

BOARD OF DIRECTORS MEETING
Lower Umpqua Hospital District (LUHD)
Wednesday, February 25, 2026, 7:30 a.m.
Main Conference Room or
Via Teams audio conference call
Dial: 1-323-694-9833
Audio conference ID: 124 229 680#



MINUTES

Those board members in attendance include Ron Kreskey, Chair, Cheryl Young, Vice Chair, Leon Bridge, Treasurer, Brenda Fraley, Secretary, and Sheri Aasen, Director.

Others in attendance include Stephanie Miller, John Chivers, Melissa Cribbins, Hospital attorney, Dr. Jason Sargent, Jennifer Green, Jen Anderson, Holly Tavernier, Kaley Sweet, Mary Chambers, Renae Mefferd.

Those employees and members of the public joining by phone include Tonya Galliher UFCW 555 representative, Rhiannon Manicke, Deanna Prater, and another staff member.

I. CALL TO ORDER & INTRODUCTIONS

Board Chair Kreskey called the meeting to order at 7:30 am.

II. VISITOR'S AGENDA – Citizens desiring to address the Board regarding hospital matters about which they are concerned may do so at this time. It is requested that items be limited to those not listed on the agenda and that time be limited to five minutes. Board Members may request that an item brought up at this time be placed on next month's agenda for further discussion.

No visitors.

III. CONSENT AGENDA – Approve the following:

- A. Board of Directors Meeting Agenda February 25, 2026
- B. Board of Directors Meeting Minutes January 28, 2026
- C. Committee Minutes
 - 1. CQC Consent Agenda – February 12, 2026
 - 2. Financial Advisory Committee Minutes – January 27, 2026
 - 3. Medical Staff Recommendations

After discussion, board member Young moved to approve the Consent Agenda. Board member Bridge seconded the motion. Motion passed (5-0) with the following vote: Kreskey – Yes, Young – Yes, Bridge – Yes, Fraley – Yes, Aasen – Yes.

IV. REPORTS & PRESENTATIONS

- A. Quality/Risk Report – Jennifer Green
 - 1. See report
 - 2. Our DNV objective evidence was submitted and accepted in January. DNV will return in August/September
- B. Compliance Report – Renae Mefferd
 - 1. See report.
- C. Nursing Services Report – Jennifer Green
 - 1. See report.
- D. Medical Staff – Dr. Jason Sargent

1. See report.
- E. Public Relations/Foundation – Kaley Sweet
 1. See report.
- F. Human Resources – Holly Tavernier
 1. See report.
 2. Clinic providers – new PA-C Shynar Johnson will start March 16, 2026
 3. CFO –new CFO Elise Dumo who will start March 16, 2026
- G. Ancillary Services – Jen Anderson
 1. See report.
- H. Finance Report – John Chivers
 1. See report.
 2. Provider Tax – given to state to draw down more federal funds and about a week later the money is returned to us. It is a percent of net revenue. 6% tax on the net patient revenue. Most states have some form of this tax. Oregon is the 8th or 9th best Medicaid paying state in the nation. The number of Medicaid enrollees will be reduced under the OBBBA – the rates should remain relatively unchanged. The federal match is expected to decrease to approximately 4% over the next 4 years.
- I. Administrator Report – John Chivers
 1. Budget – most of his time over the last month has been spent on budget preparation. Administrative time has been related to recruitment and contracts.
 2. CFO hired: Team interviewed 3-4 applicants and hosted 2 candidate site visits. Ultimately everyone favored and agreed to hire Elise Dumo who starts on March 16th.
 3. Cataract surgery: Start date is April 6th; target is 6 cases per month with maximum of 13 cases.
 4. Clinic providers:
 - 1) New PA-C Shynar Johnson, starts March 16th.
 - 2) PA-C Colton Danforth – contract ends in May and wants to extend two years.
 5. General Surgery recruitment: Dr. Saunders will retire at end of contract Feb 28, 2027. Recruitment has begun for his replacement, and he will retire early if needed. Dr. Gillian Seton will be here on Feb 28 for a site visit, and we also have another surgeon to interview. The critical need is someone to share the unique coverage schedule with Dr. Shank.
 6. Pain Management: CRNA Julie Dekker Flint will provide pain management services starting late May/early June. She is completing training now.
 7. Women’s health:
 - 1) Gynecology - recruitment has started for a full time gynecologist.
 - 2) Uro-Gyn - Dr. Abanulo will scale back to quarterly visits from monthly visits.
 8. Future service line growth: To grow volumes, we must increase primary care providers in Dunes Clinic. The space is at capacity, so expansion is needed. An architect is providing design options. Estimated building cost is \$1.2-\$1.5M. We are exploring Rural Health Transformation Program as funding source.
 9. 340B Mock Audit: we passed our audit. This is important because we rely heavily on the 340B program to reap current monthly savings of \$80-\$100K on our drug costs. Without this program, the retail pharmacy would lose significant money every month. It is a very complex program and rules are stringent. Every year we

perform a mock audit to ensure HRSA compliance should they ever come on site to audit us.

V. NEW BUSINESS

A. Quality Steering Committee (QSC) Charter

Motion: After discussion by Jennifer Green, Board member Bridge moved to approve the Quality Steering Committee (QSC) Charter as presented. Board member Young seconded the motion. Motion passed (5-0) with the following vote: Kreskey – Yes, Young – Yes, Bridge – Yes, Fraley – Yes, Aasen – Yes.

B. Resolution 26-02 -Trail use immunity

Motion: After discussion by Holly Tavernier, Board member Young moved to approve Resolution 26-02 -Trail use immunity as presented. Board member Aasen seconded the motion. Motion passed (5-0) with the following vote: Kreskey – Yes, Young – Yes, Bridge – Yes, Fraley – Yes, Aasen – Yes.

C. Policy: ADMB_0100 – Artificial Intelligence Acceptable Use Policy

Motion: After discussion by Jen Anderson, Board member Aasen moved to approve ADMB_0100 – Artificial Intelligence Acceptable Use Policy as presented. Board member Bridge seconded the motion. Motion passed (5-0) with the following vote: Kreskey – Yes, Young – Yes, Bridge – Yes, Fraley – Yes, Aasen – Yes.

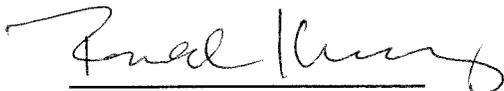
D. Next Board Meeting: Wednesday March 25, 2026, 7:30am

VI. ADJOURNMENT

Motion: Board member Bridge moved to adjourn the meeting. Board member Young seconded the motion. Motion passed (5-0) with the following vote: Kreskey – Yes, Young – Yes, Bridge – Yes, Fraley – Yes, Aasen – Yes.

Board Chair Kreskey declared the meeting adjourned at 8:19 am.

APPROVED THIS 25th day of March 2026


Ronald Kreskey, Chair


Brenda Fraley, Secretary



Director of Quality/Risk Management Update

LUHD Board of Directors February 25, 2026

Quality

- **Quality Steering Committee** met February 4, 2026.
- **2025 End of Year reports** (attached):
 - Total Incident Reports (439) by Category, Volume and % Reported Anonymously by month
 - Total Grievances (29) by Category and Department

Risk Management

Incident / Unusual Occurrence Reports

January 2026 - 29 incidents; 0 reported anonymous

Meditech Classifications:

- 10 Medication events
- 6 Equipment
- 4 Surgical Incident
- 2 Behavior
- 1 Non-patient medication events
- 1 Lab
- 1 Vascular Access
- 1 Treatment & Therapies
- 1 Safety/ Security
- 1 Property
- 1 Diagnosis/Document/Patient Record

Grievances - Grievance Committee met on January 20, 2026

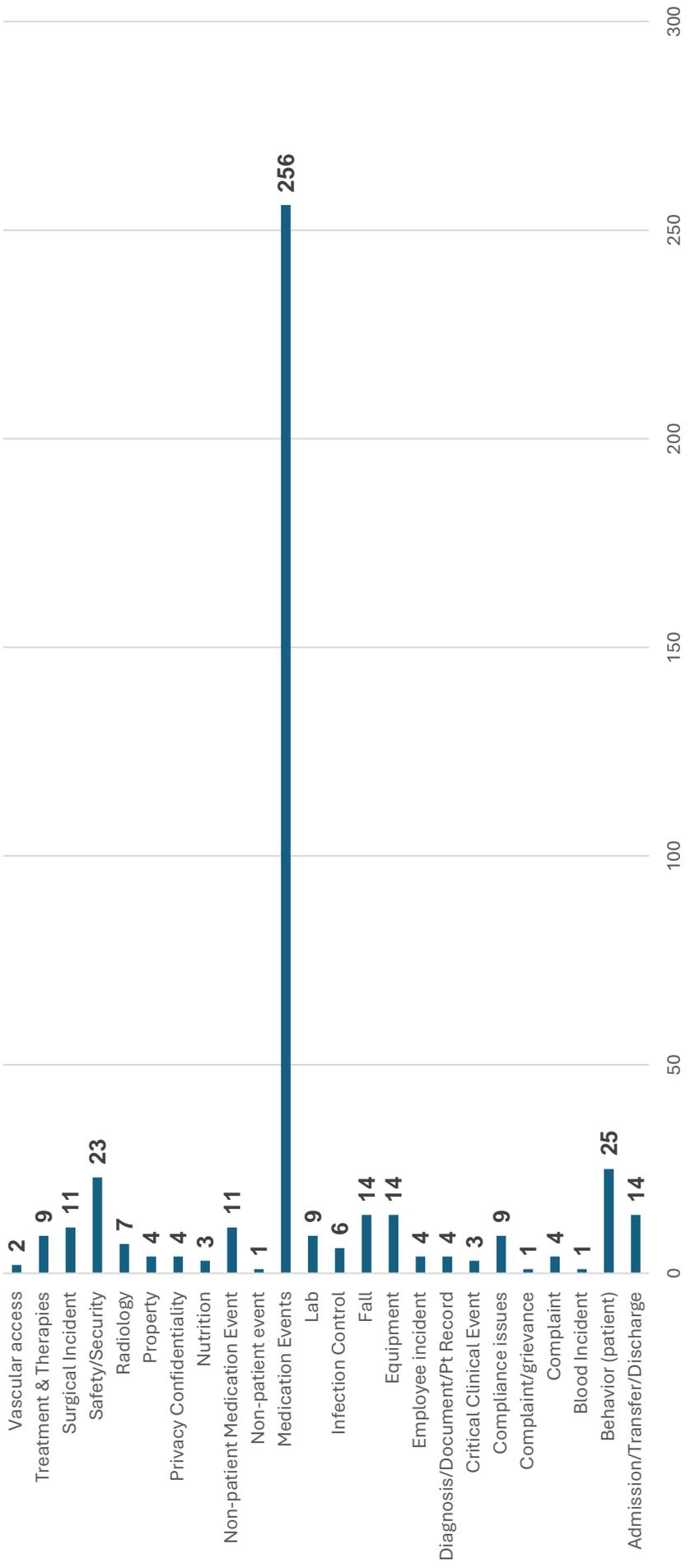
January 2026 - 1 grievance

- Complaint about staff

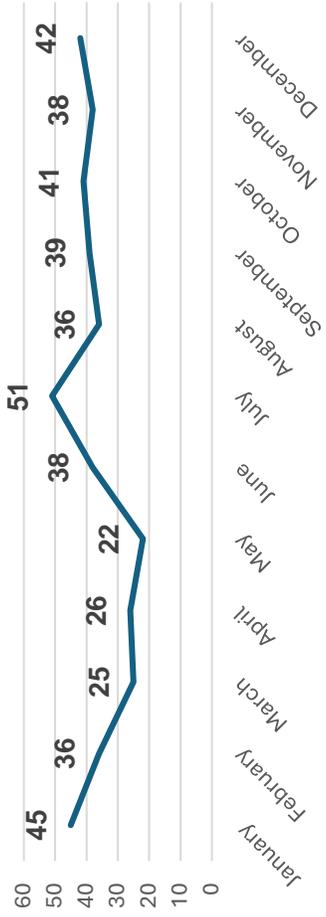
Respectfully submitted,

Julia Floyd BSN, RN, CPHQ, RHCNOC
Director of Quality/Risk Management

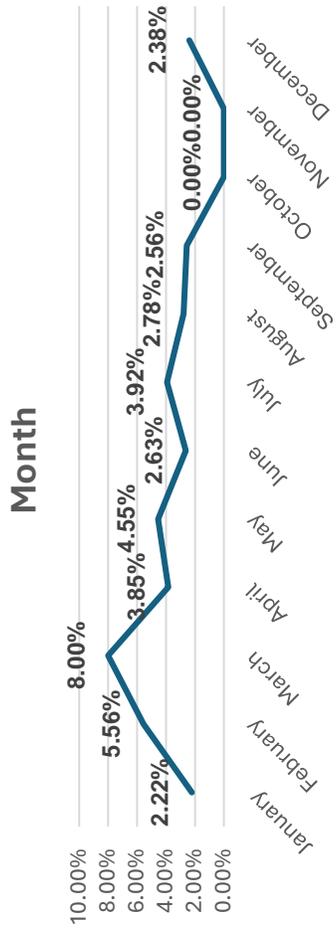
2025 Total Incident Reports (439) by Category



