



**FINANCE COMMITTEE MEETING
WEDNESDAY, MARCH 4, 2026
5:00pm to 7:00pm**

Conference Center Located at Highland Care Pavilion
1411 East 31st Street Oakland, CA 94602
Ronna Jojola Gonsalves, Clerk of the Board
(510) 535-7515

LOCATION:

Open Session: HCP Conference Center, see above address
Teleconference Location: 4501 Pleasanton Avenue, Pleasanton, CA 94566

Members of the public may also participate at the following ZOOM Meeting Link:¹
<https://alamedahealthsystem.zoom.us/j/9361457125?pwd=4JnAmhDnBaLqY4GWf4PQBwp3w0Puy2.1&omn=85108365336>

Meeting ID: 936 145 7125
Password: 20200513

One tap mobile
+14086380968,,9361457125# or
+13462487799,,9361457125#

Dial by your location
+1 408 638 0968 US (San Jose)
+1 346 248 7799 US (Houston)
+1 646 518 9805 US (New York)

Find your local number: <https://alamedahealthsystem.zoom.us/u/aeojyFgeyl>

FINANCE COMMITTEE MEMBERS

Alan E. Fox, Chair
Greg Garrett
David Sayen
Sblend A. Sblendorio

¹ Log into the meeting at www.zoom.com. You will be directed to download the meeting app (free) if you have not used ZOOM previously. ZOOM meetings may be accessed on computers and portable devices.

NOTE: In the event that a quorum of the Board of Trustees participates on this Committee, the meeting is noticed as a Special Meeting of the Board of Trustees; however, no final Board of Trustees action can be taken.

FINANCE COMMITTEE REGULAR MEETING AGENDA

SPECIAL NOTE: Per Brown Act requirements, Trustees of the Alameda Health System will attend board and committee meetings in person at the location(s) noticed on this agenda. Staff and members of the public may attend either in person at the location noticed on this agenda, or remotely via Zoom, using the link included on this agenda.

Public Comment Instructions

If you attend the meeting in person and wish to address the Board or Committee regarding an item on the agenda or in their purview, please see the Clerk of the Board to sign up.

Each speaker will be allotted between one and three minutes to speak, depending on the number of speakers present.

OPEN SESSION / ROLL CALL

PUBLIC COMMENT

A. [ACTION: Approval of the Minutes of the October 1, 2025 and November 5, 2025 Finance Committee Meeting](#)

B. INFORMATION / DISCUSSION

B1. [Chief Financial Officer Report](#)

Kimberly Miranda, Chief Financial Officer

B1a. AHS December 2025/January 2026, Year to Date, and GRIT Update

B1b. St. Rose December YTD Financial Report

B2. [Chief Operating Officer Report](#)

Mark Fratzke, Chief Operating Officer

Alex Gallo, Vice President Financial Transformation

John Minot-Schwartz, Director Reimbursement and Finance Strategy

B2a. Long Range Financial Plan

C. ACTION / DISCUSSION

C1. [DISCUSSION: Managed Care Contract Update](#)

Kimberly Miranda, Chief Financial Officer

Sandra Wellington, Manager Payor Contracting

C2. [DISCUSSION: 2026 Finance Committee Agenda Topics and Format](#)

Alan Fox, Chair

D. ACTION / DISCUSSION: Contracts

D1. New agreement with Fisher Scientific Company LLC dba Fisher Healthcare for provision of laboratory supplies. The term of this agreement is effective April 1, 2026 through March 31, 2029. The estimated impact of this agreement is \$6,600,000.

Mark Fratzke, Chief Operating Officer

D2. New agreement with Hill-Rom Company, Inc. for provision of a new nurse call system at our skilled nursing facilities. The term of this agreement is effective March 12, 2026 through March 11, 2027. The estimated impact of this agreement is \$1,430,000.

Mark Fratzke, Chief Operating Officer

E. DISCUSSION: Committee Planning, Issues Tracking**TRUSTEE COMMENTS****ADJOURNMENT****Our Mission**

Caring, Healing, Teaching, Serving All

Strategic Vision

AHS will be recognized as a world-class patient and family centered system of care that promotes wellness, eliminates disparities and optimizes the health of our diverse communities.

Values

Compassion, Commitment, Teamwork, Excellence, Integrity, and Respect.

Meeting Procedures

All items appearing on the agenda are subject to action by the Board of Trustees. Staff recommendations are subject to action and change by the Board of Trustees.

The Board of Trustees is the Policy Body of the Alameda Health System. The Board has several standing Committees where Board matters are the subject of discussion at which members of the public are urged to testify. Board procedures do not permit: 1) persons in the audience at a Committee meeting to vocally express support or opposition to statements by Board Members or by other persons testifying; 2) ringing and use of cell phones, pagers, and similar sound-producing electronic devices; 3) signs to be brought into the meeting or displayed in the room; 4) standing in the meeting room. Citizens are encouraged to testify at Committee meetings and to write letters to the Clerk of the Board or to its members, 1411 East 31st Street Oakland, CA 94602.

Members of the public are advised that all Board and Committee proceedings are recorded (audio), including comments and statements by the public in the course of the meetings. Copies of the audio recordings will be made available to the public. Copies of the agendas and supporting documents can be found here: <http://www.alamedahealthsystem.org/meeting-agendas-and-minutes/>. By attending and participating in Board/Committee meetings, members of the public consent to audio recording of any statements they may make during the proceedings.

Disability Access

The Meeting Rooms are wheelchair accessible. Assistive listening devices are available upon request at the Clerk of the Board's Office. To request accommodation or assistance to participate in the meeting, please contact the Clerk of the Board. Requests made at least 48 hours in advance of the meeting will help to ensure availability.

In order to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to perfumes and various other chemical-based scented products. Please help us to accommodate these individuals.

The AHS Board of Trustees is committed to protecting the private health information (PHI) of our patients. We ask that speakers refrain from disclosing or discussing the PHI of others. Please also know that, should you decide to disclose your PHI, the Trustees will still likely refer your matter, to the extent it involves PHI, to the executive staff for a confidential review of the facts and for confidential handling. If you would like more information regarding the confidentiality of PHI as it relates to the Health Insurance Privacy and Accountability Act, please refer to 45CFR Section 164.101, et.seq.

