



Washington Township Health Care District

Board of Directors

Jacob Eapen, MD
William F. Nicholson, MD
Bernard Stewart, DDS
Michael J. Wallace
Jeannie Yee

BOARD OF DIRECTORS' MEETING

Wednesday, June 10, 2026 – 6:00 P.M.

Board Room of Washington Hospital, 2000 Mowry Avenue, Fremont and via Zoom

<https://whhs.zoom.us/j/93615952152?pwd=DzkvYBbbFRP1PGIB2tWoOOjalyFxRP.1>

Passcode: 723683

Board Agenda and Packet can be found at:

[June 2026 | Washington Health](#)

AGENDA

PRESENTED BY:

I. **CALL TO ORDER &
PLEDGE OF ALLEGIANCE**

William Nicholson, MD
President

II. **ROLL CALL**

Cheryl Renaud
District Clerk

III. **COMMUNICATIONS**

A. Oral

This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not on the agenda and within the subject matter of jurisdiction of the Board. "Request to Speak" cards should be filled out in advance and presented to the District Clerk. For the record, please state your name.

B. Written

IV. **CONSENT CALENDAR**

Items listed under the Consent Calendar include reviewed reports and recommendations and are acted upon by one motion of the Board. Any Board Member or member of the public may remove an item for discussion before a motion is made.

William Nicholson, MD
President

A. Consideration of Minutes of the Regular Meetings
of the District Board: May 13, 18, 26 & 27, 2026

Motion Required

V. **PRESENTATION**

A. Budget Estimate FY 2026-2027

PRESENTED BY:

Ajay Sial
Senior Vice President &
Chief Financial Officer

Jessica Haviland
Senior Director of Financial Planning &
Analysis

B. Informational: Modernization of Pension Plan for
Future Employees (*Not Applicable to Current
Employees*)

Ajay Sial
Senior Vice President &
Chief Financial Officer

Tina Nunez
Senior Vice President &
Chief Administrative Officer

VI. **REPORTS**

A. Medical Staff Report

Aaron Barry, MD
Chief of Staff

B. Service League Report

Jill Ziman
Service League President

C. Quality Report:
Quality Dashboard Q/E March 2026

Mary Bowron
Assistant Vice President &
Chief Quality Officer

D. Finance Report

Ajay Sial
Senior Vice President &
Chief Financial Officer

E. Hospital Operations Report

Kimberly Hartz
Chief Executive Officer

F. Health System Calendar Report

Kimberly Hartz
Chief Executive Officer

VII. **ACTION**

A. Consideration of Resolution No. #1284: FY 2027
Consolidated Budget Estimate

Motion Required

VIII. **ANNOUNCEMENTS**

IX. **ADJOURNMENT**

William Nicholson, MD
President

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the District Clerk at (510) 818-7401. Notification two working days prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, May 13, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those in attendance of the meeting in the Pledge of Allegiance.

CALL TO ORDER

*PLEDGE OF
ALLEGIANCE*

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

ROLL CALL

Staff Present: Kimberly Hartz, Chief Executive Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Larry LaBossiere, Senior Vice President & Chief Operating Officer; Tina Nunez, Senior Vice President & Chief Administrative Officer; Terri Hunter, Vice President & Chief Nursing Officer; Jordan Melick, Senior Director of Treasury; Nicholas Kozachenko, Legal Counsel; Cheryl Renaud, Assistant to the Chief Executive Officer & District Clerk; Shirley Ehrlich, Executive Assistant II

Zoom Attendees: Kel Kanady; Jill Ziman; Rick Idemoto; Kristin Ferguson; Alvin Aguirre; Maria Nunes; Walter Choto; Prabhjot Khalsa, MD; Felipe Villanueva; Gisela Hernandez; Brian Smith, MD; Jerri Randrup; Jack Rose, MD; Farhan Fadool, MD; Aaron Barry, MD; Angus Cochran; Melissa Garcia; Sarah Gemski; John Lee; Mary Bowron; Harjit Randhawa

Director Nicholson welcomed any members of the general public to the meeting.

OPENING REMARKS

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting was recorded for viewing at a later date.

There were no Oral Communications.

*COMMUNICATIONS:
ORAL*

There were no Written Communications.

*COMMUNICATIONS:
WRITTEN*

Director Nicholson presented the Consent Calendar for consideration:

CONSENT CALENDAR

- A. Consideration of the Minutes of the Regular Meetings of the District Board: April 8, 20, 22 & 27, 2026
- B. Consideration of Medical Staff: Medical Staff Internal Medicine – Delineation of Privileges
- C. Consideration of Purchase Order Addendum Request for Pharmaceuticals
- D. Consideration of ECG Managed Care Contracting Consultants
- E. Consideration of Resolution No. 1281: Calling a District General Election to be Held in Washington Township Health Care District on November 3, 2026
- F. Consideration of Resolution No. 1282: Ordering the Consolidation of the Health Care District General Election to be Held in Washington Township

Health Care District of Alameda County, State of California on November 3, 2026, with the Statewide General Election to be Held on November 3, 2026 and Requesting that the Board of Supervisors of the County of Alameda to Consolidate Said Health Care District General Election with Said Statewide General Election, insofar as the Territory in Which Said Elections Are to be Held is the Same

Director Yee moved that the Board of Directors approve the Consent Calendar, Items A-F. Director Eapen seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

Dr. Aaron Barry, Chief of Medical Staff, joined the meeting and reported that there are 11 new applicants for Medical Staff. There are now a total of 703 Medical Staff members, including 506 active members. Dr. Barry highlighted that last week was Nurses' Week and this week is Hospital Week, with everyone enjoying the lunches and the decorated cakes. Dr. Barry stated that the Medical Staff will be hosting a Luau Picnic at Lake Elizabeth on June 7, 2026.

*MEDICAL STAFF
REPORT*

Jill Ziman, Service League President, reported that the Service League Volunteers contributed 2,486 hours of service to the hospital. At this time, there are 211 active adult volunteers and 212 college volunteers, 143 junior volunteers, and 22 spiritual care volunteers.

*SERVICE LEAGUE
REPORT*

The No One Dies Alone (NODA) group had 2 vigil requests in April. One patient passed away before the vigil started, and in the second case family members stepped into vigil with the patient. Chaplains visited with both patients and their families.

The Mended Heart group has met with 298 patients, and there were 115 family or care giver visits this month.

On April 24, Assembly Member Alex Lee recognized Sheela Vijay, Past Service League President and volunteer extraordinaire, as a 2026 Unsung Hero. This annual ceremony honors leaders who have demonstrated their dedication to making the district a better place. Sheela was one of 22 honorees.

Kimberly Hartz, Chief Executive Officer, introduced Dr. Jack Rose, Co-Medical Director of the Stroke Program. Dr. Rose spoke about the Governance and the Stroke Program Leadership Structure.

*QUALITY REPORT:
ANNUAL STROKE
PROGRAM*

Dr. Rose mentioned the specific goals of implementing the stroke alert processes for Code Neuro and Code Stroke MT. Dr. Rose reported on the Program Trends and Data Analysis and Procedure Volumes and Performance Measures for 2019-2025. Dr. Rose highlighted the Performance Improvement Plans with sustained improvement in compliance and achieving faster time from patient arrival to treatment.

Notable Achievements in 2024-2025:

- GWTG Award-Gold Plus Elite Award for Stroke and Target Honor Roll for Diabetes 2024.
- Maintained short median time of rapid administration of thrombolytic therapy utilizing IV TNKase.
- ED RN's adapted to new stroke workflow changes and are maintaining stroke metrics with close to zero fall outs.
- Expanded services to San Joaquin Valley, with increased volume of neuro-interventional procedures.
- Developed marketing strategies for the Neuroscience Program.
- Pacific Stroke Association Conference attendance by Stroke Team.
- Washington Health was an included site in the CREST-2 NEJM publication.