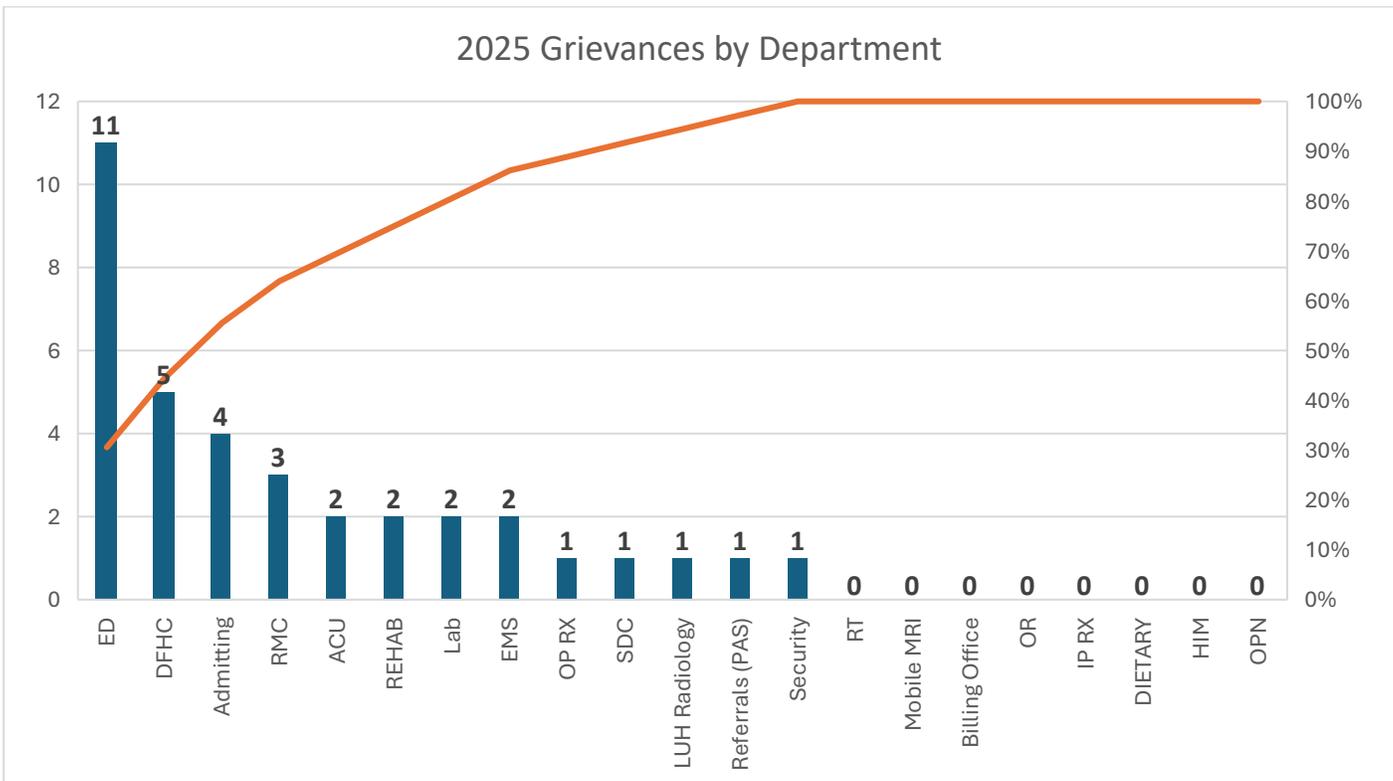
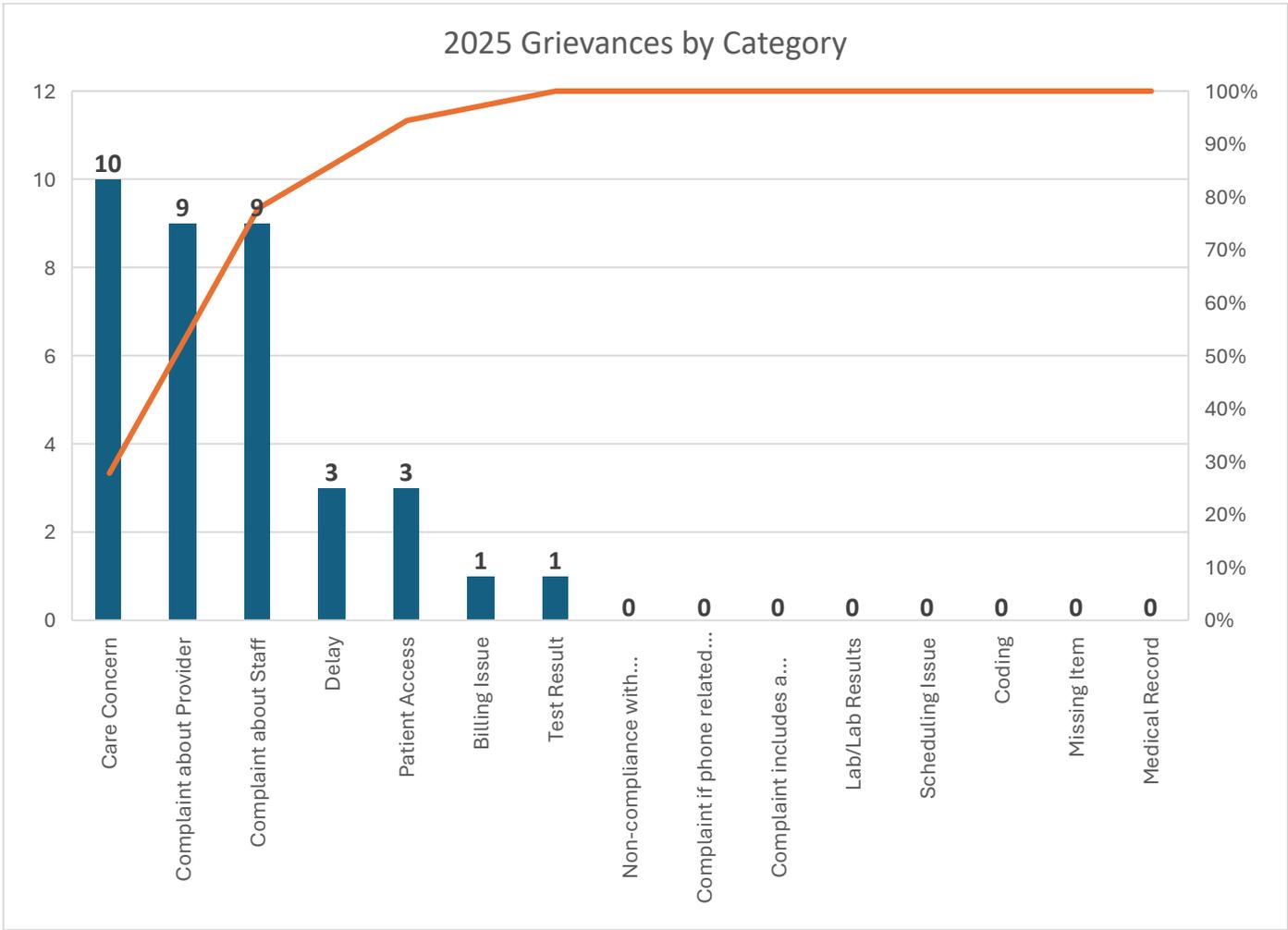
2025 Incident Report Volumes by Month



2025 Incidents Reported Anonymous by Month



2025 Total Grievances = 29; 7 multi-factorial





Compliance Program Update

LUHD Board Meeting February 25, 2025

Compliance and Ethics *Currently in progress*

- Ongoing...
 - Participating in 340B Compliance Committee.
 - Issue: PACU titrates or administers medications in a short period of time in the recovery phase. Each time a drug is administered it drops a charge for a new vial, even though the medication administration is used from the original vial that was pulled.
 - Temporary stop gap in place (pharmacy will manually remove extra charges reconciling with the Omnicell)
 - Preferred resolution being considered is building a location of PACU which would allow charging on “pull” of medication from Omnicell (Meditech ticket was entered for further investigation of this)
- Updates...
 - Implementation of the passive EHR surveillance system continues to move forward. No go live date yet.

Reports of potential non-compliance received since last reporting period (01/28/2026)

- 0 reports received by third party vendor (anonymous hotline or website)
- 0 reports received in-person reported directly to compliance officer

Respectfully submitted,

Renae Mefferd, RN
Compliance Officer



CNO UPDATE

LUHD Board of Directors February 25, 2026

Nursing:

New Hires

- Maxim Nesterov RN On Call 02/12/2026
- Hailee Outlaw CNA On Call 02/16/2026
- Corbin Odom RN Full-time DAYS 02/24/2026
- Tana Hinkle CNA On Call 02/24/2026

Offers pending for several RNs with ICU/ED experience.

Current Openings

- One Full-time RN NOC ACU
- One Part-time RN DAYS ACU
- One Full-time CNA ED
- One Part-time CNA ED
- One Full-time CNA DAYS ACU
- One Full-time CNA NOC ACU

Respiratory Therapy

- Department is fully staffed.

Process Improvement/Updates:

1. Simulation Event: Pediatric Cold-Water Drowning - See flyer attached

- March 4th - 2:00 to 5:00 pm - Hands-on Procedure Lab
- March 5th - 09:00 am to 1:00 pm Simulation with debrief to follow. Round 1 10:00 to 10:45
Round 2 11:00 to 11:45

2. Preop Process Improvement

- Tracking Surgical Case Cancellation with **less than** 24-hours notification - Will have data next month.

3. Cataracts:

- 03/09/2026 First clinic day
- 04/06/2026 First surgical day

4. Pain Management:

- Currently in the implementation phase. Surgical cases to start (tentative) late May to early June.

Respectfully submitted,

Jennifer Green, BSN RN RHCNOC
Chief Nursing Officer

**SIMULATION BASED EDUCATION
& PROCEDURE/SKILLS LAB
LOWER UMPQUA HOSPITAL
REEDSPORT, OR
March 4-5, 2026**



Join us for a hands-on **simulation** and **procedure lab** focused on high-acuity, low-frequency, and time-sensitive emergencies.

Your team will practice critical skills, decision-making, and communication in realistic scenarios aligned with your protocols, helping improve team performance and patient outcomes.