**ACTION: Approval of the Minutes of the October 1, 2025
and November 5, 2025 Finance Committee Meeting**



**FINANCE COMMITTEE MEETING
WEDNESDAY, OCTOBER 1, 2025
4:00pm to 6:00pm**

Conference Center Located at Highland Care Pavilion
1411 East 31st Street Oakland, CA 94602
Ronna Jojola Gonsalves, Clerk of the Board
(510) 535-7515

LOCATION:

Open Session: HCP Conference Center, see above address
Teleconference Location: 4501 Pleasanton Avenue, Pleasanton, CA 94566

FINANCE COMMITTEE MEMBERS

Alan E. Fox, Chair
Greg Garrett
David Sayen
Sblend A. Sblendorio

THE MEETING WAS CALLED TO ORDER AT 4:04 pm

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT: Alan E. Fox,
Greg Garrett, David Sayen (arrived at 4:09pm)

ABSENT: Sblend Sblendorio, Excused

PUBLIC COMMENT: None

A. ACTION: Approval of the Minutes of the September 3, 2025 Finance Committee Meeting

Trustee Fox asked if there was any public comment regarding the minutes. Ms. Jojola Gonsalves said there was none.

Trustee Garrett moved and Trustee Fox seconded to approve the Minutes of the September 3, 2025 Finance Committee meeting.

NOTE: In the event that a quorum of the Board of Trustees participates on this Committee, the meeting is noticed as a Special Meeting of the Board of Trustees; however, no final Board of Trustees action can be taken.

ACTION: A motion was made and seconded to approve the Minutes of the September 3, 2025, Finance Committee meeting. A roll call was taken, and the motion passed.

AYES: Trustees Fox, Garrett, Sayen

NAYS: None

ABSTENTION: None

B. INFORMATION / DISCUSSION

B1. Chief Financial Officer Report

Kimberly Miranda, Chief Financial Officer

B1a. AHS August 2025 Financial Report

B1b. St. Rose June 2025 Financial Report

Trustee Sayen arrived at 4:09pm.

Trustee Fox asked why the Eastmont Dental numbers were low . Mr. Fratzke said some negotiations were ramping up and there were volume expectations, once they were through with all of that they would be back on target.

Trustee Fox asked about Medicare being part of the payor mix. Ms. Miranda said it was consistent with the aging population. A lot of folks were shying away from managed Medicare. AHS had not been able to accept assigned lives for Medicare. That should change as they improve access. They may be able to go after that piece of the business.

Trustee Garrett asked if the managed Medicare had lower reimbursement rates. Ms. Miranda said managed Medicare was about 100% but it was difficult to get paid. Many providers won't take it anymore.

Trustee Fox asked why the settlement was recorded as other revenue. Ms. Miranda said it was old revenue, and they didn't have a way to post it on the accounts. If they were able to identify it at the claim level, they would absolutely post it.

Ms. Miranda clarified that they were presenting the extended NNB forecast because of the looming medical cuts as a result of the Federal budget. The graph shows a cycle. In recent years, AHS had paid off the NNB by year-end, but then it goes straight up at the beginning of the fiscal year. When the supplementals come in starting in January, it would get paid back down. Next year will be different, they will go over the NNB about \$80M. The HPAC realignment was worth about \$40M and they would have to pay back the money they got two years ago. That will not be offset this year because no current year funding will be received - \$40M.

Trustee Garrett asked if there was an update to the conversations with the County to raise the NNB. Mr. Jackson said they had no updates to share. They had held some level-setting conversations with the County and were working on setting up a more formal meeting. The Supervisors were all aware of the situation and one Supervisor has voiced their support.

Trustee Garrett asked about the status of the sub-acute certification for St. Rose. Mr. Fratzke said they should have it very soon.

Trustee Fox said it was good to see some of the numbers improving, such as Length of Stay, a favorable variance on expenses, and volume increases.

C. ACTION / DISCUSSION

C1.DISCUSSION: Alameda Hospital Seismic Planning Budget Update

Kimberly Miranda, Chief Financial Officer

Trustee Fox asked if the parcel tax revenue was still being reflected in the budget. Ms. Mesina said it was part of the Government Payors.

Trustee Fox asked if the sunseting of the SNF passthrough was something they originally knew about. Ms. Miranda said they wanted to use those funds as a reserve or for a special project. Also not in the budget was the additional \$1M for the MOU negotiation. If they had not used the SNF pass through and if they had known about the MOU, they would be \$15M below the target.

Trustee Fox asked if the positive impacts (parcel tax increase, reduced length of stay, higher ED visits, and relocated elective surgery) were in the Alameda Hospital budget. Ms. Miranda said they were.

Trustee Sayen said in his experience when labor was over budget they had a hiring freeze. But at AHS when they had 22 people over budget, they called it a creep. He asked what the process was. Mr. Fratzke said there was management of the hiring process. If there was an increase, they went back to study it. They were asking the site CAO's to develop a plan for some type of expense reductions at each of the sites. Mr. Jackson said they did not as a general rule just do a hiring freeze because it could negatively impact their ability to do the work. The committee reviewed each position to look at return on investment and mission criticality.

Trustee Fox asked how the Alameda financial projection compared to the budget. Ms. Miranda said they didn't consider expected items such as COLAs to be variances, so they looked at material changes and compared that to the budget.

Trustee Fox said the expenses in the forecast were \$147M and in the budget they were \$163M. Ms. Miranda said there were 22 more FTEs, as discussed. They talked about the \$1M above the regular COLA as a result of the MOU negotiations with CNA.

Trustee Fox said it seemed like a big increase over what was expected. He asked if they should be looking at AHS as a whole, or Alameda Hospital alone as they go toward 2030. Ms. Miranda said it was a good question. Where it really made a difference was if they were leaving a patient in a bed at Highland, they were having to pay the expense but not getting any revenue. Whereas if they were able to shift that patient to Alameda it would help Highland. They also talked about shifting surgeries to where they had capacity to improve efficiency.

Trustee Fox said if they isolated Alameda they were about \$15M a year behind what the original target was when they approved the budget for the seismic project. The Board looked at AHS as a whole in terms of whether they were meeting financial goals. It was up to leadership to manage Alameda and every location to as close to break-even as possible. He said he hoped to continue to look at this annually between now and 2030.

