	50,000,000
Financing Activities - Other	294,442
Net cash provided by (used in) financing activities	(28,892,080)
C.F.'s from Non-Capital Financing:	
Receipt of District Taxes	10,708,330
Other Financing	-

November 30, 2025 Consolidated	
Days Cash on Hand Ratio Covenant	
Cash and Cash Equivalents	37,899,714
Divide Total by Average Adjusted Expenses per Day	
Total Expenses	444,877,282
Less: Depreciation	26,250,626
Adjusted Expenses	418,626,656
Number of days in period	153
Average Adjusted Expenses per Day	2,736,122
Days Cash on Hand	13.9
REQUIREMENT	65
Debt Service Coverage Ratio Covenant	
November 30, 2025 Consolidated	
Excess of revenues over expenses	(34,696,626)
REVERSE:	
Depreciation and Amortization	26,250,626
Depreciation and Amortization-NonOp	7,394,001
Interest Expense	22,440,001
Income Available for Debt Service	21,388,001
Divided by:	
Maximum Annual Debt Service (excludes GO Bonds)	23,454,315
Debt Service Coverage Ratio	0.91
REQUIREMENT	1.15
	NOT ACHIEVED

NOTE: Pre-audit results shown

Margin Improvement / Turnaround Project Financial Update

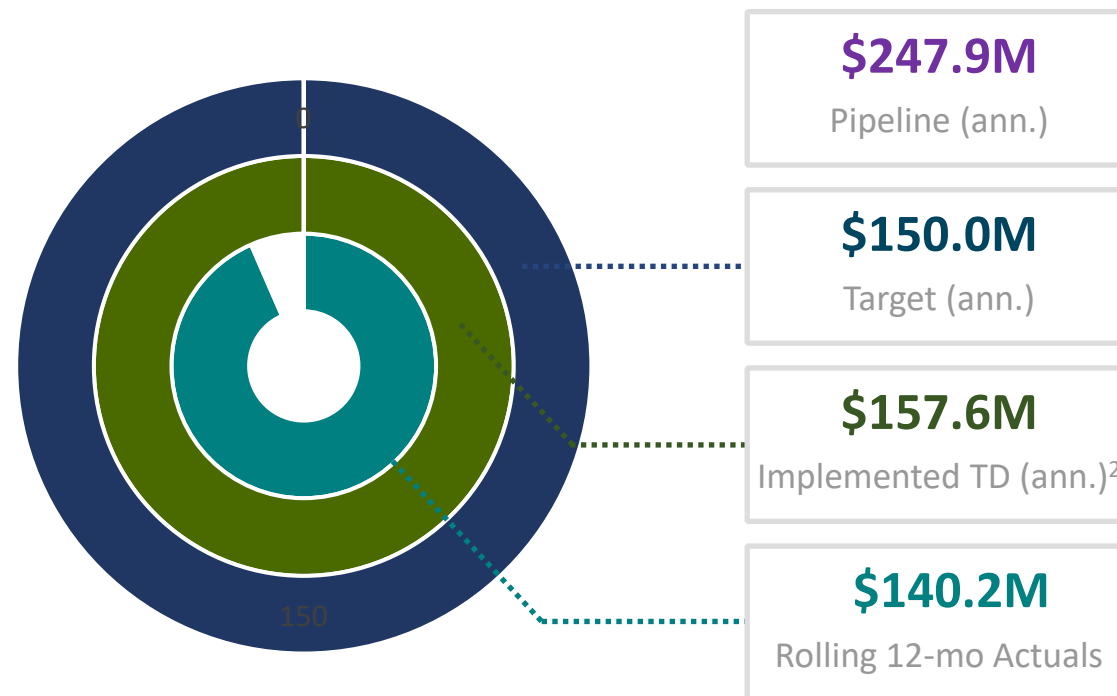
Reporting Month: Dec-25

February 5, 2026

Palomar Health has implemented \$157.6M of initiatives, achieving annual improvement target; \$140.2M realized over past 12 months

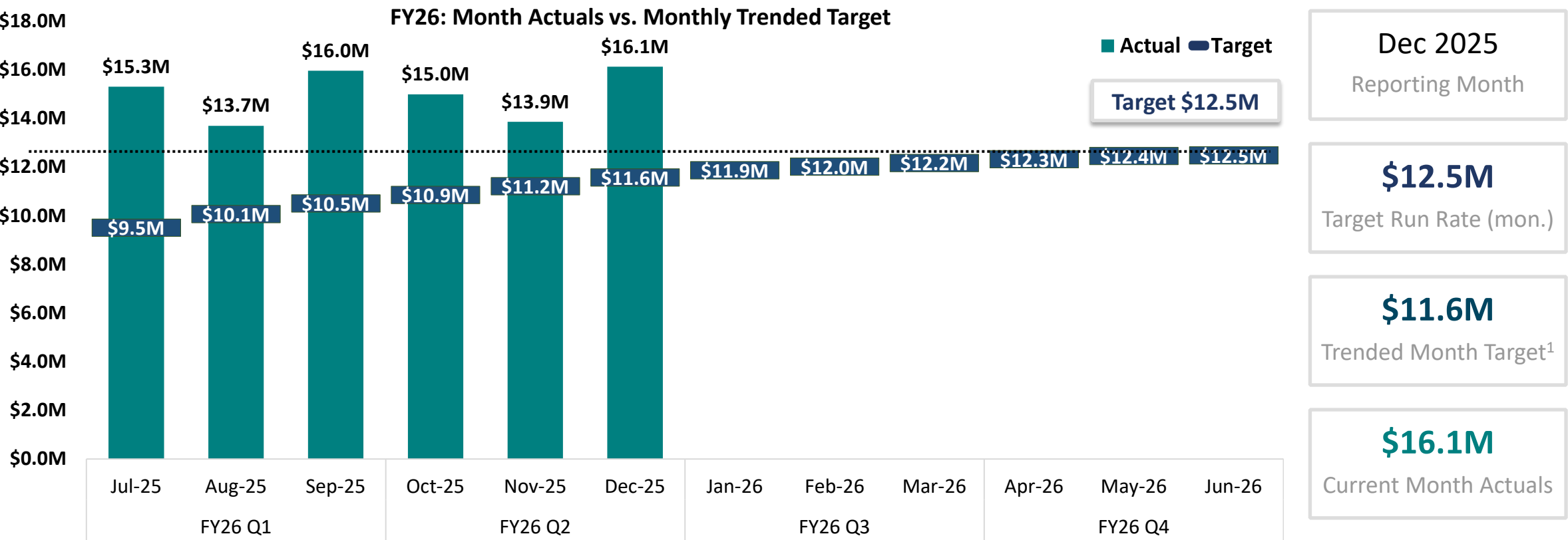
Key upcoming high value initiatives include:

- ❑ **\$23.3M¹** **Denials Reduction** | Initial and fatal denials reduction, supported by UM improvement through operational management metric dashboard
- ❑ **\$4.3M** **Premium Pay & Bonus Programs** | Continued agency and premium pay reduction; aligning bonus, recruitment and incentive programs with best practices
- ❑ **\$2.5M** **Care Transitions** | Reinvigorate efforts to hardwire processes, improve throughput and optimize post-acute care (SNF) integration / referral strategy
- ❑ **\$0.3M** **PHMG** | Increased PB and HB revenue through improved patient access, capacity management, & collections; implement performance improvement framework
- ❑ **\$0.3M** **Real Estate** | Sublease of satellite building



Pipeline value has increased **\$6.6M** from **\$241.3M** reported for Nov-25; increase driven by projected revenue improvement from CDI program. Implemented value has increased by **\$5.9M**; increase driven by CDI program, Rady's NICU partnership and real estate sublease.

Initiative performance in December 2025 resulted in \$16.1M in realization, exceeding monthly target of \$11.6M



December results were higher than prior months, driven primarily by continued reduction of avoidable denials, length of stay improvement, CDI, and select growth initiatives. Impact from recently implemented initiatives will help sustain a run rate over monthly target of \$12.5M for the remainder of FY26. *Note: Aug-25 to Nov-25 actuals were retrospectively adjusted to include financial benefit from real estate and CDI program.*

¹Workstream 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

Overall turnaround progress exceeds target; however, additional opportunities remain to drive targeted workstream improvements

Workstream	Nov		Dec (Current Month)		Jan	Status
	Target	Actual	Target	Actual	Target	
Revenue Cycle	\$3.1M	\$7.9M	\$3.2M	\$8.2M	\$3.2M	
PHMG	\$1.5M	\$0.2M	\$1.6M	\$0.3M	\$1.7M	
Workforce & Periop	\$1.8M	\$3.0M	\$2.0M	\$1.9M	\$2.1M	
Corporate Services	\$1.5M	\$0.3M	\$1.6M	\$0.8M	\$1.6M	
Hospital Strategy	\$1.3M	\$0.2M	\$1.3M	\$2.2M	\$1.3M	
Care Transitions & PSA	\$1.0M	\$1.4M	\$1.0M	\$1.9M	\$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	\$0.3M	
Total:	\$11.2M	\$13.9M	\$11.6M	\$16.1M	\$11.9M	

Key Updates

- **Revenue Cycle:** Avoidable write-offs as a % of NPR have stayed below 3% for last 6 months; implementing UM KPI dashboard and other recommended improvements can further improve performance; CDI program implemented
- **PHMG:** Advancing productivity strategies to improve revenue growth while controlling costs; developing performance improvement framework to eliminate barriers that hinder patient access and volume growth; measuring monthly progress using visible KPI dashboard
- **Workforce:** Labor spend was marginally higher than prior FY spend, even with increase in patient volume; Salaries and Contract Labor was only 42% of NPR
- **Corporate Services:** Short-term increased HR and Legal spend impacting corporate realization; overall corporate expense expected to decline in coming months
- **Hospital Strategy:** Radiation Oncology, IP Cath Lab, and SNF show some volume growth; SNF ADC in Dec-25 was 57, highest of FY to date
- **Care Transitions & PSA:** Escondido IP LOS slightly higher this month, but offset by lower Obs to IP conversion
- **Facilities & Real Estate:** Satellite building subleased, nominal savings reported starting in Nov-25

Dec 2025

Reporting Month

\$11.6M

Trended Month Target

\$16.1M

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

December 2025 Unaudited

Highlights for December 2025Revenue

- Gross Revenue was \$27.0M above budget, or 5.1%
- Net Patient Revenue was above budget by \$5.2M or nearly 7%
- Low in-network capitation performance partially offsets positive volume and Revenue Cycle trends during December

Volumes

- December continued to be a strong month for acute inpatient volumes
 - Acute discharges and patient days were 10.4% and 8.9% 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, falling five cases below the goal
 - IP ED visits continue to be strong, at 11.6% above the PYTD and 4.2% above the monthly budget
 - OP ED was slightly behind budget and prior year, at 1% and 1.8% behind respectively
- Radiation Oncology continues to be significantly stronger than PY but missed budget by 3.6%
- Similarly, Infusion Therapy exceeded the prior December by 28%, though it is 7.2% behind the budget target
- Length of Stay remained below budget for the month of December as well as the fiscal year to date

Expenses

- Total expenses were 2.5% over budget
- The largest budget overages were in salaries and wage and and supplies, driven by higher volumes and utilities
- Water rates and utilization have recently increased, and efforts are underway to understand possible mitigation strategies
- Efforts to manage contract pricing has helped offset volume variances in supplies that would have otherwise been larger

Other Highlights

- Efforts to retrofit financial systems to meet JPA reporting requirements are well underway
- EBIDA* margin remains strong at 12.8% based on FYTD results, improving from prior month
- Days Cash on Hand Consolidated for December increased to 20.4 days, as the AP liability is reduced
- Accounts Payable Current Liability decreased by over \$8M as vendor payments are made before the end of the calendar year
- Days in Accounts Receivable (A/R) decreased to 56.7, representing the 6th month in a row of decreases
- Debt Service Coverage is 0.94 as of December, which is below covenant but improving

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 \$76.5 million. Days in Net A/R excluding supplemental government programs are 56.7, a decrease of 3.6 days from the prior month. Uncompensated Care increased by \$2.7 million to \$9.4 million for the month.

Revenue Cycle – Key Performance Indicators (KPIs)

Key Performance Indicators (KPI)	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	Target
Total Net A/R (\$) ¹	\$ 138,245,508	\$ 135,609,856	\$ 129,039,121	\$ 119,687,568	\$ 121,665,415	\$ 115,367,571	
Net Days in A/R (Days) ²	67.7	66.6	62.1	59.9	60.3	56.7	55.0
% AR > 90 Days	38.8%	39.4%	38.5%	38.8%	43.5%	44.4%	22.5%
% of Avoidable Denial Write-Offs	1.3%	1.6%	2.1%	2.1%	2.1%	2.1%	2.1%
Net Revenue Yield	104.3%	106.1%	111.8%	112.9%	111.6%	108.0%	98.0%

¹ 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.

² 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 Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance	Actual Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance
Key Volumes										
Discharges - Total	2,381	2,172	9.6%	2,284	4.3%	14,009	12,451	12.5%	12,757	9.8%
Acute - General	2,343	2,123	10.4%	2,246	4.3%	13,778	12,177	13.2%	12,535	9.9%
The Villas at Poway	38	49	(22.2%)	38	0.0%	231	274	(15.7%)	222	4.1%
Patient Days - Total	12,694	12,439	2.1%	12,306	3.2%	72,142	70,152	2.8%	69,963	3.1%
Acute - General	9,915	9,105	8.9%	9,600	3.3%	56,543	51,397	10.0%	53,718	5.3%
The Villas at Poway	2,779	3,333	(16.6%)	2,706	2.7%	15,599	18,754	(16.8%)	16,245	(4.0%)
Acute Adjusted Discharges	3,750	3,583	4.7%	3,532	6.2%	22,222	20,349	9.2%	20,059	10.8%
Total Adjusted Discharges*	3,794	3,446	10.1%	3,575	6.1%	22,491	19,761	13.8%	20,316	10.7%
Acute Adjusted Patient Days	15,869	14,568	8.9%	15,095	5.1%	91,158	82,233	10.9%	85,946	6.1%
Total Adjusted Patient Days*	18,648	17,901	4.2%	17,801	4.8%	106,757	100,987	5.7%	102,191	4.5%
Calendar Days	31	31	0.0%	31	0.0%	184	184	0.0%	184	0.0%
Acute Average Daily Census	320	294	8.9%	310	3.3%	307	279	10.0%	292	5.3%
Total Average Daily Census*	409	401	2.1%	397	3.2%	392	381	2.8%	380	3.1%
Surgeries - Total	902	907	(0.6%)	924	(2.4%)	5,437	5,523	(1.6%)	5,625	(3.3%)
Inpatient	519	522	(0.6%)	519	0.0%	3,041	3,095	(1.7%)	3,077	(1.2%)
Outpatient	383	385	(0.6%)	405	(5.4%)	2,396	2,428	(1.3%)	2,548	(6.0%)
Deliveries	258	308	(16.3%)	301	(14.3%)	1,636	1,847	(11.4%)	1,803	(9.3%)
ER Visits (Includes Trauma) - Total	11,013	11,026	(0.1%)	10,993	0.2%	60,876	61,963	(1.8%)	61,795	(1.5%)
Inpatient	1,970	1,891	4.2%	1,786	10.3%	10,977	10,413	5.4%	9,838	11.6%
Outpatient	9,043	9,135	(1.0%)	9,207	(1.8%)	49,899	51,550	(3.2%)	51,957	(4.0%)

Month

Year to Date

	Actual Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance	Actual Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance
Cardiac Cath RVUs	1,082	894	21.0%	909	19.0%	6,734	6,175	9.1%	6,314	6.7%
Escondido Interv. Radiology RVUs	1,005	1,012	(0.7%)	1,013	(0.8%)	5,252	5,836	(10.0%)	5,844	(10.1%)
Poway Interv. Radiology RVUs	336	283	18.6%	267	26.1%	1,787	1,684	6.1%	1,566	14.1%
Radiation Oncology RVUs	3,358	3,482	(3.6%)	2,539	32.3%	19,539	20,668	(5.5%)	18,350	6.5%
Infusion Therapy Hours	1,033	1,113	(7.2%)	807	28.0%	6,190	6,608	(6.3%)	5,658	9.4%
Imaging										
Escondido CAT Procedures	9,976	9,635	3.5%	9,280	7.5%	60,149	56,032	7.4%	53,967	11.5%
Poway CAT Procedures	2,885	2,987	(3.4%)	2,906	(0.7%)	17,107	15,920	7.5%	15,494	10.4%
Escondido MRI Procedures	577	492	17.4%	464	24.4%	3,277	2,915	12.4%	2,764	18.6%
Poway MRI Procedures	136	137	(1.1%)	138	(1.5%)	857	804	6.6%	816	5.0%
Escondido Diagnostic Rad. Procedures	7,066	7,212	(2.0%)	7,275	(2.9%)	41,937	41,558	0.9%	41,916	0.1%
Poway Diagnostic Rad. Procedures	2,292	2,504	(8.5%)	2,508	(8.6%)	13,221	13,272	(0.4%)	13,291	(0.5%)
*Includes The Villas at Poway										

Month

Year to Date

Key Statistics

	Actual Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance	Actual Dec-25	Budget Dec-25	Budget Variance	Prior Year Dec-24	Prior Year Variance
Acute Average LOS - Days	4.23	4.29	1.4%	4.27	1.0%	4.10	4.22	2.9%	4.29	4.4%
Acute - General	4.23	4.29	1.4%	4.27	1.0%	4.10	4.22	2.9%	4.29	4.4%
Acute Behavioral Health	0.00	0.00	0.0%	0.00	0.0%	0.00	0.00	0.0%	0.00	0.0%
Average Observation Hours	27	26	(2.6%)	26	(2.5%)	27	28	2.0%	28	2.0%
Acute Case Mix - Excludes Deliveries	1.68	1.66	(1.5%)	1.66	(1.5%)	1.66	1.72	3.5%	1.72	3.6%
Acute Case Mix -Medicare Only	1.74	1.61	(8.0%)	1.61	(7.4%)	1.66	1.70	2.3%	1.70	2.4%
Labor Productivity by Hrs						99.7%			97.7%	(2.0%)
Days Cash on Hand						20.4			27.1	32.8%

Financial Performance

Operating Income	3,302,938	200,000	3,102,938	(5,640,429)	(2)	5,303,039	(6,300,000)	11,603,039	(36,722,402)	(1)
Net Income	362,306	(2,233,310)	2,595,616	(8,229,853)	(1)	(8,185,904)	(20,948,953)	12,763,049	(50,270,489)	(1)
Oper. Expenses/Adj. Patient Days	3,754	3,814	(1.6%)	4,014	(6.5%)	3,171	3,983	(20.4%)	4,059	(21.9%)
EBIDA Margin-Excludes PHMG	14.5%	11.3%	3.2%	5.3%	9.2%	12.8%	9.9%	2.9%	4.0%	8.8%
EBIDA-Excludes PHMG	11,309,197	8,285,029	3,024,168	3,772,694	2	56,857,004	42,161,078	14,695,926	16,538,251	2

Income Statement for the Fiscal Period
Excludes PHMG

	<u>Actual</u> <u>Dec 25</u>	<u>Budget</u> <u>Dec 25</u>	<u>Variance</u> <u>Dec 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>
Adjusted Patient Days	18,648	17,901	747					
Adjusted Discharges	3,794	3,446	348					
Operating Revenue								
Gross revenue	533,503,706	506,470,205	27,033,501	21,124,610	5,908,891	28,609.16	28,292.30	316.86
Deductions from revenue	(456,296,739)	(434,456,097)	(21,840,642)	(18,120,939)	(3,719,703)	(24,468.94)	(24,269.47)	(199.47)
Net patient revenue	77,206,967	72,014,108	5,192,859	3,003,671	2,189,188	4,140.23	4,022.83	117.40
Other operating revenue	911,580	1,159,790	(248,210)	48,374	(296,584)	48.88	64.79	(15.90)
Total net revenue	78,118,547	73,173,898	4,944,649	3,052,045	1,892,604	4,189.11	4,087.62	101.49
Operating Expenses								
Salaries, wages & contract labor	32,145,253	31,339,970	(805,283)	(1,307,174)	501,891	1,723.79	1,750.70	26.91
Benefits	7,443,724	8,020,188	576,464	(334,518)	910,982	399.17	448.02	48.85
Supplies	11,595,507	10,910,938	(684,569)	(455,090)	(229,479)	621.81	609.50	(12.31)
Prof fees & purch svcs	14,491,529	14,459,485	(32,044)	(603,098)	571,054	777.11	807.73	30.62
Depreciation & amortization	4,820,157	4,703,549	(116,608)	(196,183)	79,575	258.48	262.75	4.27
Other	4,319,439	3,539,768	(779,671)	(147,642)	(632,029)	231.63	197.74	(33.89)
Total expenses	74,815,609	72,973,898	(1,841,711)	(3,043,703)	1,201,992	4,011.99	4,076.45	64.46
Income from operations	3,302,938	200,000	3,102,938	8,342	3,094,596	177.12	11.17	37.03
Non-operating revenue (expense)								
Property tax revenues ¹	2,141,666	2,141,667	(1)					
Investment Income	1,427,360	1,176,843	250,517					
Interest Expense	(4,647,935)	(4,335,990)	(311,945)					
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	-					
Other non-operating revenue(expense)	(382,923)	62,970	(445,893)					
Net income(loss) ²	362,306	(2,233,310)	2,595,616					

EBIDA Margin 14.5% 11.3% 3.2%

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

2= Excludes G.O. Bonds income / expense

Income Statement for the Fiscal Year to Date
Excludes PHMG

	<u>Actual</u> <u>Dec 25</u>	<u>Budget</u> <u>Dec 25</u>	<u>Variance</u> <u>Dec 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>
Adjusted Patient Days	106,757	100,987	5,770					
Adjusted Discharges	22,491	19,761	2,730					
Operating Revenue								
Gross revenue	3,079,793,224	2,932,291,603	147,501,621	167,524,288	(20,022,667)	28,848.63	29,036.18	(187.55)
Deductions from revenue	(2,642,671,843)	(2,515,094,116)	(127,577,726)	(143,689,445)	16,111,718	(24,754.08)	(24,905.00)	150.92
Net patient revenue	437,121,381	417,197,487	19,923,895	23,834,844	(3,910,950)	4,094.55	4,131.18	(36.63)
Other operating revenue	5,792,333	6,958,740	(1,166,407)	397,559	(1,563,966)	54.26	68.91	(14.65)
Total net revenue	442,913,714	424,156,227	18,757,488	24,232,402	(5,474,915)	4,148.80	4,200.09	(51.28)
Operating Expenses								
Salaries, wages & contract labor	189,037,276	182,030,773	(7,006,504)	(10,399,571)	3,393,068	1,770.72	1,802.51	31.78
Benefits	43,302,113	47,714,312	4,412,199	(2,725,959)	7,138,158	405.61	472.48	66.86
Supplies	65,459,668	64,771,904	(687,764)	(3,700,473)	3,012,709	613.17	641.39	28.22
Prof fees & purch svcs	88,535,124	86,526,159	(2,008,965)	(4,943,312)	2,934,347	829.31	856.80	27.49
Depreciation & amortization	29,117,255	28,221,291	(895,964)	(1,612,306)	716,342	272.74	279.45	6.71
Other	22,159,239	21,191,790	(967,449)	(1,210,705)	243,256	207.57	209.85	2.28
Total expenses	437,610,675	430,456,229	(7,154,447)	(24,592,327)	17,437,881	4,099.13	4,262.47	163.34
Income from operations	5,303,039	(6,300,002)	11,603,041	(359,924)	11,962,965	49.67	(62.38)	(214.63)
Non-operating revenue (expense)								
Property tax revenues ¹	12,849,996	12,850,000	(4)					
Investment Income	8,181,876	7,061,062	1,120,814					
Interest Expense	(27,052,852)	(26,015,939)	(1,036,913)					
Non-operating depreciation & amortization	(8,872,801)	(8,872,800)	(1)					
Other non-operating revenue(expense)	1,404,838	328,725	1,076,113					
Net income(loss) ²	(8,185,904)	(20,948,954)	12,763,050					

EBIDA Margin 12.8% 9.9% 2.9%

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

2= Excludes G.O. Bonds income / expense

Income Statement for the Current Year versus Prior Year
Excludes PHMG

	<u>Actual</u> <u>Dec 25</u>	<u>Prior Year</u> <u>Dec 24</u>	<u>Variance</u> <u>Dec 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>
Adjusted Patient Days	106,757	102,191	4,566					
Adjusted Discharges	22,491	20,316	2,175					
Operating Revenue								
Gross revenue	3,079,793,224	2,858,475,170	221,318,054	127,719,639	93,598,415	28,848.63	27,971.89	876.74
Deductions from revenue	(2,642,671,843)	(2,454,884,564)	(187,787,278)	(109,686,792)	(78,100,487)	(24,754.08)	(24,022.51)	(731.57)
Net patient revenue	437,121,381	403,590,606	33,530,776	18,032,847	15,497,928	4,094.55	3,949.38	145.17
Other operating revenue	5,792,333	5,794,858	(2,523)	258,920	(261,445)	54.26	56.71	(2.45)
Total net revenue	442,913,714	409,385,464	33,528,253	18,291,768	15,236,482	4,148.80	4,006.08	142.72
Operating Expenses								
Salaries, wages & contract labor	189,037,276	189,785,706	748,429	(8,479,822)	9,228,252	1,770.72	1,857.17	86.44
Benefits	43,302,113	50,362,359	7,060,246	(2,250,242)	9,310,488	405.61	492.83	87.21
Supplies	65,459,668	62,012,191	(3,447,477)	(2,770,769)	(676,708)	613.17	606.83	(6.34)
Prof fees & purch svcs	88,535,124	95,378,432	6,843,308	(4,261,607)	11,104,915	829.31	933.33	104.02
Depreciation & amortization	29,117,255	31,271,696	2,154,441	(1,397,252)	3,551,693	272.74	306.01	33.27
Other	22,159,239	17,297,479	(4,861,759)	(772,869)	(4,088,891)	207.57	169.27	(38.30)
Total expenses	437,610,675	446,107,863	8,497,188	(19,932,563)	28,429,751	4,099.13	4,365.43	266.30
Income from operations	5,303,039	(36,722,399)	42,025,438	(1,640,795)	43,666,233	49.67	(359.35)	(123.58)
Non-operating revenue (expense)								
Property tax revenues ¹	12,849,996	12,750,000	99,996					
Investment Income	8,181,876	7,380,669	801,207					
Interest Expense	(27,052,852)	(26,666,165)	(386,687)					
Non-operating depreciation & amortization	(8,872,801)	(8,870,879)	(1,922)					
Other non-operating revenue(expense)	1,404,838	1,858,288	(453,450)					
Net income(loss) ²	(8,185,904)	(50,270,486)	42,084,582					

EBIDA Margin 12.8% 4.0% 8.8%

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

2= Excludes G.O. Bonds income / expense

Income Statement for the Current Year Trend
Excludes PHMG

	<u>Jul 25</u>	<u>Aug 25</u>	<u>Sep 25</u>	<u>Oct 25</u>	<u>Nov 25</u>	<u>Dec 25</u>	<u>Fiscal Year 2026</u>
Adjusted Patient Days	17,851	17,948	16,940	17,962	17,408	18,648	106,757
Adjusted Discharges	3,734	3,988	3,785	3,818	3,372	3,794	22,491
Operating Revenue							
Gross revenue	514,243,464	500,282,001	512,535,349	526,244,883	492,983,821	533,503,706	3,079,793,224
Deductions from revenue	(441,255,169)	(428,250,221)	(440,133,502)	(456,700,924)	(420,035,285)	(456,296,740)	(2,642,671,841)
Net patient revenue	72,988,295	72,031,780	72,401,847	69,543,959	72,948,536	77,206,966	437,121,383
Other operating revenue	864,100	946,365	1,049,479	945,491	1,075,318	911,580	5,792,331
Total net revenue	73,852,396	72,978,145	73,451,326	70,489,450	74,023,854	78,118,546	442,913,714
Operating Expenses							
Salaries, wages & contract labor	31,865,141	31,104,110	30,920,004	31,790,235	31,212,533	32,145,253	189,037,275
Benefits	7,366,292	6,306,806	7,513,675	7,427,821	7,243,795	7,443,724	43,302,114
Supplies	11,103,543	10,692,013	10,734,391	11,238,958	10,095,256	11,595,507	65,459,668
Prof fees & purch svcs	13,799,753	14,509,520	15,262,239	14,915,537	15,556,548	14,491,529	88,535,124
Depreciation & amortization	4,843,923	4,776,143	4,866,590	4,975,598	4,834,844	4,820,157	29,117,253
Other	2,794,212	4,173,848	3,396,570	3,367,857	4,107,312	4,319,439	22,159,241
Total expenses	71,772,864	71,562,440	72,693,470	73,716,005	73,050,288	74,815,609	437,610,677
Income from operations	2,079,532	1,415,705	757,856	(3,226,555)	973,566	3,302,937	5,303,037
Non-operating revenue (expense)							
Property tax revenues ¹	2,141,666	2,141,666	2,141,666	2,141,666	2,141,666	2,141,666	12,849,996
Investment Income	1,263,898	1,124,368	1,174,237	1,159,725	2,032,287	1,427,360	8,181,875
Interest Expense	(4,435,614)	(4,465,415)	(4,458,852)	(4,462,078)	(4,582,958)	(4,647,935)	(27,052,855)
Non-operating depreciation & amortization	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(1,478,800)	(8,872,802)
Other non-operating revenue(expense)	759,733	541,399	342,659	206,005	(62,034)	(382,923)	1,404,841
Net income(loss) ²	330,414	(721,077)	(1,521,235)	(5,660,037)	(976,273)	362,306	(8,185,908)
 EBIDA Margin	 15.0%	 13.7%	 12.6%	 7.5%	 13.4%	 14.5%	 12.8%

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

	Current Fiscal Year			Prior Fiscal Year
Assets	Oct-25	Nov-25	Dec-25	Jun-25
Current Assets				
Cash and cash equivalents	32,610,582	13,829,562	26,600,919	15,000,751
Investments	30,685,605	21,740,862	18,740,842	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	63,296,187	35,570,424	45,341,761	43,464,492
Patient Accounts Receivable	470,087,042	464,592,746	446,841,630	504,133,063
Allowance on accounts	(350,399,474)	(342,927,330)	(331,474,059)	(360,699,498)
Net accounts receivable	119,687,568	121,665,415	115,367,571	143,433,565
Inventories	12,120,439	12,061,648	12,051,424	12,194,024
Prepaid expenses	8,246,858	7,972,932	8,253,751	8,309,163
Est. third party settlements	119,056,466	154,794,861	156,804,676	95,529,680
Other	82,365,041	79,238,494	72,899,000	71,655,917
Total current assets	404,772,559	411,303,774	410,718,183	374,586,840
Non-Current Assets				
Restricted assets	86,968,788	90,301,663	91,062,562	87,348,717
Restricted other	357,973	358,039	358,104	357,688
Total restricted assets	87,326,761	90,659,702	91,420,666	87,706,405
Property, plant & equipment	1,594,320,807	1,594,372,659	1,563,653,584	1,593,114,786
Accumulated depreciation	(700,519,720)	(703,846,545)	(680,919,706)	(686,328,663)
Construction in process	40,395,599	40,501,598	45,174,684	39,167,673
Net property, plant & equipment	934,196,685	931,027,711	927,908,562	945,953,795
Right of Use Assets				
Building leases	271,474,675	270,135,154	268,795,633	276,832,758
Sub-leases	199,928	192,571	187,633	234,948
Equipment leases	17,662,097	17,020,796	16,379,495	18,084,940
SBITA	13,348,640	12,664,294	11,991,446	16,006,107
Net right of use assets	302,685,339	300,012,814	297,354,208	311,158,754
Investment related companies	5,900,035	7,284,261	6,547,003	5,718,913
Prepaid debt insurance costs	6,882,401	6,856,462	6,830,524	6,986,297
Other non-current assets	65,031,845	64,738,965	64,947,659	66,188,501
Total non-current assets	1,402,023,065	1,400,579,915	1,395,008,621	1,423,712,664
Total assets	1,806,795,624	1,811,883,689	1,805,726,804	1,798,299,504
Deferred outflow of resources-loss on refunding of debt	41,031,082	40,813,167	40,595,253	41,902,741
Total assets and deferred outflow of resources	1,847,826,706	1,852,696,856	1,846,322,057	1,840,202,245

	Current Fiscal Year			Prior Fiscal Year
Liabilities	Oct-25	Nov-25	Dec-25	Jun-25
Current Liabilities				
Accounts payable	106,418,419	106,777,768	98,390,028	94,240,154
Accrued payroll	35,614,386	39,150,537	39,238,025	49,881,621
Accrued PTO	24,768,858	24,672,380	24,439,893	23,828,506
Accrued interest payable	19,746,423	5,451,191	8,812,649	7,842,158
Current portion of bonds	8,925,000	9,365,000	9,365,000	8,925,000
Current portion of lease liab	21,835,269	21,756,699	21,706,739	21,510,594
Est. third party settlements	8,593,099	8,235,649	8,235,649	8,593,099
Other current liabilities	153,663,550	158,032,317	208,643,530	147,853,726
Total current liabilities	379,565,005	373,441,540	418,831,514	362,674,858
Long Term Liabilities				
Other LT liabilities	45,779,250	74,835,123	24,813,218	27,444,646
Bonds & contracts payable	712,308,973	702,721,398	702,498,822	713,199,799
Lease liabilities	322,382,524	320,731,288	319,126,038	327,879,779
Total long term liabilities	1,080,470,747	1,098,287,808	1,046,438,078	1,068,524,225
Total liabilities	1,460,035,752	1,471,729,348	1,465,269,592	1,431,199,083
Deferred inflow of resources- unearned revenue	7,029,127	6,895,276	6,844,759	6,547,471
Total liabilities and deferred inflow of resources	1,467,064,879	1,478,624,625	1,472,114,350	1,437,746,554
Net Position				
Unrestricted	380,403,854	373,714,193	373,849,603	402,098,003
Restricted for other purpose	357,973	358,039	358,104	357,688
Total net position	380,761,827	374,072,232	374,207,707	402,455,691
Total liabilities, deferred inflow of resources and net position	1,847,826,706	1,852,696,856	1,846,322,057	1,840,202,245

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

Assets	Current Fiscal Year			Prior Fiscal Year
	Oct-25	Nov-25	Dec-25	Jun-25
Current Assets				
Cash and cash equivalents	32,610,582	13,829,562	26,600,919	15,000,751
Investments	30,685,605	21,740,862	18,740,842	28,463,741
Board Designated	-	-	-	-
Total cash, cash equivalents & investments	63,296,187	35,570,424	45,341,761	43,464,492
Patient Accounts Receivable	470,087,042	464,592,746	446,841,630	504,133,063
Allowance on accounts	(350,399,474)	(342,927,330)	(331,474,059)	(360,699,498)
Net accounts receivable	119,687,568	121,665,415	115,367,571	143,433,565
Inventories	12,120,439	12,061,648	12,051,424	12,194,024
Prepaid expenses	8,246,858	7,972,932	8,253,751	8,309,163
Est. third party settlements	119,056,466	154,794,861	156,804,676	95,529,680
Other	97,451,957	94,778,253	77,357,049	71,777,188
Total current assets	419,859,475	426,843,533	415,176,232	374,708,111
Non-Current Assets				
Restricted assets	130,474,536	137,624,565	153,732,056	163,601,420
Restricted other	357,973	358,039	358,104	357,688
Total restricted assets	130,832,509	137,982,604	154,090,160	163,959,108
Property, plant & equipment	1,594,320,807	1,594,372,659	1,563,653,584	1,593,114,786
Accumulated depreciation	(700,519,720)	(703,846,545)	(680,919,706)	(686,328,663)
Construction in process	40,395,599	40,501,598	45,174,684	39,167,673
Net property, plant & equipment	934,196,685	931,027,711	927,908,562	945,953,795
Right of Use Assets				
Building leases	271,474,675	270,135,154	268,795,633	276,832,758
Sub-leases	199,928	192,571	187,633	234,948
Equipment leases	17,662,097	17,020,796	16,379,495	18,809,028
SBITA	13,348,640	12,664,294	11,991,446	16,226,190
Net right of use assets	302,685,339	300,012,814	297,354,208	312,102,924
Investment related companies	5,900,035	7,284,261	6,547,003	5,718,913
Prepaid debt insurance and other costs	7,985,214	7,947,622	7,910,031	8,136,372
Other non-current assets	65,031,845	64,738,965	64,947,659	66,188,501
Total non-current assets	1,446,631,626	1,448,993,977	1,458,757,622	1,502,059,614
Total assets	1,866,491,101	1,875,837,510	1,873,933,854	1,876,767,725
Deferred outflow of resources-loss on refunding of debt	43,335,080	43,099,305	42,863,530	44,278,181
Total assets and deferred outflow of resources	1,909,826,181	1,918,936,815	1,916,797,385	1,921,045,905

Liabilities	Current Fiscal Year			Prior Fiscal Year
	Oct-25	Nov-25	Dec-25	Jun-25
Current Liabilities				
Accounts payable	106,419,419	106,778,293	98,391,053	94,240,154
Accrued payroll	35,614,386	39,150,537	39,238,025	49,712,808
Accrued PTO	24,768,858	24,672,380	24,439,893	23,828,506
Accrued interest payable	29,561,010	18,537,307	25,170,294	29,905,711
Current portion of bonds	19,731,216	20,171,216	20,171,216	19,081,756
Current portion of lease liab	21,835,269	21,756,699	21,706,739	21,878,270
Est. third party settlements	8,593,099	8,235,649	8,235,649	8,593,099
Other current liabilities	89,942,569	94,916,938	145,048,185	81,698,710
Total current liabilities	336,465,826	334,219,017	382,401,054	328,939,015
Long Term Liabilities				
Other LT liabilities	45,779,250	74,835,123	24,813,218	27,444,646
Bonds & contracts payable	1,327,248,651	1,317,314,884	1,316,746,118	1,340,117,039
Lease liabilities	322,382,524	320,731,288	319,126,038	328,471,724
Total long term liabilities	1,695,410,425	1,712,881,295	1,660,685,374	1,696,033,409
Total liabilities	2,031,876,251	2,047,100,312	2,043,086,428	2,024,972,424
Deferred inflow of resources-unearned revenue	70,750,108	70,010,656	70,440,104	72,791,253
Total liabilities and deferred inflow of resources	2,102,626,359	2,117,110,968	2,113,526,531	2,097,763,677
Net Position				
Unrestricted	(193,158,151)	(198,532,191)	(197,087,252)	(177,075,460)
Restricted for other purpose	357,973	358,039	358,104	357,688
Total net position	(192,800,178)	(198,174,152)	(196,729,148)	(176,717,772)
Total liabilities, deferred inflow of resources and net position	1,909,826,181	1,918,936,815	1,916,797,385	1,921,045,905

	Dec-25	YTD
CASH FLOWS FROM OPERATING ACTIVITIES:		
Income (Loss) from operations	3,302,938	5,308,533
Adjustments to reconcile change in net assets to net cash provided from operating activities:		
Depreciation Expense	4,820,157	29,117,255
Provision for bad debts	5,988,412	37,624,655
Changes in operating assets and liabilities:		
Patient accounts receivable	309,433	(9,558,661)
Property Tax and other receivables	1,260,760	1,258,278
Inventories	10,224	142,600
Prepaid expenses and other current assets	(823,464)	(1,882,670)
Accounts payable	(8,387,240)	4,150,899
Accrued compensation	(144,999)	(10,032,211)
Estimated settlement amounts due third-party payors	(2,009,815)	(61,632,446)
Other liabilities	50,200,383	64,536,273
Net cash provided from (used by) operating activities	54,526,789	59,032,506
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net (purchases) sales of investments	(13,107,536)	19,591,847
Income (Loss) on investments	1,558,908	9,217,440
Investment in affiliates	(66,363)	(22,073,443)
Net cash provided from (used by) investing activities	(11,614,991)	6,735,844
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Receipt of G.O. Bond Taxes	15,215,044	20,659,509
Receipt of District Taxes	7,331,201	11,013,446
Net cash provided from non-capital financing activities	22,546,245	31,672,956
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds on asset sale	(23,825)	(22,923)
Acquisition of property plant and equipment	(545,199)	(3,653,943)
G.O. Bond Interest paid	0	(25,121,525)
Revenue Bond Interest paid	0	(17,581,585)
ROU Interest paid	(3,253,443)	(9,685,232)
Proceeds (Payments) of Long Term Debt	(50,000,000)	(21,581,756)
Payments of Long Term Lease Liabilities	1,135,782	(8,194,173)
Net cash provided from (used by) capital and related financing activities	(52,686,686)	(85,841,137)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,771,358	11,600,168
CASH AND CASH EQUIVALENTS - Beginning of period	13,829,562	15,000,751
CASH AND CASH EQUIVALENTS - End of period	26,600,919	26,600,919

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 December 31, 2025

	Palomar Health	PHMG	PAC	NCRE	SANDEMA	Eliminations	Total
ASSETS							
Current assets	482,818,335	39,051,320	-	183,968	2,387,484	(62,062,874)	462,378,233
Capital assets - net	927,908,562	6,039,878	-	868,948	-	-	934,817,388
Right of use assets - net	297,354,208	24,906,716	-	-	-	(17,095,301)	305,165,622
Non-current assets	165,852,750	2,036,693	-	-	-	-	167,889,443
Total assets	1,873,933,855	72,034,607	-	1,052,916	2,387,484	(79,158,174)	1,870,250,687
Deferred outflow of resources	42,863,530	-	-	-	-	-	42,863,530
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	1,916,797,385	72,034,607	-	1,052,916	2,387,484	(79,158,174)	1,913,114,217
LIABILITIES AND NET POSITION							
Current liabilities	344,246,324	102,065,821	-	1,747,475	371,034	(64,749,625.10)	383,681,025
Long-term liabilities	1,358,761,095	0	-	-	-	-	1,358,761,095
Right of use lease liabilities	319,126,038	21,668,013	-	-	-	(15,507,604)	325,286,447
Total liabilities	2,022,133,457	123,733,834	-	1,747,475	371,034	(80,257,229)	2,067,728,567
Deferred inflow of resources - deferred revenue	91,393,074	-	-	-	-	-	91,393,074
Total liabilities and deferred inflow of resources	2,113,526,531	123,733,834	-	1,747,475	371,034	(80,257,229)	2,159,121,641
Invested in capital assets - net of related debt	(325,678,243)	4,261,466	-	1,660,879	-	1,099,054	(318,656,844)
Restricted	45,947,077	-	-	-	-	-	45,947,077
Unrestricted	83,002,018	(55,960,693)	(0)	(2,355,438)	2,016,451	-	26,702,341
Total net position	(196,729,148)	(51,699,227)	(0)	(694,559)	2,016,451	1,099,054	(246,007,425)
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	1,916,797,385	72,034,607	(0)	1,052,916	2,387,484	(79,158,174)	1,913,114,217

Note: Financial Performance includes GO Bonds
Financial Performance excludes PHMG

Condensed Combining Statement of Revenue, Expenses, and Changes in Net Position
For the Fiscal Year-to-Date Ended December 31, 2025

	Palomar Health	PHMG	PAC	NCRE	SANDEMA	Elimination	YTD Consolidated
OPERATING REVENUE:							
Net patient service revenue	397,514,230	39,792,539	-	-	-	-	437,306,769
Shared risk revenue	39,607,152	7,572,905	-	-	-	-	47,180,057
Other revenue	5,792,333	231,940	-	2,990,496	9,890,393	(274,294)	18,630,868
PH Program revenue	-	14,892,133	-	-	-	(14,892,133)	-
Total operating revenue	442,913,715	62,489,517	-	2,990,496	9,890,393	(15,166,427)	503,117,694
OPERATING EXPENSES	408,493,419	94,241,593	3,935,535	3,656,330	8,468,944	(15,166,427)	503,629,393
DEPRECIATION AND AMORTIZATION	29,117,255	2,283,501	-	-	-	-	31,400,756
Total operating expenses	437,610,674	96,525,094	3,935,535	3,656,330	8,468,944	(15,166,427)	535,030,149
INCOME (LOSS) FROM OPERATIONS	5,303,041	(34,035,577)	(3,935,535)	(665,834)	1,421,449	-	(31,912,456)
NON-OPERATING INCOME (EXPENSE):							
Investment income	9,217,437	3,540,375	-	-	-	-	12,757,812
Interest expense	(44,791,151)	(39,856)	-	-	-	-	(44,831,007)
Property tax revenue	37,649,996	-	-	-	-	-	37,649,996
Other - net	(7,289,270)	(42,016)	-	296,065	(739,332)	1,400,583	(6,373,970)
Total non-operating expense - net	(5,212,988)	3,458,503	-	296,065	(739,332)	1,400,583	(797,169)
CHANGE IN NET POSITION	90,053	(30,577,074)	(3,935,535)	(369,769)	682,117	1,400,583	(32,709,624)
Interfund - PHMG	(20,101,428)	21,350,542	-	-	-	-	1,249,114
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				-	-		
Effect of adopting GASB 87		-	-			-	-
NET POSITION - Beginning of year	(176,717,770)	(42,472,695)	3,935,535	(324,790)	1,334,334	(301,529)	(214,546,915)
NET POSITION - Year to date	(196,729,148)	(51,699,227)	(0)	(694,559)	2,016,451	1,099,054	(246,007,425)
EBIDA							52,394,939
EBIDA Margin							10.4%

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

Assets

Current Assets

Cash and cash equivalents	\$	34,217,238
Investments		18,740,842
Patient accounts receivable - net of allowances for uncollectible accounts of \$24,924		130,324,750
Other receivables		30,855,370
Supplies and inventories		12,642,336
Prepaid expenses and other		11,150,918
Estimated third-party payor settlements receivable		156,804,676
Assets whose use is limited - current portion		4,972,609
Restricted cash and investments, current		62,669,494

Total current assets 462,378,233

Restricted Noncurrent Cash and Investments

Held by trustee under indenture agreements		90,327,006
Held by trustee under general obligation bonds indenture		62,669,494
Held in escrow for street improvements		735,556
Restricted by donor and other		358,104

Total restricted cash and investments 154,090,160

Less amounts required to meet current obligations 67,642,103

Total restricted noncurrent cash and investments 86,448,057

Capital Assets - net 934,817,388

Right of Use Assets - Net 305,165,622

Other Assets

Prepaid debt insurance costs		7,910,031
Investment in and amounts due from affiliated entities		7,013,300
Other		66,518,055

Total other assets 81,441,386

Total assets 1,870,250,687

Deferred outflow of resources - loss on refunding of debt 42,863,530

Total Assets and Deferred Outflow of Resources \$ 1,913,114,217

Liabilities

Current Liabilities

Accounts payable	109,095,507
Accrued compensation and related liabilities	58,027,752
Current portion of general obligation bonds	10,806,216
Current portion of long-term debt	59,397,291
Current portion of lease liabilities	24,037,102
Estimated third-party payor settlements	-
Other accrued liabilities	97,104,014
Accrued interest payable	23,800,779
Accrued interest payable-ROU's	1,412,364

Total current liabilities 383,681,025

Workers' compensation - net of current portion 8,966,110

Long-term debt - general obligation bonds - net of current portion 614,247,296

Long-term debt - net of current portion 735,547,689

Long-term debt - Lease liability - net of current portion 325,286,447

Total liabilities 2,067,728,567

Deferred inflow of resources - unearned revenue 91,393,074

Total liabilities and deferred inflow of resources 2,159,121,641

Net Position

Net investment in capital assets	(318,656,843)
Restricted, expendable for:	
Repayment of debt	44,853,417
Capital acquisitions	735,556
Other purposes	358,104
Unrestricted	26,702,341

Total net position (246,007,425)

Total Liabilities, Deferred Inflow of Resources, and Net Position \$ 1,913,114,217

Condensed Combining Statement of Revenue, Expenses, and Changes in Net Position
For the Fiscal Year-to-Date Ended December 31, 2025

Operating Revenue	
Patient service revenue, net of provision for uncollectible accounts of \$36,961	\$ 437,306,773
Premium revenue	
Shared risk revenue	47,180,057
Other revenue	18,630,868
	<hr/>
Total operating revenue	503,117,698
	<hr/>
Operating Expenses	
Salaries, wages, and benefits	306,631,020
Professional fees	34,488,031
Supplies	69,251,399
Purchased services	55,372,169
Depreciation and amortization	31,400,757
Rent expense	10,707,398
Utilities	5,103,861
Other	22,075,515
	<hr/>
Total operating expenses	535,030,150
	<hr/>
Income (Loss) From Operations	(31,912,452)
	<hr/>
Non-Operating Income (Expenses)	
Investment income	12,757,812
Interest expense	(44,831,005)
Property tax revenue - unrestricted	12,849,996
Property tax revenue - restricted	24,800,000
Amortization expense	(8,872,801)
Other - net	3,747,939
	<hr/>
Total non-operating expenses - net	451,942
	<hr/>
Change in net position	(31,460,511)
	<hr/>
Net Position - Beginning of year	(214,546,915)
	<hr/>
Net Position - December 31, 2025	\$ (246,007,425)
	<hr/>

Condensed Combining Statement of Cash Flows
For the Fiscal Year-to-Date Ended December 31, 2025

Cash Balance at 12/31/25(+/-DEBIT -/CREDIT)	34,217,238
Cash Balance at 6/30/25(+/-DEBIT -/CREDIT)	22,645,150
<u>OPERATING ACTIVITIES:</u>	
Income (Loss) from Operations	(31,912,456)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	-
(Gain)/Loss on write off of PAM-SD	-
Depreciation and amortization	23,280,695
Amortization of lease right-of-use asset	11,907,827
Amortization of SBITA	5,083,847
Provision for bad debts	36,960,552
Equity in Earnings of Affiliates	(643,206)
(Gain)/Loss on disposal of fixed assets	22,725
Changes in Assets and Liabilities	
Patient accounts receivable	(4,865,542)
Other receivables	620,327
Inventories	227,894
Prepaid expenses and other current assets	(221,980)
Estimated settlement amounts due third-party payors	(61,632,446)
Accounts payable	14,608,516
Accrued Compensation and Other Liabilities	(9,923,091)
Other accrued liabilities	12,373,456
Deferred Revenue	(3,147,391)
Other net	447,631
Net cash provided by (used in) operating activities	(6,812,643)
<u>INVESTING ACTIVITIES:</u>	
Purchases of investments	(94,397,843)
Proceeds on Sale of Investments	117,235,921
Income received on investments	9,511,580
Receipt of Payment on Loans Receivable	-
Other	-
Net cash provided by (used in) investing activities	32,349,658
<u>FINANCING ACTIVITIES:</u>	
Acquisition of Fixed Assets	(10,646,621)
Proceeds on the sale of fixed assets	(22,725)
Other Misc. Receipts	(7,264,834)
Receipt of district taxes - G.O. Bonds	24,800,000
Payments on long-term debt	(21,756,536)
Payment on lease liabilities	(10,911,071)
Deferred Financing Costs	-
Interest Paid	(43,357,550)
Interest Paid Lease Obligations	(7,767,588)
Proceeds on LOC	50,000,000
Financing Activities - Other	111,996
Net cash provided by (used in) financing activities	(26,814,928)
C.F.'s from Non-Capital Financing:	
Receipt of District Taxes	12,849,996
Other Financing	-

Days Cash on Hand Ratio Covenant		December 31, 2025 Consolidated
Cash and Cash Equivalents		52,075,651
Divide Total by Average Adjusted Expenses per Day		
Total Expenses		535,030,150
Less: Depreciation		31,400,757
Adjusted Expenses		503,629,393
Number of days in period		184
Average Adjusted Expenses per Day		2,737,116
Days Cash on Hand		19.0
REQUIREMENT		65
Debt Service Coverage Ratio Covenant		December 31, 2025 Consolidated
Excess of revenues over expenses		(40,985,574)
REVERSE:		
Depreciation and Amortization		31,400,757
Depreciation and Amortization-NonOp		8,872,801
Interest Expense		27,092,707
Income Available for Debt Service		26,380,690
Divided by:		
Maximum Annual Debt Service (excludes GO Bonds)		28,145,178
Debt Service Coverage Ratio		0.94
REQUIREMENT		1.15
		NOT ACHIEVED

NOTE: Pre-audit results shown

ADDENDUM C

RESOLUTION NO. 02.09.26(01)-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR HEALTH
PROPOSING AND CONSENTING TO AMENDMENT TO CEO EMPLOYMENT AGREEMENT**

WHEREAS, the Board of Directors of Palomar Health has reviewed that certain Employment Agreement, made and entered into by and between Diane Hansen and Palomar Health, effective September 10, 2020, and as amended thereafter;

WHEREAS, the Board of Directors, consistent with the duly-adopted CEO Compensation Policy, appointed an Ad Hoc CEO Compensation Committee;

WHEREAS, the Ad Hoc CEO Compensation Committee recommends that certain amendments be offered to Diane Hansen to be made to the Employment Agreement;

WHEREAS, that certain Employment Agreement, as amended on October 20, 2023, engages Diane Hansen as Palomar Health's President/Chief Executive Officer through and including December 31, 2027, and the Board wishes to extend her contract for four (4) years;

WHEREAS, that certain Employment Agreement, as amended on October 20, 2023, provides for Diane Hansen to earn an annual performance incentive payment ("Variable Compensation") of between ten percent (10%) and thirty percent (30%);

WHEREAS, Diane Hansen agreed to forego all future Variable Compensation, as defined in that certain Employment Agreement, for the remainder of her employment as President/Chief Executive Officer of Palomar Health;

WHEREAS, in lieu of a 20% base compensation increase, Diane Hansen proposed a five percent (5%) annual increase in her Base Salary, as defined in that certain Employment Agreement, year over year for the next four years, commencing with her Base Salary for calendar year 2026;

WHEREAS, Palomar Health and the Regents of the University of California, on behalf of the University of California, San Diego Health ("UCSD Health"), have entered into a Joint Powers Agreement dated October 31, 2025;

WHEREAS, that certain Joint Powers Agreement provides for the creation of the Palomar UCSD Health Authority to stabilize and expand health care services for the community in the Palomar Health District of North San Diego;

WHEREAS, Palomar Health's financial well-being remains challenged due to the rising costs of health care;

WHEREAS, that certain Joint Powers Agreement is but the first step in helping Palomar Health regain its financial stability;

WHEREAS, with deep appreciation to Diane Hansen for the work she has done for Palomar Health, the Board of Directors is certain that she can steward Palomar Health, under that certain Joint Powers Agreement, into financial prosperity, ensuring continuity of Palomar Health's culture and values;

WHEREAS, in further support of the District, Diane Hansen agrees to defer her 2025 Variable Compensation;

WHEREAS, Diane Hansen further agrees to defer any owed 2026 Variable Compensation;

WHEREAS, Diane Hansen agreed to fully waive her 2025 and 2026 Variable Compensation, permanently, if she continues to serve as President/Chief Executive Officer of Palomar Health, or the Joint Powers Authority, through and including December 31, 2029;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board:

(1) Orders the Chief Legal Officer to offer to Ms. Hansen an amendment to the Employment Agreement substantially in the form attached hereto as **Exhibit A**;

(2) Authorizes and orders the Chief Legal Officer to take all necessary steps in execution of the above-identified proposed amendment, including to propose any further non-substantive changes to affect the same;

(3) Authorizes and orders the Chief Legal Officer to review the Employment Agreement for consistency with the District's commitments to the creation of a Joint Powers Authority and to propose such non-compensation amendments as may be necessary to conform to said commitments;

(4) Consents to the above-identified proposed amendment to the Employment Agreement, and authorizes its signature be attached to the Amendment to Employment Agreement, through the Chair;

[SECTION INTENTIONALLY BLANK]

(5) Authorizes that such amendment be offered to Diane Hansen for her approval, such approval to be indicated by a signature on the Amendment to Employment Agreement.

PASSED AND ADOPTED by the Board of Directors of Palomar Health held on February 10, 2026, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

DATED: February 9, 2026

<i>APPROVED:</i>	<i>ATTESTED:</i>
<hr/>	<hr/>
Michael Pacheco, Chairperson Board of Directors Palomar Health	Terry Corrales, RN, Secretary Board of Directors Palomar Health

AMENDMENT to EMPLOYMENT AGREEMENT
by and between
PALOMAR HEALTH and DIANE L. HANSEN

Pursuant to section 7.4 of that certain Employment Agreement, made and entered into by and between Diane L. Hansen (“Employee”) and Palomar Health (“PH”) (collectively, the “Parties”), effective September 10, 2020 (the “Agreement”), and as amended on March 3, 2022, March 21, 2022, and October 20, 2023, the Parties wish to further amend the Agreement as described herein as of the date of last signature below (the “Amendment Effective Date”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Agreement.

Amendment

1. Section 1.1 Term is removed and replaced in its entirety as follows:

- 1.1 Term. PH engages Employee to serve as its President/Chief Executive Office and Employee agrees to serve in this capacity from January 1, 2026, through and including December 31, 2029, unless earlier terminated pursuant to the terms of this Agreement.

2. Section 3.1.1 is removed and replaced in its entirety as follows:

- 3.1.1 Base Compensation. PH agrees to pay Employee a base salary in the amount of Two Million, One Hundred Fourteen Thousand, Eight Hundred Seventy-Two and 50 Cents (\$2,114,872.50) per year (“Base Salary”) effective on the Amendment Effective Date subject to payroll deductions and withholdings required by law or authorized by Employee, payable in accordance with PH standard payroll schedule and practices. The Base Salary will be periodically increased according to the following schedule:

Effective Date	% Increase
January 1, 2026	5%
January 1, 2027	5%
January 1, 2028	5%
January 1, 2029	5%

3. Section 3.1.2, Variable Compensation, is removed and replaced in its entirety as follows:

Variable Compensation. Employee agrees to defer any Variable Compensation owed for year 2025, and to the extent applicable for year 2026, until December 31, 2029, or termination of this agreement, whichever comes first. Notwithstanding the forgoing, should Employee remain employed by PH through December 31, 2029, Employee agrees to waive any variable compensation under this section.

4. Entire Agreement. Except as set forth in this Amendment, the Agreement is unaffected and shall continue in full force and effect in accordance with its terms. If there is a conflict between this Amendment and the Agreement or any earlier Amendment, the terms of this Amendment will prevail.

5. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Each of Diane L. Hansen and Palomar Health has reviewed and executed this Amendment to Employment Agreement, which is to be effective as of the date of the last signature below.

**PH
Palomar Health**

**Employee
Diane L. Hansen**

By: _____

By: _____

**Michael Pacheco
Chair of the Board of Directors**

**Diane L. Hansen
PH President and CEO**

Date: _____

Date: _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR HEALTH TO IDENTIFY ANNUAL
EMERGENCY SERVICES READINESS TRAINING FOR STAFF OF
PALOMAR HEALTH**

WHEREAS, pursuant to Joint Commission standards, it is the responsibility of the Board of Directors of Palomar Health to identify which staff of Palomar Health must complete annual emergency management and disaster preparedness training.

- Emergency Management and Disaster Preparedness Training for all staff

ABSTAINING:

<p>APPROVED:</p> <hr/> <p>Michael Pacheco, Chair Board of Directors Palomar Health</p>	<p>ATTESTED:</p> <hr/> <p>Terry Corrales, RN, Secretary Board of Directors Palomar Health</p>
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ADDENDUM D

To: Board of Directors
From: Michael Pacheco - Chair, Board Audit & Compliance Committee
Date: Monday, February 9, 2026
Re: Audit & Compliance Committee Meeting, Friday, January 30, 2026

Member Attendance: Directors Linda Greer, RN; Abbi Jahaaski; Michael Pacheco

Action Items:

- **Audit & Compliance Committee Minutes, August 19, 2025:** The voting members reviewed and approved Audit & Compliance Committee minutes from August 19, 2025.
- **Annual Board Audit and Compliance Calendar Schedule:** The voting members reviewed and approved Board Audit and Compliance Calendar 2026 Standing Agenda Items.
- **CMS Updates:** The voting members reviewed Government Updates (Informational only)
- **Third and Fourth Quarter Hotline Report:** The voting members reviewed the Third Quarter Hotline Report (Informational only)

Closed Session

- **Closed Session:** The committee members adjourned to closed session for the remainder of the meeting.

To: Board of Directors
From: Linda Greer, RN - Chair, Board Finance Committee
Date: Monday, February 9, 2026
Re: Finance Committee Meeting, February 2, 2026

Board Member Attendance: Directors Linda Greer and Michael Pacheco

Action Items:

- **Finance Committee Minutes, December 17, 2025:** The voting members reviewed and approved Finance Committee minutes from December 17, 2025
- **November 2025 Guidehouse Update:** The voting members reviewed the November Guidehouse Update. This item was informational only
- **YTD FY2026 and November and December 2025 Financials:** The voting members reviewed and approved YTD FY2026 and November and December 2025 Financials and moved item to full Board for ratification

To: Board of Directors
From: Linda Greer, RN - Chair, Board Quality Review Committee
Date: Monday, February 9, 2026
Re: Quality Review Committee Meeting - January 28, 2026

Board Member Attendance: Directors Linda Greer; Terry Corrales; Abbi Jahaaski

Action Item(s):

- **Quality Review Committee Minutes, October 22, 2025:** The voting members reviewed and approved the Quality Review Committee minutes from October 22, 2025.
- **Approval of Contracted Services**
 - Contracted service evaluation(s) were approved
 - VitalCare
 - PharMerica
 - Linde Portable Gas Services
 - Agiliti

Annual Reports – Informational Only

- Annual Review of BQRC Charter and the 2026 Reporting Schedule

Closed Session