**PROCEDURE LAB - MARCH 4, 2026
1400-1700**

- PALS Review & Weight Based Meds
- Ventilator Management
- Airway & RSI
- IO Practice
- Rapid Transfuser/Warming Devices/Defibrillator

**SIMULATION - MARCH 5, 2026
0900-1300**

- Welcome and Introductions (0900-0915)
- Medical Review (0915-0930)
- Pre-Brief (0930-0945)
- Break (0945-1000)
- Progressive Simulation - Round 1 (1000-1045)
- Progressive Simulation - Round 2 (1100-1145)
- Debrief (1145-1245)
- Closing and Evaluations (1245-1300)





Lower Umpqua
Hospital District
600 Ranch Road
Reedsport, OR 97467
541-271-2171

February 25, 2026

LUHD BOARD OF DIRECTORS: MEDICAL STAFF REPORT

I was unable to attend medical staff this last week but it was led by Dr. Ian Coe.

A large consent agenda was reviewed and approved. This mostly consisted of committee minutes although several policy, protocol, and formulary updates were approved.

Several clinicians were privileged by medical staff including Dr. Webster, MD (ENT), Shynar Johnson, PA-C (DFHC), Dr. Benzenhafer, MD (teleradiology), Dr. Hassan, MD (teleradiology), and Dr. Weinstein, MD (teleradiology).

Regards,

Jason Sargent, DO

Chief of Staff: Lower Umpqua Hospital

Medical Director: Dunes Family Health Care



CONTACT DETAILS

Public Relations

Lower Umpqua Hospital District

public_relations@luhonline.com

(541) 271 6336

MARKETING & COMMUNICATIONS

BOARD OF DIRECTORS

February 25, 2026

- **ANNUAL CALENDAR**
 - LUHD Events & Healthcare Recognition Dates
- **DIGITAL ADVERTISING**
 - Social Media Channels
 - Currently running ad for Rehab Department, DAISY, Phone System Upgrade
 - Continuing Digital Ads for General Surgery
 - AI Marketing Automation - Budget planning looking at Marketing options that utilize AI, with an emphasis on SEO.
- **PRINT ADVERTISING**
 - Gold Printing - Business Card Redesign - Waiting on Printer
 - Oregon Coast Mailer, Everything Umpqua (Quarterly) - Updating Current Ads
 - Partners in Care - Planning late March edition
- **CURRENT MARKETING CAMPAIGNS**
 - Rehabilitation Services - Dynamic Ad Creation - Provider Videos & Updated Images
- **WEBSITE UPDATE**
 - New Developer Webpage - Epuerto provided a link to a newly updated website. Not currently live and still under construction while content and navigation is finalized.
- **COMMUNITY OUTREACH & EVENTS**
 - Attended the Reedsport Community Charter School (RCCS) Health Fair on Feb. 18th
 - Hosted by Douglas County Public Health and attended by 7-12th grade
- **FAMILY RESOURCE CENTER**
 - 104 Services provided for 61 individuals in January
 - \$190 Sunrise Tokens distributed
 - Reedsport Food Pantry Update
 - Advertising for the Free Dental Clinic March 20 & 21



LOWER UMPQUA HOSPITAL FOUNDATION

BOARD OF DIRECTORS

February 25, 2026

- **ANNUAL REPORT**
 - Currently in Progress - Review of 2025 Foundation Events and Project Updates
- **GRANTS**
 - Final reports for Retail Pharmacy - In Progress (Due July 2026 but will submit early)
 - Submitted Grant Request to OCF "Imaging for Impact: LUHD Radiology Initiative" (1/16) requesting funds for DEXA and X-ray.
- **PROJECT UPDATE**
 - Fun Outdoor Fitness
 - Project is moving forward and installation should take place sometime this spring.
 - Reedsport 5K Salmon Run Planning Meeting
 - Trillium Awarded \$1000.00 Community Grant
- **SCHOLARSHIP COMMITTEE**
 - Submitted Local Scholarship Update to RCCS - Applications out to students Feb. 1
 - Student Due Date March 2, Decisions Due by May 15, and Award Night is June 2nd.
 - Nursing Scholarship
 - Conducted interviews - Planning official award notification
- **EVENTS COMMITTEE**
 - Putt for Pink 2026 - Saturday, August 8th Reedsport Golf Course
 - Dunes Family Health Care Reception - Saturday, May 30th
 - Reedsport 5K Salmon Run & Walk - Saturday, September 12th

Next Meeting is April 8th at 11:30am @ LUH Business Office Conference Room

LUHD ANNUAL EVENTS 2026



January

- National Blood Donor Month

February

- American Heart Month
- 2/6/2026 National Wear Red Day

March

- National Nutrition Month
- Colorectal Cancer Awareness Month
- Women's Health Month
- 3/6 Employee Appreciation Day
- 3/11 Registered Dietitian Nutritionist Day
- 3/8-14 Patient Safety Awareness Week
- 3/16-20 Healthcare HR Week
- 3/17 St. Patrick's Day Poker Walk 11:30 - 1:30PM
- 3/30 Doctor's Day

April

- Occupational Therapy Month
- National Volunteer Month
- 4/7 World Health Day
- 4/5-11 Patient Access Week
- 4/22 Care Wear Sale - LUHD Main Conf. Rm.
- 4/22 Administrative Professional Day
- 4/18-24 Health Information/Medical Records Week
- 4/19-25 Medical Laboratory Professionals Week
- 4/20-23 LUHD Employee Forums

LUHD ANNUAL EVENTS 2026



May

- Skin Cancer Awareness Month
- Healthy Vision Month
- Osteoporosis Awareness and Prevention Month
- National Stroke Awareness Month
- 5/6-12 National Nurses Week
- DAISY Award 2026
- 5/10-16 National Hospital Week
 - 5/11 Board Breakfast
 - 5/13 Employee Health Fair
 - 5/14 Employee Recognition Dinner
- 5/17-23 EMS Week
- 5/18 National Speech Language Pathologist Day
- 5/30 Dunes Family Health Care Celebration
 - Conference Room Dedication & Remembrance Plaque



June

- Cataract Awareness Month
- Men's Health Month
- 6/8-12 Community Health Improvement Week
- 6/11-17 National Certified Nursing Assistant (CNA) Week
- 6/15-19 Healthcare Risk Management Week

July

- UV Safety Month
- 7/6-19 Survey on Patient Safety Culture SOPS Survey
- 7/27-31 LUHD Accounting Appreciation Week

August

- National Immunization Awareness Month
- 8/8 LUH Foundation Putt for Pink Golf Fundraiser



LUHD ANNUAL EVENTS 2026



September

- Pain Awareness Month
- Prostate Cancer Awareness Month
- 9/12 Reedsport Salmon 5K Run/Walk 
- 9/15 National IT Professionals Day
- 9/14-20 Healthcare Environmental Services (EVS) Week
- 9/20-26 Surgical Technologist Week

October

- Breast Cancer Awareness Month
- American Pharmacists Month
- National Physical Therapy Month
- 10/4-10 Healthcare Foodservice Workers Week
- 10/4-10 National Healthcare Supply Chain Week
- 10/11-17 National Case Management Week
- 10/11-17 National Patient Account Management (PAM) Week
- 10/14 Emergency Nurses Day
- 10/16 National Boss Day
- 10/17 LUHD Legacy Wall Celebration
- 10/18-24 Healthcare Quality Week
- 10/19-24 Respiratory Care Week
- 10/19-25 National Pharmacy Week
- 10/21 Care Wear Sale - LUHD Main Conf. Room
- 10/24-31 Red Ribbon Week
- 10/25-31 National Healthcare Facilities & Engineering Week
- 10/30 LUHD Board of Directors Breakfast

November

- American Diabetes Month
- Lung Cancer Awareness Month
- 11/2-8 Medical Staff Services Awareness Week
- 11/8-14 National Radiologic Technology Week
- 11/8-14 Surgical Nurses Week
- 11/19 National Rural Health Day

December

- 12/6-12 National Handwashing Awareness Week
- 12/18 LUHD Holiday Party - MAC Center



PATIENTS GET STRONGER HERE. SO DO CAREERS

EXCITING CAREER OPPORTUNITIES

Join our Award Winning Team!

LUHD Rehabilitation Department
Awarded Toast of the South Coast
Gold Medals for 2024 and 2025!



- ★ **Physical Therapist**
Pelvic Floor Certified, or willing to gain certification, Certification Reimbursement Program, Full Time, Benefits
- ★ **Physical Therapist Assistant**
Full Time, Benefits
- ★ **Occupational Therapist**
Lymphedema Certified, or willing to gain certification, Certification Reimbursement Program, Full Time, Benefits

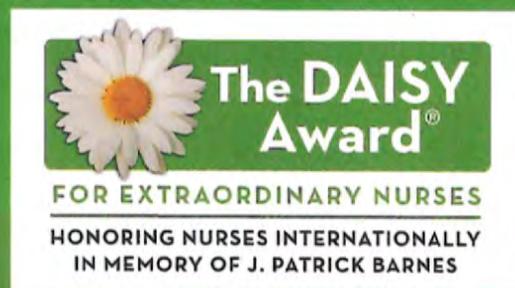
<https://www.lowerumpquahospital.org/career-opportunities/>

Want to Say Thank You to a Nurse?

Nominate Your Nurse for
The DAISY Award!



Scan to share your story!



FREE DENTAL CLINIC

**MARCH 20 & 21, 2026
FRIDAY & SATURDAY**

Both **Children** and **Adults** may qualify for this service.

The clinic will be held at **Dr. Goorhuis' office**,
2731 Frontage Road.

Appointments are required.

Applications are available at the Family Resource Center
located at 3520 Frontage Rd. Phone #541-271-9700

**SPONSORED BY REEDSPORT
ROTARY CLUB & THE
REEDSPORT/WINCHESTER BAY
CHAMBER OF COMMERCE.**



Take Care of Your Teeth



CHIEF HUMAN RESOURCES OFFICER REPORT

Board of Directors February 25, 2026

Employee Hiring & Recruitment:

January/February: (As of 2/16/2026):

- PAR III – Full Time, Admitting
- Respiratory Therapist – Full-Time, Respiratory
- RN - On-Call, Acute Care (Nesterov)
- CNA - On-Call, Acute Care (Outlaw)

We currently have these positions open on our job board, website and Indeed (no per-diem positions are listed below):

- CNA – Full-Time, Days – Acute Care
- RN – Full-Time, Nights – Acute Care
- Radiology Tech (X-Ray/CT/MRI) – Full-Time – Radiology
- Scrub Tech – Full-Time – Surgical Services
- Occupational Therapist – Full-Time - Rehabilitation
- Physical Therapist – Full-Time – Rehabilitation
- Physical Therapy Assistant – Full-Time – Rehabilitation
- Cook – Full-Time - Temporary

CFO Recruitment:

- We had three CFO candidates invited for on-site interviews the week of February 9, 2026. We ended up having one candidate eliminated from the process and were sent one additional candidate to consider from Hunter Ambrose International. An update will be provided at the Board meeting.

Provider Recruitment:

- Shynar Johnson, PA-C, has signed her contract and her first day will be March 14, 2026.
- Dr. Gillian Seton will be here for an on-site interview on Friday, February 27, 2026.

Employee Turnover:

- The next quarter will be reported at the April Board Meeting.

High School Program, External Meetings, Trainings:

- Our 3 RCCS students continue to excel through our Healthcare Careers program this semester.

Other:

- The HR department has been continuing to work on integrating new HR modules including Leaves of Absence and Performance Management. We are meeting twice weekly with UKG through this process.
- I continue to work on several confidential matters as well as policy updates, unemployment hearings, legal matters, employee disciplinary actions, union issues, employee/provider/temporary staffing recruitment and retention.
- I remain involved in the VIRT, Workplace Environment Committee, Events Committee, Emergency Operations Committee, Comprehensive Quality Council, New Hire Orientation, Special Districts Association of Oregon, Douglas County SHRM, and am a Reedsport Rotary Club Board Member.