Trustee Garrett said he was excited about the work the COT was doing. They knew cuts were coming and they had to do the work to prepare now.

D. ACTION / DISCUSSION: Contracts

Trustee Fox asked if there was any public comment regarding the contracts. Ms. Jojola Gonsalves said there was none.

D1. New agreement between Hayward Sisters Hospital doing business as St. Rose Hospital and Nelson T. Lewis Construction Co., Inc. for catheterization lab upgrade. The term of this agreement is effective October 15, 2025 through June 15, 2026. The estimated impact of this agreement is \$3,197,080.

Mario Harding, Chief Administrative Officer

Trustee Fox asked if the Fremont Bank money was a loan or a grant or something different. Mr. Fratzke said it was a donation. Mr. Harding said Fremont Bank made the original commitment for the project back in 2022, but it never got started. He had a meeting with the Fremont Bank Foundation to ask them to recommit to the project.

Trustee Fox asked if the current catheterization lab would be used until the new lab was up. Mr. Harding said the existing lab was end of life, but they've maintained it and would bring it down after the new one is built.

D2. New agreement with ePlus Technology Inc. for provision of data loss protection services. The term of this agreement is effective date last signed for a 3-year term. The estimated impact of this agreement is \$1,800,000.

Christine Yang, Chief Information Officer

Trustee Fox asked if they had someone providing the service now. Ms. Yang said this was new technology for data loss prevention and a cloud access gateway.

D3. Renewal agreement with Switch, Ltd. for provision of data center services. The term of this agreement is effective February 16, 2026 through February 15, 2031. The estimated impact of this agreement is \$1,509,294.

Christine Yang, Chief Information Officer

Trustee Garrett asked about the length of the contract. Ms. Yang said it was for a cage in Las Vegas, and the contract allowed us to keep the price for five years.

D4. New agreement with Lescure Company, Inc. for architectural and structural work for the Alameda Hospital HVAC replacement project. The term of this agreement is effective November 1, 2025 through March 31, 2027. The estimated impact of this agreement is \$1,668,200.

Mark Fratzke, Chief Operating Officer

D5. New agreement with Matrix HG, Inc. for installation of COVID prevention HVAC upgrades at John George Psychiatric Hospital. The term of this agreement is effective November 1, 2025 through October 31, 2026. The estimated impact of this agreement is \$1,214,436.

Mark Fratzke, Chief Operating Officer

Trustee Garrett moved and Trustee Sayen seconded to approve agenda item D.

ACTION: A motion was made and seconded to approve agenda item D. A roll call was taken, and the motion passed.

AYES: Trustees Fox, Garrett, Sayen

NAYS: None

ABSTENTION: None

E. DISCUSSION: Committee Planning, Issues Tracking

TRUSTEE COMMENTS

ADJOURNMENT: 5:19



**FINANCE COMMITTEE MEETING
WEDNESDAY, NOVEMBER 5, 2025
5:00pm to 7:00pm**

Conference Center Located at Highland Care Pavilion
1411 East 31st Street Oakland, CA 94602
Ronna Jojola Gonsalves, Clerk of the Board
(510) 535-7515

LOCATION:

Open Session: HCP Conference Center, see above address
Teleconference Location: 4501 Pleasanton Avenue, Pleasanton, CA 94566

FINANCE COMMITTEE MEMBERS

Alan E. Fox, Chair
Greg Garrett
David Sayen
Sblend A. Sblendorio

THE MEETING WAS CALLED TO ORDER AT 4:00 pm

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT: Alan E. Fox, Greg Garrett, David Sayen (arrived at 4:05), Sblend Sblendorio

ABSENT: None

PUBLIC COMMENT: None

A. ACTION: Approval of the Minutes of the October 1, 2025 Finance Committee Meeting

Trustee Fox asked if there was any public comment regarding the minutes. Ms. Jojola Gonsalves said there was none.

Trustee Fox requested clarification on agenda item C1 in the second paragraph. The second and third paragraphs seemed to contradict each other. Ms. Jojola Gonsalves confirmed that they would review the minutes and bring them back at the next meeting for approval.

Trustee Fox asked if the sunsetting of the SNF passthrough was something they originally knew about. Ms. Miranda said they wanted to use those funds as a reserve or for a special project, so they didn't include it in the break-even analysis. The budget looks like it broke

NOTE: In the event that a quorum of the Board of Trustees participates on this Committee, the meeting is noticed as a Special Meeting of the Board of Trustees; however, no final Board of Trustees action can be taken.

even, but they used the one-time money from the SNF pass through. Also not in the budget was the additional \$1M for the MOU negotiation. If they had not used the SNF pass through and if they had known about the MOU, they would be \$15M below the target.

B. INFORMATION / DISCUSSION

B1. Chief Financial Officer Report

Kimberly Miranda, Chief Financial Officer

B1a. AHS September 2025 Financial Report

B1b. GRIT Update

B1c. St. Rose August 2025 Financial Report

Trustee Fox asked if there was any new information on when the Alameda Alliance would be able to start paying the contract rate again. Mr. Jackson said they asked to meet with AHS later this month regarding the rate adjustments.

Trustee Garrett asked about the Royal Ambulance variance. Ms. Metzger said that Royal Ambulance split into two companies. And AHS ended up with some duplicate billing because the invoice numbers were different and the system did not catch it. They ended up with a \$1.2M repayment over about nine months.

Trustee Sayen asked what the attraction to the self-funded plan was to cause so many employees to shift from Kaiser. Ms. Metzger said the self-funded plan had no employee contribution, unlike the other plans.

Trustee Fox asked if they were going to be able to reduce the overtime as the year went on. Ms. Metzger said the actual overtime was 5.6% and the target was 4.5%. Ms. Mesina said they were looking at overtime. Mr. Fratzke said it was going to be tough going into the next quarter and it could be closer to Spring when they saw the turnaround.

Trustee Garrett said the charge capture improvements were important to note as it was 300% better than budget.

B2. Chief Operating Officer Report

Mark Fratzke, Chief Operating Officer

Richard Espinoza, CAO Post Acute

B1a. Acute Rehab and Physical Therapy

Trustee Fox asked if they were going to add brain injuries to the Commission on Accreditation of Rehabilitation Facilities accreditations in addition to the Spinal Cord Injury Specialty Program they were adding in 2026. Mr. Espinoza said there was a Traumatic Brain Injury Specialty Program as well and they were looking at potentially adding it. Serious head injuries were currently being treated.