Ajay Sial, Senior Vice President & Chief Financial Officer, presented the Finance Report for March 2026. The average daily inpatient census was 194.6 with discharges of 1,208 resulting in 6,033 patient days. Outpatient observation equivalent days were 184. The average length of stay was 5.32 days. The case mix index was 1.628. Deliveries were 138. Surgical cases were 597. The Outpatient visits were 10,643. Cath Lab cases were 224. Emergency visits were 5,528. Joint Replacement cases were 236. Neurosurgical cases were 31. Cardiac Surgical cases were 47. Total FTEs were 1,766.4. FTEs per adjusted occupied bed was 5.39. Overall, the net income for March was \$4,484,000.

FINANCE REPORT

Kimberly Hartz, Chief Executive Officer, presented the Hospital Operations Report for April 2026. Patient gross revenue of \$238.6 million for April was consistent with the budget of \$238.5 million by \$0.1 million (0.1%), and favorable compared to April 2025 by \$15.3 million (6.9%).

*HOSPITAL
OPERATIONS REPORT*

Trauma Cases of 208 for April was favorable to the budget of 156 by 52 (33.3%) and favorable to April 2025 by 56 (36.8%). Trauma gross revenue of \$23.2 million for April was favorable to the budget of \$18.0 million by \$5.2 million (29.1%).

Urgent Care Visits of 661 were unfavorable to budget by 389 (37.0%). YTD visits of 2,679 were unfavorable to budget by 2,671 (49.9%).

The Average Length of Stay was 5.20. The Average Daily Inpatient Census was 178.5 and was unfavorable to budget of 192.5 by 14.0 (7.3%). There were 1,116 Discharges that were consistent with budget of 1,107 by 9 (0.8%). There were 5,356 patient days which was unfavorable to budget of 5,776 by 419 days (7.3%). There were 559 Surgical Cases and 195 Cath Lab cases at the Hospital. Deliveries were 120. Non-Emergency Outpatient visits were 10,779. Emergency Room visits were 5,191. Total Government Sponsored Preliminary Payor Mix was 75.8%, against the budget of 73.5%. Total FTEs per Adjusted Occupied Bed were 5.81.

For April, the Days Cash On Hand was 112 days. There was \$1.4m in charity care adjustments in April 2026.

May Employee of the Month is Andrea “Annie” DeConte, Communications Operator, Information Services.

*EMPLOYEE OF THE
MONTH*

Kimberly Hartz, Chief Executive Officer, stated that Washington Health launched their Health and Wellness Series for 2026. Complimentary online health seminars and events for the community can be found on the website:

HOSPITAL CALENDAR

[HW_JanJune2026_Catalog_WEB-Final.pdf](#)

Past Health Promotions & Community Outreach Events:

- April 11: SPOTMe Skin Cancer Screening – Fremont Center for Dermatology
- April 11: Relay for Life Speaker – Mission San Jose High School
- April 16: AFib Presentation – Lake Elizabeth, Age Well Center
- April 17: Senator Dr. Wahab Spring Career Fair – Newark Center at Ohlone College
- April 18: Earth Day Fair – Fremont Downtown Event Center
- April 18: Newark State of the City Address – Civic Center Plaza, Newark
- April 18: Faster, Safer, Home Sooner: New technologies for same-day anterior hip replacement - YouTube
- April 21: Fremont City Council Meeting – City Hall Fremont
- April 22: Food As Medicine: How diet and nutrition effect chronic disease management – Acacia Creek Senior Living Community, Union City
- April 22: Stop the Bleed & Choking First Aid – Mission Valley ROP, Fremont
- April 24: Choking First Aid for Newark Promotores (Spanish Language Presentation) – Danielson Clinic, Newark
- May 2: New Haven Day – James Logan High School
- May 2: Car Seat Safety Event – Washington West Parking Lot
- May 2: Protect Your Brain: Hypertension, Stroke, and You - YouTube

- May 6: Washington Health Walk: Signs and Symptoms of Stroke – Mark Green Sports Center, Union City
- May 6: Parenting Class with “Neighborhood Mama” Meetup Group - Zoom
- May 9: Newark Asian Heritage Festival – NewPark Mall, Newark
- May 11 – 15: Health System Week – Activities throughout the week for staff around campus
- May 13: Stop the Bleed & Choking First Aid – James Logan High School, Union City

Upcoming Health Promotions & Community Outreach Events:

- May 14: Bike to Wherever Day Energizer Station – Civic Center & Washington West Driveway
- May 14: Stop the Bleed & Choking First Aid – Mission Valley ROP, Fremont
- May 14: Social Connectivity and Wellness – Acacia Creek Senior Living Community
- May 15: Diabetes Nutrition (Mandarin Language) – Cottonwood Place, Fremont
- May 16: Sun: Beauty or Beast? - YouTube
- May 19: EMS Week Trauma Education Event – Anderson Auditorium, Washington West
- May 21: Celebration of Life – Anderson Auditorium, Washington West
- May 28: Stop the Bleed & Choking First Aid – Medical Explorers Club
- June 3: Washington Health Walk: Stop the Bleed – Mayhews Landing Park, Newark
- June 6: Cementless Knee Replacement – YouTube

On April 23, 2026, Washington Health received the Magnet designation for nursing excellence for the fourth time. This accomplishment places Washington Health among an elite group of hospitals nationwide, fewer than 2% of hospitals in the United States have earned Magnet recognition four times.

On May 7, 2026, Washington Health received an “A” rating from The Leapfrog Group, placing it among a select group of hospitals meeting some of its highest standards for patient safety in the country.

On May 13, 2026, Washington Health was named by Healthgrades as one of America’s 50 Best Hospitals for Outpatient Joint Replacement.

Washington Health also successfully completed BETA Healthcare Group’s Emergency Department Quest for Zero validation requirements for 2025-2026 with recognition for nursing and medical management of sepsis and recognition for care model implementation in triage, with nurse-initiated protocols to support quality measure compliance.

The Foundation launched its first mid-year direct mail campaign to raise funds for the newly expanded UCSF-Washington Cancer Center. We are pleased to report that generous donors have contributed over \$50,000 in support of this initiative.

The 40th Annual Top Hat Gala will take place on Saturday, October 10, 2026. Proceeds raised from this event will support Washington Health's Neuroscience program. More information will be shared in the coming months for this iconic celebration of 40 years.

Kimberly Hartz, Chief Executive Officer, provided an overview regarding Resolution No. 1283, in which staff recommends the replacement of the existing X-ray equipment in the Center for Joint Replacement (CJR) with a new digital radiography system.

*ACTION ITEM:
RESOLUTION NO.
1283: INSTALLATION
OF X-RAY
EQUIPMENT FOR
CENTER OF JOINT
REPLACEMENT*

Director Nicholson inquired if the Board of Directors or any members of the public had comments or questions. Hearing none, Director Yee moved that the Board of Directors approve Resolution No. 1283: Installation of X-Ray Equipment for Center of Joint Replacement. Director Eapen seconded the motion.

Roll call was taken:

William Nicholson - aye
Jeannie Yee – aye
Bernard Stewart – aye
Jacob Eapen – aye
Michael Wallace – aye

Motion Approved.

There were no Announcements.

ANNOUNCEMENTS

Director Nicholson adjourned the meeting to closed session at 7:15 p.m., as the discussion pertained to Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106 – Strategic Planning.

CLOSED SESSION

Director Nicholson stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this meeting was being conducted in the Board Room and via Zoom, there is no way of knowing when the closed session will end. The public was informed they could contact the District Clerk for the Board's report beginning May 14, 2026. The minutes of this meeting will reflect any reportable actions.

Director Nicholson reconvened the meeting to open session at 7:35 p.m. During closed session, the District Clerk reported that there was no reportable action taken in closed session.

There being no further business, Director Nicholson adjourned the meeting at 7:36 p.m.