Respectfully Submitted,

Holly Tavernier
Chief Human Resources Officer



ANCILLARY SERVICES REPORT

Board of Directors February 25, 2026

- Information Technology
 - The new phone system build is underway. Staff training has been completed. Go-live will occur March 3 with change-over happening 8am-9am that morning.

- Clinical Informatics
 - Onboard Cataract Service
 - Onboard Pain Management Service
 - Onboard Podiatry Services
 - Process Improvement: Total Joint Program

- Laboratory
 - Blood Culture analyzer coming soon.

Respectfully submitted,

Jennifer Anderson, RHIT, MBA, CPC, CFPC
Chief Ancillary Services Officer

Board of Directors
Monthly Financial Report
Month Ending January 31, 2026



Operations:

(Page 5)

(1) We had another excellent month with Gross Charges coming in at \$7.16 million or 10.5% better than budget. This was the 3rd highest gross revenue month in our history, missing the previous 2nd highest month by less than \$10,000. All three record months occurred during the current fiscal year. It should be noted that we did not implement a charge increase this fiscal year.

(2) Our expected collection rate was also better than budget (50.13% versus 49.63%). This included another \$100,000 allowance for our likely 2025-26 Medicare year-end payable bringing the total set-aside for the year to \$450,000.

(3) This led to net patient revenue of \$3.59 million (11.6% better than budget).

(4) Other operating revenue (\$443,000) continues to run better than budget (15.7%), primarily due to the **(5)** Retail Pharmacy (\$379,000 – 16.8% better than budget).

(6) Total Operating Revenue of \$4.18 million was 12.6% better than budget.

(Next page - 6)

(7) Total Operating Expenses of \$3.98 million exceeded budget by 2.9% but were well in line with the better than budgeted revenue.

(Back to the previous page - 5)

The major expense items that we can control are our labor costs: **(8)**, Payroll, **(9)** Benefits and **(10)** Contract Labor. They accounted for 58.1% of the total expenditure for the month. The combined budget for the month for these three items was \$2.24 million, and the combined expenditure was \$2.32 million for just a \$77,000 (3.4%) negative variance – again very much in line with the 10.5% positive variance in Gross Charges.

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(11) We had an operating surplus of \$197,000 compared to a budgeted loss of \$159,000 for a \$336,000 (224.0%) positive variance.

(12) Non-operating revenue of \$234,000 was just slightly better than the budget of \$228,000).

(13) Total Surplus for the month was \$431,000 (10.3% margin) compared to the budget of \$69,000 (1.9% margin). **(14)** Again, this reflects another \$100,000 allowance (reduction) for Medicare bringing the total to \$450,000 for the year.

(13) For the year we have a total Surplus of \$2.14 million (7.5% margin) compared to the budget of \$484,000 (1.9% margin). This surplus is just shy of the surplus we generated last full year of \$2.28 million which included nearly \$400,000 in grants (\$77,000 so far this year).

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Cash Flow:

(1) We collected \$3.55 million in patient accounts receivable cash which was the 2nd highest collections month in our history. Added to this was **(2)** \$259,000 in taxes, **(3)** \$371,000 in retail pharmacy collections and **(4)** \$39,000 in miscellaneous cash. We set aside another **(5)** \$15,000 for our future ambulance purchase, bringing total net collections in our general fund **(6)** to \$4.20 million. **(7)** We spent \$3.87 million (which was lower than the \$4.0 million monthly average fiscal year to date) resulting in a **(8)** \$338,000 increase in our cash balance.

Balance Sheet:

(Next page - 8)

Assets:

(1) Cash (\$6.68 million) is up by \$338,000 over last month for the reasons just mentioned.

(2) Net Patient Accounts Receivable (\$5.86 million) increased by \$83,000 due to the near record revenue month accompanied by the near record collection month. **(3)** The expected collection rate declined slightly to 41.53% from 42.46%.

(4) Total 'Other' Accounts Receivable (\$381,000) up by \$50,000 net primarily due to an increase in the amount of taxes owed to us by the county **(5)** of \$42,000. This amount currently shows as a payable due to the timing of when we receive the bulk of our taxes.

(6) We have a total of \$18.25 million in Current Assets.

(7) Property Plant and Equipment increased by \$262,000 due to the reclassification of the Retail Pharmacy Project from Construction in Progress.

(8) Construction in Progress is down a net of \$215,000 due to the reclass of the pharmacy project mentioned above including an additional \$47,000 spent on the project in January.

(9) Third-party settlements increased \$100,000 to \$1.12 million. This is the additional \$100,000 set aside for our 2025-26 Medicare cost report that I mentioned earlier.

(10) We have assets totaling \$22.37 million.

(Next page - 9)

Liabilities and Fund Balance:

(1) Accounts Payable and (2) Accrued Liabilities increased a combined \$102,000 to \$1.06 million.

(3) Refunds Payable and (4) Accrued Payroll decreased by a combined \$73,000.

(5) We booked an additional \$146,000 to cover our January Provider Tax that will be due in May. The previous balance of \$438,000 was paid in February.

(6) We have Current Liabilities of \$4.02 million which results in a very favorable Current Ratio of 4.5.

(7) Total Debt decreased by \$83,000 due to making normal principal payments bringing the new total to \$1.42 million.

(8) Liabilities total \$5.44 million.

(9) Our total Fund Balance is \$16.93 million which includes the fiscal year opening balance of \$14.79 million and current operating results of \$2.14 million.

(10) We have Liabilities and Fund Balance combined of \$22.37 million.

(Next page - 10)

Dashboard:

Shows the results of several Key Indicators. Probably the most important indicators of general financial health are (1) Cash and (2) Days Cash on Hand and (3) Current Ratio. All are currently green.

(Next 2 pages – 11,12)

Volumes:

While most volumes came in slightly below budget, with (1) Lab +20.6%, (2) Radiology +17.9% and (3) Dunes Clinic +5.8% being the exceptions, almost every department had a better month in January than typical January results. (4) While total surgery cases of 43

were well below budget, 7 of the cases were total hip/knee replacement. This significantly added to our total revenue for the month.

(Next 2 pages – 13,14)

Productivity:

(1) Dropped from last month's 100.3% to 97.2%. We are at 99.0% for the year.

LUHD
 UNAUDITED OPERATING STATEMENT
 Through 7 Periods Ended January 31, 2026

	CURR MO	2026	CM	CM	2025	YTD	YTD	YTD	YTD	YTD
	BUDGET	JAN	VAR-\$	VAR-%	JAN	BUDGET	ACTUAL	VAR-\$	VAR-%	LY
Revenue										
Patient Revenue										
(1) Gross Charges	\$6,484,698	\$7,162,732	\$678,034	10.5%	\$6,233,931	\$45,392,888	\$47,621,622	\$2,228,734	4.9%	40,680,013
Deductions	(\$3,266,117)	(\$3,572,190)	(\$306,073)	9.4%	(\$3,055,335)	(\$22,862,819)	(\$23,639,192)	(\$776,373)	3.4%	(19,807,191)
(3) Net Patient Revenue	\$3,218,581	\$3,590,542	\$371,961	11.6%	\$3,178,596	\$22,530,069	\$23,982,430	\$1,452,361	6.4%	20,872,822
(2) 49.63%		50.13%			50.99%	49.63%	50.36%			51.31%
Provider Tax	\$108,890	\$146,000	\$37,110	34.1%	\$100,000	\$762,232	\$1,009,545	\$247,313	32.4%	701,778
Net After Provider Tax	\$3,327,472	\$3,736,542	\$409,070	12.3%	\$3,278,596	\$23,292,301	\$24,991,975	\$1,699,674	7.3%	21,574,600
51.31%		52.17%			52.59%	51.31%	52.48%			53.03%
Non-Patient Revenue										
Misc Revenue	\$58,362	\$63,954	\$5,592	9.6%	\$58,031	\$408,537	\$885,586	\$477,049	116.8%	409,728
(8) Retail Pharmacy	\$325,000	\$379,485	\$54,485	16.8%	\$360,522	\$2,275,000	\$2,581,804	\$306,804	13.5%	2,349,134
Other Recoveries										
(4) Total Non-Patient Revenue	\$383,362	\$443,439	\$60,077	15.7%	\$418,553	\$2,683,537	\$3,467,390	\$783,853	29.2%	2,758,862
(6) Total Revenue	\$3,710,834	\$4,179,981	\$469,147	12.6%	\$3,697,149	\$25,975,838	\$28,459,365	\$2,483,527	9.6%	24,333,462
Operating Expenses										
(8) Payroll	\$1,584,886	\$1,607,943	\$23,057	1.5%	\$1,525,101	\$11,094,205	\$11,162,880	\$68,675	0.6%	10,402,724
Supplies	\$575,766	\$558,910	(\$16,856)	-2.9%	\$561,072	\$4,030,365	\$4,238,247	\$207,882	5.2%	3,654,958
(9) Benefits	\$553,231	\$561,086	\$7,855	1.4%	\$526,523	\$3,872,615	\$3,849,480	(\$23,135)	-0.6%	3,601,725
Professional Fees	\$397,947	\$414,570	\$16,623	4.2%	\$408,067	\$2,785,628	\$2,921,039	\$135,411	4.9%	2,841,750
Purchased Services	\$233,066	\$248,179	\$15,113	6.5%	\$234,836	\$1,631,464	\$1,727,689	\$96,225	5.9%	1,547,361
(10) Contract Labor	\$100,418	\$146,942	\$46,525	46.3%	\$130,701	\$702,923	\$1,084,333	\$381,411	54.3%	854,684
Provider Tax	\$108,890	\$146,000	\$37,110	34.1%	\$100,000	\$762,232	\$1,009,545	\$247,313	32.4%	701,778
Depreciation	\$76,711	\$54,382	(\$22,329)	-29.1%	\$66,532	\$536,974	\$377,164	(\$159,810)	-29.8%	473,049
Repairs & Maintenance	\$40,548	\$42,538	\$1,991	4.9%	\$45,165	\$283,833	\$293,125	\$9,293	3.3%	278,554
Rentals & Leases	\$38,757	\$14,871	(\$23,886)	-61.6%	\$38,051	\$271,300	\$269,548	(\$1,752)	-0.6%	226,612
GASB Depreciation	\$39,015	\$38,266	(\$749)	-1.9%	\$34,316	\$273,103	\$257,752	(\$15,351)	-5.6%	258,528
Insurance	\$30,988	\$34,279	\$3,291	10.6%	\$28,751	\$216,917	\$224,055	\$7,138	3.3%	207,348
Utilities	\$28,013	\$34,413	\$6,401	22.8%	\$34,516	\$196,088	\$214,696	\$18,609	9.5%	185,712
Minor Equipment	\$23,161	\$31,249	\$8,088	34.9%	\$18,364	\$162,126	\$115,663	(\$46,463)	-28.7%	69,426