Trustee Fox complimented Mr. Espinoza on the high patient satisfaction scores for September and asked if he knew what Sutter's scores were. Mr. Espinoza said he didn't know what their

scores were but would be interested in finding out. Trustee Fox asked if AHS had a way to inform the community about the scores. Mr. Espinoza said they did share the scores when referrals were coming into the unit. But they needed to work on sharing it more globally. Mr. Jackson suggested they engage PACE in this.

Trustee Sayen said before they advertised for more business they should consider if they actually needed more business, given that utilization was at 82%. Mr. Espinoza confirmed they had room to grow the census. They had opportunity to be full more frequently. They have expanded the catchment area with clinical liaisons around the Bay.

Trustee Fox asked if AHS would get a credit for having a lower than average transfer back into Acute. Mr. Espinoza said that would be correct.

Trustee Fox asked if the 'total expense' was the total direct expense, or variable expense. Mr. Espinoza said it was all the expenses affiliated with that unit as well as overhead. Trustee Fox said if they looked at the \$18M contribution in the aggregate and divided it by the 612 discharges, that was \$30,000 per patient. Mr. Espinoza said that was the Case Mix Group through Medicare and also the reimbursement through Medi-Cal. Trustee Fox said this was a very profitable area that should be grown if possible.

Trustee Fox asked what was needed to further grow the service. Mr. Espinoza said the unit was in a strong place. They needed to consider where the marketing efforts could be best focused to grow the census. He felt that from an equipment perspective they were well stocked and they had a good number of clinical liaisons. They were working on expanding the insurance companies they were contracted with so they could avoid turning people away.

Trustee Fox asked if they were able to offer an equivalent rate when a patient had insurance that was not in one of our plans. Ms. Metzger said they worked with Sandra Wellington's team to determine what could be done. Mr. Espinoza said sometimes they could get a letter of agreement to do a one-off for a patient.

C. ACTION / DISCUSSION

C1.DISCUSSION: St Rose Year One Review

Mark Fratzke, Chief Operating Officer

Trustee Fox asked if the St. Rose staff had been generally accepting of the transition. Mr. Fratzke said they had. He found that team to be very resilient and optimistic. They were willing to be part of the solution to fix things.

Trustee Sblendorio said he was interested in hearing what they have done to rebuild the brand and make St. Rose the place members of the community want to use. Mr. Fratzke said they have done a lot of outreach to the physicians in the area and on the campus to try to understand their concerns with the hospital. They were trying to fix some of those things. They have sent postcards to the community marketing the ED's low wait times. That has led to mixed results. Mr. Jackson said that Dr. Akileswaran has spoken to the medical staff to find out what they

needed to start driving their business back. One of the things they've mentioned is the EMR connectivity with lab results for example. Christine Yang was working on a plan for that. They were also now preparing to submit data to Leapfrog. They were not doing so before, which could cause Leapfrog to report lower scores since they do not have accurate data.

Trustee Garrett asked to hear an update on the external healthcare partnerships. Mr. Fratzke said they could bring that back early next year.

C2.DISCUSSION: St Rose Budget FY 26

Kimberly Miranda, Chief Financial Officer

Trustee Fox asked if the DSH reductions were statutory or if there were conditions at St. Rose that was causing the behavior. Ms. Metzger said that they were seeing the same thing on the AHS side.

Trustee Fox said a targeted 50% reduction in overtime was very aggressive. Mr. Fratzke said he'd have to look at that. He could comment on it at the full Board meeting.

Trustee Garret asked about the occupancy in the Medical Office Building, Inc. Mr. Aminy said they had quite a few vacancies. They were working with the broker for a strategy around the buildings to sell the buildings across the street. The buildings on the campus were pretty full. Several of the clinics were preparing to expand.

Trustee Fox said for the most part they were holding the volume flat. Ms. Metzger agreed and spoke about rate increases with the union contract.

Trustee Garrett moved and Trustee Sblendorio seconded to recommend approval of the St. Rose Budget FY26 to the Board of Trustees.

ACTION: A motion was made and seconded to recommend approval of the St. Rose Budget FY26 to the Board of Trustees. A roll call was taken, and the motion passed.

AYES: Trustees Fox, Garrett, Sayen, Sblendorio

NAYS: None

D. ACTION / DISCUSSION: Contracts

Trustee Fox asked if there was any public comment regarding the contracts. Ms. Jojola Gonsalves said there was none.

D1.Renewal agreement with Symplr Care Management LLC for provision of patient safety and quality reporting software applications. The term of this agreement is effective January 1, 2026 through December 31, 2028. The estimated impact of this agreement is \$1,112,847.

Christine Yang, Chief Information Officer

**D2.New agreement with LAZ Parking California, LLC for provision of parking services.
The term of this agreement is effective January 1, 2026 through December 31, 2028.
The estimated impact of this agreement is \$6,937,194.**

Mark Fratzke, Chief Operating Officer

Trustee Sayen moved and Trustee Sblendorio seconded to approve agenda item D.

ACTION: A motion was made and seconded to approve agenda item D. A roll call was taken, and the motion passed.

AYES: Trustees Fox, Garrett, Sayen, Sblendorio

NAYS: None

ABSTENTION: None

E. DISCUSSION: Committee Planning, Issues Tracking

TRUSTEE COMMENTS

ADJOURNMENT 6:52

January 2026 Financial Report Finance Committee

Kimberly Miranda, Chief Financial Officer
March 4, 2026

January 2026 Financial Report

Finance Dashboard

January-2026

Metric	FY2026 Goal YTD	Actual YTD	YTD	Trend Lines
Volume				
Total Adjusted Discharges	18,763	19,142	●	
Total Adjusted Patient Days	213,875	216,644	●	
Revenue Cycle				
Collection Ratio	19.5%	19.1%	●	
Cash as % of Net Revenue	100.0%	100.1%	●	
Gross Days in Patient Receivables	62.0	68.8	●	
Labor				
Productivity %	100.0%	102.2%	●	
Registry as % of Total FTEs	4.2%	3.7%	●	
Overtime % excl Company 30	4.6%	5.6%	●	
Total FTEs	5,138	5,210	●	
FTE per Adjusted Discharge	0.96	0.93	●	
*Labor Cost/FTE w/o GASB	\$238,850	\$286,357	●	
Profitability				
Total Cost per Adjusted Discharge	\$50,032	\$50,440	●	
Total Cost per Adjusted Patient Days	\$4,389	\$4,457	●	
Net Income	\$6,855	(\$10,778)	●	
EBIDA Margin	2.8%	0.8%	●	
NNB (Net Negative Balance)	<\$95M	-\$62,935	●	
Net Position	>\$0	-\$72,408	●	
Capital				
Capital Spent	\$17,075	\$11,781	●	
% of Capital Spent		69.0%		