ADJOURNMENT

William Nicholson, MD
President

Michael Wallace
Secretary

DRAFT

Board of Directors' Meeting

May 18, 2026

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A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, May 18, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

CALL TO ORDER

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

ROLL CALL

Staff Present: Kimberly Hartz, Chief Executive Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Larry LaBossiere, Senior Vice President & Chief Operating Officer; Jordan Melick, Senior Director of Treasury; Nicholas Kozachenko, Legal Counsel; Cheryl Renaud, Executive Assistant to the CEO & District Clerk; Shirley Ehrlich, Executive Assistant II

Director Nicholson welcomed any members of the general public to the meeting.

OPENING REMARKS

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting is being conducted in the Board Room and by Zoom.

There were no Oral Communications.

*COMMUNICATIONS:
ORAL*

There were no Written Communications.

*COMMUNICATIONS:
WRITTEN*

Director Nicholson presented the Consent Calendar for consideration:

CONSENT CALENDAR

- A. Consideration of Vizient Consultants for Purchased Services & Clinical Supplies

Director Yee moved that the Board of Directors approve the Consent Calendar Item

A. Director Eapen seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

There were no Action Items.

ACTION ITEM

There were no Announcements.

ANNOUNCEMENTS

Director Nicholson adjourned the meeting to closed session at 6:05 p.m., as the discussion pertained to reports regarding Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106 - Strategic Planning and Conference with Labor Negotiators pursuant to Government Code Section 54957.6; Agency designated representative: Kimberly Hartz, Chief Executive Officer.

*ADJOURN TO CLOSED
SESSION*

Director Nicholson stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this meeting was being conducted in the Board Room and via Zoom, there is no way of knowing when the closed session will end. The public was informed they could contact the District Clerk for the Board's report beginning May 19, 2026. The minutes of this meeting will reflect any reportable actions.

Director Nicholson reconvened the meeting to open session at 8:26 p.m. The District Clerk stated that there were no reportable actions during closed session.

*RECONVENE TO OPEN
SESSION & REPORT ON
CLOSED SESSION*

There being no further business, Director Nicholson adjourned the meeting at 8:26 p.m.

ADJOURNMENT

William Nicholson, MD
President

Michael Wallace
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Tuesday, May 26, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 7:30 a.m. and led those in attendance of the meeting in the Pledge of Allegiance.

CALL TO ORDER

Roll call was taken. Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD

ROLL CALL

Absent: Michael Wallace

Also present: Kimberly Hartz, Chief Executive Officer; Larry LaBossiere, Senior Vice President & Chief Operating Officer; Terri Hunter, Vice President & Chief Nursing Officer; Aaron Barry, MD; John Romano, MD; Mary Bowron

There were no Oral communications.

*COMMUNICATIONS:
ORAL*

There were no Written communications.

*COMMUNICATIONS:
WRITTEN*

Director Nicholson adjourned the meeting to closed session at 7:32 a.m. as the discussion pertained to Medical Audit and Quality Assurance Matters pursuant to Health & Safety Code Section 32155.

*ADJOURN TO CLOSED
SESSION*

Director Nicholson reconvened the meeting to open session at 8:42 a.m. and reported no reportable action was taken in closed session.

*RECONVENE TO OPEN
SESSION & REPORT ON
CLOSED SESSION*

There being no further business, the meeting adjourned at 8:42 a.m.

ADJOURNMENT

William Nicholson, MD
President

Michael Wallace
Secretary

Board of Directors' Meeting

May 27, 2026

Page 1

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, May 27, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

CALL TO ORDER

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

ROLL CALL

Also present: Kimberly Hartz, Chief Executive Officer; Tina Nunez, Senior Vice President & Chief Administrative Officer; Terri Hunter, Vice President & Chief Nursing Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Paul Kozachenko, Legal Counsel; Cheryl Renaud, Executive Assistant to the CEO & District Clerk; Shirley Ehrlich, Executive Assistant II

Director Nicholson welcomed any members of the general public to the meeting.

OPENING REMARKS

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting is being conducted in the Board Room and by Zoom.

There were no Oral Communications.

*COMMUNICATIONS:
ORAL*

There were no Written Communications.

*COMMUNICATIONS:
WRITTEN*

Dr. Nicholson presented the Consent Calendar for consideration:

CONSENT CALENDAR

A. Consideration of Medical Staff: Orthopedic Surgery Privilege Delineation

B. Consideration of Medical Staff: Organizational Performance Improvement Plan FY 2027

Director Yee moved that the Board of Directors approve the Consent Calendar Items A & B. Director Eapen seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

There were no Action Items.

ACTION ITEM

There were no Announcements.

ANNOUNCEMENTS

Director Nicholson adjourned the meeting to closed session at 6:03 p.m., as the discussion pertained to reports regarding Medical Audit & Quality Assurance Matters pursuant to Health & Safety Code Section 32155, and Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106 - Strategic Planning.

*ADJOURN TO CLOSED
SESSION*

Director Nicholson stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this meeting was being conducted in the Board Room and via Zoom, there is no way of knowing when the closed session will end. The public was informed they could contact the District Clerk for the Board's report beginning May 28, 2026. The minutes of this meeting will reflect any reportable actions.

Director Nicholson reconvened the meeting to open session at 8:16 p.m. During closed session, the District Clerk reported that the Board of Directors approved the closed session minutes of April 8, 20 & 22, 2026 and the Medical Staff Credentials Committee Report by unanimous vote of all directors present.

*RECONVENE TO OPEN
SESSION & REPORT ON
CLOSED SESSION*

There being no further business, Director Nicholson adjourned the meeting at 8:16 p.m.

ADJOURNMENT

William Nicholson, MD
President

Michael Wallace
Secretary



Washington Health Budget Estimate



FY 2027

DIRECTORS AND OFFICERS

WASHINGTON TOWNSHIP HEALTH CARE DISTRICT
2000 Mowry Avenue
Fremont, California 94538
(510) 797-1111

BOARD OF DIRECTORS

WILLIAM NICHOLSON, M.D.
President

JEANNIE YEE
First Vice President

JACOB EAPEN, M.D.
Treasurer

BERNARD STEWART, D.D.S.
Second Vice President

MICHAEL WALLACE
Secretary

ADMINISTRATION

KIMBERLY HARTZ
Chief Executive Officer

MEDICAL EXECUTIVE COMMITTEE

Effective July 1, 2026

AARON BARRY, M.D.
Chief of Staff

JEANIE AHN, M.D.
Chief of Staff – Elect

DIANA LO, M.D.
Chairperson
Department of OB/GYN

POOYA JAZAYERI, M.D.
Chairperson
Physicians Well-Being Committee

MARK SALEH, M.D.
Immediate Past Chief of Staff

JAMES MCGUIRE, M.D.
Chairperson
Department of Pediatrics

OMEED AZIZIRAD, M.D.
Chairperson
Critical Care Committee

RANJANA SHARMA, M.D.
Medical Staff Liaison Officer

SUNIL UPENDER, M.D.
Chairperson
Department of Radiology

GEETA SINGH, M.D.
Chairperson
Clinical Evaluation Committee

MING ZHUO-STINE, M.D.
Chairperson
Department of Anesthesiology

ELDAN EICHBAUM, M.D.
Chairperson
Department of Surgery

KADEER HALIMI, D.O.
Chairperson
Emergency Medicine

THOMAS COLLINS-PALLET, M.D.
Chairperson
Department of Family &
Community Medicine

CYRUS SHARIAT, M.D.
Chairperson
Pharmacy, Nutrition & Therapeutics
Committee and Bioethics Committee

JESSIE XIONG, M.D.
Chair, Pathology Section

GEETA SINGH, M.D.
Chairperson
Department of Medicine

KHALID BAIG, M.D.
Chairperson
Quality & Resource Management
Committee

BRIAN SMITH, M.D.
Chief Medical Information Officer

JOHN ROMANO, M.D.
PPEC Liaison Officer

ROHIT ARORA, M.D.
Chairperson
Utilization Management

Mission, Vision & Values

Washington Health is the Community's Health System

We were founded as an independent health care district in 1948 to provide residents with health care close to home. In 1958, we opened a 150-bed hospital so residents no longer had to travel significant distances to receive care. As the community has grown, our commitment to local accountability has led us to evolve into a comprehensive health system. Our commitment to patient care and the community drives our vision, mission, and values.

Our Mission

Deliver exceptional, accessible, and personalized care to enhance the health and well-being of our diverse community.

Our Vision

Be the trusted first choice for care, where everyone does their best work.

Our Values

- **Excellence:** Providing the highest standard of quality, safe, and accessible health care.
- **Patient-Centered Care:** Putting the patient at the center of everything we do.
- **Compassion:** Responding with care, empathy, and equity in every interaction.
- **Respect:** Relating to each person with dignity – appreciating the uniqueness of each person and contribution of each team member.
- **Integrity:** Acting with honesty and accountability to do the right thing.

*Resolved by the Board of Directors
Washington Township Health Care District
December 11, 2024*



INCOME STATEMENT

	FY 2026 Normalized Projection	FY 2027 Budget	Var (\$)	Var (%)
<i>(In thousands)</i>				
Inpatient	\$1,716,535	\$1,758,443	\$41,908	2.4%
Outpatient	1,098,658	1,187,661	89,002	8.1%
Total Patient Revenue	\$2,815,193	\$2,946,104	\$130,910	4.7%
Contractual Allowances	(2,104,638)	(2,161,376)	(56,738)	-2.7%
Provisions for Charity and Doubtful Accounts	(48,722)	(51,140)	(2,418)	-5.0%
Total Contractual Allowances and Provisions for Charity and Doubtful Accounts	(2,153,360)	(2,212,515)	(59,156)	-2.7%
Contractual Allowances as a % of Revenue	74.8%	73.4%		
Provision for Charity and Doubtful Accounts as a % of Revenue	1.7%	1.7%		
Net Patient Revenue	\$661,834	\$733,588	\$71,755	10.8%
Other Operating Revenue	19,842	16,487	(3,355)	-16.9%
Net Operating Revenue	\$681,676	\$750,076	\$68,400	10.0%
Operating Expenses				
Salaries	\$317,935	\$340,163	(22,229)	-7.0%
Benefits	107,524	118,454	(10,931)	-10.2%
Professional Fees	57,654	65,906	(8,252)	-14.3%
Supplies	94,588	107,398	(12,810)	-13.5%
Purchased Services	34,012	39,359	(5,347)	-15.7%
Utilities	7,708	8,299	(591)	-7.7%
Insurance	3,999	4,200	(201)	-5.0%
Marketing & Advertising	1,286	2,151	(866)	-67.3%
Software Licenses & Maintenance	9,042	11,787	(2,745)	-30.4%
Other Expenses	3,720	4,184	(464)	-12.5%
Depreciation	44,079	45,074	(995)	-2.3%
Total Operating Expenses	\$681,546	\$746,977	(\$65,431)	-9.6%
Hospital Income from Operations	\$130	\$3,099	\$2,969	2287.4%
Operating Margin	0.0%	0.4%		
Net Non-Operating Income & Expense				
Unrestricted Investment Income	767	275	(492)	-64.1%
Board Desig Investment Income	6,202	6,300	98	1.6%
Property Tax Revenue	22,692	25,002	2,310	10.2%
Parcel Tax Revenue	0	13,284	13,284	100.0%
Rental Income, Net	544	339	(205)	-37.7%
Bond Issuance Cost	5	(2,000)	(2,005)	-38874.7%
Interest Expense	(22,767)	(25,386)	(2,619)	-11.5%
Gain/(Loss) on Investments	173	0	(173)	-100.0%
Foundation Donation	5,939	6,000	61	1.0%
Gain/(Loss) on Disposals	679	0	(679)	-100.0%
Equity Investment Earnings	1,164	673	(491)	-42.2%
Federal Subsidies	(1)	0	1	100.0%
Unrealized Gain/(Loss) on Investments	(648)	0	648	100.0%
Other Non-Op Exp/Rev	0	0	0	0.0%
Total Net Non-Operating Income & Expense	\$14,749	\$24,487	\$9,738	66.0%
Hospital Net Income	\$14,879	\$27,586	\$12,707	85.4%
Hospital Net Margin	2.2%	3.7%		
*Consolidated Income from Operations	(\$30,655)	(\$28,419)	\$2,235	7.3%
Consolidated Net Income / (Loss)	(\$19,605)	(\$7,643)	\$11,963	61.0%
Hospital Adjusted EBIDA	\$44,209	\$61,457	\$17,248	39.0%
Consolidated Adjusted EBIDA	\$17,731	\$34,092	\$16,361	92.3%

*The Consolidated Income from Operations includes eliminations



DATE: June 10, 2026

TO: Washington Township Health Care District Board of Directors

FROM: Kimberly Hartz, Chief Executive Officer

SUBJECT: Proposed Fiscal Year 2027 Budget Estimate for: Washington Township Health Care District

The proposed Fiscal Year 2027 Budget for the Washington Township Health Care District is being presented to the Board of Directors for consideration at the June 10, 2026 meeting. Upon approval, this Budget will authorize the Chief Executive Officer to manage the district's financial obligations within available resources, and in full alignment with our Mission, Vision, and Values, as well as all governing laws, regulations, and policies.

The FY27 Hospital Budget projects Gross Revenue of \$2,946 million, an increase of \$131 million (4.7%) over the FY26 normalized projection, driven by surgical and outpatient volume growth across core service lines. Net Operating Revenue is projected at \$750 million, supported by \$40 million in positive impact from revenue cycle optimization and contract rate increases. Net Operating Income is projected at \$3 million, with Net Income of \$28 million — a \$13 million improvement over FY26. On a Consolidated basis (including the affiliate operation of Washington Township Medical Group and the other entities of Washington Township Hospital Development Corporation), Net Operating Income reflects a loss of \$28 million, with total Consolidated Net Income loss of \$8 million, an improvement of \$12 million over prior year.

A Year of Momentum: FY26 Reflections

FY26 was a strong year for Washington Health. One defined by delivering on commitments across all four strategic pillars — Infrastructure, Strategic Growth, Efficiency & Quality, and Financial Stability. The following are a few of our accomplishments:

- **Infrastructure:** The UCSF-Washington Cancer Center opened its larger Infusion Center in January 2026 and Medical Oncology Clinic in February 2026, increasing our ability to bring academic-level oncology care to our community. The Urgent Care Center opened in December 2025 which is already averaging 21+ visits per day. The Pavilion Innovation Completion Project is on track for substantial completion in the Fall 2026 with patient care beginning in early 2027.
- **Strategic Growth:** Washington Health maintained its #1 market share position at 65% of the Primary Service Area. The Level II Trauma Center completed Year 2 of operations with 7% visit growth. Advanced cardiac procedures, robotic surgery capabilities, and our UCSF partnership continued to expand access and clinical excellence to our patients.

- **Efficiency & Quality:** Washington Health earned Magnet® designation for the 4th consecutive period, received an 'A' Leapfrog Hospital Safety Grade, and was recognized in the top 10% of hospitals nationally for patient safety.
- **Financial Stability:** FY26 Revenue is projected at \$682 million with a positive operating margin, representing a 21.5% increase in revenues over three years. The November 2025 parcel tax passage provides \$13-\$14 million annually for 12 years, meaningfully enhancing long-term liquidity.

External Risks and the Healthcare Landscape

FY27 presents a challenging and uncertain external environment. Key risks we are actively monitoring include:

- **Federal and State Reimbursement Pressure:** Proposed Medicare and Medicaid rate cuts, prior authorization burdens, the impact of HRI and the ongoing 340B legislative and legal landscape present meaningful revenue risk.
- **Workforce and Labor:** Potential labor shortages in certain areas, ongoing union negotiations, and elevated labor costs remain key focus areas.
- **Technology and Cybersecurity:** The evolving technology landscape includes the rise in cybersecurity threats across health systems nationally and the growing adoption of AI among healthcare organizations.
- **Medical Cost Inflation:** Pharmaceutical costs are rising 6-8% annually, with surgical supply costs up 12% since 2022.
- **Regulatory and Policy Uncertainty:** Federal and state policy changes — including post-November 2026 election impacts — present potential risk to DSH, HCAI, and Medi-Cal funding.

While many of these pressures lie outside our control, our ability to respond with discipline and agility will be critical to protecting our financial position and our mission.

Capital Investments

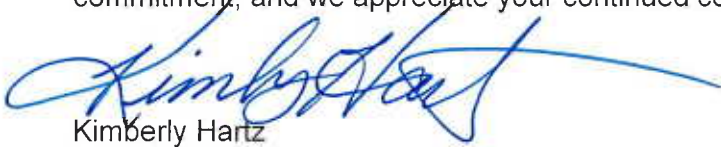
The FY27 Capital Budget reflects continued investment in the infrastructure and technology needed to support long-term growth and sustainability. Key initiatives include:

- Pavilion Innovation Completion Project — final construction completed in Fall 2026, with patient care anticipated in early 2027.
- Warm Springs — moving into active construction phase in FY27.
- Acute Care Tower — finalizing scope, budget, and timeline for the Expansion Project.
- ERP / ShiftWizard Implementation — assuming appropriate strategy for remediation and implementation for the entire health system

Staying the Course: FY27 Strategic Focus

The FY27 Budget reflects a focused and disciplined approach, prioritizing execution of existing strategic initiatives over pursuit of new service line volume. Investments and operational priorities are aligned across Washington Health's four strategic pillars: Infrastructure, Strategic Growth, Efficiency & Quality, and Financial Stability. FY27 is a year of building on the momentum established in FY26 and strengthening the foundation required for sustainable long-term growth.

We remain committed to delivering exceptional, accessible, and personalized care to our community and to building the long-term sustainability of Washington Health as an independent, local community health system. The FY27 Budget is grounded in that commitment, and we appreciate your continued confidence and support.



Kimberly Hartz
Chief Executive Officer

Volume and Expense Details

SERVICE VOLUMES

- Discharges are budgeted at 13,490 an increase of 165 or 1.2% over FY26, in line with volume growth trends.
- Average Length of Stay (ALOS) of 4.83 days is projected to improve by 1.2% or 0.1 days over FY26, reflecting ongoing efforts to reduce length of stay toward benchmark levels, supporting both quality and efficiency.
- Patient Days of 65,183 are budgeted to increase by 1.1% or 734 days, in line with discharge growth and indicating well-managed inpatient capacity.
- Surgical volume is budgeted at 6,715 total surgical cases in FY27, an increase of 198 cases or 3.0% over FY26, driven by orthopedic trauma, growth in Gastroenterology, neurosurgery, and a substantial increase in “Other” cases reflecting the ramp-up of Ion robotic bronchoscopy.
- Cath lab volume is budgeted at 2,476 total Cath Lab cases in FY27, an increase of 28 cases or 1.1% over FY26, with all growth coming from non-trauma cardiac procedures, while trauma cases remain stable.
- Outpatient visits continue to exceed budget expectations with notable growth anticipated in Med Oncology Clinic/Infusion Center visits.

PATIENT REVENUES

- FY26 normalized projection reflects the removal of one-time items, including catch-up IGT revenue associated with the transition from cash to accrual accounting, CY24 QIP revenue recognized in FY26 due to timing, labor efficiencies and lower pension expense due to stronger market performance.
- FY27 gross patient revenue expects to grow to \$2.9 billion, up \$131M or 4.7% over the projected normalized FY26, driven by the volume growth outlined above, continued trauma growth, 340B Pharmacy program, and revenue cycle improvements in our Emergency Department
- The FY27 contractual write-off and provision for doubtful accounts rate is projected at 75.1%, an improvement from the FY26 rate of 76.5%. The decrease is primarily driven by the positive impact of revenue cycle optimization initiatives and improved payer contract rates, resulting in a higher net collection rate.
- As a result, Net Patient Revenue is expected to increase by \$71.8M or 10.8%.

- Adjusted EBIDA is projected to increase by \$17M or 39.0% for the hospital and by \$16M or 92.3% on a consolidated basis.

OTHER OPERATING REVENUES

- Other operating revenue is budgeted to decrease by \$3.4M or 16.9% from FY26, primarily due to a one-time additional CY2024 Quality Incentive Pool (QIP) payment recognized in FY26 because of the timing of cash receipt.

OPERATING EXPENDITURES

Significant factors influencing the overall 9.6% increase in operating expenditures for the budget year are as follows:

- Salaries and Wages are expected to increase by 7.0%, driven by wage inflation and increase in FTEs due to higher volume, partially offset by reduced overtime/double-time (OT/DT) in specific areas.
- Employee Benefits are projected to rise by 10.2%, primarily due to higher pension/OPEB costs, increased employee medical claims, and an uptick in FICA expenses due to increase in salaries.
- Professional Fees are budgeted to increase by 14.3%, primarily driven by Berkeley Research Group (BRG) consulting and incentive fees associated with revenue cycle optimization, a full year of ARIA IR call pay costs, and Huron consulting fees related to the 340B retail pharmacy launch.
- Supplies are expected to increase by 13.5%, driven by growth in pharmacy and infusion services, implementation of the 340B specialty pharmacy program, expansion of cardiovascular/structural heart procedures, and higher variable supply costs driven by volume.
- Purchased Services are budgeted to increase by 15.7%, primarily due to investments in weapons detection security staffing to comply with California AB 2975, annual increases in maintenance and service agreements across Medical Imaging, Clinical Lab, Echo, and OR and higher service costs associated with the ION robotic bronchoscopy program driven by growth in specialized surgical volumes.
- Utilities are expected to increase by 7.7%, driven by PG&E rate increases.
- Insurance is projected to rise by 5.0%, due to Aon annual rate increase.
- Marketing & Advertising is budgeted to increase by 67.3%, driven by targeted growth campaigns for Urgent Care, Oncology, the Ion Lung Cancer Early Detection Program, and the Back and Neck Pain Program, as well as the implementation of a new website. These

investments are intended to support service line growth, enhance patient access, improve physician connectivity, and increase referral capture in FY27.

- Software Licenses & Maintenance costs are budgeted to increase by 30.4%, primarily due to strategic software investments to support automation of medical coding, enhancement of clinical documentation integrity (CDI), and optimization of reimbursement workflows. These initiatives align with Washington Hospital's CDI and revenue cycle optimization strategies. The increase also reflects the implementation of a new employee recognition platform and standard inflationary adjustments across more than 70 existing software applications.
- Depreciation is expected to rise by 2.3%, reflecting new capital requests and Pavilion Infill depreciation, largely offset by asset roll-offs, resulting in a modest net increase consistent with ongoing capital investment.

NON-OPERATING INCOME

- Board Designated, Unrestricted Investment income and Equity investment earnings are projected conservatively due to unknown market performance.
- Parcel tax revenue increases by \$13.3M, reflecting a newly approved and ongoing funding source that strengthens non-operating income and supports both operating and capital needs.
- Rental income is expected to decrease by 37.7% due to expected non-renewal of FY26 leases, with no replacement income budgeted given uncertainty in re-leasing timing.
- As part of the district's continuing budget policy, realized and unrealized gains or losses on the investment portfolio are not budgeted due to the unpredictability of market performance.
- Foundation Donation is expected to remain flat, reflecting a consistent philanthropic support.
- Interest expense is budgeted to increase by 11.5%, primarily due to an additional \$2M in bond issuance costs associated with the planned General Obligation (GO) bond issuance in FY27 net of decrease in Interest income due to draw down funds for construction activities. This increase in interest expense is partially offset by a 10% increase in GO Bond Property Tax Revenue, which is also related to the additional GO bond issuance.

AFFILIATE OPERATIONS

- FY 2027 Budget Estimate includes support for WHMG and other affiliate operations, representing a consolidated net loss of \$7.6M — a \$11.9M favorable variance compared to the projected FY 2026.

HOSPITAL VOLUMES

	FY 2026 Projected	FY 2027 Budget	Var (\$)	Var (%)
Discharges	13,325	13,490	165	1.2%
Patient Days	64,449	65,183	734	1.1%
Average Daily Census (ADC)	176.6	178.6	2.0	1.1%
Outpatient Observation Days	2,361	2,365	4	0.2%
Average Length of Stay	4.89	4.83	(0.1)	-1.2%
Deliveries	1,662	1,679	17	1.0%
Surgical Cases (includes Trauma)	6,517	6,715	198	3.0%
Orthopedics Cases	2,359	2,377	18	0.8%
Cardiac Cases	407	416	9	2.2%
Neurosurgery Cases	309	323	14	4.5%
Gastroenterology Cases	1,535	1,561	26	1.7%
General Cases	713	716	3	0.4%
Vascular Cases	380	391	11	2.9%
Urology Cases	326	330	4	1.2%
Other Cases	488	601	113	23.2%
Cath Lab Cases (includes Trauma)	2,448	2,476	28	1.1%
Cardiac Cases	1,278	1,300	22	1.7%
Interventional Radiology Cases	844	844	-	0.0%
Neuro IR Cases	98	100	2	2.0%
Vascular Cases	228	232	4	1.8%
Trauma Cases (included in all service lines)	2,123	2,372	249	11.7%
Emergency Room Visits (includes Trauma)	62,236	62,251	15	0.0%
Outpatient Visits	113,862	120,930	7,068	6.2%

HOSPITAL PERFORMANCE INDICATORS

	<u>FY 2026 Projected</u>	<u>FY 2027 Budget</u>	<u>Var (%)</u>
<u>Productivity</u>			
Fixed FTEs	481.0	486.3	-1.1%
Variable FTEs	1,256.0	1,322.1	-5.3%
Total Paid FTEs	1,737.0	1,808.4	-4.1%
<u>Financial Indicators</u>			
Contractual Allowances as a % of Revenue	74.8%	73.4%	
Provision for Charity & Doubtful Accounts as a % of Revenue	1.7%	1.7%	
Supplies/Net Patient Revenue %	14.3%	14.6%	
Operating Margin	0.0%	0.4%	
Net Margin	2.2%	3.7%	

HOSPITAL REVENUE

	FY 2026 Projected	FY 2027 Budget	Var (%)
Patient Revenue:			
Inpatient	\$1,716,535	\$1,758,443	2.4%
Outpatient	1,098,658	1,187,661	8.1%
Total Goss Revenue	\$2,815,193	\$2,946,104	4.7%
Contractual Allowances and Provisions:			
Contractual Allowances by Payors	(2,104,638)	(2,161,376)	-2.7%
Provision for Charity and Doubtful Accounts	(48,722)	(51,140)	-5.0%
Total Contractuals and Provisions for Charity and Doubtful Accounts	(\$2,153,360)	(\$2,212,515)	-2.7%
Net Patient Revenue	\$661,834	\$733,588	10.8%
Other Operating Revenue	\$19,842	\$16,487	-16.9%
Total Operating Revenue	\$681,676	\$750,076	10.0%
Total Net Patient Revenue as a Percent of Gross Revenue	23.5%	24.9%	

HOSPITAL OPERATING EXPENSES

<i>(In thousands)</i>	FY 2026 Projected	FY 2027 Budget	Var (%)
Salaries	\$317,935	\$340,163	-7.0%
Benefits	107,524	118,454	-10.2%
Professional Fees	57,654	65,906	-14.3%
Supplies	94,588	107,398	-13.5%
Purchased Services	34,012	39,359	-15.7%
Utilities	7,708	8,299	-7.7%
Insurance	3,999	4,200	-5.0%
Marketing & Advertising	1,286	2,151	-67.3%
Software Licenses & Maintenance	9,042	11,787	-30.4%
Other Expenses	3,720	4,184	-12.5%
Depreciation	44,079	45,074	-2.3%
Total Operating Expenses	\$681,546	\$746,977	-9.6%

HOSPITAL NON-OPERATING INCOME & EXPENSE

<i>(In thousands)</i>	FY 2026 Projected	FY 2027 Budget	Var (%)
Unrestricted Investment Income	\$767	\$275	-64.1%
Board Desig Investment Income	6,202	6,300	1.6%
General Obligation Bond Property Tax Revenue	22,692	25,002	10.2%
Parcel Tax Revenue	0	13,284	100.0%
Rental Income, Net	544	339	-37.7%
Bond Issuance Cost	5	(2,000)	-38874.7%
Interest Expense	(22,767)	(25,386)	11.5%
Gain/(Loss) on Investments *	173	0	-100.0%
Foundation Donation	5,939	6,000	1.0%
Gain/(Loss) on Disposals	679	0	-100.0%
Equity Investment Earnings	1,164	673	-42.2%
Federal Subsidies	(1)	0	-100.0%
Unrealized Gain/(Loss) on Investments	(648)	0	-100.0%
Other Non-Operating Exp/Rev	0	0	0.0%
Total Net Non-Operating Income & Expense	\$14,749	\$24,487	66.0%

* Washington Hospital does not budget for gains or losses on investments.

CAPITAL BUDGET

<i>(In thousands)</i>		Budget FY 2027
<u>Strategic</u>		
Construction	\$	73,042
Digital		4,400
Strategic Initiatives		6,334
Total Strategic	\$	83,776
<u>Capital Reserve</u>		
IS Infrastructure	\$	750
TI Improvement		1,000
Facility Refresh Projects		500
FY27 Contingency (MBF)		2,500
FY27 Strategic Capital Reserves		2,500
Total Capital Reserve	\$	7,250
<u>MBF Funds</u>		
FY26 Roll Over	\$	3,000
FY27 New MBF Projects		
Stryker System 9 Power Drills	\$	1,843
Fremont Data Center Refresh		1,050
Philips Patient Monitoring PICiX - Rev 4 Upgrade		527
Hospital Gurney and Bed Capital Replenishment		134
Replacement Osmometer machine		103
Ultrasound Machine		92
Medtronic NIM Nerve Monitoring System		87
Echo Probe Replacement		78
Situate Sponge and Instrument Detection System		67
Cath Lab Power Injectors		40
Vital Sign Machines		33
Platelet Incubator		15
Hemopro Generator		13
Crossmatched Products Refrigerator		10
Total FY27 New MBF Projects	\$	4,092
Total MBF	\$	7,092
Total Capital Spend	\$	98,118
Capital Funded by Revenue Bond	\$	20,000
Capital Funded by GO Bond	\$	33,625
Capital Funded by Cash/EBIDA	\$	44,493

**RESOLUTION NO. 1284
BUDGET ESTIMATE
FY 2026-2027**

BE IT RESOLVED, that the following be, and the same is hereby adopted as the Washington Township Health Care District consolidated budget estimate for FY 2027:

STATEMENT OF REVENUES AND EXPENSES (\$ thousands)

PATIENT REVENUE	\$ 2,946,104
OTHER REVENUE	16,487
TOTAL CONTRACTUAL ALLOWANCE	<u>(2,212,515)</u>
NET REVENUE	\$ 750,076
 SALARIES, WAGES & BENEFITS	 458,617
SUPPLIES & SERVICES	230,786
INSURANCE & UTILITIES	12,499
RESERVES – DEPRECIATION	<u>45,075</u>
TOTAL OPERATING EXPENSES	\$ 746,977
 NET OPERATING INCOME	 \$ 3,099
 NON-OPERATING INCOME/(EXPENSES)	 \$ 24,487
 NET INCOME	 \$ 27,586
NET LOSS FROM AFFILIATES	<u>(\$28,419)</u>
CONSOLIDATED NET INCOME/(LOSS)	(\$7,643)

**RESOLUTION NO. 1284
BUDGET ESTIMATE
FY 2026-2027**

AND, BE IT FURTHER RESOLVED that WASHINGTON TOWNSHIP HEALTH CARE DISTRICT shall, for the benefit of the communities served by the District, continue to financially support WASHINGTON TOWNSHIP HOSPITAL DEVELOPMENT CORPORATION in its operations to promote the charitable and community service mission of the District.

PASSED AND ADOPTED by the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT this 10th day of June, 2026, by the following vote:

AYES:

NOES:

ABSENT:

William Nicholson, MD
President of the Washington Township
Health Care District Board of Directors

Michael Wallace
Secretary of the Washington Township
Health Care District Board of Directors



WASHINGTON HEALTH
INDEX TO BOARD FINANCIAL STATEMENTS
April 2026

<u>Schedule Reference</u>	<u>Schedule Name</u>
Board - 1	Statement of Revenues and Expenses
Board - 2	Balance Sheet
Board - 3	Operating Indicators

MEMORANDUM

Date: May 31, 2026

To: Board of Directors

From: Kimberly Hartz, Chief Executive Officer

Subject: Washington Health (Hospital) – April 2026
Operating & Financial Activity

SUMMARY OF OPERATIONS

1. Utilization – Schedule Board 3

	<u>April Actual</u>	<u>April Budget</u>	<u>Current 12 Month Avg.</u>
<u>ACUTE INPATIENT:</u>			
IP Average Daily Census	178.5	192.5	180.7
Combined Average Daily Census	183.7	202.5	187.0
No. of Discharges	1,116	1,107	1,113
Patient Days	5,356	5,776	5,492
Discharge ALOS	5.20	5.22	4.99
<u>OUTPATIENT:</u>			
OP Visits	10,779	9,152	9,486
ER Visits	5,191	5,286	5,191
Observation Equivalent Days – OP	156	300	192

Comparison of April's actual Acute Inpatient Daily Statistics versus the budget showed a lower level of IP Average Daily Census which translates into lower Patient Days. Discharges were higher than budget, and the Average Length of Stay (ALOS), based on discharged days, out-performed the Budget. Outpatient visits were favorable to budget, while Emergency Room visits were unfavorable to budget for the month. Outpatients Observation Equivalent days were favorable to budget.

2. Staffing – Schedule Board 3

Total paid FTEs were below budget. Total productive FTEs for April came in at 1,556.3, below the budgeted level of 1,617.9. Non-Productive FTEs were below budget by 1.7. Total FTEs per Adjusted Occupied Bed were 5.81, or 0.06 better than the budgeted level of 5.87.

3. **Income - Schedule Board 1**

Total Gross Patient Revenue of \$238,641,000 for April was \$128,000 above the budget, or 0.1%.

Deductions from Revenue totaled \$180,918,000 which equates to a 75.81% blended contractual rate. This was favorable to the budgeted rate of 76.48%.

Total Net Operating Revenue of \$59,462,000 was \$2,059,000 or 3.6% above the Budget.

Total Operating Expenses for the month were \$57,452,000, which was higher than the budget by (\$224,000), or (0.4%).

For the month of April, the Hospital reported a Net Operating Gain of \$2,010,000 from Operations, a 3.4% Operating Income Margin.

The Total Non-Operating Loss of (\$1,434,000) for the month includes an unrealized loss on investments of (\$2,387,000) and was unfavorable to the budget by (\$2,606,000).

The Net Income for April was \$576,000, which equates to a 1.0% Net Income Margin, and was (\$771,000) below the Budgeted Net Income of \$1,347,000.

The Total Net Gain for April using FASB accounting principles, in which the unrealized gain/loss on investments, net interest expense on GO bonds and property tax revenues are removed from the non-operating income and expense, was \$2,283,000 (a 3.8% Margin) compared to Budgeted Income of \$384,000 for a favorable variance of \$1,899,000.

4. **Balance Sheet – Schedule Board 2**

There were no noteworthy changes in assets and liabilities when compared to March 2026.

KIMBERLY HARTZ
Chief Executive Officer



WASHINGTON HEALTH
STATEMENT OF REVENUES AND EXPENSES
April 2026
GASB FORMAT
(In thousands)

April						FISCAL YEAR TO DATE					
PRIOR YEAR	ACTUAL	BUDGET	FAV (UNFAV)	VAR	% VAR.	PRIOR YEAR	ACTUAL	BUDGET	FAV (UNFAV)	VAR	% VAR.
OPERATING REVENUE						OPERATING REVENUE					
\$ 137,727	\$ 140,704	\$ 147,941	\$ (7,237)		-4.9%	\$ 1,330,369	\$ 1,437,065	\$ 1,470,720	\$ (33,655)		-2.3%
85,574	97,937	90,572	7,365		8.1%	911,482	928,216	899,722	28,494		3.2%
223,301	238,641	238,513	128		0.1%	2,241,851	2,365,281	2,370,442	(5,161)		-0.2%
(170,268)	(175,220)	(177,761)	2,541		1.4%	(1,692,390)	(1,763,461)	(1,766,345)	2,884		0.2%
(800)	(5,698)	(4,653)	(1,045)		-22.5%	(42,413)	(41,793)	(46,528)	4,735		10.2%
(171,068)	(180,918)	(182,414)	1,496		0.8%	(1,734,803)	(1,805,254)	(1,812,873)	7,619		0.4%
76.61%	75.81%	76.48%				77.38%	76.32%	76.48%			
52,233	57,723	56,099	1,624		2.9%	507,048	560,027	557,569	2,458		0.4%
1,844	1,739	1,304	435		33.4%	15,293	15,762	12,848	2,914		22.7%
54,077	59,462	57,403	2,059		3.6%	522,341	575,789	570,417	5,372		0.9%
OPERATING EXPENSES						OPERATING EXPENSES					
24,390	25,997	26,841	844		3.1%	244,931	263,780	270,800	7,020		2.6%
10,181	9,590	9,332	(258)		-2.8%	82,800	92,675	91,918	(757)		-0.8%
7,018	7,295	7,373	78		1.1%	68,303	78,301	73,496	(4,805)		-6.5%
7,992	8,658	7,688	(970)		-12.6%	74,333	77,408	78,777	1,369		1.7%
1,879	2,144	2,176	32		1.5%	19,090	21,458	22,604	1,146		5.1%
3,527	3,768	3,818	50		1.3%	35,477	36,351	36,382	31		0.1%
54,987	57,452	57,228	(224)		-0.4%	524,934	569,973	573,977	4,004		0.7%
(910)	2,010	175	1,835		1048.6%	(2,593)	5,816	(3,560)	9,376		263.4%
-1.68%	3.38%	0.30%				-0.50%	1.01%	-0.62%			
NON-OPERATING INCOME & (EXPENSE)						NON-OPERATING INCOME & (EXPENSE)					
720	560	472	88		18.6%	6,470	5,807	4,720	1,087		23.0%
(17)	17	-	17		0.0%	(169)	173	-	173		0.0%
(1,702)	(1,945)	(1,656)	(289)		-17.5%	(16,836)	(18,880)	(16,442)	(2,438)		-14.8%
113	98	115	(17)		-14.8%	1,254	454	941	(487)		-51.8%
-	-	-	-		0.0%	5,242	5,939	6,561	(622)		-9.5%
-	-	-	-		0.0%	(1)	5	-	5		0.0%
-	-	-	-		0.0%	153	(1)	-	(1)		0.0%
2,194	2,032	2,032	-		0.0%	21,119	20,482	20,482	-		0.0%
250	191	209	(18)			2,221	745	2,092	(1,347)		-64.4%
-	-	-	-			(37)	679	-	679		0.0%
1,113	(2,387)	-	(2,387)		0.0%	4,077	(648)	-	(648)		0.0%
2,671	(1,434)	1,172	(2,606)		-222.4%	23,493	14,755	18,354	(3,599)		-19.6%
\$ 1,761	\$ 576	\$ 1,347	\$ (771)		-57.2%	\$ 20,900	\$ 20,571	\$ 14,794	\$ 5,777		39.0%
3.26%	0.97%	2.35%				4.00%	3.57%	2.59%			
\$ (375)	\$ 2,283	\$ 384	\$ 1,899		494.5%	\$ 6,898	\$ 13,745	\$ 5,000	\$ 8,745		174.9%
-0.69%	3.84%	0.67%				1.32%	2.39%	0.88%			

**NET INCOME (FASB FORMAT) EXCLUDES PROPERTY TAX INCOME, NET INTEREST EXPENSE ON GO BONDS AND UNREALIZED GAIN(LOSS) ON INVESTMENTS



WASHINGTON HEALTH
BALANCE SHEET
April 2026
(In thousands)

SCHEDULE BOARD 2

ASSETS AND DEFERRED OUTFLOWS			April 2026	Audited June 2025	LIABILITIES, NET POSITION AND DEFERRED INFLOWS			April 2026	Audited June 2025
CURRENT ASSETS					CURRENT LIABILITIES				
1	CASH & CASH EQUIVALENTS	\$	31,127	\$ 30,849	1	CURRENT MATURITIES OF L/T OBLIG	\$	10,365	\$ 9,880
2	ACCOUNTS REC NET OF ALLOWANCES		81,437	81,212	2	ACCOUNTS PAYABLE		27,447	39,261
3	OTHER CURRENT ASSETS		29,296	32,562	3	OTHER ACCRUED LIABILITIES		61,931	86,340
4	TOTAL CURRENT ASSETS		141,860	144,623	4	INTEREST		8,719	13,801
					5	TOTAL CURRENT LIABILITIES		108,462	149,282
ASSETS LIMITED AS TO USE					LONG-TERM DEBT OBLIGATIONS				
5	BOARD DESIGNATED FOR CAPITAL AND OTHER		170,684	181,650	6	REVENUE BONDS AND OTHER		205,560	215,181
6	GENERAL OBLIGATION BOND FUNDS		90,963	129,459	7	GENERAL OBLIGATION BONDS		464,113	466,177
7	REVENUE BOND FUNDS		43,086	50,903					
8	BOND DEBT SERVICE FUNDS		31,631	41,368					
9	OTHER ASSETS LIMITED AS TO USE		10,122	9,902					
10	TOTAL ASSETS LIMITED AS TO USE		346,486	413,282					
11	OTHER ASSETS		410,321	383,105					
12	OTHER INVESTMENTS		20,478	26,133					
13	NET PROPERTY, PLANT & EQUIPMENT		596,501	565,182	12	NET POSITION		592,290	571,767
14	TOTAL ASSETS	\$	1,515,646	\$ 1,532,325	13	TOTAL LIABILITIES AND NET POSITION	\$	1,498,789	\$ 1,519,227
15	DEFERRED OUTFLOWS		11,446	18,475	14	DEFERRED INFLOWS		28,303	31,573
16	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$	1,527,092	\$ 1,550,800	15	TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS	\$	1,527,092	\$ 1,550,800



WASHINGTON HEALTH
OPERATING INDICATORS
April 2026

SCHEDULE BOARD 3

12 MONTH AVERAGE	April						FISCAL YEAR TO DATE			
	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.			ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
180.7	178.5	192.5	(14.0)	-7%	1	ADULT & SCN AVERAGE DAILY CENSUS	181.0	188.8	(7.8)	-4%
6.3	5.2	10.0	(4.8)	-48%	2	OUTPT OBSERVATION AVERAGE DAILY CENSUS	6.3	9.8	(3.5)	-36%
187.0	183.7	202.5	(18.8)	-9%	3	COMBINED AVERAGE DAILY CENSUS	187.3	198.6	(11.3)	-6%
8.4	7.6	8.8	(1.2)	-14%	4	NURSERY AVERAGE DAILY CENSUS	8.3	8.6	(0.3)	-3%
195.4	191.3	211.3	(20.0)	-9%	5	TOTAL	195.6	207.2	(11.6)	-6%
3.3	1.5	4.0	(2.5)	-63%	6	SPECIAL CARE NURSERY AVERAGE DAILY CENSUS	3.2	3.9	(0.7)	-18%
5,492	5,356	5,776	(420)	-7%	7	ADULT & SCN PATIENT DAYS	55,027	57,387	(2,360)	-4%
192	156	300	144	48%	8	OBSERVATION EQUIVALENT DAYS - OP	1,912	2,978	1,066	36%
1,113	1,116	1,107	9	1%	9	DISCHARGES-ADULTS & SCN	11,208	10,993	215	2%
4.99	5.20	5.22	0.0	0%	10	AVERAGE LENGTH OF STAY-ADULTS & SCN	4.96	5.22	0.3	5%
3.07	3.22	3.13	(0.1)	-3%	11	AVERAGE LENGTH OF STAY-ADULTS & SCN / CASE MIX INDEX	3.04	3.20	0.2	5%
1.625	1.616	1.667	(0.051)	-3%	12	OTHER KEY UTILIZATION STATISTICS	1.632	1.633	(0.001)	0%
45	50	35	15	43%	13	SURGICAL CASES	460	377	83	22%
129	138	129	9	7%	14	CARDIAC	1,314	1,254	60	5%
60	57	56	1	2%	15	GASTROENTEROLOGY	586	554	32	6%
25	20	30	(10)	-33%	16	GENERAL	257	276	(19)	-7%
200	206	209	(3)	-1%	17	NEUROSURGERY	2,013	2,091	(78)	-4%
28	19	28	(9)	-32%	18	ORTHOPEDICS	262	269	(7)	-3%
29	28	33	(5)	-15%	19	UROLOGY	303	339	(36)	-11%
32	41	27	14	52%	20	VASCULAR	321	313	8	3%
548	559	547	12	2%	21	OTHER	5,516	5,473	43	1%
202	195	206	(11)	-5%	22	TOTAL CASES	2,049	1,994	55	3%
133	120	139	(19)	-14%	23	CATH LAB CASES	1,310	1,381	(71)	-5%
9,486	10,779	9,152	1,627	18%	24	DELIVERIES	95,531	90,707	4,824	5%
5,191	5,191	5,286	(95)	-2%	25	OUTPATIENT VISITS	51,813	52,514	(701)	-1%
1,513.1	1,556.3	1,617.9	61.6	4%	26	EMERGENCY VISITS	1,515.2	1,590.9	75.7	5%
208.5	202.5	204.2	1.7	1%	27	LABOR INDICATORS	209.5	232.9	23.4	10%
1,721.6	1,758.8	1,822.1	63.3	3%	28	PRODUCTIVE FTE'S	1,724.7	1,823.8	99.1	5%
5.09	5.14	5.21	0.07	1%	29	NON PRODUCTIVE FTE'S	5.09	5.23	0.14	3%
5.80	5.81	5.87	0.06	1%	30	TOTAL FTE'S	5.79	5.99	0.20	3%
						PRODUCTIVE FTE/ADJ. OCCUPIED BED				
						TOTAL FTE/ADJ. OCCUPIED BED				