LUHD
 UNAUDITED OPERATING STATEMENT
 Through 7 Periods Ended January 31, 2026

	CURR MO	2026	CM	CM	2025	YTD	YTD	YTD	YTD	YTD
	BUDGET	JAN	VAR-\$	VAR-%	JAN	BUDGET	ACTUAL	VAR-\$	VAR-%	LY
Dues and Subscriptions	\$10,955	\$15,148	\$4,193	38.3%	\$8,451	\$76,685	\$94,044	\$17,359	22.6%	80,236
Education/Training	\$10,338	\$12,751	\$2,414	23.3%	\$4,274	\$72,363	\$57,414	(\$14,949)	-20.7%	23,284
GASB Interest Expense	\$6,714	\$8,852	\$2,139	31.9%	\$8,996	\$46,995	\$32,558	(\$14,437)	-30.7%	45,684
Advertising	\$4,917	\$3,304	(\$1,613)	-32.8%	\$4,426	\$34,417	\$23,752	(\$10,665)	-31.0%	35,296
Licenses & Fees	\$2,287	\$6,397	\$4,110	179.7%	\$3,330	\$16,010	\$22,638	\$6,628	41.4%	16,008
Travel	\$3,292	\$2,660	(\$632)	-19.2%	\$2,048	\$23,042	\$19,218	(\$3,824)	-16.6%	18,898
(7) Total Operating Expenses	\$3,869,897	\$3,982,740	\$112,843	2.9%	\$3,783,520	\$27,089,281	\$27,994,840	\$905,559	3.3%	25,523,615
(11) Income / (Loss) from Operations	(\$159,063)	\$197,241	\$356,304	-224.0%	(\$86,371)	(\$1,113,443)	\$464,525	\$1,577,968	-141.7%	(1,190,153)
Operating Margin:	-4.3%	4.7%			-2.3%	-4.3%	1.6%			-4.9%
Non-Operating Revenue / (Expense)										
Interest	(\$1,917)	(\$1,338)	\$579	-30.2%	(\$1,917)	(\$13,417)	(\$10,113)	\$3,304	-24.6%	(14,447)
Sale of Assets	\$0	(\$16,827)	(\$16,827)	NA	\$0	\$0	(\$58,259)	(\$58,259)	NA	8,657
Donations	\$174	\$0	(\$174)	-100.0%	\$0	\$1,219	\$1,178	(\$41)	-3.4%	1,698
Grants	\$0	\$11,491	\$11,491	NA	\$0	\$0	\$77,121	\$77,121	NA	50,884
Interest Income	\$13,000	\$23,402	\$10,402	80.0%	\$12,638	\$91,000	\$146,571	\$55,571	61.1%	86,362
Taxes	\$216,936	\$216,936	(\$0)	0.0%	\$203,893	\$1,518,554	\$1,518,552	(\$2)	0.0%	1,427,824
(12) Total Non-Op Inc / (Exp)	\$228,194	\$233,664	\$5,470	2.4%	\$214,614	\$1,597,356	\$1,675,050	\$77,694	4.9%	1,560,978
(13) Net Surplus / Deficit	\$69,130	\$430,905	\$361,775	523.3%	\$128,243	\$483,913	\$2,139,575	\$1,655,662	342.1%	370,825
Total Margin:	1.9%	10.3%			3.5%	1.9%	7.5%			1.5%
(14) 2025 MEDICARE PAYABLE ADJUSTMENTS		\$100,000					\$450,000			
2025 MEDICAID PAYABLE ADJUSTMENTS		\$0					\$0			
SURPLUS/DEFICIT PRIOR TO ADJUSTMENTS		\$530,905					\$2,589,575			

(6)

LOWER UMPQUA HOSPITAL

CASH FLOW ANALYSIS

FYE 06/30/2026:

	2025 JUL	2025 AUG	2025 SEP	2025 OCT	2025 NOV	2025 DEC	2026 JAN	YTD 2025-26	Monthly Ave
(1) TOTAL A/R COLLECTIONS:	\$3,721,900	\$3,317,950	\$3,055,658	\$3,716,197	\$3,020,670	\$3,292,740	\$3,549,400	\$23,674,516	\$3,382,074
(2) TAXES:	\$10,433	\$18,647	\$8,964	\$5,252	\$150,983	\$1,959,858	\$258,644	\$2,412,781	\$344,683
LOAN PROCEEDS*:								\$0	\$0
(5) TRANSFERS (TO)/FROM RESTRICTED	(\$15,000)	(\$15,000)	(\$15,000)	(\$129,591)	(\$15,500)	(\$15,000)	(\$15,000)	(\$220,091)	(\$31,442)
(3) RETAIL PHARMACY:	\$374,834	\$321,959	\$386,497	\$386,155	\$362,273	\$412,409	\$371,389	\$2,615,516	\$373,645
(4) OTHER NON A/R:	\$194,807	\$156,265	\$186,842	\$676,495	\$431,259	\$158,223	\$39,188	\$1,843,079	\$263,297
TOTAL NON A/R CASH:	\$565,074	\$481,871	\$567,303	\$938,311	\$929,015	\$2,515,490	\$654,221	\$6,651,285	\$950,184
(6) TOTAL COLLECTIONS:	\$4,286,974	\$3,799,821	\$3,622,961	\$4,654,509	\$3,949,685	\$5,808,230	\$4,203,621	\$30,325,801	\$4,332,257
(7) TOTAL PAYMENTS:	\$3,950,172	\$3,811,090	\$3,783,744	\$3,936,978	\$4,253,262	\$4,427,718	\$3,865,718	\$28,028,682	\$4,004,097
(8) NET CHANGE:	\$336,802	(\$11,269)	(\$160,783)	\$717,531	(\$303,577)	\$1,380,512	\$337,903	\$2,297,119	\$328,160
UNRESTRICTED CASH: BEG BAL	\$4,378,204	\$4,715,006	\$4,703,737	\$4,542,955	\$5,260,486	\$4,956,909	\$6,337,421	\$4,378,204	
UNRESTRICTED CASH: END BAL	\$4,715,006	\$4,703,737	\$4,542,955	\$5,260,486	\$4,956,909	\$6,337,421	\$6,675,324	\$6,675,324	
VERIFY	\$4,715,006	\$4,703,737	\$4,542,955	\$5,260,486	\$4,956,909	\$6,337,421	\$6,675,324		
DAYS CASH ON HAND:	39.3	38.2	36.9	42.0	40.3	51.0	55.0		
A/R:									
TOTAL CHARGES:	\$7,172,601	\$6,918,471	\$6,483,687	\$7,383,365	\$5,672,811	\$6,827,954	\$7,162,732		
TOTAL A/R:	\$12,065,725	\$12,656,300	\$13,012,662	\$13,422,860	\$12,735,420	\$13,335,383	\$13,872,119		
DAYS O/S:	55.3	57.8	58.2	59.4	59.3	61.7	64.9		

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LUHD
BALANCE SHEET - ASSETS
Unaudited
January 31, 2026

	2025	2026	2025	CHANGE FM	CHANGE FM
	DEC	JAN	JAN	Prior Month	Prior Year
Assets					
Current Assets					
(1) Cash, Unrestricted excl YTD Tax Receipts	\$4,183,284	\$4,262,543	\$1,528,817	\$79,259	\$2,733,726
Cash, Unrestricted from Tax Receipts YTD	\$2,154,137	\$2,412,781	\$2,324,167	\$258,644	\$88,614
(1) Total Cash, Unrestricted	\$6,337,421	\$6,675,324	\$3,852,984	\$337,903	\$2,822,340
Patient Accounts Receivable	\$13,597,943	\$14,102,523	\$12,139,254	\$504,580	\$1,963,269
Less Allowance	(\$7,824,346)	(\$8,245,867)	(\$7,095,362)	(\$421,521)	(\$1,150,505)
(2) Net Patient Accounts	\$5,773,597	\$5,856,656	\$5,043,892	\$83,059	\$812,764
(3) Other A/R	42.46%	41.53%	41.55%		
A/R Other	\$641,527	\$733,555	\$642,557	\$92,028	\$90,998
Edward Hulton (Net)	\$93,645	\$93,645	\$93,645	\$0	\$0
(5) A/R Taxes	(\$404,412)	(\$446,119)	(\$566,128)	(\$41,707)	\$120,009
(4) Total Other A/R	\$330,760	\$381,081	\$170,074	\$50,321	\$211,007
Inventory	\$626,476	\$617,962	\$679,489	(\$8,514)	(\$61,527)
Provider Tax	\$455,522	\$601,522	\$402,018	\$146,000	\$199,504
Prepaid Expenses	\$313,217	\$346,380	\$323,291	\$33,163	\$23,089
ERTC Receivable	\$3,770,975	\$3,770,975	\$3,304,089	\$0	\$466,886
(6) Total Current Assets	\$17,607,968	\$18,249,900	\$13,775,837	\$641,932	\$4,474,063
	\$0			0	
Fixed and Non-Current Assets					
(7) Property, Plant & Equip	\$18,053,939	\$18,315,696	\$17,601,475	\$261,757	\$714,221
(8) Construction in Progress	\$245,138	\$30,000	\$0	(\$215,138)	\$30,000
Less Accumulated Depr	(\$14,679,794)	(\$14,726,772)	(\$13,979,572)	(\$46,978)	(\$747,200)
GASB assets	\$2,126,999	\$2,126,999	\$2,119,377	\$0	\$7,622
Less GASB Accumulated Depr	(\$1,091,625)	(\$1,129,891)	(\$1,190,211)	(\$38,266)	\$60,320
Net P, P & E	\$4,654,657	\$4,616,032	\$4,551,069	(\$38,625)	\$64,963
Other Non-Current Assets					
(9) Restricted Cash	\$606,443	\$622,801	\$409,601	\$16,358	\$213,200
Third-Party Settlements	(\$1,017,740)	(\$1,117,740)	(\$753,487)	(\$100,000)	(\$364,253)
Total Non-Current Assets	(\$411,297)	(\$494,939)	(\$343,886)	(\$83,642)	(\$151,053)
Total Fixed and Non-Current Assets	\$4,243,360	\$4,121,093	\$4,207,183	(\$122,267)	(\$86,090)
(10) Total Assets	\$21,851,328	\$22,370,993	\$17,983,020	\$519,665	\$4,387,973

LUHD
BALANCE SHEET - LIABILITIES AND FUND BALANCE
Unaudited
January 31, 2026

	2025	2026	2025	CHANGE FM Prior	CHANGE FM
	DEC	JAN	JAN	Month	Prior Year
Liabilities & Fund Balance					
Current Liabilities					
(1) Accounts Payable	\$939,462	\$1,015,872	\$877,881	\$76,410	\$137,991
(2) Accrued Liabilities	\$32,980	\$58,613	\$75,385	\$25,633	(\$16,772)
Douglas County	\$93,645	\$93,645	\$93,645	\$0	\$0
Line of Credit	\$0	\$0		\$0	\$0
Accrued Interest (GASB)	\$0	\$0	\$0	\$0	\$0
(3) Refunds Payable	\$262,955	\$231,207	\$237,747	(\$31,748)	(\$6,540)
(4) Accrued Payroll	\$1,903,102	\$1,861,481	\$1,641,272	(\$41,621)	\$220,209
Medicare Advance Pmt	\$0	\$0		\$0	\$0
SBA PPP Loan	\$0	\$0	\$0	\$0	\$0
Deferred Revenue: Misc Small Grants	\$182,501	\$179,701	\$46,223	(\$2,800)	\$133,478
(5) Provider Tax	\$438,477	\$584,477	\$402,018	\$146,000	\$182,459
(6) Total Current Liabilities	\$3,853,122	\$4,024,996	\$3,374,171	\$171,874	\$650,825
Long-Term Liabilities					
Total Commercial Debt	\$593,256	\$573,329	809,899	(\$19,927)	(\$236,570)
Total GASB Debt	\$907,588	\$844,401	767,345	(\$63,187)	\$77,056
(7) Total Debt	\$1,500,844	\$1,417,730	\$1,577,244	(\$83,114)	(\$159,514)
Other Liabilities					
Tail	\$0	\$0	\$0	\$0	\$0
(8) Total Liabilities	\$5,353,966	\$5,442,726	\$4,951,415	\$88,760	\$491,311
Fund Balance					
Fund Balance	\$14,788,692	\$14,788,692	\$12,660,777	\$0	\$2,127,915
Current Operations	\$1,708,670	\$2,139,575	\$370,828	\$430,905	\$1,768,747
(9) Total Fund Balance	\$16,497,362	\$16,928,267	\$13,031,605	\$430,905	\$3,896,662
(10) Total Liabilities & Fund Balance	\$21,851,328	\$22,370,993	\$17,983,020	\$519,665	\$4,387,973