17/124

*Labor costs excludes contracted physicians; Includes Registry travel & housing costs

January 2026 Financial Report

Volume Highlights – Part 1

	January 2026				FY2026 Year-To-Date				FY2025 Year-To-Date		
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	Actual	Var	% Var
Campus: AHS ALL CAMPUS											
Total Adjusted Patient Days	32,330	31,484	846	2.7%	216,644	213,875	2,769	1.3%	212,682	3,962	1.9%
Total Adjusted Discharges	2,747	2,830	-83	-2.9%	19,142	18,763	379	2.0%	18,419	722	3.9%
GENERAL ACUTE											
Patient Days	6,657	6,807	-150	-2.2%	42,424	45,098	-2,674	-5.9%	44,932	-2,508	-5.6%
Discharges	1,247	1,327	-80	-6.0%	8,710	8,725	-15	-0.2%	8,629	81	0.9%
Average Length of Stay	5.3	5.1	-0.2	-4.1%	4.9	5.2	0.3	5.8%	5.2	0.3	6.5%
CMI	1.681	1.653	0.028	1.7%	1.616	1.565	0.051	3.2%	1.644	-0.028	-1.7%
Emergency Visits	9,833	10,153	-320	-3.2%	66,186	63,475	2,711	4.3%	64,113	2,073	3.2%
Trauma Cases	331	295	36	12.3%	2,208	2,180	28	1.3%	2,225	-17	-0.8%
Observation Equivalent Days	943	698	245	35.1%	5,240	4,593	647	14.1%	4,392	848	19.3%
Surgeries	696	621	75	12.2%	4,783	4,770	13	0.3%	5,227	-444	-8.5%
PSYCH											
Psych Patient Days	2,034	1,938	96	5.0%	14,203	14,007	196	1.4%	13,731	472	3.4%
Psych Discharges	202	215	-13	-6.1%	1,476	1,556	-80	-5.1%	1,501	-25	-1.7%
Average Length of Stay	10.1	9	-1.1	-11.8%	9.6	9	-0.6	-6.9%	9.1	-0.5	-5.2%
Occupancy %											
PES Equivalent Days	665	813	-147	-18.1%	4,967	4,741	226	4.8%	4,667	300	6.4%

January 2026 Financial Report

Volume Highlights – Part 2

	January 2026				FY2026 Year-To-Date				FY2025 Year-To-Date		
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	Actual	Var	% Var
Campus: AHS ALL CAMPUS											
REHAB											
Rehab Patient Days	727	842	-115	-13.7%	4,899	5,172	-273	-5.3%	4,918	-19	-0.4%
Rehab Discharges	42	64	-22	-34.1%	366	391	-25	-6.4%	361	5	1.4%
Average Length of Stay	17.3	13.2	-4.1	-30.9%	13.4	13.2	-0.2	-1.3%	13.6	0.2	1.7%
Occupancy %	84%	97%	-13%		81%	86%	-5%		82%	-1%	
SNF WITH SUB-ACUTE											
Average Daily Census	273.5	275.7	-2.1	-0.8%	276.7	275.7	1.1	0.4%	274.7	2	0.7%
Occupancy %	94%	95%	-1%		95%	95%	0%		95%	0%	
Bed Holds	143	74	69	92.4%	568	559	9	1.6%	572	-4	-0.7%
PAYOR MIX											
Insurance %	7.3%	7.8%	-0.5%		6.7%	7.1%	-0.5%		7.0%	-0.3%	
Medi-Cal %	57.0%	58.5%	-1.5%		59.6%	60.7%	-1.2%		60.8%	-1.3%	
Medicare %	31.1%	29.8%	1.3%		29.6%	27.2%	2.3%		27.9%	1.6%	
Other Govt %	1.6%	1.3%	0.3%		1.4%	1.8%	-0.4%		1.7%	-0.3%	
Self-Pay %	3.0%	2.6%	0.4%		2.9%	3.1%	-0.2%		2.6%	0.3%	
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%	

January 2026 Financial Report

YTD Highlights

- Favorable YTD revenue variance of \$12.7M.
 - Net patient revenue above budget (\$2.0M), higher charges offset by collection percentage - 0.4% below budget.
 - Other operating income above budget (\$7.4M) from retail pharmacy (\$2.8M) and one-time items: SAC law settlement on older claims (\$3.1M) and Alameda Alliance P4P (\$1.5M).
- Unfavorable YTD expense variance of \$26.8M.
 - Labor costs unfavorable by \$23.4M from unfavorable staff wages and registry (\$15.1M), employee benefits (\$5.7M), retirement (\$1.9M), and provider wages/contracts (\$0.7M).
 - Non-labor cost unfavorable by \$3.4M from unfavorable variances in pharmaceuticals (\$3.5M), medical/surgical supplies (\$2.6M) offset by outside medical services (\$2.7).
 - OMS budget overstated reflecting duplicate invoices.

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Operating revenue	\$ 141,262	\$ 136,778	\$ 4,484	3.3%	\$ 957,021	\$ 947,921	\$ 9,100	1.0%	\$ 928,842	3.0%
Operating expense	152,648	139,040	(13,608)	(9.8)%	965,520	938,743	(26,777)	(2.9)%	902,602	(7.0)%
Operating income (loss)	(11,386)	(2,262)	(9,124)	(403.4)%	(8,499)	9,178	(17,677)	(192.6)%	26,240	(132.4)%
Other non-operating activity	(84)	(343)	259	75.5%	(2,279)	(2,323)	44	1.9%	(2,619)	13.0%
Net Income (loss)	\$ (11,470)	\$ (2,605)	\$ (8,865)	(340.3)%	\$ (10,778)	\$ 6,855	\$ (17,633)	(257.2)%	\$ 23,621	(145.6)%
EBIDA adjustments	2,485	2,801	(316)		18,808	19,914	(1,106)		25,486	
EBIDA	\$ (8,985)	\$ 196	\$ (9,181)		\$ 8,030	\$ 26,769	\$ (18,739)		\$ 49,107	
Operating Margin	(8.1)%	(1.7)%	(6.4)%		(0.9)%	1.0%	(1.9)%		2.8%	
EBIDA Margin	(6.4)%	0.1%	(6.5)%		0.8%	2.8%	(2.0)%		5.3%	
Total FTEs	5,258	5,165	(93)	(1.8)%	5,210	5,138	(72)	(1.4)%	5,093	

January 2026 Financial Report

Net Patient Services Revenue Highlights

- Gross patient service revenue favorable driven by outpatient services.
 - General Acute inpatient days and discharges below budget and Length of Stay increased above trend.
 - CMI above budget 1.7% for month and 3.2% YTD; Trauma cases above budget 12.3% for month and 1.3% YTD.
 - Inpatient surgery above budget 5.5% for month and below 6.9% YTD.
 - ED visits 3.2% below budget and above 4.3% YTD; Outpatient surgery above budget 18.0% and 6.6% YTD.
 - Clinic visits below budget 2.5% and 2.4% YTD.
 - SNF census below budget and offset by bed holds for the month and YTD.
 - JGP census strong; PES visits 18.1% below budget and above 4.8% YTD.
- NSPR Collection ratio YTD was 19.1% and below target.
 - Rate increases for government and Managed Medi-Cal were included in budget evenly and start in January.
 - Prior month recoupments on closed accounts were significant compared to trend (\$2.1M).
 - Mix of services changed from inpatient to outpatient with a lower collection percentage.

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Inpatient service revenue	\$ 232,106	\$ 227,373	\$ 4,733	2.1%	\$ 1,552,025	\$ 1,558,613	\$ (6,588)	(0.4)%	\$ 1,500,881	3.4%
Outpatient service revenue	164,629	150,801	13,828	9.2%	1,105,540	1,025,196	80,345	7.8%	998,953	10.7%
Professional service revenue	45,902	41,305	4,596	11.1%	293,333	296,667	(3,333)	(1.1)%	305,913	(4.1)%
Gross patient service revenue	442,637	419,480	23,157	5.5%	2,950,899	2,880,476	70,423	2.4%	2,805,747	5.2%
Deductions from revenue	(359,048)	(337,480)	(21,568)	(6.4)%	(2,385,811)	(2,317,401)	(68,410)	(3.0)%	(2,258,899)	5.6%
Net patient service revenue	83,589	82,000	1,589	1.9%	565,088	563,075	2,013	0.4%	546,848	(3.3)%
Collection % - NPSR	18.9%	19.5%	(0.6)%		19.1%	19.5%	(0.4)%		19.5%	
Capitation and HPAC	4,455	4,454	1	0.0%	31,304	31,351	(47)	(0.1)%	32,278	(3.0)%
Other government programs	47,477	45,415	2,062	4.5%	317,662	317,905	(243)	(0.1)%	314,167	1.1%
Other operating revenue	5,741	4,909	832	16.9%	42,967	35,590	7,377	20.7%	35,549	20.9%
Total operating revenue	\$ 141,262	\$ 136,778	\$ 4,485	3.3%	\$ 957,021	\$ 947,921	\$ 9,100	1.0%	\$ 928,842	3.0%

January 2026 Financial Report

Governmental and Other Revenue Highlights

- Other government programs favorable from Medi-Cal Rate Range CY2024 (\$2.4M). YTD unfavorable from Measure A FY2026 Q1 adjustment (\$2.5M), Prop56 (\$1.3M), DP-NF Pass-through (\$1.2M) offset by favorable variance for Rate Range CY2024 (\$2.4M), Alameda Alliance P4P (\$1.2M), parcel tax (\$0.8M), and FEMA (\$0.2M). DP-NF Pass-through payment for CY2024 was \$23.8 million which was \$2.0 million lower than the anticipated funding of \$25.8 million. This will be an on-going variance.
- Other operating revenue favorable from higher retail pharmacy (\$0.5M) and SRH management fee (\$0.3M). YTD, favorable driven by the settlement on low pay patient accounts (\$3.1M), SRH management fee excluded from the budget (\$2.3M), Alameda Alliance incentive (\$0.3M), higher retail pharmacy (\$2.8M) offset by unfavorable grant activity (\$1.4M).

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Net patient service revenue	83,589	82,000	1,589	1.9%	565,088	563,075	2,013	0.4%	546,848	(3.3)%
Capitation and HPAC	4,455	4,454	1	0.0%	31,304	31,351	(47)	(0.1)%	32,278	(3.0)%
Medi-Cal Waiver	8,477	8,474	3	0.0%	59,431	59,315	116	0.2%	66,038	(10.0)%
Measure A and parcel tax	12,760	12,760	0	0.0%	87,595	89,317	(1,722)	(1.9)%	87,017	0.7%
Supplemental Programs	26,241	24,182	2,059	8.5%	170,635	169,273	1,362	0.8%	161,112	5.9%
Other government programs	47,477	45,415	2,062	4.5%	317,661	317,905	(244)	(0.1)%	314,167	1.1%
Grant Revenue	1,293	1,422	(129)	(9.0)%	8,020	9,426	(1,406)	(14.9)%	8,557	(6.3)%
Other Operating Revenue	4,447	3,487	960	27.5%	34,947	26,165	8,782	33.6%	26,992	29.5%
Other operating revenue	5,741	4,909	832	16.9%	42,967	35,590	7,377	20.7%	35,549	20.9%
Total operating revenue	\$ 141,262	\$ 136,778	\$ 4,485	3.3%	\$ 957,020	\$ 947,921	\$ 9,099	1.0%	\$ 928,842	3.0%

January 2026 Financial Report

Expense Highlights excluding Labor (part 1)

- Purchased services unfavorable from clinical services (\$0.4M), interpretive services (\$0.2M), security (\$0.2M), HIM coding services (\$0.2M) and remaining \$0.6M spread across many cost centers. YTD, favorable from outside medical services (\$2.7M), software licenses/hosting fees (\$1.9M), security services (\$0.3M), emergency food/shelter (\$0.2M) offset by unfavorable management services (\$0.5M), audit fees (\$0.3M), clinical services (\$0.2M), laundry (\$0.2M), and remaining \$0.5M spread across many cost center.
 - The favorable variance in outside medical services is expected to continue for the remainder of the fiscal year. The budget was based on higher ambulance services which were the result of duplicate invoices between sister companies. A refund of \$1.2 million was received in June 2025.
- Material and supplies unfavorable from medical/surgical supplies (\$1.7M) and pharmaceuticals (\$1.2M). YTD, unfavorable due to pharmaceuticals (\$3.5M), medical/surgical supplies (\$2.6M) offset by favorable non-medical supplies (\$0.5M).

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Purchased services	9,954	8,351	(1,603)	(19.2)%	60,681	64,088	3,407	5.3%	59,099	(2.7)%
Materials and supplies	16,278	13,344	(2,934)	(22.0)%	98,198	92,559	(5,639)	(6.1)%	88,680	(10.7)%
Facilities	4,331	3,205	(1,126)	(35.1)%	25,775	23,266	(2,509)	(10.8)%	21,769	(18.4)%
Depreciation and amortization	2,392	2,445	53	2.2%	16,534	17,500	966	5.5%	22,909	27.8%
General and administrative	3,090	2,755	(335)	(12.2)%	18,372	18,785	413	2.2%	19,225	4.4%
Total operating expense	\$ 152,648	\$ 139,040	\$ (13,608)	(9.8)%	\$ 965,520	\$ 938,743	\$ (26,777)	(2.9)%	\$ 902,602	(7.0)%

January 2026 Financial Report

Expense Highlights excluding Labor (part 2)

- Facilities unfavorable from facility repairs (\$1.0M), equipment rentals (\$0.3M) offset by favorable utilities (\$0.2M). YTD, unfavorable from facility repairs (\$3.8M), facility leases (\$0.2M) offset by favorable utilities (\$15M). Facility repairs occurred at Highland Hospital (\$2.0M), Alameda Hospital (\$1.4M), and San Leandro Hospital (\$0.3M).
- Depreciation and amortization favorable from lower equipment depreciation (\$0.4M) offset by higher lease and software amortization (\$0.4M). YTD, favorable from lower equipment depreciation (\$3.0M) offset by higher lease and software amortization (\$2.0M).
- General and administrative unfavorable from timing of membership expense (\$0.4M). YTD, favorable from recruitment expense (\$0.6M) and insurance (\$0.2M).

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Purchased services	9,954	8,351	(1,603)	(19.2)%	60,681	64,088	3,407	5.3%	59,099	(2.7)%
Materials and supplies	16,278	13,344	(2,934)	(22.0)%	98,198	92,559	(5,639)	(6.1)%	88,680	(10.7)%
Facilities	4,331	3,205	(1,126)	(35.1)%	25,775	23,266	(2,509)	(10.8)%	21,769	(18.4)%
Depreciation and amortization	2,392	2,445	53	2.2%	16,534	17,500	966	5.5%	22,909	27.8%
General and administrative	3,090	2,755	(335)	(12.2)%	18,372	18,785	413	2.2%	19,225	4.4%
Total operating expense	\$ 152,648	\$ 139,040	\$ (13,608)	(9.8)%	\$ 965,520	\$ 938,743	\$ (26,777)	(2.9)%	\$ 902,602	(7.0)%

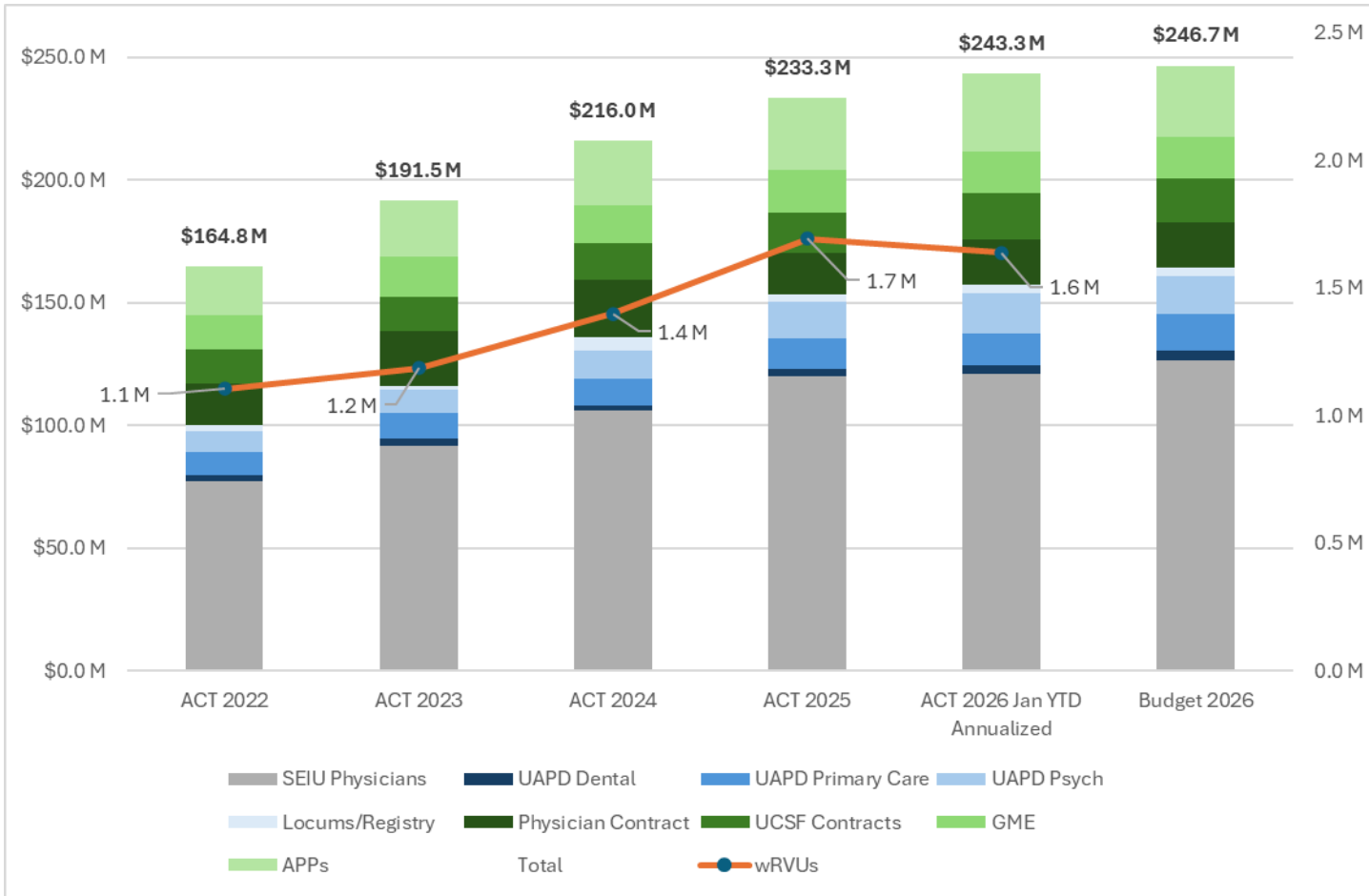
January 2026 Financial Report

Expense Highlights – Labor

- Staff and registry unfavorable for month (\$4.0M) and YTD (\$15.1M).
 - Staff salaries and registry unfavorable driven higher rate (\$2.5M).and higher FTEs (114 FTEs/\$1.5M). YTD, unfavorable due to higher rate (\$6.8M) and higher FTE (90 FTEs/\$8.3M).
- Provider salaries and contracts unfavorable for month (\$2.0M) and YTD (\$0.2M).
 - Provider salaries unfavorable from rate (\$2.6M) offset by lower FTEs (21 FTEs/\$0.7M). Final payment for discontinued paternity benefit (\$1.6M). YTD, favorable from lower FTEs (18 FTEs/\$4.2M) offset by higher rate (\$4.0M). Recruitment unrealized.
 - Physician contract services approximate budget for month and unfavorable YTD (\$0.9M).

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Salaries and wages (staff)	\$ 65,371	\$ 60,313	\$ (5,058)	(8.4)%	\$ 429,480	\$ 408,576	\$ (20,904)	(5.1)%	\$ 389,282	(10.3)%
Salaries and wages (providers)	15,337	13,342	(1,995)	(15.0)%	91,559	91,720	161	0.2%	86,262	(6.1)%
Registry	3,266	4,301	1,035	24.1%	23,882	29,673	5,791	19.5%	30,662	22.1%
Physician contract services	3,784	3,737	(47)	(1.3)%	26,200	25,339	(861)	(3.4)%	24,883	(5.3)%
Employee benefits (taxes, insurance)	19,122	18,362	(760)	(4.1)%	117,463	111,753	(5,710)	(5.1)%	106,692	(10.1)%
Retirement	9,723	8,885	(838)	(9.4)%	57,376	55,484	(1,892)	(3.4)%	53,140	(8.0)%
Total labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Compensation ratio	82.5%	79.6%	-2.9%		77.9%	76.2%	-1.7%		74.4%	
Paid FTEs - staff	4,695	4,543	(152)	(3.3)%	4,634	4,522	(112)	(2.5)%	4,614	(0.4)%
Paid FTEs - providers	384	405	21	5.2%	383	401	18	4.5%	289	(32.5)%
Paid FTEs - registry	179	217	38	17.5%	193	215	22	10.2%	224	13.8%
Total FTEs	5,258	5,165	(93)	(1.8)%	5,210	5,138	(72)	(1.4)%	5,127	(1.6)%

Total Provider Expenses



Paid FTEs	ACT 2026 Jan YTD					Budget 2026
	ACT 2022	ACT 2023	ACT 2024	ACT 2025	Annualized	
SEIU Physicians	180.0	197.1	213.2	223.1	223.2	243.1
UAPD Dental	8.7	9.8	8.3	9.0	9.5	11.4
UAPD Primary Care	27.8	28.4	30.7	32.7	30.7	34.8
UAPD Psych	17.1	17.4	19.2	23.9	26.2	23.5
GME	134.6	136.8	137.4	139.1	139.4	138.2
APPs	76.8	81.6	84.6	90.8	93.5	91.3
Subtotal Physicians	445.0	471.1	493.3	518.6	522.5	542.3
% Change		6%	5%	5%	1%	
Change Paid FTE		26.1	22.2	25.2	4.0	

Service Type	ACT 2026 Jan YTD					Budget 2026
	ACT 2022	ACT 2023	ACT 2024	ACT 2025	Annualized	
SEIU Physicians	\$77.3 M	\$91.8 M	\$106.3 M	\$120.2 M	\$121.0 M	\$126.4 M
UAPD Dental	\$2.3 M	\$2.7 M	\$1.7 M	\$2.8 M	\$3.3 M	\$4.1 M
UAPD Primary Care	\$9.4 M	\$10.3 M	\$10.9 M	\$12.6 M	\$13.0 M	\$14.7 M
UAPD Psych	\$8.7 M	\$9.6 M	\$11.7 M	\$14.7 M	\$16.5 M	\$15.7 M
Locums/Registry	\$2.2 M	\$1.7 M	\$5.3 M	\$3.0 M	\$3.6 M	\$3.2 M
Physician Contract	\$17.0 M	\$22.4 M	\$23.3 M	\$17.1 M	\$18.1 M	\$18.6 M
UCSF Contracts	\$14.0 M	\$14.0 M	\$15.1 M	\$16.2 M	\$19.2 M	\$18.1 M
GME	\$13.9 M	\$16.1 M	\$15.6 M	\$17.3 M	\$16.6 M	\$16.6 M
APPs	\$20.0 M	\$22.9 M	\$26.1 M	\$29.3 M	\$31.9 M	\$29.3 M
Subtotal Physicians	\$164.8 M	\$191.5 M	\$216.0 M	\$233.3 M	\$243.3 M	\$246.7 M

	Act 2026 Jan YTD					Budget 2026
	ACT 2022	ACT 2023	ACT 2024	ACT 2025	Annualized	
Clinic Visits		332,403	357,741	378,682	399,259	403,957
% Change			7.6%	5.9%	5.4%	1.2%

Notes:

1. FY26 SEIU excludes President and admin staff dollars.
2. Dignity Health GME moved to UCSF in FY26.
3. