



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS**

AGENDA

THURSDAY, MARCH 5, 2026

REGULAR SESSION 5:00 PM

**Held in Person at Council Chambers
177 First Street West, Sonoma**

**To participate via Zoom videoconferencing, use the link below:
<https://sonomavalleyhospital-org.zoom.us/j/91962325850?from=addon>**

Meeting ID: 919 6232 5850

One tap mobile +16692192599,,91962325850#

In compliance with the Americans with Disabilities Act, the District will provide reasonable accommodations to persons with disabilities. If you require special accommodations to participate in a District meeting, please contact Whitney Reese at wreese@sonomavalleyhospital.org or 707-935-5035, at least 48 hours prior to the meeting, when possible.

MISSION STATEMENT

The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.

1. CALL TO ORDER	Wendy Lee Myatt	Inform	
2. PUBLIC COMMENT <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i>			
3. BOARD CHAIR COMMENTS	Wendy Lee Myatt	Inform	
4. CONSENT CALENDAR a. BOD Minutes – 02.05.26 b. Finance Committee Minutes – 01.27.26 c. Policies & Procedures d. Medical Staff Credentialing	Wendy Lee Myatt	Action	Pages a. 2 – 3 b. 4 – 5 c. 6 – 20
5. UCSF AFFILIATION AGREEMENT	Kelley Kaiser	Action	Pages 21 – 47
6. AUDIT ENGAGEMENT (FY26 Financial Statement Assurance Services)	Ben Armfield	Action	Pages 48 – 52
7. CEO REPORT	Kelley Kaiser	Inform	Pages 53 – 55
8. CMO REPORT	Patrick I. Okolo III, MD MPH	Inform	Pages 56 – 57
9. FINANCIALS FOR MONTH END JANUARY 2026	Ben Armfield	Inform	Pages 58 – 65
14. COMMITTEE UPDATES	Board of Directors	Inform	
15. BOARD COMMENTS	Wendy Lee Myatt	Inform	
16. ADJOURN	Wendy Lee Myatt		

Note: To view this meeting live, you may visit www.youtube.com/@SonomaTV



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS' REGULAR & SPECIAL MEETINGS**

MINUTES

THURSDAY, FEBRUARY 5, 2026

HELD IN PERSON AT 177 FIRST STREET WEST, SONOMA,
AND VIA ZOOM TELECONFERENCE

SONOMA VALLEY HOSPITAL BOARD MEMBERS		
1. Wendy Lee Myatt, Chair, Present 2. Denise M. Kalos, 1st Vice Chair, Present 3. Daniel Kittleson, DDS, 2nd Vice Chair, Present 4. Dennis B. Bloch, Secretary, Present 5. Ed Case, Treasurer, Present		
MISSION STATEMENT		
<i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
1. CALL TO ORDER	Wendy Lee Myatt	
Meeting called to order at 5:05 p.m.		
2. PUBLIC COMMENT	Public	none
3. BOARD CHAIR COMMENTS	Wendy Lee Myatt	none
4. CONSENT CALENDAR	Wendy Lee Myatt	Action
a. BOD Minutes – 01.07.26 b. Finance Committee Minutes – 11.18.25 c. Quality Committee Minutes – 12.03.25 d. Policies & Procedures e. Medical Staff Credentialing	MOTION: motion to approve by Case to approve, 2 nd by Kalos. Motion passed. Ayes: 5, Nays: 0	
5. SONOMA VALLEY FIRE DISTRICT	Steve Akre, Fire Chief	Inform
Akre shared a progress report on the Sonoma Valley Fire District's recent expansion and partnership with Sonoma Valley Hospital. Fueled by Measure H funding, the district has successfully increased its daily staffing to three paramedic ambulances and upgraded its fire engine crews, adding 17 new firefighter-paramedics to the team. Akre highlighted major infrastructure milestones, including an \$8 million remodel of the Kenwood station and plans for a new \$25 million station in El Verano. The synergy between the fire district and the hospital is stronger than ever, with 83% of patient transports now staying local and both teams collaborating on high-tech, live-scenario medical training.		
6. PATIENT CARE SERVICES & ER ANNUAL REPORT	Jessica Winkler, DNP, RN, NEA-BC, CCRN	Inform
Winkler highlighted the division's stability, high performance, and growth throughout 2025. PCS (comprised of the ER, inpatient units, and surgical services) makes up 39% of the hospital's workforce and boasts an experienced nursing staff with an average of 16 years of experience and a low vacancy rate of 3.6%. Winkler noted a significant increase in the ER volume of nearly 12,000 patients, while simultaneously improving efficiency and reducing the number of patients who left without being seen. The report concluded with strong patient satisfaction scores and successful emergency preparedness drills, emphasizing a commitment to "lifelong learning" and high-quality local care.		
7. RESOLUTION #389 – CHFFA LOAN MODIFICATION	Ben Armfield	Action
Armfield requested approval to defer the hospital's loan repayments by 12 months, moving the start date from February 2026 to February 2027. This modification serves as a necessary first step to qualify for Phase Two of the state program, which may offer complete loan forgiveness. More details on the forgiveness process are expected to be released in the coming months.		
Roll call vote: Director Case, Director Kalos, Director Lee Myatt, Director Kittleson, Director Bloch Motion passed. Ayes: 5, Nays: 0		

8. TELEMETRY SYSTEM REPLACEMENT	<i>Ben Armfield</i>	Action
<p>Armfield presented a request to replace the hospital's obsolete, 15-year-old telemetry system with a superior and more cost-effective solution from Mindray for a total not to exceed \$620,000. Facilitated by recently received IGT funds and potential foundation support, the purchase is deemed a critical priority that will be implemented later this year, safely following the completion of the Stryker project in February.</p> <p>MOTION: motion to approve by Kittleson to approve, 2nd by Kalos. Motion passed. Ayes: 5, Nays: 0</p>		
9. EAST AIR HANDLER REPLACEMENT	<i>Ben Armfield & Kimberly Drummond</i>	Action
<p>Armfield and Drummond requested to begin the public bidding process for the replacement of East Air Handler #3, a critical unit original to the 1980s that has recently failed. While the project was initially estimated at \$1.5 million, updated designs to increase capacity and provide redundancy for other units have raised the rough cost to over \$2 million.</p> <p>MOTION: motion to approve for management to proceed with bidding, subject to</p> <p>(1) management presenting a comprehensive infrastructure capital plan at the Finance Committee February meeting, and</p> <p>(2) returning to the Finance Committee with the final bid proposals, once obtained, for subsequent review and approval.</p> <p>by Case to approve, 2nd by Bloch. All in favor.</p>		
10. SEISMIC COMPLIANCE UPDATE	<i>Ben Armfield</i>	Inform
<p>Armfield reported that the hospital submitted its Seismic Compliance Plan before the January 1, 2026 deadline and selected a retrofit option. The hospital also requested an extension of the 2030 deadline to 2033, and both items are under review. A March 2026 deadline for non-structural construction documents was discussed, with a possible December submission if grant funding is approved. The board discussed costs, timing, and potential noncompliance risks.</p>		
11. CEO REPORT	<i>Kelley Kaiser</i>	Inform
<p>Kaiser provided an update on ongoing affiliation agreement discussions with UCSF, noting regular meetings and a proposed new section titled "Professional Clinical and Strategic Services" to strengthen accountability and add clearer deliverables. Kaiser also highlighted upcoming strategic planning focused on four pillars (quality, access and experience, community engagement, sustainability, and connected culture) and shared that she has completed her first 90 days, emphasizing strong community engagement and organizational culture, including recognition of a nurse with 45 years of service. Additional updates included receipt of IGT funding, upcoming installation of the Stryker system, and distribution of the annual community report.</p>		
12. CMO REPORT	<i>Patrick I. Okolo III, MD MPH</i>	Inform
<p>Dr. Okolo reported reported that hospital activity remains high, though not due to flu season, and operations have continued smoothly without major disruptions. Much of this quarter's focus has been preparing for an unannounced two-day CIHQ survey between March 9 and May 9, mainly addressing prior administrative and policy improvements. The team streamlined quality metrics to better align with CMS and state requirements, focusing on key measures like sepsis, patient safety, and chronic conditions. Dr. Okolo shared strategic growth updates, including new nephrology services, upcoming GI services, and potential expansion in urology and dialysis, all aimed at reducing the need for patients to leave SVH for care.</p>		
13. FINANCIALS FOR MONTH END DECEMBER 2025	<i>Ben Armfield</i>	Inform
<p>Armfield reported that December marked the sixth consecutive month of the organization exceeding its budget targets, maintaining a positive year-to-date operating margin that significantly outperforms previous years. Key growth was driven by increased volumes in MRI, surgery, and the emergency department, alongside the receipt of a \$20+ million IGT check which allowed for the full repayment of a \$10.5 million line of credit. Looking forward, the team is transitioning toward more robust cost accounting and strategic planning, while awaiting a final city hearing to secure permitting for the permanent MRI location.</p>		
14. COMMITTEE UPDATES	<i>Board of Directors</i>	None
15. BOARD COMMENTS	<i>Board of Directors</i>	None
16. ADJOURN	<i>Wendy Lee Myatt</i>	
Regular session adjourned at 6:44 p.m.		



SVHCD FINANCE & AUDIT COMMITTEE MEETING

MINUTES

TUESDAY, JANUARY 27, 2026

In Person at Sonoma Valley Hospital

347 Andrieux Street

and Via Zoom Teleconference

Present	Not Present/Excused	Staff/Public
Ed Case, in person Dennis Bloch, in person Paul Chakmak, in person Andrew Exner, in person Alexis Alexandridis, MD MBA FACS, via zoom Robert Crane, via zoom Graham Smith, via zoom Catherine Donahue, via zoom		Ben Armfield, SVH CFO, in person Kelley Kaiser, SVH CEO, via zoom Kimberly Drummond, SVH Chief of Support Services, in person Whitney Reese, SVH Board Clerk, via zoom Lois Fruzynski, SVH Accounting Manager, in person Dawn Kuwahara RN BSN, SVH Chief Ancillary Officer, in person Monique Jervan, SVH EA Wendy Lee Myatt, via zoom

MISSION & VISION STATEMENT

The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.

AGENDA ITEM	PRESENTER	ACTIONS
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Ed Case</i>	Meeting called to order 5:20pm
A Closed Session was held prior to the start of this meeting at 5:00 p.m. (Calif. Government Code §37606 and 37624.3: TRADE SECRET)		
2. PUBLIC COMMENT SECTION	None	
3. CONSENT CALENDAR	<i>Ed Case</i>	Action
Finance Committee Minutes 11.26.25	MOTION: Motion to approve by Bloch, 2 nd by Crane. All in favor.	
4. TELEMETRY SYSTEM REPLACEMENT	<i>Ben Armfield</i>	Action
Armfield requested approval from committee to request final approval from the BOD for management to proceed with the purchase and installation of a replacement hospital-wide telemetry and patient monitoring system from Mindray, at a total not-to-exceed cost of \$620,252 (per final vendor proposal). MOTION: Motion to approve by Bloch, 2 nd by Smith. All in favor.		
5. EAST AIR HANDLER REPLACEMENT	<i>Ben Armfield & Kimberly Drummond</i>	Action
Armfield and Drummond requested approval from committee to request final approval from the BOD to move forward with replacing the East Air Handler #3 (“EAH3”), which has been on the hospital’s Capital Plan since 2022. Th updated project budget is \$2.012 million, up from the initial \$1.5 million estimate due to inflation and design refinements. Once approved, the project will move to public bidding to select a contractor. MOTION: Motion to approve bidding, then return to the Finance Committee for recommending selection to the BOD for final approval, by Chakmak, 2 nd by Bloch. All in favor.		

6. SERVICE LINE CONTRIBUTION MARGIN ANALYSIS & MARKET SHARE	<i>Ben Armfield</i>	Inform
<p>Armfield presented a new profitability and market share report to help guide the hospital's strategic planning. He noted that contribution margins improved by over 10% in FY25, driven largely by rebounding patient volume and better contracts in strong areas like the ER and outpatient diagnostics. Moving forward, the team plans to refine their cost data and include more detailed outpatient metrics to help the hospital figure out how to keep more patients from seeking care elsewhere.</p>		
7. SEISMIC COMPLIANCE UPDATE	<i>Ben Armfield</i>	Inform
<p>No discussion.</p>		
8. FINANCIAL REPORTS FOR MONTH END DECEMBER 2025	<i>Ben Armfield</i>	Inform
<p>Armfield presented December financial report showing an operating loss of \$153,000, yet it still exceeded budget expectations and maintained a positive operating margin for the fiscal year. While interest expenses rose due to line of credit usage, operating revenues remained strong at 6% above budget and patient volumes continued to increase. Significant cash inflows from Kaiser and parcel taxes have provided immediate working capital, and the hospital expects a major influx of IGT funds on January 31st to address outstanding accounts payable. Looking forward, the committee discussed the need to proactively request a \$2 million working capital line from Summit Bank to ensure more flexible funding without restrictive repayment terms, noting that the hospital's consistent performance over the last two years makes SVH a strong candidate for such an arrangement.</p>		
9. ADJOURN	<i>Ed Case</i>	Inform
<p>Meeting adjourned at 6:25pm</p>		

Document Tasks By Committee

Listing of currently pending and/or upcoming document tasks grouped by committee.

Report Parameters

Filtered by: Document Set: - All Available Document Sets -
 Committee: 09 BOD-Board of Directors
 Include Current Tasks: Yes
 Include Upcoming Tasks: No

Grouped by: Committee

Sorted by: Document Title

Report Statistics

Total Documents: 38

Committee: 09 BOD-Board of Directors

Committee Members: **Newman, Cindi (cnewman), Reese, Whitney (wreese), Wyatt, Louise (lwyatt)**

Current Approval Tasks (due now)

Document	Task/Status	Pending Since	Days Pending
CMS 1135 Waiver for Disaster Conditions <i>Emergency Preparedness Policies (EP)</i>	Pending Approval	2/3/2026	28
Summary Of Changes: Reviewed, no changes Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt) Lead Authors: Winkler, Jessica (jwinkler), Ehret, Marylou (mehret) Approvers: Winkler, Jessica (jwinkler) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)			
Code Pink & Purple - Infant & Pediatric Security <i>Emergency Code Alerts Policies</i>	Pending Approval	2/25/2026	6
Summary Of Changes: Reviewed, no changes. Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt) Lead Authors: Tarca, Joseph (jtarca) Approvers: Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)			
Code Red - Hospital-wide Fire Response and Evacuation <i>Emergency Code Alerts Policies</i>	Pending Approval	2/3/2026	28
Summary Of Changes: Reviewed, no changes Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt) Lead Authors: Tarca, Joseph (jtarca) Approvers: Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)			
Collection of Co-pay <i>Patient Access Dept Policies</i>	Pending Approval	2/25/2026	6
Summary Of Changes: removed language of signage Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt) Lead Authors: Ramos, Carmen (cramos) Approvers: Kuwahara, Dawn (dkuwahara) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)			

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Continuity of Operations Plan (COOP)	Pending Approval	2/25/2026	6
<i>Emergency Preparedness Policies (EP)</i>			
Summary Of Changes:	Minor grammatical changes; spelled out acronyms. Clarified purpose statement from the policy statement. Clarified with IS how data and patient records are backed-up to align with Epic workflows. Added that the Sonoma County Healthcare Coalition is a community partner that can assist if needed. Updated references.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Winkler, Jessica (jwinkler), Ehret, Marylou (mehret)		
Approvers:	Armfield, Ben (barmfield) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Contract Administration - Non-Patient Care	Pending Approval	3/3/2026	0
<i>Governance and Leadership Policies</i>			
Summary Of Changes:	<p>Revised policy to reflect current process and procedures:</p> <ul style="list-style-type: none"> - Updated policy to reflect a revised non-patient care contract approval process, including implementation of a standardized Contract Sign-Off Form. - Clarified CEO authority to execute contracts and added Board approval requirement for contracts exceeding \$100,000 over the full term. - Strengthened review controls by defining responsibilities of the Contract Owner, Materials Management, and Administration, including auto-renewal, arbitration venue, and insurance requirements. 		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Drummond, Kimberly (kdrummond), Armfield, Ben (barmfield), Kaiser, Kelley (kkaiser)		
Approvers:	Kaiser, Kelley (kkaiser) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Disclosure of Patient Health Information	Pending Approval	2/25/2026	6
<i>Medical Records Services Policies(MR)</i>			
Summary Of Changes:	Updated Supervisor title to Manager; breach notification from five business days to fifteen business days; location of Notice of Privacy Practices posting within the hospital.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Pryszmant, Rosemary (rpryszmant)		
Approvers:	McKissock, Lynn (lmckissock) -> 01 P&P Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Emergency Battery Powered Lghts	Pending Approval	2/25/2026	6
<i>Engineering Dept</i>			
Summary Of Changes:	Reviewed. No changes		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Tarca, Joseph (jtarca)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Emergency generator testing	Pending Approval	2/3/2026	28
<i>Engineering Dept</i>			
Summary Of Changes:	Reviewed policy and corrected a typo		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Tarca, Joseph (jtarca)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Equipment Care and Cleaning	Pending Approval	2/3/2026	28
<i>Food & Nutrition Services Dept Policies</i>			
Summary Of Changes:	Updated to include accepted sanitizer will be used to clean slicer.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Finn, Bridget (bfinn)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Filming and Recording of Patients While Receiving Care or Service.	Pending Approval	2/25/2026	6
<i>Patient Rights Policies (PR)</i>			
Summary Of Changes:	Updated Department to Risk Management and owner. Edited reference to "hospital" or "organization" to "SVH" Updated language regarding process when obtaining consent prior to filming and/or recording does not occur. Added reference to policy "Bioethical Issues" for detailed process. Other minor language edits to provide clarity.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	McKissock, Lynn (lmckissock), Pryszmant, Rosemary (rpryszmant)		
Approvers:	01 P&P Committee -> 09 BOD-Board of Directors - (Committee)		
Fire Drill Procedure	Pending Approval	2/25/2026	6
<i>Care of the Physical Environment (CE)</i>			
Summary Of Changes:	Reviewed. changed the year 2000 to adhere 2012 version of NFPA life safety code.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Tarca, Joseph (jtarca)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Flowmeters for Oxygen	Pending Approval	2/25/2026	6
<i>Respiratory Therapy Dept</i>			
Summary Of Changes:	Reviewed. No changes. Updated reference to include link to manufacturer manual		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Winkler, Jessica (jwinkler), Taylor, Jane (jtaylor)		
Approvers:	01 P&P Committee -> 09 BOD-Board of Directors - (Committee)		
Hours of Service Cafeteria	Pending Approval	2/3/2026	28
<i>Food & Nutrition Services Dept Policies</i>			
Summary Of Changes:	Updated to indicated changes to cafeteria hours will be communicated via email rather than interoffice memo.		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Finn, Bridget (bfinn)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Internet Use	Pending Approval	2/25/2026	6
<i>Information Systems Dept</i>			
Summary Of Changes:	Changed verb to clarify meaning of sentence identified by Lynn McKissock.		
	Previous: Grammatical, Spelling and/or Formatting Corrections made. Moderate content changes to reflect current access to and usage of Internet.		

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Cracraft, Kevin (kcracraft)
 Approvers: Lum, Bryan (blum) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

NEW: 3T MRI Magnet – ALARM RESPONSE PROTOCOL Pending Approval 2/3/2026 28
Care of the Physical Environment (CE)

Summary Of Changes: New Policy- Reviewed /approved. Policy written by Director of Medical Imaging and MRI Technologist.

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Ashford, Troy (tashford)
 Approvers: Kuwahara, Dawn (dkuwahara) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

NEW: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal Pending Approval 3/2/2026 1
Patient Care Policy

Summary Of Changes: This is a new policy which combined insertion policy with IC Policy Prevention of CAUTI in order to replace and RETIRE stand alone Insertion Policy

- Specifies indications for urinary catheterization based on location of care (Med-Surg/ICU vs Perioperative vs ED)
- Reorganized the flow of information to assist with decision making
- Allows for insertion and removal to be guided by physician order OR nurse driven protocol
- Includes more detail in the proper technique of urinary catheter insertion
- Addition of steps for specimen collection and urinary catheter removal
- Addition of troubleshooting urinary catheters for both males and females

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Winkler, Jessica (jwinkler), Taylor, Jane (jtaylor)
 Approvers: 01 P&P Committee -> 02 MS-Medicine Department - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)

Patient's Rights to Visitation Pending Approval 2/25/2026 6
Patient Rights Policies (PR)

Summary Of Changes: No changes noted.

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Ramos, Carmen (cramos)
 Approvers: Kuwahara, Dawn (dkuwahara) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

Patient's Right to Notify Others of an Inpatient Admission Pending Approval 2/25/2026 6
Patient Rights Policies (PR)

Summary Of Changes: Added Physician notification is done via Electronic Health Record. Removed "by email or electronic means." Removed the portion stating the form is sent to the floor with the patient. Added that the completed form is scanned into the patient's medical record.

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Ramos, Carmen (cramos)
 Approvers: Winkler, Jessica (jwinkler) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

Personnel Inservice and Continuing Education Pending Approval 2/25/2026 6
Food & Nutrition Services Dept Policies

Summary Of Changes: No changes needed

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Finn, Bridget (bfinn)

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Persons Injured on Hospital Property	Pending Approval	2/25/2026	6
<i>Patient Rights Policies (PR)</i>			
Summary Of Changes:	<p>Reviewed. Added that Engineering Department and Nurse Supervisor should be notified of any injury to rule out equipment related concerns. All injuries to be reported in E-Notification system. Nursing supervisor to accompany individual to Emergency Room. Chief nursing officer notified to follow up post event regarding hospital charges.</p> <p>Changed manager to Nursing supervisor. Removed CEO as approver</p>		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Ramos, Carmen (cramos)		
Approvers:	01 P&P Committee -> 09 BOD-Board of Directors - (Committee)		
Policies and Procedures	Pending Approval	2/25/2026	6
<i>Governance and Leadership Policies</i>			
Summary Of Changes:	<p>Added scope, updated flow, made grammatical changes, attached template and workflow. Removed "Owner" as a requirement for the document as an obsolete process after discussion with QDIR--cn</p>		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Wyatt, Louise (lwyatt)		
Approvers:	Okolo, Patrick (pokolo) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Portion Control	Pending Approval	2/25/2026	6
<i>Food & Nutrition Services Dept Policies</i>			
Summary Of Changes:	No changes needed		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Finn, Bridget (bfinn)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Professional Credentials & Associations	Pending Approval	2/3/2026	28
<i>Food & Nutrition Services Dept Policies</i>			
Summary Of Changes:	No changes needed		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Finn, Bridget (bfinn)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Record Retention	Pending Approval	2/25/2026	6
<i>Food & Nutrition Services Dept Policies</i>			
Summary Of Changes:	No changes needed		
Moderators:	Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)		
Lead Authors:	Finn, Bridget (bfinn)		
Approvers:	Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)		
References and Employment Verification Requests	Pending Approval	2/3/2026	28
<i>Human Resources Policies (HR)</i>			
Summary Of Changes:	<p>Reviewed by legal counsel.</p> <p>Added Scope: applies to all current and former employees.</p> <p>Added specification of prospective employers, as it applies to reference checks or employment verifications; only</p>		

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

"authorized" HR personnel shall respond to such requests; and only job title and dates of employment will be released - no further information or commentary will be provided.
 Added "SVH does not provide letters of reference either during employment or anytime thereafter."
 Updated References.

Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: McKissock, Lynn (lmckissock)
 Approvers: 01 P&P Committee -> 09 BOD-Board of Directors - (Committee)

Refrigerator Freezer Storage 8340-174 <i>Food & Nutrition Services Dept Policies</i>	Pending Approval	2/25/2026	6
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Summary Of Changes: No Changes needed
 Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Finn, Bridget (bfinn)
 Approvers: Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

Retention/Use of Legal Counsel <i>Governance and Leadership Policies</i>	Pending Approval	2/25/2026	6
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Summary Of Changes: Reviewed, no changes
 Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Kaiser, Kelley (kkaiser)
 Approvers: 01 P&P Committee -> 09 BOD-Board of Directors - (Committee)

RETIRE: Infection Control for Projects <i>Engineering Dept</i>	Pending Approval	2/3/2026	28
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Summary Of Changes: Retire policy - It is recommended to retire this policy as all content is covered in the Infection Prevention policy - titled Infection Prevention for Construction or Renovation projects which was revised in January 2026.
 Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Tarca, Joseph (jtarca)
 Approvers: Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)

Risk Management Program <i>Governance and Leadership Policies</i>	Pending Approval	2/26/2026	5
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Summary Of Changes: Added scope. updated department lead titles from Risk Manager to Quality Department and/or Director of Quality and Risk Management .Updated references. Removed OB references because SVH no longer provide services to OB patients. Updated reporting to board quarterly rather than annually. Added process for escalation and RCA monitoring of sentinel events, Added Senior leadership oversight of QAPI program. Reviewed and approved by CMO, CEO, CFO, CNO and Chief of HR.
 Moderators: Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)
 Lead Authors: Wyatt, Louise (lwyatt)
 Approvers: 01 P&P Committee -> 05 MS-Medical Executive - (Committee) -> 09 BOD-Board of Directors - (Committee)

Safety Committee <i>Care of the Physical Environment (CE)</i>	Pending Approval	2/3/2026	28
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Summary Of Changes: Policy reviewed by the Safety Committee and rewritten to reflect attendees by title, standard agenda, all committee member responsibilities and defined responsibilities for Safety Officer, Infection Preventionist, Education and Training, HR and Performance Improvement Committee. Approved by Safety Committee members at January 2026 committee meeting.

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **Tarca, Joseph (jtarca)**
 Approvers: **Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Safety Rounds	Pending Approval	2/25/2026	6
<i>Care of the Physical Environment (CE)</i>			

Summary Of Changes: **Reviewed. No Changes needed**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **Tarca, Joseph (jtarca)**
 Approvers: **Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Soliciting of Charitable Funds	Pending Approval	2/25/2026	6
<i>Governance and Leadership Policies</i>			

Summary Of Changes: **Reviewed, no changes**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **Kaiser, Kelley (kkaiser)**
 Approvers: **01 P&P Committee -> 09 BOD-Board of Directors - (Committee)**

Temperature Maintenance of Prepared Foods	Pending Approval	2/3/2026	28
<i>Food & Nutrition Services Dept Policies</i>			

Summary Of Changes: **Updated holding temperature of hot foods to 140 degrees to reflect food safety standard**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **Finn, Bridget (bfinn)**
 Approvers: **Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Thawing of Food	Pending Approval	2/25/2026	6
<i>Food & Nutrition Services Dept Policies</i>			

Summary Of Changes: **Included that food may be defrosted as part of the cooking process, updated reference material**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **Finn, Bridget (bfinn)**
 Approvers: **Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Tracking of On-duty Staff During a Disaster	Pending Approval	2/25/2026	6
<i>Emergency Preparedness Policies (EP)</i>			

Summary Of Changes: **Removed all references to tracking/evacuation of patients - referred to policy: Hospital Evacuation During Disaster (EP 8610-101) instead.**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
 Lead Authors: **McKissock, Lynn (lmckissock)**
 Approvers: **Winkler, Jessica (jwinkler) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Water Management - Legionella/Water-Borne Pathogen	Pending Approval	3/3/2026	0
<i>Care of the Physical Environment (CE)</i>			

Summary Of Changes: **Changed the name of the policy to Water Management - Legionella/Water-Borne Pathogen Policy. Reassigned ownership of the policy to Engineering. Streamlined policy to outline processes per CIHQ standards and removed background information that was unnecessary. Added a Scope and updated References. Approved by Safety Committee members per email vote.**

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Reese, Whitney (wreese)

Run date: 03/03/2026 2:05 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
Lead Authors: **Drummond, Kimberly (kdrummond)**
Approvers: **12-Safety Committee -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Workplace Violence Prevention Program	Pending Approval	2/25/2026	6
<i>Human Resources Policies (HR)</i>			

Summary Of Changes: **Updates to the "Identifying & Communicating Patient-Specific Risk Factors" section only, to reflect current process using door placards and the "Ticket to Ride" form in Epic (EMR).**

Moderators: **Newman, Cindi (cnewman), Wyatt, Louise (lwyatt)**
Lead Authors: **McKissock, Lynn (lmckissock)**
Approvers: **01 P&P Committee -> 09 BOD-Board of Directors - (Committee)**



SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal

POLICY: IC8610-2502

DEPARTMENT: Organizational

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EFFECTIVE:

REVISED:

NEW POLICY

This policy has been created to provide an updated, evidence-based hospital-wide policy and procedures for the insertion, maintenance and removal of urinary catheters as well as the prevention of catheter-associated urinary tract infections (CAUTI).

WHY:

A new urinary catheter policy has been developed to update existing guidelines and streamline protocols by consolidating two retired policies into a single, comprehensive document.

This replaces 2 Policies that were outdated---

OWNER:

Chief Nursing Officer

AUTHORS/REVIEWERS:

- Manager Patient Care Services
- Infection Preventionist
- Medical Director, Patient Care Services
- Multidisciplinary Clinical Review Team
- Chief Nursing Officer
- Board Quality Committee

SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal

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EFFECTIVE:

REVISED:

PURPOSE:

An Indwelling Urinary Catheter (IUC), also known as a Foley catheter, is a flexible tube that is passed through the urethra into the bladder to continuously drain urine through a closed system, into a collection bag. Some patients require an Intermittent Straight Catheterization (ISC) in which the catheter is inserted, urine is drained, and the catheter is removed. The purpose of this policy is to provide evidence-based guidance that addresses urinary catheter use, insertion, maintenance, and removal. . Foley catheter insertion is a sterile procedure performed by a Registered Nurse or a physician. Care of a Foley catheter is performed by either a Registered Nurse or a Patient Care Assistant who has been oriented to this procedure.

POLICY:

This policy outlines considerations specific to Sonoma Valley Hospital (SVH) and our patient population. For an in-depth review of IUC and ISC insertion instructions for specific types of patients, readers are referred to Ebsco Dynamic Health on the SVH intranet.

SCOPE

This policy applies to all locations within the hospital where patient care is performed. It is specific to those patients who require an IUC or ISC.

Special Population: Older Adults

This policy aligns with the principles of Age-Friendly Health Systems and Geriatric Emergency Department (GED) accreditation by prioritizing safe, evidence-based care that reduces harm in older adults. The criteria-based catheter insertion limits catheter uses to specific, evidence-based indications to avoid unnecessary insertion and patient harm. This Nurse-Driven protocol allows nurses to remove catheters based on clinical criteria, promoting timely removal and reducing infection and delirium.

PROCEDURE:

The following is a list of indications for insertion of urinary catheterization. It is not all-inclusive and thus requires nursing assessment and a physician order for initial insertion.

1) Indications for inserting a urinary catheter

- a) Urinary retention, or bladder outlet obstruction (may be IUC or ISC)
- b) Accurate measurement of urinary output in critically ill and/or incontinent patients
- c) Required immobilization secondary to trauma or surgery (for example: potentially unstable thoracic or lumbar spine, multiple traumatic injuries such as pelvic fractures)
- d) To assist in the healing of open sacral or perineal wounds in an incontinent patient, in collaboration with the Wound Care RN
- e) Epidural catheter in place
- f) To improve comfort for end-of-life care if needed

SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion,
Maintenance & Removal

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EFFECTIVE:

REVISED:

- g) Surgical procedures requiring urinary catheterization (Following is a list of contraindications for insertion of a urinary catheter. It is not all-inclusive and requires a nursing assessment of patient needs and consult with the physician.

2) Contraindications for urinary catheterization

- a) Incontinence that does not require output measurement
- b) Morbid obesity
- c) Patient refusal
- d) Medication use that may affect blood coagulation (e.g. anticoagulants)

3) Maintenance of IUC

- a) Proper hand hygiene is key to preventing infection. Always wash hands before and after any contact with the patient.
- b) Standard precautions, including use of gloves (and gown/eye protection if splashing is anticipated) during any manipulation of the catheter or collecting system.
- c) Peri-care should be performed routinely, at least once per shift and whenever the patient has been incontinent.
- d) Avoid use of adult diapers/incontinence briefs or extra towels between the legs as this may increase risk of infection
- e) The constant free flow of urine into the collection bag is essential to patient comfort and infection prevention. Ensure the tubing is never bent, kinked or looped. Always hang the collection bag below the level of the bladder as this will prevent the backflow of urine.
- f) Avoid allowing the urine to overflow in the collection bag. Regular emptying, at least every six hours, (or one-two hours in critically ill patients) and as needed is key.
- g) Bladder irrigation is not recommended to treat a clogged catheter. If an obstruction is anticipated (as might occur with bleeding after prostatic or bladder surgery.) Continuous bladder irrigation, to prevent obstruction, may be necessary. This is done at the direction of the physician order.

4) Special Considerations.

- a) Before inserting an IUC, consider using an external urinary device, such as Purewick © or condom catheter instead of IUC.
- b) Programmed toileting, which includes placing the patient on the bedpan or commode every 2-4 hours while awake may reduce risk of retention, and need for IUC.
- c) Consult with pharmacy for review of medications that may cause urinary retention or diuresis.
- d) IUC are not intended for long term use. It is a goal of care to remove at the earliest opportunity. A nurse driven protocol directs the RN on removal criteria and post-removal monitoring. The protocol is embedded in the order within the electronic health record (EHR) and is attached to this policy for reference.

SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal

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DEPARTMENT: Organizational

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EFFECTIVE:

REVISED:

- e) If a patient presents with or develops a urinary tract infection (UTI) and has an IUC or develops a catheter-associated UTI while hospitalized: remove indwelling urinary catheter promptly and only replace catheter if patient meets an indication.

5) Assessment and Documentation

- a) The need for an IUC must be continually assessed for complications related to CAUTI by nursing. Criteria for continuing an IUC will be documented in the EHR:
 - i) Upon admission or transfer to another unit
 - ii) Each shift

6) Specimen Collection

- a) If a urine sample is needed, after verifying the physician order, obtain aseptically:
 - i) If a small volume of fresh urine is needed (i.e. for urinalysis or culture) cleanse the needleless sampling port with disinfectant and aspirate the urine, using a sterile syringe.
 - ii) If a large amount of urine is needed for special analyses (not culture) a sample from the drainage bag can be used.

7) Infection Prevention:

Patients with an IUC are at increased risk of CAUTI. The SVH Infection Prevention (IP) program ensures adherence to best practices and implements strategies to prevent, control, and monitor infection. Strategies based on a facility risk assessment to enhance appropriate use of IUC and reduce risk of CAUTI include, but are not limited to:

- a) **QAPI:** The Infection Preventionist and individual department nurse leaders will create and implement Quality Assurance/Process Improvement (QAPI) plans that monitor urinary catheter usage, and develop corrective action plans or process improvement plans when the need arises.
- b) **Education and Training.** The Infection Preventionist and Clinical Education Coordinator collaborate to ensure that healthcare personnel are given periodic in-service training (bi-annually) and training upon new hire, regarding technique and policy for IUC. Additionally, education about CAUTI, and other complications of urinary catheterization, and alternatives to urinary catheters will be provided.
- c) **Antimicrobial Stewardship.** The Infection Preventionist attends monthly antimicrobial stewardship meetings and reviews cases of CAUTI
- d) **Patient Rounds:** The Infection Preventionist will attend daily interdisciplinary rounds to
 - i) Assess appropriate utilization of urinary catheters
 - ii) Identify and encourage removal of urinary catheters that no longer meet criteria
 - iii) Ensure adherence to infection prevention best practices, such as hand hygiene, placement of the urine collection bag, specimen collection, etc.
- e) **Surveillance and Reporting**



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EFFECTIVE:

REVISED:

- i) Infection Prevention uses a standardized methodology for performing CAUTI surveillance. This includes monthly audits of nursing documentation, and a tally of catheter use days
- ii) All instances of hospital acquired CAUTI will be logged into the event reporting system for further investigation Infection Prevention prepares a quarterly CAUTI report, that is shared with each department's leadership team

Data on n CAUTI is shared throughout the organization in monthly meetings (Board Quality, Medicine and Surgical Committees, and staff meetings) .

REFERENCES:

Institute for Healthcare Improvement. (2011). *How-to guide: Prevent catheter-associated urinary tract infections*. Institute for Healthcare Improvement.

<https://www.urotoday.com/images/catheters/pdf/IHIHowtoGuidePreventCAUTI.pdf>

California Department of Public Health. (2019). *Catheter-associated urinary tract infection prevention*. California Department of Public Health.

https://www.cdph.ca.gov/Programs/CHCQ/HAI/CDPH%20Document%20Library/10h_CAUTI.Pr evention_Approved2.22.19.pdf

Centers for Disease Control and Prevention. (2019). *Guideline for prevention of catheter-associated urinary tract infections, 2009* (last updated June 6, 2019). U.S. Department of Health and Human Services, CDC. <https://www.cdc.gov/infectioncontrol/guidelines/cauti/index.html>

ATTACHMENT:

Providence Adult Indwelling Urinary Catheter Removal Protocol, October 2024

OWNER:

Chief Nursing Officer

AUTHORS/REVIEWERS:

Infection Prevention
Director Patient Care Services
Medical Director, Patient Care Services
Multidisciplinary Clinical Review Team
Chief Nursing Officer
Board Quality Committee



SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal

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DEPARTMENT: Organizational

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EFFECTIVE:

REVISED:

APPROVALS:

- Policy & Procedure Team:
- Medicine Committee:
- Surgery Committee:
- Performance Improvement/
Pharmacy & Therapeutics Committee
- Medical Executive Committee:
- The Board of Directors:

NEW

SUBJECT: Prevention of CAUTI, Urinary Catheter Insertion, Maintenance & Removal

POLICY: IC8610-2502

DEPARTMENT: Organizational

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EFFECTIVE:

REVISED:

Attachment A

Nurse Driven Indwelling Urinary Catheter (IUC) Removal Protocol- Adult

This protocol is pre-checked as part of the order to insert an IUC. Do not use with Perinatal patients.

Exceptions to Nurse Driven Removal Protocol	
<ul style="list-style-type: none"> • Obstetric or Pediatric patients • Provider order states not to remove • Urology placed the IUC 	<ul style="list-style-type: none"> • When unable to perform reliable bladder scan (e.g.; ascites, tumors, fluid/blood in abdomen, altered skin integrity in abdominal area)

Does patient meet criteria to maintain an indwelling urinary catheter ?

- Critically ill patients requiring hourly urine output measurement for clinical decisions
- Continuous bladder irrigation
- End of life comfort care
- Epidural or spinal anesthesia within the first 24-48 hrs
- Order to maintain chronic long term urinary catheter
- Prolonged immobilization (unstable spine & pelvic fractures)
- pre-stabilization, prone patients)
- Specific surgical procedures- Surgery on contiguous structures of the genitourinary tract
- Stage 3 or 4 pressure ulcer complicated by incontinence
- Urinary obstruction
- Urinary retention- chronic
- **When in doubt, consult Charge RN or provider**

Yes

Prevent complications by initiating protocol and communicating with team **early** in your shift

No

Do not remove catheter
Document catheter indication in Epic.
Reassess criteria for maintaining an indwelling urinary catheter every shift.

Remove urinary catheter
Ask patient about need to urinate during rounding.
If able, sit or stand patient for voiding trial at 4 hours.

- *Techniques to Reduce Urinary Retention**
- Reduce Immobility
 - Prevent Constipation
 - Manage anxiety
 - Review medications for side effects
 - Manage pain
 - [Urinary Retention Algorithm](#)

★ Has patient voided within 4 hours?

Yes

No

Was the post void residual <200 mL?

Yes

No

No

Do you have an order for Acute Urinary Retention (AUR) Pathway?

No action needed.

No

Perform ultrasound bladder scan
Is volume in bladder >500 mL (or amount per LIP order) or does the patient c/o suprapubic discomfort or pain?

Yes

STOP this protocol and use AUR

Utilize Techniques to Reduce Urinary Retention* If patient does not void or if patient c/o suprapubic/bladder discomfort/pain in 2-4 hours, check bladder scan volume
Return to ★

Follow local protocol or obtain provider order to initiate Acute Urinary Retention (AUR) Pathway or To perform intermittent straight catheterization





To: SVHCD Board of Directors
From: Kelley Kaiser, Chief Executive Officer
Date: March 5, 2026
Subject: Amended and Restated Affiliation Agreement

Recommendation:

It is recommended that Sonoma Valley Health Care District approve the attached *Amended and Restated Affiliation Agreement*, which is a revision and consolidation of the Original Collaboration Agreement entered into on August 20, 2018 and two (2) subsequent Amendments (dated January 1, 2021, and May 25, 2021, respectively) between SVHCD and The Regents of the University of California, on behalf of UCSF Health.

Background:

SVHCD and UCSF first entered into a Collaboration Agreement in 2018. After years of considering a partnership with a larger institution, Sonoma Valley Hospital's decision to enter the agreement earned the full support of the SVHCD Board, executive and medical leadership, the Sonoma Valley Hospital Foundation, and the broader community.

To review and refine the new agreement, an Affiliation Workgroup Committee was formed in 2024, comprised of representatives from UCSF, Hospital executives, and the SVHCD Board. This refinement process also incorporated valuable input from the Hospital's medical executive team, the Sonoma Valley Hospital Foundation, and legal counsel. The *Amended and Restated Affiliation Agreement* combines the expertise and resources of the Hospital and UCSF to share best practices and collectively enhance the quality of services in the Sonoma Valley community.

To highlight our continued shared goals and efforts for additional collaboration opportunities, please note the addition of a section titled "Professional, Clinical, Strategic Services." The Hospital CEO, in conjunction with the Joint Operating Committee, will be responsible for identifying and implementing initiatives that directly fulfill SVHCD's mission to improve access and quality of care in the Sonoma Valley community. An initial list of such projects is set forth in Exhibit 4(b) of the *Amended and Restated Affiliation Agreement*.

Financial Impact:

There is no direct fiscal impact or immediate capital outlay associated with the approval of this *Amended and Restated Affiliation Agreement*. Future initiatives identified will be subject to standard budgetary approval processes as they are developed by the CEO and JOC.

AMENDED AND RESTATED AFFILIATION AGREEMENT

This AMENDED AND RESTATED AFFILIATION AGREEMENT (the “**Agreement**”) is entered into effective as of March 5, 2026 (the “**Effective Date**”), between Sonoma Valley Health Care District, a political subdivision of the State of California (“**SVHCD**”), and The Regents of the University of California, on behalf of UCSF Health (“**UCSF**”). UCSF and SVHCD are referred to collectively as the “**Parties**” and individually as a “**Party**.”

RECITALS

- A. SVHCD owns and operates Sonoma Valley Hospital (the “**Hospital**”), a licensed general acute care hospital located in Sonoma, California, that serves Sonoma and the surrounding area of Sonoma Valley (the “**Sonoma Community**”).
- B. SVHCD and UCSF are parties to that certain Collaboration Agreement dated as of August 20, 2018, that certain First Amendment to Collaboration Agreement dated as of January 1, 2021, and that certain Second Amendment to Collaboration Agreement, dated as of May 25, 2021 (collectively, the “**Prior Agreement**”).
- C. SVHCD and UCSF desire to amend and restate the Prior Agreement in its entirety pursuant to this Agreement in order to incorporate and memorialize their current goals and commitments for their partnership.
- D. SVHCD and UCSF desire to improve health care in the Sonoma Community by accomplishing the following goals (collectively, the “**Shared Vision**”):
 - 1. Combining the expertise and resources of UCSF and SVHCD to share best practices and collectively enhance the quality of services in the Sonoma Community.
 - 2. Coordinating services for out-of-area transport of sick patients and collaboration on care at the Hospital.
 - 3. Enhancing the availability of physician and administrative services in the Sonoma Community through program development.
 - 4. Increasing patient, family and community satisfaction with patient care in the Sonoma Community.
- E. The intent of the affiliation relationship is to create a comprehensive, sustainable and integrated health care network to serve the needs of the Sonoma Community now and in the future.
- F. The Parties desire to enter into this Agreement in order to document their respective obligations related to the fulfillment of the Shared Vision.

G. Each Party represents and warrants to the other that it has no knowledge that this Agreement or any of the Implementing Agreements, as defined below, violates any state or federal law applicable to tax-exempt financing.

NOW, THEREFORE, the Parties agree as follows:

1. Affiliate. SVHCD shall designate UCSF as its affiliate and preferred partner for new specialty program development or other affiliations, and UCSF shall assist SVHCD in identifying clinical and technological innovations for implementation at SVHCD. UCSF shall likewise recognize SVHCD as a clinical affiliate and strategic partner within its regional network.

2. Affiliation Oversight Committee.

(a) The Parties have established an Affiliation Oversight Committee (“**AOC**”) that is responsible for reviewing the ongoing performance of UCSF under this Agreement. The composition of the Affiliation Oversight Committee shall be as set forth on [Exhibit 2\(a\)](#) and shall consist of two (2) SVHCD Board members. UCSF shall appoint a minimum of two (2) liaisons to attend and participate in AOC proceedings. The SVHCD Board Chair and UCSF Health Network President will serve as one of the two appointees for their respective organizations, along with a SVHCD Board Member and a designee from UCSF. The AOC is a standing committee of the SVHCD Board of Directors and shall be conducted in compliance with the Ralph M. Brown Act (California Government Code Section 54950 et seq.) (“**Brown Act**”).

(b) The AOC shall meet no less than three times a year but is encouraged to meet as needed on specific Management Services matters. Meetings shall be conducted in accordance with the Brown Act. SVHCD Board members shall attend in person at a noticed location within the District, while UCSF representatives may participate remotely via video or telephone conference.

(c) The AOC will regularly review the services provided under this Agreement, and make recommendations for modifications to the services provided.

(d) The Hospital CEO will staff the AOC meeting and provide all materials for review by the AOC.

3. Joint Operations Committee.

(a) The Parties have established a Joint Operations Committee (“**JOC**”) that is responsible for coordinating the Parties’ activities hereunder and discussing, negotiating and executing such additional arrangements and agreements as may be necessary or appropriate to implement the Shared Vision (collectively, the “**Implementing Agreements**”). The composition of the JOC shall be as set forth on [Exhibit 3\(a\)](#) and shall include an equal number of representatives designated by each Party and consisting of senior management and physician leadership from both Parties and their designees. The Parties may mutually agree to increase the number of JOC members as needed to accomplish the goals of this Agreement. Each Party may, from time to time, designate

members to replace those members it initially designated without consent from the other Party.

- (b) The JOC shall have authority to appoint such subcommittees as it desires to oversee and coordinate the activities between the Parties relating to this Agreement.
- (c) The JOC shall meet regularly at intervals it deems appropriate but no less than once per quarter. Any member of the JOC may call a special meeting upon forty-eight (48) hours' notice to all other members which meeting may be conducted in person, telephonically or via video conference.
- (d) The JOC shall develop and maintain a dashboard of strategic initiatives to be presented to the SVHCD Board each June and December. Strategic initiatives undertaken as part of this Agreement shall be reviewed and recommended by the AOC and approved by the SVHCD Board.
- (e) All decisions of the JOC shall be unanimous, and each Party shall be entitled to one vote. A decision by either Party to terminate any of the Implementing Agreements, as defined in **Section 6(a)** below, shall be brought to the JOC for discussion; provided, however, that each Party ultimately retains the right to terminate an Implementing Agreement in accordance with the termination provisions of such agreement in such Party's sole discretion.
- (f) Notwithstanding the discretion granted to the JOC in this Agreement, this Agreement shall not confer upon the JOC the right, authority or discretion to approve any Implementing Agreement or the payment of any funds required by the Parties, which actions are ultimately subject to the authority of the Parties and their respective corporate approval process.
- (g) No member of the JOC shall be personally liable for any loss or damage sustained by either Party on account of the actions of such individual as a member of the JOC. Solely by being a member of the JOC, the members of the JOC shall have no fiduciary duties, quasi-fiduciary duties, or obligations of any kind towards either Party that the member does not represent on the JOC. The members of the JOC shall not be entitled to separate compensation for their services under this Agreement. Any payments made to members of the JOC shall be pursuant to such member's employment or independent contractor arrangement with the Party that he or she represents on the JOC. Nothing in the foregoing shall preclude the Parties from entering into a reimbursement or other agreement in connection with the activities of Parties, including JOC members appointed by such Parties, on the JOC.
- (h) The Parties acknowledge and agree that the JOC is an administrative management committee and not a 'legislative body' as defined by the Brown Act. The JOC's primary function is the internal coordination of operations and the implementation of the Shared Vision. The JOC has no independent authority to approve Implementing Agreements or the expenditure of public funds, which actions remain subject to the SVHCD Board's approval in a noticed public meeting.

4. Management, Clinical, Strategic and Hospital Purchased Services. As described in more detail in this Section 4 and the attached [Exhibit 4\(a\)](#), UCSF shall provide the following management services to Hospital: (1) employ and provide to Hospital the following members of the Hospital executive team: Hospital Chief Executive Officer (“**Hospital CEO**”), Hospital Chief Financial Officer (“**Hospital CFO**”), Hospital IT Director, and Hospital Chief Medical Officer (“**Hospital CMO**” and, together with the Hospital CEO, Hospital IT Director and the Hospital CFO, the “**Hospital Executive Management Team**”), (2) provide mutually agreed upon support services to address SVH’s needs described in Section 4(c) below (“**Hospital Purchased Services**”), and (3) purchase back from Hospital mutually agreed upon services of the Hospital CEO for UCSF projects and initiatives (“**UCSF Purchased Services**” and, together with the services of the Hospital Executive Management Team and the Hospital Purchased Services, the “**Management Services**”).

- (a) Hospital Executive Management Team. The Hospital Executive Management Team shall manage the Hospital in accordance with the terms of this Agreement. Subject to the authority of the SVHCD Board and compliance with applicable law, the Hospital Executive Management Team shall carry out the usual and customary duties of such positions within the healthcare industry. UCSF shall pay all necessary and appropriate employee salary, bonuses, benefits, sick leave, vacation, retirement benefits, payroll, and other taxes with respect to the Hospital Executive Management Team.
- (i) The Hospital CEO will report to the SVHCD Board but with a dotted line and dual reporting relationship to the UCSF Health Network President. Hospital CEO will be responsible for daily on-site management, operational oversight, financial management and community engagement, as directed by the SVHCD Board and UCSF Health Network President.
- (ii) The Hospital CFO, Hospital CMO, and Hospital IT Director will serve solely at the pleasure of the Hospital CEO.
- (iii) SVHCD will reimburse UCSF, on a pass-through basis, for the salary and benefit costs of the Hospital Executive Management Team. SVHCD payments will be adjusted for any time devoted to UCSF Purchased Services, subject to SVHCD Board approval (as described below and in [Exhibit 4\(f\)](#)).
- (iv) The SVHCD Board will consult with the UCSF Health Network President on performance reviews, hiring, and termination for the Hospital CEO, but shall make the final determination on these personnel matters. Determinations by the SVHCD Board regarding such reviews and decisions shall be preceded by adequate notice to the UCSF Health Network President, who will be entitled to attend and participate as an observer in the final deliberative meeting of the SVHCD Board on such issue.
- (v) The SVHCD Board will consult and collaborate with UCSF on any search for a new Hospital CEO and will mutually agree on any new Hospital CEO that will be provided pursuant to this Agreement.
- (b) Hospital Professional, Clinical and Strategic Initiatives. The Hospital CEO, in conjunction with the JOC, will be responsible for identifying and implementing initiatives

that directly fulfill SVHCD's mission to improve the access and quality of care in the Sonoma Valley community. The initial list of such projects is set forth in [Exhibit 4\(b\)](#), to be amended as mutually agreed upon using the process described in this Agreement.

- (c) Hospital Purchased Services. SVHCD, Hospital CEO and UCSF Health Network President, will work together to identify and evaluate opportunities for collaboration between the two entities in areas where UCSF can provide services to meet SVHCD's needs (which may include operations improvement, quality initiatives and regulatory support, marketing services, strategic planning support). SVHCD will reimburse UCSF for these Hospital Purchased Services as negotiated and incorporated in [Exhibit 4\(c\)](#). The scope of Hospital Purchased Services may be amended from time to time by mutual written agreement of the Parties; provided, however, that Hospital Purchased Services and associated fees may be negotiated, approved, and reimbursed even if not specifically listed in [Exhibit 4\(c\)](#), so long as such services and fees are agreed to in writing by both Parties, are commercially reasonable, consistent with fair market value, and structured to comply with all applicable federal and state laws and regulations.
- (d) UCSF Purchased Services.
 - (i) Executive Time Allocation and Cost Apportionment. Members of the Hospital Executive Management Team may, at the discretion of the SVHCD Board, devote up to twenty percent (20%) of his/her time to work on UCSF projects and initiatives. UCSF will reduce the portion of these executives' costs charged to SVHCD proportionately with time actually spent on Hospital matters. Any material change to these time commitments will be set forth in an amendment to [Exhibit 4\(a\)](#) as agreed to in writing by the Parties.
 - (ii) Additional UCSF and Hospital Collaborations. During the Term of this Agreement, UCSF and Hospital will explore opportunities for Hospital to further the UCSF mission and collaborate to better support the communities served by the two institutions.
- (e) Hospital Indirect Services and UCSF Health Network Benefits. UCSF will collaborate with Hospital on best practices related to quality, policies and procedures, and other areas of support as provided to all members of the UCSF Health Network.
- (f) Management Services Reimbursement and Fee Structure. The compensation for Management Services paid under this Agreement shall be consistent with fair market value. All financial obligations shall be updated in writing by mutual agreement of the Parties as necessary to remain (1) consistent with UCSF compensation policies (subject to the specific fiscal limitations expressly set forth in [Exhibit 4\(f\)](#)) and (2) consistent with the fair market value of the services rendered.
- (g) Compliance and Accountability. In all other respects, continuously assure and maintain appropriate documentation to demonstrate compliance with each of the applicable requirements of 42 CFR part 482, as reflected in the CMS State Operations Manual, Appendix A (the "COPs"), Cal. Code of Regulations Title 22, Div. 5, Ch. 1 ("Title 22"), and the requirements of applicable accreditation organizations (the "Standards"),

including, without limitation, documentation of the local adoption and application of system-wide policies and procedures required for compliance with the COPs, Title 22 and the Standards. The Parties acknowledge that the SVHCD Board shall retain ultimate accountability for compliance with the COPs, Title 22, and the Standards. 8.4 Notwithstanding any of the foregoing to the contrary, as required under Section 70713 of Title 22, SVHCD retains professional and administrative responsibility for the services rendered pursuant to this Agreement.

- (h) Access to Books and Records. Until expiration of four (4) years after furnishing services and pursuant to this Agreement, UCSF shall make available upon written request of the Secretary of Health and Human Services (“**Secretary**”) or the U.S. Comptroller General, or any of their duly authorized representatives, this Agreement, books, documents, and records of UCSF that are necessary to verify the nature and extent of costs incurred by Hospital under this Agreement. If UCSF carries out any of the duties of this Agreement with a value of Ten Thousand Dollars (\$10,000) or more over a 12-month period through a subcontract with a related organization, such agreement must contain a clause to the effect that until the expiration of four (4) years after the furnishing of services under the subcontract, the related organization shall make available, upon written request of the Secretary, the U.S. Comptroller General, or any of their duly authorized representatives, the subcontract, any books, documents, and records of the related organization that are necessary to verify the nature and extent of costs incurred by SVHCD under this subcontract.

5. Chief Medical Officer; Quality Program Performance.

- (a) The Hospital CMO shall be responsible for the overall supervision of medical services at the Hospital and shall perform for SVHCD the specific duties and responsibilities set forth on Exhibit 5(a) and such other duties as SVHCD may determine from time to time. UCSF shall have the right to approve the hiring of the Hospital CMO.
- (b) SVHCD shall be responsible for achieving annual quality performance targets set in consultation with UCSF from time to time. The Hospital CMO, the Hospital CEO, and the UCSF Health Network CMO shall meet not less than once each month to discuss the Hospital’s Quality, Safety, Experience and Value Programs, program performance against agreed upon metrics and such other quality matters as the Parties may agree from time to time. The Hospital CMO shall provide regular updates related to the Hospital’s progress towards annual quality performance targets the JOC, AOC, the SVHCD Board, and Quality Committee of the SVHCD Board.

6. Implementing Agreements.

- (a) In order to implement the Shared Vision, the Parties have, or will in the future, enter into such necessary and appropriate additional agreements negotiated by the JOC and approved by both UCSF and SVHCD (together, the “**Implementing Agreements**”). Concurrently with entering into the original Collaboration Agreement, the Parties entered into that certain Trademark License Agreement dated as of August 20, 2018, which is attached hereto as Exhibit 6(a).

- (b) Each Implementing Agreement will be subject to the terms of this Agreement and the review of the JOC. Each Implementing Agreement will govern the financial and other obligations of the Parties as they relate to such arrangement.

7. Further Activities. The Parties contemplate that accomplishing the Shared Vision may present additional opportunities for quality improvement activities and clinical integration between UCSF and SVHCD. In furtherance of those opportunities, the JOC shall undertake the following actions:

- (a) Determine whether clinical protocol development might lead to improvements in quality and/or reductions in costs for designated conditions;
- (b) Develop process through which such clinical protocols may be formulated and updated to enhance clinical integration between UCSF and SVHCD;
- (c) Explore the possibility of a UCSF-hosted electronic medical records system at the Hospital and negotiate the terms and conditions of such implementation, all as may be set forth in an Implementing Agreement mutually acceptable to the Parties;
- (d) Explore and develop processes to support physician recruitment opportunities to support the SVHCD community;
- (e) Explore and develop opportunities to support educational opportunities for Hospital medical staff;
- (f) Explore the possibility of a UCSF-operated infusion center in Sonoma, operated through a lease of SVHCD space, as set forth in an Implementing Agreement mutually acceptable to the Parties; and
- (g) Explore and discuss the optimal long-term affiliation structure between UCSF and SVHCD.

8. Term and Termination.

- (a) Term. This Agreement shall have an initial term commencing on the Effective Date and terminating five (5) years thereafter, unless earlier terminated as set form in this Section 6. Following the expiration of the initial term, this Agreement shall automatically renew for successive one (1) year terms unless a Party provides the other with not less than sixty (60) days prior written notice of its intent not to renew.
- (b) Termination Options. This Agreement may be terminated before its expiration upon the occurrence of any of the following events:
 - (i) By either Party upon no less than one hundred and eighty (180) days prior written notice.
 - (ii) By either Party, upon breach by the other Party of this Agreement which breach is not cured pursuant to the cure provisions of this Agreement. Each Party shall provide written notice of any breach by the other Party, and such other Party shall have thirty

(30) days after receipt of such notice to commence and timely pursue the cure of such breach if, by the nature of the matter, such default may be cured.

- (iii) Effective immediately by UCSF if the Hospital (i) ceases to be accredited as a general acute care hospital by The Joint Commission or any other accrediting agency, (ii) is excluded or suspended from participation in the Medicare or Medi-Cal programs; or (iii) SVHCD is more than four (4) months in behind in its payment obligations to UCSF under this Agreement.
 - (iv) Effective immediately by SVHCD if UCSF Medical Center (i) ceases to be accredited as a general acute care hospital by The Joint Commission or any other accrediting agency, or (ii) is excluded or suspended from participation in the Medicare or Medi-Cal programs.
- (c) Executive Management Continuity. Notwithstanding the foregoing termination options described in Section 6(b) of this Agreement, at the expiration or early termination of this Agreement, UCSF shall cooperate with SVHCD in good faith to ensure that Hospital has sufficient access to hospital management-level employees (including Hospital CEO, Hospital CFO, Hospital CMO and Hospital IT Director) necessary to satisfy applicable licensing and accreditation requirements.

9. Insurance.

- (a) SVHCD shall procure and maintain at all times such policies of workers' compensation, commercial general liability, professional liability and other policies of insurance or an equivalent program of self-insurance as set forth in [Exhibit 9\(a\)](#).
- (b) UCSF shall procure and maintain at all times such policies of workers' compensation, commercial general liability, professional liability and other policies of insurance or an equivalent program of self-insurance as set forth in [Exhibit 9\(b\)](#).

10. Exclusions; Limitation of Liability.

SVHCD AGREES THAT NEITHER UCSF, NOR ANY OF ITS MEMBERS, OFFICERS, DIRECTORS, AFFILIATES, EMPLOYEES OR AGENTS SHALL IN ANY EVENT BE LIABLE FOR ANY DIRECT, SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR ANY OTHER DAMAGES REGARDLESS OF KIND OR TYPE (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE), INCLUDING LOSS OF PROFITS, BUSINESS INTERRUPTION, PERSONAL INJURY, PROPERTY DAMAGE, LOSS OF BUSINESS PROFITS, LOSS OF BUSINESS INFORMATION, DATA, OR GOODWILL, REGARDLESS OF WHETHER SVHCD KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

11. Indemnification. Each Party agrees to indemnify, defend and hold harmless the other Party and each of such other Party's officers, agents and employees, from and against any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including reasonable attorneys' fees), arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss,

expense, attorneys' fees, or claims for injury or damages are caused by or result from (i) a breach of this Agreement, or (ii) the negligent or intentional acts or omissions of a Party, its officers, agents (other than the other Party), or employees.

12. General Provisions.

- (a) Notices. All notices required by this Agreement shall be deemed received when in writing and delivered personally or three (3) business days after being deposited in the United States mail, postage prepaid, return receipt requested, addressed to the other Party at the address set forth below or on such other address as the Party may designate in writing in accordance with this Section:

To Sonoma Valley Health Care District: Sonoma Valley Hospital
347 Andrieux Street
Sonoma, California 95476
Attention: SVHCD Board Chair

To UCSF: Brian Sinotte
UCSF Health Network President
1800 Owens St D4
San Francisco, California 94143

Office of Legal Affairs
UC San Francisco
745 Parnassus Avenue, Suite 216
San Francisco, California 94143-0986
Attn: Chief Health Counsel

- (b) Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of each Party and its permitted successors and assigns.
- (c) Governing Law. This Agreement has been executed and delivered in, and shall be construed and enforced in accordance with, the laws of the State of California without regard to its conflicts of law provisions. If applicable, this Agreement shall be construed in accordance with and governed by all applicable federal, California, and applicable county laws, and other rules and regulations of any and all governmental authorities, accrediting agencies relating to the transfer of patients, including without limitation EMTALA, the Consolidated Omnibus Budget Reconciliation Act (42 U.S.C. section 1395dd, also known as COBRA), the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320 through d-8, also known as HIPAA), California laws and regulations and The Joint Commission on Accreditation of Healthcare Organizations.
- (d) Non-Assignment. No assignment of this Agreement or of the rights and obligations hereunder shall be valid without the specific written consent of the Parties, and, if required by this Agreement or under applicable law, the review and written approval of applicable regulatory agencies.

- (e) Relationship of the Parties. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create any relationship between the Parties other than that of independent parties contracting with each other for the purpose of effecting the provisions of this Agreement. The Parties are not, and shall not be construed to be in a relationship of joint venture, partnership or employer-employee. No Party shall have the authority to make any statements, representations or commitments of any kind on behalf of the other Party without the prior written consent of the other Party.
- (f) Costs. Each Party will be solely responsible for and bear all of its own costs and expenses, including, without limitation, fees and expenses of legal counsel, accountants and other advisors, incurred in connection with the negotiation of this Agreement and the Implementing Agreements.
- (g) Public Statements and Disclosure; Use of Name; Co-Branding. The Parties will keep this Agreement, and all other information regarding the matters contemplated herein and in the Implementing Agreements (including financial terms, if any) confidential until mutual agreement is reached in writing on publicity, and all subsequent publicity by a Party will be cleared in writing in advance by both Parties. To the extent that a Party believes that disclosure is required as a matter of law, such Party shall promptly advise the other in writing of the disclosure that it intends to make. If the Parties wish to announce their collaboration pursuant to this Agreement or any of the Implementing Agreements, they agree to work together on a joint announcement. Notwithstanding, the foregoing, no Party shall use the name or logo of another Party without its prior written permission. Specifically, pursuant to California Education Code Section 92000, SVHCD agrees that it shall not use UCSF's name, trademarks or other proprietary symbols, names and marks in any advertising or other promotional material without the prior written consent of UCSF. UCSF agrees that it shall not use the name, trademarks or other proprietary symbols, names and marks of SVHCD in any advertising or other promotional material without the prior written consent of SVHCD. To the extent that this Agreement contemplates joint clinical programs, the Parties may agree to co-branding with explicit agreement from the Party whose logo and/or name is used and how the Parties will represent joint initiatives to the public, which specific uses shall be documented in the applicable Implementing Agreement for such program. The Party whose logo and/or name is used under those circumstances may withdraw its consent at any time, and all other Parties shall cease using the logo and/or name upon receipt of written notice.
- (h) Confidentiality. Each Party will only disclose information and documents which the other Parties, or their affiliates, or their respective officers, directors, employees and agents, may furnish (orally or in writing) in connection with this Agreement and the Implementing Agreements (the "Confidential Information") to its employees and other representatives who have a need-to-know for the purposes of this Agreement and the Implementing Agreements. Each Party and its employees and other representatives will use the Confidential Information for the purposes contemplated herein or in the Implementing Agreements, as applicable, and for no other purpose. Nothing in this Agreement shall preclude any Party from taking such action as it deems necessary to fulfill their legal obligations under the California Public Records Act and similar public disclosure statutes, provided that such Party provides notice of such action or disclosure

to the other Party in order to allow the other Party to limit the disclosure of Confidential Information to the extent permitted by law.

- (i) Brown Act Compliance. The Parties acknowledge that SVHCD is subject to the Brown Act. Nothing in this Agreement shall be construed to require SVHCD or its Board of Directors, committees, or representatives to take any action in violation of the Brown Act. To the extent applicable, meetings of SVHCD's Board or committees relating to this Agreement shall be conducted in compliance with the Brown Act.
- (j) Amendments. This Agreement and any Exhibit hereto may be amended only by a written instrument signed by the Parties. In the event that this Agreement violates any state or federal law applicable to tax-exempt financing now maintained by any Party or sought by any Party in the future, the Parties shall attempt to renegotiate the terms of this Agreement in good faith in order to conform to said laws. Any such renegotiation shall, unless the Parties agree otherwise, be limited to those provisions that must be changed in order to obtain or maintain such financing. Unless renegotiation is accomplished by the good faith efforts of the Parties within sixty (60) days after written notice by any Party to the other Parties of the need for such renegotiation, any Party may immediately terminate this Agreement at the expiration of such sixty (60) day period.
- (k) Entire Agreement. All Exhibits referred to herein shall be deemed to be incorporated herein by reference. This Agreement and its Exhibits, and all Implementing Agreements with their respective Exhibits, represents the entire agreement of the Parties relating to the subject matter hereof. In the event that any provision of this Agreement conflicts with the terms of any Exhibit to this Agreement, the terms of the Exhibit shall control with respect to the subject matter of such Exhibit.
- (l) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Electronic signature pages shall constitute original signature pages for the purposes hereof.
- (m) Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same shall either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.
- (n) No Prohibited Inducements or Remuneration on Account of Referrals or Other Business. The Parties each shall assure that no prohibited remuneration is promised or made on account of the volume or value of referrals made by any Party to the arrangements contemplated by the Shared Vision, or the value or volume of business otherwise generated under the Shared Vision, and that referrals by participating physicians are made in accordance with established clinical standards that do not reward those physicians based on the value or volume of referrals made or business generated.
- (o) Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver

granted by a Party must be in writing, and shall apply only to the specific instance expressly stated.

- (p) Dispute Resolution. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in San Francisco County before a single arbitrator in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration. Any award rendered by the arbitrator shall be final and binding on the Parties. Judgment on the award may be entered in any court having jurisdiction. The costs of any such arbitration shall be borne equally by the Parties. This clause shall not preclude the Parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. During the pendency of any such arbitration and until final judgment thereon has been entered, this Agreement shall remain in full force and effect unless otherwise terminated as provided herein. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.
- (q) Change in Law. In the event that a change in state or federal law, statute, regulation, or enforcement of some materially affects this Agreement in a manner which is adverse to any Party to this Agreement, the Parties agree to negotiate immediately, in good faith, any necessary or appropriate amendment(s) to the terms of this Agreement. If the Parties fail to reach a mutually agreeable amendment within thirty (30) days of such negotiation period, the Party who is adversely affected may terminate this Agreement at the end of such thirty (30) day period.
- (r) Third Parties. This Agreement is not intended and shall not be construed to create any rights for any third Party.
- (s) Force Majeure or Commercial Impracticability. Any Party shall be excused for failures and delays in performance of its respective obligations under this Agreement due to any cause beyond the reasonable control and without the fault of such Party including, without limitation, acts of God such as fire, flood, earthquake; acts of government (i.e., civil injunctions or enacted statutes and regulations); or acts or events caused by third parties such as riot, strike, or explosion; or inability due to any of the aforementioned causes to obtain necessary labor, materials or facilities. This provision shall not, however, extend the term or release such Party from using its reasonable commercial efforts to avoid or remove such cause and such Party shall continue performance hereunder promptly whenever such causes are removed. Upon claiming any such excuse or delay in performance, such Party shall give prompt notice thereof to the other Parties, provided that failure to give such notice shall not in any way limit the operation of this provision.
- (t) Captions. The captions contained herein are used solely for convenience and shall not be deemed to define or limit the provisions of this Agreement.
- (u) Non-Discrimination. The Parties agree to treat in a nondiscriminatory manner any and all patients receiving medical benefits or assistance under any federal health care program.

- (v) Regulations and Standards. The Parties shall comply with all applicable federal and state regulations and The Joint Commission standards.

(Signature page to follow)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

UCSF:

The Regents of the University of
California, on behalf of UCSF Health

By:

Name: Suresh Gunasekaran
Title: President and CEO of UCSF Health

SVHCD:

Sonoma Valley Health Care District

By:

Name: Wendy Lee Myatt
Title: SVHCD Board Chair

[Signature Page Affiliation Agreement]

Exhibit 2(a)

Affiliation Oversight Committee

SVHCD Representatives

1. SVHCD Board Chair
2. SVHCD Board Member
3. Hospital CEO (non-member, liaison)

UCSF Liaisons

1. UCSF Health Network President
2. UCSF Health Network COO
3. UCSF Health Network CMO

Exhibit 3(a)

Joint Operating Committee Members

UCSF:

1. UCSF Health Network COO
2. UCSF Health Network CMO
3. UCSF Health Network CFO

Sonoma Valley Hospital:

1. Hospital CEO
2. Hospital CMO
3. Hospital CFO

Exhibit 4(a)

Executive Leadership Roles

Current Title	Current and Planned Effort
Hospital Chief Executive Officer	1.0 FTE current
Hospital Chief Financial Officer	1.0 FTE current
Hospital Chief Medical Officer	1.0 FTE current, 0.5 FTE planned
Hospital IT Director	0.5 FTE current, 1.0 FTE planned

[Exhibit 4\(b\)](#)

Project List

The JOC shall review existing and planned projects to populate this Exhibit 4(b) within the first six months following the Effective Date of this Agreement.

Project	Goal	Status
EPIC/APEX Integration		
Infusion Center		
Primary Care Strategy Coordination and Development		
Specialty Care Strategy Coordination and Development		
Coordination of Patient Transfers		

[Exhibit 4\(c\)](#)

Hospital Purchased Services

The JOC shall review existing and planned Hospital purchased services to populate this Exhibit 9(c) within the first six months following the Effective Date of this Agreement.

Role Description	Time Commitment (monthly hours)
<i>Clinical & Medical Expertise:</i> Facilitate access to UCSF clinical leadership and specialty expertise to support SVHCD in areas such as clinical program development, service line planning, physician engagement, care model design, and evaluation of clinical quality or operational opportunities.	< 10/ month
<i>Strategic Planning & Decision Support:</i> Provide strategic planning and analytical support to assist SVHCD with market assessments, service line evaluations, growth opportunities, financial decision-making, and long-range planning.	< 10/ month
<i>Quality & Patient Safety:</i> Provide quality and regulatory expertise to support SVHCD's quality improvement initiatives, patient safety programs, accreditation readiness, and regulatory compliance efforts.	< 10/ month
<i>Human Resources Support:</i> Provide access to UCSF Human Resources expertise to support SVHCD in areas such as workforce planning, recruitment and retention strategies, compensation benchmarking, leadership development, employee relations best practices, labor compliance guidance, and HR policy development.	< 10/ month
<i>Marketing, Communications Support:</i> Provide strategic marketing and communications support to assist SVHCD with brand positioning, service line growth, community outreach, physician alignment, and patient access initiatives.	< 10/ month

Exhibit 4(f)

Executive Leadership Team Reimbursement

1. Executive Leadership Team Reimbursement Methodology. As consideration for the Executive Leadership Team Management Services, SVHCD shall reimburse UCSF for the actual, direct compensation costs of the Hospital Executive Management Team (“*Reimbursable Costs*”). Any modification to the methodology or structure of reimbursement methodology requires a formal written amendment signed by both Parties. Reimbursable Costs shall consist of the following three components:
 - a. Base Salary. The annual salary for the Executive Leadership Team as determined by UC and UCSF policy, industry standards, and subject to UCSF Health Compensation classification.
 - b. Benefits. The actual cost of UCSF-provided benefits, including but not limited to the University of California Retirement Program, Health Insurance, Vision Insurance, other/non-cash benefits.
 - c. Incentive Pay. The Incentive Pay for the Executive Leadership Team shall be based on UCSF Health Annual Incentive Payment Program and applicable commensurate executive management tier.
2. Invoicing and Payment. UCSF shall invoice the Hospital on a monthly basis for the proportional amount of Base Salary and Benefits incurred during the preceding month, and annually for actual Incentive Pay amounts following their disbursement. Each invoice shall include a summary of the reimbursable amounts for the applicable period. The Hospital shall remit payment within thirty (30) days following receipt of UCSF’s invoice. For any partial month at the commencement or termination of this Agreement, the Reimbursable Costs shall be prorated based on the number of days the Agreement was in effect.
3. Compensation Control and Aggregate Limits. The Parties acknowledge the following authorities regarding compensation for the Executive Leadership Team:
 - a. Salary Adjustments. All changes to compensation of the Executive Leadership Team remain under the sole control of UCSF. However, changes to the Reimbursable Cost methodology under this Agreement shall be made only by a written amendment signed by the Parties. Notwithstanding any other provision of this Agreement, the annual aggregate Reimbursable Cost increase attributable to Annual Salary of the Executive Leadership Team shall not exceed the average percentage salary increase of all SVHCD employees, unless otherwise mutually agreed to by the Parties in writing.
 - b. Annual Review of Hospital CEO Performance. The SVHCD Board of Directors will convene a CEO Compensation Committee annually during the Term of this Agreement to evaluate the Hospital CEO’s performance and make

recommendations to UCSF related to base salary and incentive pay for the Hospital CEO for the upcoming year.

Exhibit 5(a)

The CMO shall be responsible to SVHCD to perform the CMO services set forth below and such other services as SVHCD may designate.

Administrative Duties

1. Provide general oversight, direction and coordination of the patient care services, quality control programs, cost-efficiency programs, peer review process, physician recruiting activities, physician retention services, and other customary services specific to SVHCD as necessary or appropriate.
2. Provide oversight for SVHCD service and site specific medical directors including reviewing quarterly reports and coordinating annual performance evaluations.
3. Assist SVHCD in assuring operational compliance with applicable rules, regulations and guidelines as established by federal, state, and local governments. Assist SVHCD in developing and implementing new plans for maintaining compliance as these rules, regulations and guidelines are revised.
4. Participate in SVHCD medical staff, and, as appropriate, other committees. Committees to include, but not limited to, Medical Executive Committee, Medicine Committee, Surgery Committee and the Performance Improvement Committee. In addition, attends the Board Quality Committee meeting.
5. Provide appropriate and sufficient availability for consultation with SVHCD leadership, medical and other staff, as needed. Is a member of the SVHCD Administrative Team.
6. Act as physician liaison for the Hospital Medical Staff when appropriate.
7. Submit an annual fiscal year-end report of the operation and status of the program, including: (1) accomplishments; (2) data supporting quality, experience, operational and value goals; (3) identified areas for improvement; and (4) performance against state and national benchmarks.
8. Participate in community education at least once a year.
9. Consult, as necessary, with medical staff and administrative staff regarding the current and new technology, equipment and supplies pertaining to the needs of SVHCD.

Quality, Safety, Experience and Value Programs

With advice and consultation from UCSF:

1. Assist in the development, collection and evaluation of data for use in the development of practice guidelines, quality improvement, cost-control, formulary, order sets and other

programmatic functions, as applicable.

2. In coordination with Hospital quality, safety, risk and case management departments, perform chart review and monitor, evaluate and report the quality, safety and appropriateness of patient care services provided at the Hospital.
3. Set and achieve annual quality, safety and patient experience goals. Review metrics at least monthly and develop improvement work in coordination with medical and administrative staff.
4. With assistance from Hospital staff, monitor and evaluate the current care delivery system to ensure the coordination of high equality cost effective medical services. If such evaluation reveals an opportunity, then Medical Director will assist in ensuring that the modification of such systems are coordinated with the activities of other staff, support services and departments.
5. As needed, assist in the design, development, and implementation of patient information forms, medical record forms, and consent forms that impacted patient care.
6. Assist in identifying clinical focused cost containment and value improvement opportunities.

Peer Review Related

1. Assist and participate in establishing or modifying a peer review process to evaluate clinical competence and skills of physicians at the Hospital.
2. Evaluate clinical competency and skills of physicians through the peer review process.
3. Advise the Hospital with respect to selection, retention and termination of all non-physician clinical personnel who may be required for the proper operation of the Hospital.

Exhibit 6(a)

Trademark License Agreement

See attached.

Exhibit 9(a)

SVHCD Insurance Requirements

SVHCD, at its sole cost and expense, shall insure its activities in connection with this Agreement, and obtain, keep in force and maintain insurance as follows:

1. Professional Medical Liability Insurance with financially sound and reputable companies with limits of one million dollars (\$1,000,000) per occurrence and a general aggregate of three million dollars (\$3,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Agreement. The insurance shall have a retroactive date prior to coinciding with the effective date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then SVHCD shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period.
2. Commercial General Liability Insurance (contractual liability included) with a limit of one million dollars (\$1,000,000) per occurrence and a general aggregate of three million dollars (\$3,000,000). If such insurance is written on a claims-made form, it shall continue for five (5) years following termination of this Agreement. The insurance shall have a retroactive date prior to or coinciding with the Effective Date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then SVHCD shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period.
3. Workers' Compensation Insurance in a form and amount covering SVHCD's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.
4. Such other insurance in such amounts which from time to time may be reasonably required by the mutual consent of the Parties against other insurance risks relating to performance.

It is expressly understood, however, that the coverages required under this Agreement shall not in any way limit the liability of SVHCD.

The coverage referred to above shall be endorsed to include UCSF as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of SVHCD, its officers, agents, and/or employees. SVHCD, upon execution of this Agreement, shall furnish UCSF with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for reasonable advance written notice to UCSF of any modification, change or cancellation of any of the above insurance coverages.

Exhibit 9(b)

UCSF Insurance Requirements

UCSF, at its sole cost and expense, shall insure its activities in connection with this Agreement, and obtain, keep in force and maintain insurance as follows:

1. Professional Medical Liability Insurance with financially sound and reputable companies with limits of three million dollars (\$3,000,000) per occurrence and a general aggregate of ten million dollars (\$10,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Agreement. The insurance shall have a retroactive date prior to coinciding with the effective date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then UCSF shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period.
2. Commercial General Liability Insurance (contractual liability included) with a limit of one million dollars (\$1,000,000) per occurrence and a general aggregate of five million dollars (\$5,000,000). If such insurance is written on a claims-made form, it shall continue for five (5) years following termination of this Agreement. The insurance shall have a retroactive date prior to or coinciding with the Effective Date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then UCSF shall obtain extended reporting (tail) coverage for the remainder of the five (5) year period.
3. Workers' Compensation Insurance in a form and amount covering UCSF's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.
4. Such other insurance in such amounts which from time to time may be reasonably required by the mutual consent of the Parties against other insurance risks relating to performance.

It is expressly understood, however, that the coverages required under this Agreement shall not in any way limit the liability of UCSF.

The coverage referred to above shall be endorsed to include SVHCD as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of SVHCD, its officers, agents, and/or employees. UCSF, upon execution of this Agreement, shall furnish SVHCD with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for reasonable advance written notice to SVHCD of any modification, change or cancellation of any of the above insurance coverages.



To: SVHCD Board of Directors
From: Ben Armfield, Chief Financial Officer
Date: March 5, 2026
Subject: FY26 Financial Statement Assurance Services

BACKGROUND:

Management is requesting Board approval to engage Baker Tilly US, LLP (formerly Moss Adams LLP) to perform the District's financial statement audit and related assurance services for the fiscal year ending June 30, 2026.

As the Board may recall, the District approved a three-year audit engagement with Moss Adams beginning in FY24. Since that time, Moss Adams has transitioned to operating under the Baker Tilly name as part of a national rebrand and organizational alignment. The engagement team and service structure remain consistent with prior years.

FY26 represents year 3 of 3 under the Board-approved engagement proposal.

SCOPE OF SERVICES:

Baker Tilly will perform the District's annual financial statement audit for the fiscal year ending June 30, 2026. This includes auditing our financial statements, issuing an opinion to the Board, and completing the required procedures under Government Auditing Standards.

As in prior years, they will also assist management with drafting the financial statements and related footnotes, while maintaining their required independence.

Audit fieldwork is expected to begin in August 2026, with the final report presented to the board for approval during the November 2026 board meeting.

FEES:

The proposed fee for FY26 assurance services is \$79,000, which matches the originally approved Year 3 fee included in the Board-approved three-year proposal.

There is no increase from the previously approved schedule.

SVHCD FINANCE COMMITTEE

This item was presented to the SVHCD Finance Committee during its February meeting, and the Committee formally approved its recommendation for the SVHCD Board of Directors to approve and execute the FY26 engagement letter with Baker Tilly.

ATTACHMENTS:

- Baker Tilly / Sonoma Valley Healthcare District FY26 Audit Engagement Letter

Baker Tilly US, LLP
333 Bush Street
Suite 1000
San Francisco, CA 94104
United States of America

February 4, 2026

T: +1 (415) 956 1500
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Wendy Lee Myatt
Board Chair
Sonoma Valley Health Care District
347 Andrieux Street
Sonoma, CA 95476

bakertilly.com

Re: Audit and Nonattest Services

Dear Wendy:

Thank you for the opportunity to provide services to Sonoma Valley Health Care District. This engagement letter ("Engagement Letter") and the attached Professional Services Agreement, which is incorporated by this reference (collectively, the "Agreement"), confirm our acceptance and understanding of the terms and objectives of our engagement, and limitations of the services that Baker Tilly US, LLP ("Firm," "we," "us," and "our") will provide to Sonoma Valley Health Care District ("you," "your," and "District").

Scope of Services – Audit

You have requested that we audit the District's financial statements, which comprise the statements of net position as of June 30, 2026, and the related statements of revenue, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. We have not been engaged to report on whether the supplemental schedule of community support, presented as supplementary information, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to District's RSI in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Scope of Services and Limitations – Nonattest

We will provide the District with the following nonattest services:

- 1) Assist you in drafting the financial statements and related footnotes as of and for the year ended June 30, 2026.

Our professional standards require that we remain independent with respect to our attest clients, including those situations where we also provide nonattest services such as those identified in the preceding paragraphs. As a result, District management must accept the responsibilities set forth below related to this engagement:

- Assume all management responsibilities.
- Oversee the service, by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to oversee our nonattest services. The individual is not required to possess the expertise to perform or reperform the services.
- Evaluate the adequacy and results of the nonattest services performed.
- Accept responsibility for the results of the nonattest services performed.

It is our understanding that Benjamin Armfield, CFO, has been designated by the District to oversee the nonattest services and that in the opinion of the District you are qualified to oversee our nonattest services as outlined above. If any issues or concerns in this area arise during the course of our engagement, we will discuss them with you prior to continuing with the engagement.

Timing

Chris Pritchard is the engagement principal and Katherine Djiauw is responsible for supervising the engagement and authorizing the signing of the report. We expect to begin the audit fieldwork for this engagement in August 2026, and issue our report no later than November 30, 2026.

Our scheduling depends on your completion of the year-end closing and adjusting process prior to our arrival to begin the fieldwork. We may experience delays in completing our services due to your staff's unavailability or delays in your closing and adjusting process. You understand our fees are subject to adjustment if we experience these delays in completing our services.

Fees

We estimate that our fees for the services will be \$79,000.

Payment Due	Expected Timing	Amount
Engagement Acceptance (20%)	Engagement Letter Date	\$15,800
Interim Fieldwork Begins (20%)	August 2026	\$15,800
Year-End Fieldwork Begins (50%)	September 2026	\$39,500
Report Finalization (10%)	October 2026	\$7,900
Total		\$79,000

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals/entertainment expenses will be billed separately and are not included in the 5% charge.

Our ability to provide services in accordance with our estimated fees depends on the quality, timeliness, and accuracy of the District’s records, and, for example, the number of general ledger adjustments required as a result of our work. To assist you in this process, we will provide you with a Client Audit Preparation Schedule that identifies the key work you will need to perform in preparation for the audit. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, general ledger adjustments, and/or untimely assistance will result in an increase of our fees.

Reporting

We will issue a written report upon completion of our audit of the District’s financial statements. Our report will be addressed to the Board of Directors of the District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. Our services will be concluded upon delivery to you of our report on your financial statements for the year ended June 30, 2026.

We appreciate the opportunity to be of service to you. If you agree with the terms of our engagement as set forth in the Agreement, please sign the enclosed copy of this letter and return it to us with the Professional Services Agreement.

Very truly yours,

Baker Tilly US, LLP

Enclosures

Accepted and Agreed:

This Engagement Letter and the attached Professional Services Agreement set forth the entire understanding of Sonoma Valley Health Care District with respect to this engagement and the services to be provided by the Firm:

Signature: _____

Print Name: _____

Title: _____

Date: _____

Client: #620823
v. 06/04/2025



To: SVHCD Board of Directors
From: Kelley Kaiser, Chief Executive Officer
Date: March 5, 2026
Subject: CEO Update – March 2026

UCSF Affiliation agreement

The SVHCD/UCSF Affiliation committee have made good progress on their work, and the Affiliation Agreement should be ready for signature shortly. A key component of the agreement is directing the Joint Operating Committee (JOC) to identify, evaluate and implement the initiatives that directly fulfill SVHCD's mission to improve access and the quality of care in the Sonoma Valley Community.

Strategic Planning

We are preparing for our Board retreat in March where we will talk through the update to the Strategic Plan Focusing on: ***Quality, Access and Experience, Community Engagement, Connected Culture, and Sustainability.***

February Operations Update; Key takeaways:

Performance Trajectory

The hospital is demonstrating **simultaneous improvement in quality and financial stability**, supported by national recognition (HQIP), operational growth (surgery/infusion), and strengthened governance.

Financial Stability Strengthening

While January reflected temporary challenges, the **YTD position remains strong**, and liquidity is improving with IGT dollars and solid cash collections, improving Days cash on hand to 13.4.

Operational Momentum

Growth in key service lines, stable inpatient census (Avg of 11.2), and strong ER demand (Avg 33 visits/day) position SVH for continued performance improvement.

The Stryker System has been installed, and the first surgery was completed using the new technology, many thanks to the Foundation for their ongoing support.

Leadership update, after seven plus years of Service and the last three and a half as our Chief Nursing Officer **Jessica Winkler will be retiring shortly after the completion of our CIHQ survey.** While we are excited for her as she begins this next chapter, we know she will be greatly missed across the organization.

We have already posted the position and will be moving quickly to identify the right candidate to step into this role. During the transition period, we will ensure coverage and continuity so that our teams and operations remain fully supported.

Please join me in thanking Jessica for her service, commitment, and many contributions.

We will share more information soon about plans to celebrate her retirement.

System Reliability and Safety

We are preparing for our CIHQ audit. Our Audit window is March 9th through May 9th. The team has been focusing on ensuring our policies and processes are well documented and that staff are prepared.

CMS recently shared the Star Ratings. This reflects **data from the COVID-era**, one of the most disrupted periods in modern healthcare. SVH is listed as a 1-star. CMS will be updating their ranking in April of 2026, this will show SVH as a 2-star hospital.

This rating does **not** reflect the hospital's current operational strength, quality performance, or the significant progress being made over time.

In 2025 SVH was recognized earning the 2025 Get With the Guidelines – Silver Plus award from the American Heart Association.

The **Lown Institute Hospital Index** — an independent ranking that specifically weights community benefit, health equity, and avoidance of overuse — currently places Sonoma Valley Hospital 10th in the nation and 2nd in California among 2,758 hospitals. This is not a minor distinction. It reflects a hospital that provides high-value care, avoids unnecessary procedures, and serves its community with genuine commitment. The Lown methodology is designed precisely to capture what CMS star ratings miss about community-centered hospitals

For the second year in a row **Sonoma Valley Hospital** is one of the eight hospitals from the 24-county footprint being recognized as 2024-25 Top Performers that achieved a score of 90% or higher in Partnership's Hospital Quality Improvement Program (HQIP),

Small-volume hospitals like SVH are **disproportionately affected** by a few cases in areas like mortality and readmissions.

The rating should be interpreted as a **lagging indicator**, not a measure of today's performance.

Patient Experience - Real-time Q Reviews show an **average score of 4.85/5.0 in 2025**. Survey participation has **more than doubled** since 2021—indicating both strong patient engagement and reliable sampling.

Our Hospital Consumer Assessment of Healthcare Providers and systems (HCAHPS) continues to receive a 4-Star rating.

SVH Performance Score Card

1. Quality and Safety

Objective	Target	DEC 25	JAN 26	Supporting detail
Infection Prevention				
Central Line Blood Stream Infection CLABSI volume	<1	0	0	Less than Target is Goal
Catheter Associated Urinary Tract Infection- CAUTI volume	<1	N/A	0	Less than Target is Goal
CDIFF Infection volume	<1	N/A	1	Less than Target is Goal
Surgical Site Infections volume	<1	N/A	0	Cholecystectomy Laminectomy - Less than Target is Goal
Acute Care Falls				
Patient Fall per 1000 pt days	<3.75	N/A	0	Less than Target is Goal
Patient fall with injury per 1000 pt days	<3.75	N/A	0	Less than Target is Goal

Core Measures				
Objective	Target	NOV 25	DEC 25	Supporting detail
Sepsis Early Management Bundle % compliant	>81%	100.00	100.00	Above Target is Goal
Severe Sepsis 3 hour Bundle % compliant	>94%	100.00	N/A	Above Target is Goal
Severe Sepsis 6 hr Bundle % compliant	100%	100.00	N/A	Above Target is Goal
Core OP 23- Head CT within 45 mins % compliant	70%	0.50	N/A	Above Target is Goal

Mortality				
Objective	Target	NOV 25	DEC 25	Supporting detail
Acute Care Mortality Rate O/E rate	<1	0.24	0.42	Lower is better

ED				
Objective	Target	NOV 25	DEC 25	Supporting detail
Core OP 18b Median Time ED arrival to ED Departure mins	<132	121.50	87.00	Lower is better
Core Op 22 ED Left without being seen LWBS	<2%	0.10	0.20	Lower is better

PSI 90				
Objective	Target	NOV 25	DEC 25	Supporting detail
PSI 90 Composite Acute Care Admissions	0.00	0.00	0.00	Lower is better

Preventable Harm				
Objective	Target	NOV 25	DEC 25	Supporting detail
Preventable Harm Events Rate % of risk events graded Minor-Major	0.00	0.22	0.11	Complications under review Lower is better
Readmissions to Acute Care within 30 days %	<16.6	8.54	9.90	Lower is better



2. Employees

Objective	Target	Q3,25 Jul-Sep	Q4,25 Oct-Dec	Supporting Detail
Short-term Turnover	<3%	13.1	6.7	Employed less a year is defined as Short-Term Turnover - method of calculation changed as of 1/1/25
Turnover	<10%	5.0	2.1	Total Turnover Rate (Annual Basis)
Workplace Injuries	<20 Per Year	6 (QTR 3)	5 (QTR 4)	

3. Patient Experience

Outpatient Ambulatory Services (OASCAHPS)				
Objective	Target	NOV 25	DEC 25	Supporting Detail
Recommend Facility	>90%	97.6	85.7	Top Box Scores. % of patients choosing "Always" - Above Target is Goal
Communication	>90%	95.4	92.5	
Discharge Instructions	>95%	100.00	97.00	

HCAHPS (Hospital Inpatient)				
Objective	Target	NOV 25	DEC 25	Supporting Detail
Recommend the hospital	>90%	90.0	74.9	Top Box Scores. % of patients choosing "Always" - Above Target is Goal
Communication with Nurse	>90%	83.3	78.8	
Communication with Doctor	>90%	56.7	79.4	
Cleanliness of Hospital	>90%	80.0	74.7	
Communication about medicines	>90%	50.0	63.5	
Discharge Information	>90%	100.0	87.9	

4. Volume

Objective	Target	DEC 25	JAN 26	Supporting Detail
Patient Visits				
Emergency Visits	>920	1,047	1,022	Higher than Target is Goal
Surgical Volume Outpatient	>135	152	115	Higher than Target is Goal
Surgical Volume Inpatient	>10	10	5	Higher than Target is Goal
Inpatient Discharges	>70	96	90	Higher than Target is Goal

5. Financial

Objective	FY26 Target	DEC 25	JAN 26	Supporting Detail
Operating EBDA in % (Month) *	varies	5.0%	-2.6%	January Operating EBDA Target 4.2%
Operating EBDA in % (YTD) *	>5.2%	7.6%	6.1%	
Days Cash on Hand @ FYE	>30	30.5	28.5	
Net Operating Revenue (\$M) (annualized)	>\$76.7	\$81.1	\$81.1	Includes Parcel Tax & IGT Revenues



To: SVHCD Board of Directors
From: Patrick Okolo III, MD, Chief Medical Officer
Date: March 5, 2026
Subject: CMO Update – March 2026

Quality Trajectory Update

Quality as the Hospital's Operating System

- Quality is foundational to safety, reliability, and trust
- Drives operational throughput and financial sustainability
- Influences recruitment, reputation, and community confidence
- Functions as the hospital's core management discipline

Snapshot vs. Trajectory

Where We Were:

- CMS Star Rating reflects a completed historical measurement period

Where We Are:

- 2024–25 Partnership HQIP Top Performer (≥90% composite score)

Where We're Going:

- CMS-aligned metrics
- Operational growth and stability
- Structured quality governance

External Validation: Partnership HQIP Recognition

- One of eight hospitals recognized as 2024–25 Top Performer
- Achieved ≥90% composite score
- Independent payer-based benchmarking
- Reflects current-state performance and system reliability

January Quality Scorecard & Oversight

- Mortality and PSI-90 monitored
- Falls, Stroke, ALOS, Readmissions tracked
- CIHQ corrective action plans implemented
 - High-risk observation documentation workflow clarified
 - Policy compliance review strengthened
- Continuous internal monitoring and accountability

2026 Quality Governance Realignment

- Removal of misaligned inpatient measures
- Consolidation to SEP-1 for sepsis reporting
- Alignment with CMS-monitored mortality and ALOS
- PSI-90 and Falls: emphasis on raw counts in low census setting
- Focus on CMS-tracked chronic disease measures
- Streamlined board reporting with continued internal monitoring

Operational Momentum: Surgical & Infusion Growth

- **January 2026:**
 - 117 surgical procedures
 - 63 outpatient infusions
- **February 2026 (Projected):**
 - 131 surgical procedures
 - 60 outpatient infusions
- Stable growth trajectory with physician confidence and throughput stability
- Quality and operational performance aligned

Forward Focus: Next 90 Days

- Maintain CMS-aligned quality oversight
- Sustain HQIP performance momentum
- Monitor CIHQ corrective action compliance
- Strengthen documentation workflows
- Align surgical growth with safety and reliability metrics
- Continue transparent governance reporting



To: SVHCD Board of Directors
 From: Ben Armfield, Chief Financial Officer
 Date: March 5, 2026
 Subject: Financial Report for January 2026

OVERALL PERFORMANCE SUMMARY | MONTH OF JANUARY 2026

- **Operating Performance** – January represented the first month this fiscal year in which the hospital did not meet its monthly budget target. For the month, the hospital posted an operating loss of **\$(552,000)** compared to a budgeted operating loss of **\$(238,000)**. Operating EBDA was **\$(177,000)** versus a budgeted positive **\$275,000**.

While January fell short of budget, year-to-date performance remains strong. Through seven months of the fiscal year, the hospital continues to outperform budget by a meaningful margin, sustaining a significantly improved financial position compared to prior years.

The primary drivers of January’s variance were:

- A decline in surgical volumes
- Several one-time expense increases
- Elevated interest expense associated with full utilization of the line of credit

	Current Month				Year-To- Date				PY Actual	Var	%
	Actual	Budget	Var	%	Actual	Budget	Var	%			
Operating Margin	\$ (552.4)	\$ (238.2)	\$ (314.2)	-132%	\$ (507.3)	\$ (2,805.7)	\$ 2,298.4	82%	\$ (2,609.4)	\$ 2,102.0	81%
Operating EBDA	\$ (177.4)	\$ 275.2	\$ (452.6)	-164%	\$ 2,894.3	\$ 837.7	\$ 2,056.6	246%	\$ 1,084.4	\$ 1,809.9	167%
Net Income (Loss)	\$ (300.4)	\$ (82.3)	\$ (218.1)	-265%	\$ 1,225.8	\$ (1,714.6)	\$ 2,940.4	171%	\$ (1,298.9)	\$ 2,524.7	194%

- **Operating Revenues - \$6.74 Million**, which exceeded budget by **2%** or **\$156,000**. While total operating revenue modestly exceeded budget, this was driven by IGT revenue. On a core operating basis, gross patient revenue fell short of expectations for the first time this fiscal year.

Net Patient Revenue (excluding IGT proceeds) was **\$3.95 million**, approximately **12% below budget**, driven primarily by reduced surgical volumes during the month. Notwithstanding the softness in surgical activity, key service areas - including the Emergency Department and MRI - continued to demonstrate strong performance.

January also reflects an important positive development related to the Rate Range IGT program. As previously discussed, the hospital budgeted a \$10 million net benefit for the FY26 program and ultimately realized a full \$12 million net benefit. As a result, beginning in January, the hospital will accrue approximately \$330,000 of additional net revenue per month through fiscal year-end to recognize this incremental benefit.

- **Operating Expenses - \$7.29 Million**, which exceeded budget by **7%** or **(\$471,000)**. Several expense increases during the month were either one-time in nature or timing-related:
 - **Benefits Expense** – Benefit expense increased by approximately \$60,000 in January due to front-loaded funding of a couple components of our captive insurance program. Previously, these costs were spread and paid quarterly. Beginning in January 2026, the structure shifted,

concentrating more of the administrative cost in the early part of the year. Importantly, these dollars were budgeted for the fiscal year but were originally spread more evenly over 12 months. As a result, this variance should normalize over the coming months as the expense was budgeted for the year but shifted in timing.

- **Purchased Services** – January included certain one-time true-ups to actual expenses, contributing to the monthly variance.
- **Interest Expense** – Similar to December, January included approximately \$70,000 of incremental interest expense associated with the line of credit being fully drawn during the liquidity-constrained period. With IGT proceeds now received, interest expense is expected to revert to more typical levels beginning in February.
- **FTEs** – Worked FTEs decreased from the prior month, reflecting management’s efforts to flex staffing downward in response to lower volumes. This demonstrates appropriate operational discipline during softer revenue periods.
- **Year-To-Date** - Despite January’s shortfall, the hospital remains in a strong year-to-date position:
 - **Operating Margin** stands at **\$(507,000)** compared to a budgeted loss of **\$(2.81 million)**.
 - **Operating EBDA** totals **\$2.89 million**, exceeding budget by more than **\$2.0 million**.
- **Cash** – Cash levels improved during January, driven primarily by receipt of the Kaiser portion of the Rate Range IGT proceeds. During the month, the hospital received approximately \$2.6 million in IGT funding, representing a net benefit of approximately \$1.2 million after accounting for the matching fee pay-in made in November. January also reflected strong patient cash collections, further supporting liquidity.

As a result of these inflows, cash increased from \$1.57 million at December month-end to \$1.86 million at January month-end, with Days Cash on Hand improving from 12.0 days to 13.4 days.

Importantly, this improvement occurred despite deliberate efforts during the month to reduce elevated accounts payable balances that had accumulated during the prior cash-constrained period. Management began normalizing payables as liquidity strengthened, and that process will continue in the coming months, particularly with the remaining IGT-related proceeds received in February, as discussed below.

DRIVERS IN MONTHLY PERFORMANCE

- **Inpatient Activity** - Despite the overall revenue softness, inpatient activity remained strong. Average Daily Census was approximately **11.2** for the month, consistent with elevated utilization seen in prior months.
- **Emergency Department** - ER volumes remained strong at roughly 33 visits per day, continuing to reflect sustained demand.
- **Outpatient Activity** - Performance was mixed. MRI volumes remained strong despite lost business days. Other imaging areas experienced temporary declines but have already rebounded in February.
- **Surgical Volumes** - Surgical activity was the most significant driver of January’s revenue performance. A total of 120 surgeries were performed during the month - the lowest monthly total this fiscal year and nearly 20% below budget. As noted above, holiday timing and physician availability were primary contributors. Encouragingly, surgical volumes have risen in February.

OTHER FINANCE UPDATES

IGT Update

We are excited to report that the hospital received the Rate Range IGT funds from Partnership Health Plan in mid February, and has now received all applicable Rate Range IGT funds for the CY24 (FY26) Program. Between Kaiser and Partnership, the hospital realized a full **\$12 million net benefit**, exceeding the originally budgeted amount. Again, for perspective, the hospital netted just over \$3 million just two fiscal years ago in FY24.

Management has now pivoted toward negotiations for the CY25 (FY27) program. Work on that process is underway, and we expect to have more clarity on projected funding levels by late March or early April.

District Hospital Directed Payment Program

In early February, the hospital made its matching fee pay-in for the District Hospital Directed Payment Program, another IGT program in which the hospital participates. This program provides incremental directed payments tied to managed Medi-Cal encounters.

The hospital made a matching fee pay-in of approximately **\$350,000** and expects to receive approximately **\$850,000 in gross proceeds**, resulting in an estimated **\$500,000 net benefit**. Funds are anticipated in April or May.

FY27 Budget Process

Management has initiated the early phases of the FY27 budget process. Preliminary volume assumptions and high-level budget drivers are currently being developed, with the intent of sharing initial framing with the Committee next month. Formal department-level budget meetings are scheduled to begin in late March.

Capital Needs

As part of the FY27 budget process, management will be producing:

- A short-term assessment of critical capital needs, and
- A broader catalog of longer-term infrastructure and equipment priorities.

This effort is intended to better align capital requests with strategic priorities and realistic funding capacity, supporting a more deliberate, multi-year capital planning framework.

FINANCE REPORT ATTACHMENTS:

- Attachment A Income Statement
- Attachment B Balance Sheet
- Attachment C Cash Flow Forecast
- Attachment D Key Performance Indicators | Volumes & Statistics
- Attachment E Key Performance Indicators | Overall Performance

Sonoma Valley Health Care District
Income Statement (in 1000s)
For the Period Ended January 31, 2026

ATTACHMENT A

	Month				Year-To- Date						
	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%
Revenues											
1 Net Patient Revenue	\$ 3,948.6	\$ 4,510.6	(562.0)	-12%	\$ 32,062.7	\$ 28,784.2	3,278.4	11%	\$ 29,331.5	2,731.2	9%
2 IGT Program Revenue	2,375.9	1,653.7	722.3	44%	12,313.1	11,575.8	737.3	6%	6,464.5	5,848.6	90%
3 Parcel Tax Revenue	316.7	316.7	(0.0)	0%	2,216.6	2,216.7	(0.0)	0%	2,216.7	(0.0)	0%
4 Other Operating Revenue	96.0	99.9	(3.8)	-4%	699.1	699.2	(0.0)	0%	696.3	2.8	0%
5 Total Revenue	\$ 6,737.2	\$ 6,580.8	156.4	2%	\$ 47,291.5	\$ 43,275.9	4,015.6	9.3%	\$ 38,708.9	8,582.6	22%
Operating Expenses											
6 Labor / Total People Cost	\$ 3,332.5	\$ 3,177.4	155.1	5%	\$ 22,466.5	\$ 21,269.7	1,196.8	6%	\$ 20,129.1	2,337.4	12%
7 Professional Fees	898.7	727.5	171.2	24%	4,886.5	4,785.8	100.7	2%	4,767.3	119.2	3%
8 Supplies	642.3	703.7	(61.4)	-9%	5,085.3	4,844.7	240.6	5%	4,290.2	795.1	19%
9 Purchased Services	461.6	434.0	27.6	6%	3,097.6	2,998.2	99.5	3%	2,757.2	340.4	12%
10 Depreciation	374.9	513.3	(138.4)	-27%	3,401.6	3,643.4	(241.8)	-7%	3,693.8	(292.2)	-8%
11 Interest	119.1	96.6	22.6	23%	369.8	387.7	(17.9)	-5%	271.9	97.9	36%
12 Other	400.2	401.8	(1.6)	0%	2,843.4	2,799.8	43.6	2%	2,623.1	220.3	8%
13 IGT Program Expense	1,060.2	764.6	295.6	39%	5,648.0	5,352.4	295.6	6%	2,785.6	2,862.4	103%
14 Operating Expenses	\$ 7,289.6	\$ 6,819.0	470.6	6.9%	\$ 47,798.9	\$ 46,081.6	1,717.2	3.7%	\$ 41,318.3	6,480.6	16%
15 Operating Margin	\$ (552.4)	\$ (238.2)	\$ (314.2)	-132%	\$ (507.3)	\$ (2,805.7)	\$ 2,298.4	82%	\$ (2,609.4)	\$ 2,102.0	81%
Non Operating Income											
16 GO Bond Activity, Net	235.2	128.6	106.5	83%	1,477.1	900.4	576.7	64%	1,128.6	348.5	31%
17 Misc Revenue/(Expenses)	16.8	27.2	(10.5)	-38%	256.0	190.7	65.3	34%	181.9	74.1	41%
18 Total Non-Op Income	\$ 251.9	\$ 155.9	96.1	62%	\$ 1,733.2	\$ 1,091.1	642.1	59%	\$ 1,310.5	422.6	32%
19 Net Income (Loss)	\$ (300.4)	\$ (82.3)	(218.1)	-265%	\$ 1,225.8	\$ (1,714.6)	2,940.4	171%	\$ (1,298.9)	2,524.7	194%
20 Restricted Foundation Contr.	-	125.0	(125.0)	-100%	1,953.2	875.0	1,078.2	123%	1,985.9	(32.7)	-2%
21 Change in Net Position	\$ (300.4)	\$ 42.7	(343.1)	804%	\$ 3,179.0	\$ (839.6)	4,018.7	479%	\$ 687.0	2,492.0	363%
22 Operating EBDA	\$ (177.4)	\$ 275.2	(452.6)	-164%	\$ 2,894.3	\$ 837.7	2,056.6	246%	\$ 1,084.4	1,809.9	167%

Sonoma Valley Health Care District

ATTACHMENT B

Balance Sheet
As of January 31, 2026
 Expressed in 1,000s

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2025 Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 1,861.4	\$ 1,565.6	\$ 4,386.3
2 Net Patient Receivables	7,990.2	8,817.1	7,585.8
3 Allow Uncollect Accts	(1,496.5)	(1,423.0)	(1,256.1)
4 Net Accounts Receivable	\$ 6,493.7	\$ 7,394.1	\$ 6,329.7
5 IGT Program Receivable	21,047.4	19,320.5	-
6 Parcel Tax Receivable	1,744.6	1,744.6	-
7 GO Bond Tax Receivable	1,626.5	3,115.2	-
8 Other Receivables	900.0	645.6	1,423.3
9 Inventory	992.5	962.8	841.0
10 Prepaid Expenses	1,328.6	1,191.0	788.1
11 Total Current Assets	\$ 35,994.7	\$ 35,939.3	\$ 13,768.5
12 Property, Plant & Equip, Net	\$ 60,570.3	\$ 60,300.4	\$ 60,342.6
13 Trustee Funds - GO Bonds	5,004.8	3,505.2	5,986.7
14 Other Assets - Deferred IGT Expense	5,421.1	4,734.4	-
15 Total Assets	\$ 106,990.9	\$ 104,479.2	\$ 80,097.8
Liabilities & Fund Balances			
Current Liabilities:			
16 Accounts Payable	7,006.0	\$ 7,831.8	\$ 7,282.7
17 Accrued Compensation	4,525.4	4,260.9	4,059.9
18 IGT Program Payable	590.9	(1,182.5)	-
19 Interest Payable - GO Bonds	169.5	136.7	154.4
20 Accrued Expenses	808.6	416.2	166.1
21 Deferred IGT Revenue	11,929.4	9,938.7	-
22 Deferred Parcel Tax Revenue	1,583.4	1,900.0	-
23 Deferred GO Bond Tax Revenue	1,371.7	1,646.0	-
24 Current Maturities-LTD	740.0	740.0	740.0
25 Line of Credit - Summit Bank	10,500.0	10,500.0	-
26 Other Liabilities	-	-	-
27 Total Current Liabilities	\$ 39,224.9	\$ 36,187.8	\$ 12,403.1
28 Long Term Debt, net current portion	\$ 23,654.7	\$ 23,879.7	\$ 27,239.3
29 Total Fund Balance	\$ 44,111.3	\$ 44,411.8	\$ 40,455.4
30 Total Liabilities & Fund Balances	\$ 106,990.9	\$ 104,479.2	\$ 80,097.8

<u>Cash Indicators</u>	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year FYE</u>
Days Cash	13.4	12.0	29.2
A/R Days	42.2	48.0	45.8
A/P Days	64.9	72.5	67.2

Sonoma Valley Health Care District
 Projected Cash Forecast (In 1000s)
 FY 2026

ATTACHMENT C

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Forecast	Forecast	Forecast	Forecast	Forecast	TOTAL
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Hospital Operating Sources													
1 Patient Payments Collected	\$ 4,683.2	\$ 4,292.8	\$ 4,956.9	\$ 4,513.5	\$ 4,208.0	\$ 4,353.9	\$ 4,970.2	\$ 4,100.0	\$ 4,400.0	\$ 4,300.0	\$ 4,300.0	\$ 4,357.0	\$ 53,435.5
2 Other Revenue - Operating & Non-Op	182.5	104.0	101.6	94.6	101.0	129.0	91.8	130.0	105.0	105.0	105.0	105.0	1,354.4
3 IGT Program Revenue	-	-	-	523.7	31.5	-	2,639.8	20,155.6	0.9	-	850.0	161.5	24,363.0
4 Parcel Tax Revenue	110.9	-	-	-	-	2,055.4	-	-	-	1,608.7	-	-	3,775.0
5 Unrestricted Contributions	4.0	-	-	-	-	-	-	-	-	-	-	-	4.0
6 Sub-Total Hospital Sources	\$ 4,980.6	\$ 4,396.8	\$ 5,058.5	\$ 4,608.1	\$ 4,309.0	\$ 7,112.5	\$ 7,701.8	\$ 24,385.6	\$ 4,505.9	\$ 6,013.7	\$ 5,255.0	\$ 4,623.5	\$ 82,951.0
Hospital Uses of Cash													
7 Operating Expenses / AP Payments	\$ 5,649.7	\$ 4,948.5	\$ 4,975.3	\$ 6,009.0	\$ 4,877.2	\$ 5,616.9	\$ 6,661.0	\$ 7,800.0	\$ 5,750.0	\$ 5,500.0	\$ 5,900.0	\$ 5,200.0	\$ 68,887.6
8 Term Loan Paydowns - Summit / CHFFA	73.6	73.6	73.6	73.6	73.6	73.6	131.0	73.6	73.6	73.6	73.6	73.6	940.3
9 IGT Financing Interest	-	-	-	-	106.0	77.1	74.2	-	-	-	-	-	257.3
10 IGT Matching Fee Payments	-	228.5	-	-	10,426.1	-	-	350.0	-	-	87.7	-	11,092.4
11 Capital Expenditures - SVH Funded	145.6	-	11.3	84.5	59.3	60.0	539.8	21.8	149.6	99.6	344.5	394.5	1,910.7
12 Capital Expenditures - Foundation Funded	876.5	468.8	133.8	205.4	94.3	69.6	-	-	-	-	-	-	1,848.4
13 Total Hospital Uses	\$ 6,745.4	\$ 5,719.5	\$ 5,194.0	\$ 6,372.4	\$ 15,636.6	\$ 5,897.2	\$ 7,406.0	\$ 8,245.3	\$ 5,973.2	\$ 5,673.2	\$ 6,405.8	\$ 5,668.1	\$ 84,936.7
Net Hospital Sources/Uses of Cash	\$ (1,764.7)	\$ (1,322.7)	\$ (135.5)	\$ (1,764.3)	\$ (11,327.6)	\$ 1,215.3	\$ 295.8	\$ 16,140.3	\$ (1,467.3)	\$ 340.5	\$ (1,150.8)	\$ (1,044.6)	\$ (1,985.7)
Non-Hospital Sources													
14 Restricted Donations (rec'd from Foundation)	806.7	538.6	214.6	124.5	94.3	-	-	-	-	-	-	-	1,778.8
15 Line of Credit - Draw	-	-	-	-	10,500.0	-	-	-	-	-	-	-	10,500.0
17 Sub-Total Non-Hospital Sources	\$ 806.7	\$ 538.6	\$ 214.6	\$ 124.5	\$ 10,594.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,278.8
Non-Hospital Uses of Cash													
18 Line of Credit - Payoff	-	-	-	-	-	-	-	10,500.0	-	-	-	-	10,500.0
20 Sub-Total Non-Hospital Uses of Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0
21 Net Non-Hospital Sources/Uses of Cash	\$ 806.7	\$ 538.6	\$ 214.6	\$ 124.5	\$ 10,594.3	\$ -	\$ -	\$ (10,500.0)	\$ -	\$ -	\$ -	\$ -	\$ 1,778.8
22 Net Sources/Uses	\$ (958.0)	\$ (784.1)	\$ 79.1	\$ (1,639.8)	\$ (733.3)	\$ 1,215.3	\$ 295.8	\$ 5,640.3	\$ (1,467.3)	\$ 340.5	\$ (1,150.8)	\$ (1,044.6)	\$ (206.9)
23 Total Cash at beginning of period	\$ 4,386.3	\$ 3,428.3	\$ 2,644.2	\$ 2,723.3	\$ 1,083.5	\$ 350.3	\$ 1,565.6	\$ 1,861.4	\$ 7,501.7	\$ 6,034.3	\$ 6,374.9	\$ 5,224.1	
24 Total Cash at End of Period	\$ 3,428.3	\$ 2,644.2	\$ 2,723.3	\$ 1,083.5	\$ 350.3	\$ 1,565.6	\$ 1,861.4	\$ 7,501.7	\$ 6,034.3	\$ 6,374.9	\$ 5,224.1	\$ 4,179.4	
25 Days of Cash on Hand at End of Month	22.0	17.0	17.5	7.2	4.3	12.0	13.4	48.1	38.7	40.9	33.5	26.8	

Sonoma Valley Health Care District
Key Performance Indicators | Volumes & Statistics
 For the Period Ended January 31, 2026

	Current Month				Year-To-Date							
	Actual	Budget	Var	%	YTD	YTD	Var	%	PYTD			
					Actual	Budget			Actual	Var	%	
Inpatient Volume												
Acute Patient Days	348	278	70	25%	2,061	1,803	258	14%	1,687	374	22%	
Acute Discharges	90	76	14	19%	567	491	76	15%	448	119	27%	
Average Length of Stay	3.9	3.7	0.2	5%	3.6	3.7	(0.0)	-1%	3.8	(0.1)	-3%	
Average Daily Census	11.2	9.0	2.3	25%	9.6	8.4	1.2	14%	7.8	2	22%	

Surgical Volume											
	Actual	Budget	Var	%	YTD Actual	YTD Budget	YTD Var	YTD %	PYTD Actual	PYTD Var	PYTD %
IP Surgeries	5	10	(5)	-52%	82	67	15	22%	59	23	39%
OP Surgeries	115	138	(23)	-17%	1,000	909	91	10%	903	97	11%
Total Surgeries	120	149	(29)	-19%	1,082	976	106	11%	962	120	12%

Other Outpatient Activity											
	Actual	Budget	Var	%	YTD Actual	YTD Budget	YTD Var	YTD %	PYTD Actual	PYTD Var	PYTD %
Total Outpatient Visits	5,784	5,812	(28)	0%	41,875	39,834	2,041	5%	39,725	2,150	5%
Emergency Room Visits	1,022	950	72	8%	7,020	6,222	798	13%	6,460	560	9%

	Current Month			Year-To-Date		
	Actual	Budget	%	Actual	Budget	%
Medicare	39.8%	37.7%	2.1%	38.9%	37.9%	1.0%
Medicare Mgd Care	18.1%	18.2%	-0.1%	18.2%	18.3%	-0.1%
Medi-Cal	16.4%	16.2%	0.2%	17.9%	16.2%	1.7%
Commercial	22.1%	23.9%	-1.8%	21.2%	23.8%	-2.6%
Other	3.5%	3.9%	-0.4%	3.7%	3.8%	-0.1%
Total	100.0%	100.0%		100.0%	100.0%	

Payor Mix calculated based on gross revenues

Trended Outpatient Visits by Area

Department	Most Recent Six Months						Last 6 Months	YoY Monthly Averages			
	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26		FY26	FY25	Chg	% Chg
Lab	1,403	1,481	1,535	1,217	1,355	1,420		1,409	1,348	60	4%
Medical Imaging	1,011	999	1,056	940	1,081	1,041		1,031	982	48	5%
Physical Therapy	1,465	1,502	1,600	1,270	1,337	1,439		1,419	1,424	(5)	0%
CT Scanner	458	482	545	465	508	454		489	449	39	9%
Occ. Health	256	285	313	282	310	279		275	267	8	3%
Mammography	230	250	295	254	301	238		257	245	13	5%
Occ. Therapy	208	195	236	248	285	256		245	203	42	21%
Ultrasound	251	247	281	289	295	244		272	218	54	25%
MRI	178	251	251	202	245	235		227	181	46	26%
ECHO	100	114	131	88	132	100		114	129	(14)	-11%
Speech Therapy	59	53	57	58	57	50		56	68	(12)	-17%
Other	28	19	17	18	33	28		24	23	1	5%
TOTAL	5,925	6,203	6,601	5,331	5,938	5,784		5,986	5,789	197	3%
Emergency Room	1,040	975	952	932	1,047	1,022		1,000	868	132	15%
ER Visits / Day	33.5	32.5	30.7	31.1	33.8	33.0		32.6	28.9	3.7	13%

Sonoma Valley Health Care District
Overall Performance | Key Performance Indicators
 For the Period Ended January 31, 2026

ATTACHMENT E

	Current Month				Year-To- Date				PY Actual	Var	%
	Actual	Budget	Var	%	Actual	Budget	Var	%			
Operating Margin	\$ (552.4)	\$ (238.2)	\$ (314.2)	-132%	\$ (507.3)	\$ (2,805.7)	\$ 2,298.4	82%	\$ (2,609.4)	\$ 2,102.0	81%
Operating EBDA	\$ (177.4)	\$ 275.2	\$ (452.6)	-164%	\$ 2,894.3	\$ 837.7	\$ 2,056.6	246%	\$ 1,084.4	\$ 1,809.9	167%
Net Income (Loss)	\$ (300.4)	\$ (82.3)	\$ (218.1)	-265%	\$ 1,225.8	\$ (1,714.6)	\$ 2,940.4	171%	\$ (1,298.9)	\$ 2,524.7	194%

Operating Revenue Summary (All Numbers in 1000s)

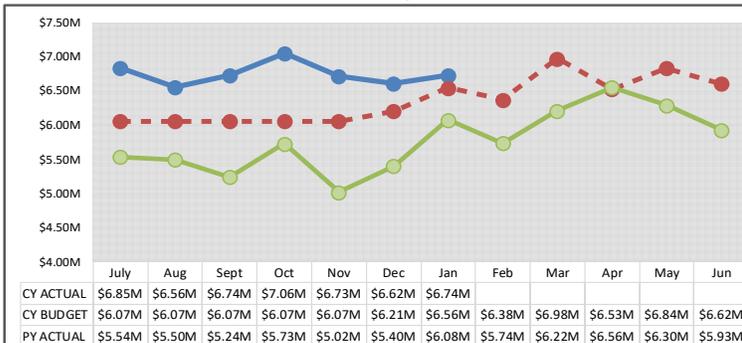
Net Patient Revenue	\$ 6,325	\$ 6,164	\$ 160	3%	\$ 44,376	\$ 40,360	\$ 4,016	10%	\$ 35,796	\$ 8,580	24%
NPR as a % of Gross	21.1%	19.6%	7.8%		19.1%	19.6%	-3.0%		17.4%	9.5%	
Operating Revenue	\$ 6,737	\$ 6,581	\$ 156	2%	\$ 47,292	\$ 43,276	\$ 4,016	9%	\$ 38,708.9	\$ 8,583	22%

Operating Expense Summary (All Numbers in 1000s)

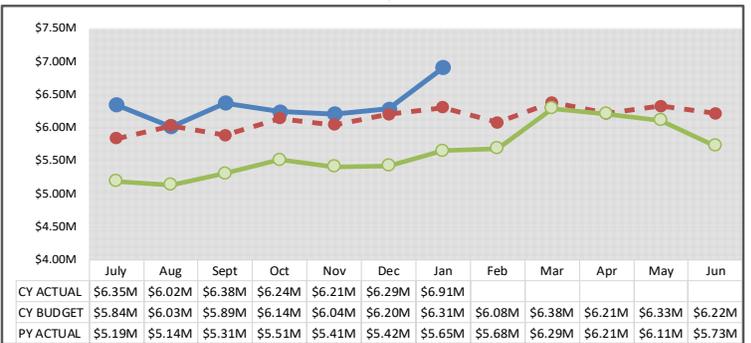
Operating Expenses	\$ 7,290	\$ 6,819	\$ 471	7%	\$ 47,799	\$ 46,082	\$ 1,717	4%	\$ 41,318	\$ 6,481	16%
Op Exp. Excl. Depr.	\$ 6,915	\$ 6,306	\$ 609	10%	\$ 44,397	\$ 42,438	\$ 1,959	5%	\$ 37,624	\$ 6,773	18%
Worked FTEs	229.91	232.10	(2.19)	-1%	231.80	227.10	\$ 4.71	2%	218.09	13.71	6%

Trended Operating Revenue & Operating Expense Graphs

Trended Operating Revenues
CY Actual vs CY Budget vs PY Actual



Trended Operating Expenses (excl Depreciation)
CY Actual vs CY Budget vs PY Actual



— CY ACTUAL - - - CY BUDGET — PY ACTUAL

Cash Indicators

	Current Month	Prior Month	Var	% Var
Days Cash	13.4	12.0	1.4	12%
A/R Days	42.2	48.0	(5.8)	-12%
A/P Days	64.9	72.5	(7.6)	-11%