DASHBOARD LEGEND

STABLE	At or above	98% of Target
CAUTIOUS	At or above	92% of Target
NEEDS ATTENTION	Below	92% of Target

FINANCIAL HEALTH INDICATORS	2025-26 BUDGET/TARGET	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25
Patient Days	247	241	239	224	264	252	215	189
Average Daily Census	8.0	7.8	7.7	7.5	8.5	8.4	6.9	6.1
Operating Room Cases	55	43	34	24	39	39	39	49
ER Services	427	406	428	393	436	429	503	526
Clinic Visits (Dunes/RMC)	1,562	1,607	1,307	1,269	1,598	1,510	1,484	1,656
OP Visits (Excl ED & Clinics)	1,937	1,741	1,743	1,583	1,528	1,910	1,773	1,558
Operating Cash	\$5,461,629	\$6,675,324	\$6,337,421	\$4,956,909	\$5,260,486	\$4,542,955	\$4,703,737	\$4,715,006
Operating Cash Days	45	55	51	40	43	37	38	39
Days in AR	55	65	62	59	59	58	58	55
Current Ratio	3.9	4.5	4.6	4.3	4.7	4.4	4.7	4.8
Net Patient Revenue	\$3,218,581	\$3,590,542	\$3,571,515	\$3,015,071	\$3,846,280	\$2,967,263	\$3,430,194	\$3,561,577
Operating Expense	\$3,869,897	\$3,982,740	\$4,165,810	\$3,755,499	\$4,058,101	\$3,964,785	\$3,983,499	\$3,948,406
Hospital Gain/Loss	\$69,130	\$430,905	\$214,009	\$85,564	\$872,439	(\$32,473)	\$180,041	\$389,092
Productivity	100.0%	97.3%	100.3%	98.1%	96.6%	97.8%	101.5%	100.6%

(4)

(1)
(2)

(3)

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LOWER UMPQUA HOSPITAL

VOLUME STATISTICS

January-26	BUDGET	JAN 2026 ACTUAL	LAST MONTH	HISTORICAL AVE	JAN 2020	JAN 2021	JAN 2022	JAN 2023	JAN 2024	YTD BUDGET	YTD ACTUAL		
IP SERVICES													
PATIENT DAYS:													
MED/SURG:													
ACUTE:	79	82	3.8%	81	93	95	69	127	92	81	548	567	3.5%
ICU:	2	0	-100.0%	0	7	14	10	5	5	3	12	4	-66.0%
SWING:	149	136	-8.6%	141	56	61	14	40	69	98	1,032	881	-14.6%
O/P HOLD:	18	23	30.8%	17	24	28	17	25	26	22	122	172	41.1%
TOTAL PATIENT DAYS:	247	241	-2.5%	239	180	198	110	197	192	204	1,714	1,624	-5.2%
SURGICAL SERVICES:													
CASES:	55	43	-21.5%	34	49	39	45	52	57	51	380	267	-29.7%
EMERGENCY SERVICES:													
ER VISITS:	427	406	-4.9%	428	333	349	257	324	343	391	2,961	3,121	5.4%
AMBULANCE PATIENTS:	110	111	0.7%	127	97	95	100	82	77	133	765	844	10.4%
ANCILLARY SERVICES:													
LABORATORY TESTS:													
BILLED TESTS:	5,208	6,280	20.6%	5,607	4,554	4,253	4,178	4,320	5,019	5,001	36,117	40,006	10.8%
RADIOLOGY STUDIES:													
RADIOLOGY:	422	410	-2.8%	361	361	403	373	302	378	349	2,925	2,809	-4.0%
CT:	163	241	48.0%	221	139	190	142	103	122	137	1,129	1,559	38.1%
MRI:	28	49	72.2%	49	21	21	36	14	18	18	197	274	38.9%
NUCLEAR MED:	1	0	-100.0%	0	4	10	5	1	3	0	9	0	-100.0%
ULTRASOUND:	58	92	59.5%	80	60	97	81	0	60	60	400	523	30.8%
ECHO	0	0	0.0%	0	5	12	11	0	0	0	0	0	0.0%
	672	792	17.0%	711	589	733	648	420	581	564	4,660	5,165	10.8%
REHAB VISITS:													
PHYSICAL THERAPY:	675	538	-20.3%	478	541	697	462	506	451	591	4,683	3,452	-26.3%
OCCUPATIONAL THERAPY:	187	148	-20.9%	147	189	201	210	123	207	202	1,298	1,153	-11.2%
SPEECH THERAPY:	41	79	91.8%	66	45	89	34	26	36	39	286	482	68.7%
	904	765	-15.3%	691	775	987	706	655	694	832	6,267	5,087	-18.8%
PAYROLL DATA:													
WORKED HOURS (PAYROLL):	30,726	30,886	0.5%	29,387	27,627	27,199	25,707	28,502	27,367	29,358	213,102	209,427	-1.7%
WORKED HOURS (REGISTRY):	961	1,216	26.5%	1,380	428	0	37	605	726	774	6,666	9,743	46.2%
	31,687	32,102	1.3%	30,767	28,055	27,199	25,744	29,107	28,093	30,132	219,768	219,170	-0.3%
DUNES VISITS:													
Sargent - Phy - Employee	193	177	-8.1%	190	69	0	0	0	191	155	1,335	1,186	-11.2%
Irvine - Phy - Employee	139	220	58.4%	165	64	0	0	0	182	140	963	907	-5.8%
Coe - Phy - Employee	227	231	1.6%	212	62	0	0	0	142	169	1,577	1,614	2.3%
Vanasche - ML - Employee	29	0	-100.0%	63	17	0	0	0	40	47	201	404	100.5%
Dotson - ML - Employee	184	206	11.9%	196	67	0	0	0	128	207	1,277	1,374	7.6%
Berry - ML - Employee	179	184	2.9%	179	29	0	0	0	0	146	1,240	1,193	-3.8%
Bailey - LCSW - Employee	60	68	13.1%	63	0	0	0	0	0	0	417	487	16.8%
Danforth - PA-C - Employee	166	203	22.2%	0	47	0	0	0	237	0	1,152	1,504	30.5%
Jones - PA-C - Employee	153	0	-100.0%	0	0	0	0	0	0	0	1,060	128	-87.9%
Serrano - Phy - Employee	68	100	47.2%	0	0	0	0	0	0	0	471	325	-31.0%
Mello - LCSW - Employee	0	18	0.0%	0	0	0	0	0	0	0	0	38	0.0%
VACANT - -	0	0	0.0%	0	0	0	0	0	0	0	0	0	0.0%
VACANT - -	0	0	0.0%	0	0	0	0	0	0	0	0	0	0.0%
	1,330	1,407	5.8%	1,307	460	0	0	0	1,187	1,112	9,224	9,160	-0.7%

(1)

(2)

(3)

(11)

LOWER UMPQUA HOSPITAL

VOLUME STATISTICS

January-26

	BUDGET	JAN 2026 ACTUAL		LAST MONTH	HISTORICAL AVE	JAN 2020	JAN 2021	JAN 2022	JAN 2023	JAN 2024	YTD BUDGET	YTD ACTUAL	
DUNES CHARGES:	\$473,809	\$459,070	-3.1%	\$407,209		\$304,661	\$211,679	\$207,946	\$345,914	\$368,859	\$3,286,095	\$3,083,136	-6.2%
RMC VISITS:													
Shank G - Phy - Employee	57	67	18.3%	25	27	0	0	0	73	62	393	382	-2.8%
Saunders - Phy - Employee	47	17	-64.1%	49	8	0	0	0	0	42	328	236	-28.1%
Ivanitsky - Phy - Employee	126	103	-18.1%	65	10	0	0	0	0	48	872	687	-21.2%
Abanulo - Phy - Contract	3	13	410.2%	17	0						18	121	584.7%
Decker-Flint - CRNA - Contract	31	0	-100.0%								212		-100.0%
VACANT - -	0		0.0%								0		0.0%
VACANT - -	0		0.0%								0		0.0%
VACANT - -	0		0.0%								0		0.0%
	232	200	-13.9%	156	94	0	0	0	305	164	1,610	1,426	-11.5%
RMC CHARGES:	\$250,927	\$187,434	-25.3%	\$145,468	\$199,460	Incl in Hospit	\$172,069	\$230,987	\$226,445	\$168,338	\$1,740,302	\$1,337,656	-23.1%
HOSPITAL CHARGES:	\$5,884,326	\$6,516,228	10.7%	\$6,275,277	\$3,969,632	\$4,435,176	\$3,432,377	\$3,529,280	\$3,900,034	\$4,551,296	\$40,810,648	\$43,200,830	5.9%
TOTAL FACILITY CHARGES:	\$6,609,062	\$7,162,732	8.4%	\$6,827,954	\$4,417,012	\$4,739,837	\$3,816,124	\$3,968,213	\$4,472,393	\$5,088,492	\$45,837,045	\$47,621,623	3.9%

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(1)

LOWER UMPQUA HOSPITAL DISTRICT
PRODUCTIVITY REPORT

MONTH OF JANUARY 2026

DATA IS VALID

Dept#	Department	Unit of Service	BUDGETED	ACTUAL	ACTUAL	BUD	ACT	VOL	BUDGET			
			Hrs / UOS	Hrs / UOS	PROD %				VOL	TOTAL	TOTAL	TOTAL
									FIXED	EARNED	ACTUAL	VAR
60050	OP NURSING	Visits	2.4018	3.4082	70.5%	111	104	93.9%	266	250	354	105
61700	RESPIRATORY THERAPY	Procedures	2.2033	1.4150	155.7%	337	356	105.7%	742	784	504	(281)
62400	AMBULANCE	Patients	20.1579	20.1682	99.9%	110	111	100.7%	2,222	2,238	2,239	1
70100	LABORATORY	Billed Tests	0.2518	0.2167	116.2%	5,208	6,280	120.6%	1,311	1,581	1,361	(220)
81000	NUTRITIONAL ED	Revenue	150.8333	74.6667	208.4%	1	1	100.0%	156	156	75	(81)
81100	DIETARY	Meals	1442.1667	1,565.0667	92.1%	1	1	100.0%	1,442	1,442	1,565	123
83000	MATERIALS MANAGEMENT	Adjusted Patient Days	600.7500	513.9333	116.9%	1	1	100.0%	601	601	514	(87)
83100	INFO TECH	Adjusted Patient Days	620.8333	641.1333	96.8%	1	1	100.0%	621	621	641	20
83200	CLINICAL INFORMATICS	Adjusted Patient Days	386.2500	405.0667	95.4%	1	1	100.0%	386	386	405	19
83900	ADMITTING	O/P Visits + Discharges	1518.4167	1,947.3167	78.0%	1	1	100.0%	1,518	1,518	1,947	429
84000	PRE SERVICE	O/P Visits + Discharges	601.5000	577.9333	104.1%	1	1	100.0%	602	602	578	(24)
84400	MEDICAL RECORDS	O/P Visits + Discharges	603.3333	653.7000	92.3%	1	1	100.0%	603	603	654	50
90000	GENERAL ACCOUNTING	Adjusted Patient Days	754.0833	690.1167	109.3%	1	1	100.0%	754	754	690	(64)
91000	PATIENT ACCOUNTING	O/P Visits + Discharges	1820.0000	1,747.9333	104.1%	1	1	100.0%	1,820	1,820	1,748	(72)
94000	HUMAN RESOURCES	Total Worked Hours	301.6667	296.2000	101.8%	1	1	100.0%	302	302	296	(5)
95000	ADMINISTRATION	Adjusted Patient Days	301.6667	271.7000	111.0%	1	1	100.0%	302	302	272	(30)
95100	MEDICAL STAFF SERVICES	Adjusted Patient Days	150.8333	164.2333	91.8%	1	1	100.0%	151	151	164	13
					100.7%				13,798	14,110	14,007	(103)

ROLL-UPS

Dept#	Department	Unit of Service	BUDGETED	ACTUAL	ACTUAL	BUD	ACT	VOL	TOTAL	TOTAL	TOTAL	HOURS
			Hrs / UOS	Hrs / UOS	PROD %	VOL	VOL	VAR	FIXED	EARNED	ACTUAL	VAR
60000	NURSING ADMINISTRATION	Staff RN Hours	462.1667	506.7000	91.2%	1	1	100.0%	462	462	507	45
87000	CARE COORDINATOR/UR	Adjusted Patient Days	173.3333	165.3333	104.8%	1	1	100.0%	173	173	165	(8)
95050	INFECTION CONTROL/EMPL HEALTH	Adjusted Patient Days	150.8333	153.3333	98.4%	1	1	100.0%	151	151	153	2
95150	RISK MANAGEMENT/QUALITY	Adjusted Patient Days	150.8333	173.3333	87.0%	1	1	100.0%	151	151	173	22
					93.8%				937	937	999	62

60200	ICU/CCU	ICU/CCU Patient Days	37.5000	0.0000	0.0%	2	0	0.0%	64	0	0	0
60700	ACUTE	Acute Patient Days	18.4520	36.9864	49.9%	79	82	103.8%	1,457	1,513	3,033	1,520
60800	SWING BED	Swing Patient Days	7.2474	2.7507	263.5%	149	136	91.4%	1,078	986	374	(612)
66000	OBSERVATION	Equivalent Patient Days	7.2474	0.0000	0.0%	18	23	130.8%	127	167	0	(167)
62300	E/R	Visits	4.6540	4.3449	107.1%	427	406	95.1%	1,987	1,890	1,764	(125)
					88.1%				4,714	4,555	5,171	616

60100	SURGERY	Cases	18.3876	24.6062	74.7%	55	43	78.5%	1,007	791	1,058	267
60150	RECOVERY	Cases	10.3716	0.0000	0.0%	16	21	135.1%	161	218	0	(218)
					95.3%				1,168	1,008	1,058	50

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LOWER UMPQUA HOSPITAL DISTRICT
PRODUCTIVITY REPORT

MONTH OF JANUARY 2026

DATA IS VALID

Dept#	Department	Unit of Service	BUDGETED	ACTUAL	ACTUAL	BUD	ACT	VOL	BUDGET			
			Hrs / UOS	Hrs / UOS	PROD %				VOL	TOTAL	TOTAL	TOTAL
									FIXED	EARNED	ACTUAL	VS EARNED
65900	SPEECH THERAPY	Visits	3.7320	2.0232	184.5%	41	79	191.8%	154	295	160	(135)
70910	PHYSICAL THERAPY	Visits	1.7750	2.1467	82.7%	675	538	79.7%	1,199	955	1,155	200
70920	OCCUPATIONAL THERAPY	Visits	1.6425	1.5568	105.5%	187	148	79.1%	307	243	230	(13)
					96.6%				1,660	1,493	1,545	52
66200	ECHO	Studies		0.0000	0.0%		0	100.0%	0	0	0	0
70410	RADIOLOGY DIAGNOSTIC	Studies (incl Mam & Dex)	2.0703	2.2287	92.9%	422	454	107.7%	873	940	1,012	72
70420	ULTRASOUND	Studies	2.6657	1.8632	143.1%	58	92	159.5%	154	245	171	(74)
70430	NUCLEAR MEDICINE	Studies		0.0000	0.0%		0	100.0%	0	0	0	0
70440	CT SCAN	Studies	0.0000	0.0000	0.0%	163	241	148.0%	0	0	0	0
					100.2%				1,027	1,185	1,183	(2)
70600	RETAIL PHARMACY	Cash	1219.0833	1,377.2402	88.5%	1	1	100.0%	1,219	1,219	1,377	158
70700	PHARMACY	Gross Charges	727.2500	648.7667	112.1%	1	1	100.0%	727	727	649	(78)
					96.1%				1,946	1,946	2,026	80
82000	HOUSEKEEPING	Adjusted Patient Days	1275.3333	1,181.9167	107.9%	1	1	100.0%	1,275	1,275	1,182	(93)
82100	BIO MED	Adjusted Patient Days	177.3333	133.4833	132.9%	1	1	100.0%	177	177	133	(44)
83500	PLANT OPERATIONS	Adjusted Patient Days	759.5000	679.5167	111.8%	1	1	100.0%	760	760	680	(80)
					110.9%				2,212	2,212	1,995	(217)
84100	COMMUNITY OUTREACH	Contacts	138.6667	126.7500	109.4%	1	1	100.0%	139	139	127	(12)
96000	PUBLIC RELATIONS	Adjusted Patient Days	150.8333	149.3333	101.0%	1	1	100.0%	151	151	149	(2)
					104.9%				290	290	276	(13)
85000	RMC MULTI-SPECIALTY CLINIC	Provider Visits	2.9409	4.1656	70.6%	263	200	76.1%	773	588	833	245
86000	DUNES RURAL HEALTH CLINIC	Provider Visits	2.0402	2.1382	95.4%	1,398	1,407	100.7%	2,852	2,871	3,008	138
					90.0%				3,625	3,459	3,842	383
HOSPITAL TOTALS					97.2%				31,377	31,195	32,102	906

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NEW BUSINESS

LOWER UMPQUA HOSPITAL DISTRICT

BOARD ACTION REQUEST

BOARD MEETING DATE:

February 25, 2026

AGENDA ITEM SUBJECT:

Quality Steering Committee Charter

BACKGROUND:

This committee is required to ensure Quality Management System compliance with DNV standards, ISO 9001 principles, and CMS Conditions and Participation.

FISCAL IMPACT:

None.

BOARD OPTIONS:

1. Approve this action request as presented.
2. Approve this action request with modifications.
3. Oppose this action request.

STAFF RECOMMENDATION:

- Approve this action request as presented.

MOTION:

Move to approve the Quality Steering Committee Charter as presented.



Quality Steering Committee Charter

PURPOSE

The **Quality Steering Committee (QSC)** provides leadership, oversight, and strategic direction for the hospital's Quality Management System (QMS), ensuring compliance with **DNV NIAHO® standards, ISO 9001 principles, and CMS Conditions of Participation.**

The committee ensures that quality, safety, and high-reliability practices are embedded in all departments and that performance improvement (PI) activities are effectively evaluated and supported.

SCOPE

The QSC oversees all hospital-wide quality, patient safety, risk management, infection prevention, performance improvement, and regulatory compliance activities, including:

- Continuous readiness for **DNV surveys**
- Oversight of the **ISO 9001 QMS framework**
- Monitoring performance dashboards and quality indicators
- Review of sentinel events, near misses, and adverse events
- Approving quality improvement (QI) projects and PDSA cycles
- Coordination of Comprehensive Quality Committee
- Ensuring appropriate follow-through on corrective actions
- Annual review of QMS effectiveness

GUIDANCE

The QSC is authorized by the **Governing Board** and works in coordination with the **Medical Staff Committee (MSC)** and administrative leadership.

The QSC has the authority to:

- Request data, reports, and documentation from any department
- Approve or require modification of performance improvement projects
- Recommend policy or process changes to the CEO or Governing Board
- Direct root cause analyses (RCAs) and patient safety reviews
- Escalate quality and safety concerns to Executive Leadership and/or the Governing Board

OBJECTIVES

Quality & Performance Improvement

- Review key performance indicators (KPIs), including:
 - CMS quality measures
 - DNV-required metrics
 - Patient satisfaction data (e.g., HCAHPS, ED CAHPS)
 - Core CAH metrics

- Approve and monitor hospital-wide PI projects
- Evaluate the effectiveness of corrective actions

Patient Safety

- Oversee incident reporting trends (event reports, near misses)
- Direct RCAs and support action plan development
- Monitor safety culture survey results

Infection Prevention

- Review hospital-associated infection (HAI) data
- Support compliance with CDC, APIC, and DNV expectations

Regulatory Compliance

- Monitor readiness for DNV annual surveys and ISO audits
- Review nonconformities, findings, and required action plans
- Ensure annual required reviews and reports are completed

Risk Management

- Review risk mitigation strategies
- Monitor claims, liability issues, and high-risk processes

Communication

- Provide quarterly reports to:
 - Medical Staff Committee
 - Executive Leadership
 - Governing Board
- Communicate results to department managers and frontline staff

COMMITTEE MEMBERSHIP

Standing Members

- Chief Executive Officer (Executive Sponsor)
- Chief Nursing Officer
- Director of Quality/Risk Management (Committee Chair)
- Chief of Medical Staff (Physician Leader)
- Chief Ancillary Services Officer
- Board Members

Recorder: Clinical Support Coordinator

Optional / As Needed

- | | |
|--|--|
| <ul style="list-style-type: none"> • Environmental Services Representative • Laboratory Director • Pharmacy Director • Imaging Director • Nurse Manager (Acute, ED, Swing Bed as applicable) • Director of Infection Control, Employee Health and Safety | <ul style="list-style-type: none"> • Chief Human Resources Officer • IT Director/Supervisor • Rehabilitation Services Director • Case Management Manager • Finance representative (for value-based care metrics) • HIM • Compliance |
|--|--|

Attendance Requirements

Members are expected to attend at least **75%** of meetings annually. Designees may attend as needed.

Approved by Quality Steering Committee, February 4, 2026

Approved by LUHD Board of Directors, **February 25, 2026**

LOWER UMPQUA HOSPITAL DISTRICT

BOARD ACTION REQUEST

BOARD MEETING DATE:

February 25, 2026

AGENDA ITEM SUBJECT:

New Resolution 2026-02 – Trail use immunity

BACKGROUND:

Changes effective January 1, 2026 to SB 179 provide immunity from liability for public use of unimproved right of ways on district-owned property (the 2025 Oregon Laws Chapter 220, Section 1 (SB 179) amended ORS 105.668(3) to extend opt-in rights to any “Local government,” as defined in ORS 174.116, including any health district [ORS 174.116(2)(p)] organized under ORS Chapter 440.305-440.410).

Special Districts Association of Oregon (SDAO) recommends that all special districts adopt a resolution using the sample resolution prepared by SDAO.

Complete analysis found on SDAO site: <https://www.sdao.com/senate-bill-179-opt-in-immunity-for-special-districts>.

FISCAL IMPACT:

None.

BOARD OPTIONS:

1. Approve this action request as presented.
2. Approve this action request with modifications.
3. Oppose this action request.

STAFF RECOMMENDATION:

- Approve this action request as presented.

MOTION:

Move to approve Resolution 2026-02 – *Trail use immunity* as presented.

**LOWER UMPQUA HOSPITAL DISTRICT
RESOLUTION NO. 2026-02**

**A RESOLUTION OPTING TO LIMIT LIABILITY FOR CERTAIN CLAIMS ARISING
FROM THE USE OF PUBLIC TRAILS OR STRUCTURES IN PUBLIC EASEMENTS
AND UNIMPROVED RIGHTS-OF-WAY PURSUANT TO ORS 105.668.**

WHEREAS, Lower Umpqua Hospital District, a health district [ORS 174.116(2)(p)] organized under ORS Chapter 440.305-440.410 (the “**District**”), constructs and maintains trails and other structures, both on District-owned property and in public easements or unimproved rights-of-way, within the District’s geographic boundaries in and around Reedsport, Oregon; and

WHEREAS, the District encourages (1) property owners to grant easements for public trail use and (2) private groups and their volunteers to construct and maintain trails and other structures in public easements or unimproved rights-of-way; and

WHEREAS, ORS 105.672 to 105.688 provides certain immunities from liability for owners of publicly or privately owned land (as well as to holders of easements on such land) who allow such land to be used, without charge, for recreational purposes; and

WHEREAS, ORS 105.668(2) provides that a personal injury or property damage resulting from use of a trail that is in a public easement or in an unimproved right of way, or from use of structures in the public easement or unimproved right of way, by a user on foot, on an equine or on a bicycle or other nonmotorized vehicle or conveyance does not give rise to a private claim or right of action based on negligence against: (1) a city with a population of 500,000 or more, (2) the officers, employees or agents of the city to the extent the officers, employees or agents are entitled to defense and indemnification under ORS 30.285, (3) the owner of land abutting the public easement or unimproved right-of-way in the city, or (4) a nonprofit corporation and its volunteers for the construction and maintenance of the trail or the structures in a public easement or unimproved right of way; and

WHEREAS, ORS 105.668(3) allows cities with a population of less than 500,000 to opt into the trail use immunity by ordinance, resolution, rule, order or other regulation; and

WHEREAS, 2025 Oregon Laws Chapter 220, Section 1 (SB 179) amended ORS 105.668(3) to extend these opt-in rights to any “Local government,” as defined in ORS 174.116, including any health district [ORS 174.116(2)(p)]organized under ORS Chapter 440.305-440.410; and

WHEREAS, the public uses the District’s trails for recreational purposes including, but is not limited to, outdoor activities such as hunting, fishing, swimming, boating, camping, picnicking, hiking, walking, running, or bicycling, nature study, outdoor educational activities, waterskiing, winter sports, viewing or enjoying historical,

archaeological, scenic or scientific sites or volunteering for any public purpose project as well as for non-recreational purposes (e.g., commuting); and

WHEREAS, the District believes it is important to protect and support the activities of the District, property owners, community groups, and volunteers that make trails available for public use; and

WHEREAS, the District desires to adopt the immunity from liability provided under ORS 105.668 to further the public interest by protecting and supporting the efforts and activities of the District, property owners, and other parties who construct and maintain trails and make such trails as well as unimproved right of ways available for public use.

NOW, THEREFORE, the Board of Directors of the District resolves as follows:

1. Findings. The above-stated findings contained in this Resolution No. 2026-02 (this “**Resolution**”) are hereby adopted.
2. Limitation on Liability. Pursuant to ORS 105.668(3), the District hereby adopts the limitation on liability provided under ORS 105.668(2). Without otherwise limiting the generality of the immediately preceding sentence, a personal injury or property damage resulting from use of a trail that is in a public easement or in an unimproved right of way, or from use of structures in the public easement or unimproved right of way, by a user on foot, on an equine or on a bicycle or other nonmotorized vehicle or conveyance does not give rise to a private claim or right of action based on negligence against any of the following: (a) the District; (b) the officers, employees or agents of the District to the extent the officers, employees or agents are entitled to defense and indemnification under ORS 30.285; (c) the owner of land abutting the public easement or unimproved right of way in the District; or (d) a nonprofit corporation and its volunteers for the construction and maintenance of the trail or the structures in a public easement or unimproved right-of-way. For purposes of this Resolution, “structures” means improvements in a trail, including, but not limited to, stairs and bridges, that are accessible by a user on foot, on equine or on a bicycle or other nonmotorized vehicle or conveyance; “unimproved right-of-way” means a platted or dedicated public right of way over which a street, road or highway has not been constructed to the standards and specifications of the local government with jurisdiction over the public right of way and for which the local government has not expressly accepted responsibility for maintenance.
3. Exceptions. This Resolution does not grant immunity from liability: (a) except as provided in Section 2(b), to a person that receives compensation for providing assistance, services or advice in relation to conduct that leads to personal injury or property damage; (b) for personal injury or property damage resulting from gross negligence or reckless, wanton, or intentional misconduct; or (c) for an activity for which the actor is strictly liable without regard to fault.
4. Severability; Effective Date. For purposes of this Resolution, the singular includes the plural, and the plural includes the singular; the word “or” is not exclusive, and the words “include,” “includes,” and “including” are not limiting. Any reference to a particular

law, statute, rule, regulation, code, or ordinance includes the law, statute, rule, regulation, code, or ordinance as now in force and hereafter amended. The provisions of this Resolution are severable. If any section, subsection, sentence, clause, or portion of this Resolution is for any reason held invalid, unenforceable, or unconstitutional, such invalid, unenforceable, or unconstitutional section, subsection, sentence, clause, or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, or constitutionality of the remaining portion of this Resolution. This Resolution will be in full force and effect from and after its approval and adoption.

ADOPTED by the Board of Directors of the District on this 25th day of February, 2026.

Ron Kreskey, Chair

Attest:

Brenda Fraley, Secretary

LOWER UMPQUA HOSPITAL DISTRICT

BOARD ACTION REQUEST

BOARD MEETING DATE:

February 25, 2026

AGENDA ITEM SUBJECT:

New Policy: ADMB_0100 – Artificial Intelligence Acceptable Use Policy

BACKGROUND:

As generative AI technology progresses, chatbots, virtual assistants, and other systems based on it are becoming more mainstream. Generative AI tools have the potential to enhance productivity by assisting with tasks like drafting documents, editing text, reducing human error, diagnostics in radiology, creating treatment plans, improving technical safeguards, etc. However, these technologies also come with potential risks that could pose security or privacy concerns. This policy shall serve as the master governing document for usage of generative artificial intelligence technology at LUHD and will be subject to change as technology evolves.

FISCAL IMPACT:

None.

BOARD OPTIONS:

1. Approve this action request as presented.
2. Approve this action request with modifications.
3. Oppose this action request.

STAFF RECOMMENDATION:

- Approve this action request as presented.

MOTION:

Move to approve policy ADMB_0100 – Artificial Intelligence Acceptable Use Policy as presented.

NAME / TITLE: Artificial Intelligence Acceptable Use Policy		REFERENCE # ADMB_0100
DEPARTMENT: District-wide		PAGE: 1 OF: 4
APPROVED BY: John Chivers, Chief Executive Officer		
EFFECTIVE DATE: 2/25/2026		LAST REVIEW DATE:

Purpose:

1. This Artificial Intelligence (AI) Acceptable Use Policy outlines the rules and guidelines for the appropriate social and ethical use of Artificial Intelligence (AI) at Lower Umpqua Hospital District (LUHD). This policy is created to protect confidentiality, integrity, and availability of all data, systems, workforce, and the community we serve.

Background:

1. As generative AI technology progresses, chatbots, virtual assistants, and other systems based on it are becoming more mainstream. These can include standalone systems, can be integrated as features within search engines, or can be overtly or transparently embedded in all manner of other software tools. Generative AI Tools have the potential to enhance productivity by assisting with tasks like drafting documents, editing text, reducing human error, diagnostics in radiology, creating treatment plans, improving technical safeguards, etc.
2. These technologies, however, also come with potential risks that include inaccuracies, bias, unauthorized use of intellectual property, integrity of data, privacy and security in the content generated. In addition, content created by AI, and the public availability of information submitted to AI, could pose security or privacy concerns.

Definitions:

1. **Artificial Intelligence:** An engineered system that: (a) generates outputs, such as content, predictions, recommendations, or decisions for a given set of objectives; and (b) is designed to operate with varying levels of adaptability and autonomy using machine and human-based inputs.
2. **Business Confidential Data:** Refers to non-public, proprietary, or sensitive information that provides a company with a competitive advantage and is not generally known to the public.
3. **ePHI:** Is defined in HIPAA regulation as any protected health information (PHI) that is created, stored, transmitted, or received in any electronic format or media. Examples include but are not limited to; Name, address, medical record number, account number; date of birth, date of admission, date of discharge, email

NAME / TITLE: Artificial Intelligence Acceptable Use Policy		REFERENCE # ADMB_0100
DEPARTMENT: District-wide		PAGE: 2 OF: 4
APPROVED BY: John Chivers, Chief Executive Officer		
EFFECTIVE DATE: 2/25/2026	LAST REVIEW DATE:	

address, and Social Security Number.

4. **PII:** Personally identifiable information defined as any data that can be used to identify, contact, or locate a specific individual, either alone or when combined with other, non-sensitive data

5. **Public Generative AI Product (“AI Tools”):** Examples of public generative AI products include ChatGPT and DALL-E from OpenAI, Microsoft Bing's chat, Microsoft 365 Copilot, and Bard from Google.

Policy:

1. It is the policy of Lower Umpqua Hospital District (LUHD) that this policy shall serve as the master governing document for usage of generative artificial intelligence technology at LUHD. LUHD may impose additional restrictions through other policies throughout the organization. Policies must not conflict with the provisions outlined in this master policy. Artificial Intelligence is an emerging and rapidly changing technology therefore this policy and procedure is subject to change.
 - A. This policy applies to all departments and use cases involving LUHD, including but not limited to:
 - 1) Development of software code;
 - 2) Written documentation (i.e., policy, procedure, standards, or plans) and correspondence (such as memorandums, letters, text messages, and emails);
 - 3) Patient care, patient care documentation, patient care decisions;
 - 4) Summarizing and proofreading documents;
 - 5) Making business decisions that impact short-term or long-term financial posture, activities, physical security, cybersecurity, policies, and procedures;

 - B. Responsibilities:
 - 1) All AI Tools must be formally reviewed and approved by the LUHD IT

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Department prior to use with any District-related work. Seek review and approval by submitting an IT Support ticket.

- 2) Responses created from AI Tools shall be reviewed by knowledgeable human operators for accuracy, appropriateness, presence of bias or discrimination, privacy, and security before being acted upon or disseminated. Any presence of bias or discrimination observed in AI outputs will be removed in alignment with the District's nondiscrimination stance.
- 3) Patients should be informed about the use of AI in their care, including how their data is being used and protected.
- 4) Regular risk assessments should be conducted to identify and mitigate potential security risks associated with AI Tools.
- 5) Responses generated from AI Tools:
 - a. Shall NOT be used for any activities that are harmful, illegal, or in violation of federal, state, local regulations, or LUHD policies.
 - b. Shall NOT be assumed to be truthful, credible, or accurate;
 - c. Shall NOT be treated as the sole source of reference;
 - d. Shall NOT be solely relied upon to develop official statements (i.e., policy, procedure, standard, plan);
 - e. Shall NOT be solely relied upon for making final decisions;
 - f. Shall NOT be used to impersonate the workforce or any other human being whether visually (telehealth or webinar) or with speech over the phone, recording, or other medium.
- 6) Sensitive information such as ePHI, PII, or Business Confidential Data shall NOT be provided when interacting with AI Tools. Any AI Tool used to process ePHI must be HIPAA compliant with appropriate contract and business associate agreements in place. This means the use of administrative, physical, and technical safeguards such as encryption and access control measures.
- 7) Material that is Business Confidential Data is inappropriate for public release and shall not be entered as input into an AI Tool.
- 8) Only download files generated by an AI Tool that has been approved by

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the LUHD IT Department.

9) When using AI Tools, be cautious of:

- a. Clicking on links, especially if they seem suspicious, as they could lead to malicious websites designed to steal your personal information or infect your device with malware.
- b. Uniform Resource Locators (URLs). Before clicking on a URL, ensure it is from a trusted source and look for "https" (Hypertext Transfer Protocol Secure) at the beginning to indicate a secure connection.
- c. Look-alike platforms imitating approved AI Tools.

References:

1. S.3312 - 118th Congress (2023-2024): Artificial Intelligence Research, Innovation, and Accountability Act of 2023 | Congress.gov | Library of Congress
2. "Summary of the HIPAA Privacy Rule." HHS.gov. Accessed at: <https://www.hhs.gov/sites/default/files/department-of-health-and-human-services-omb-m-21-06.pdf>

Contact Information:

1. For questions or concerns regarding this policy, please contact the Lower Umpqua Hospital District HIPAA Privacy Officer at 541-271-6389

Approved by the LUHD Board of Directors, February 25, 2026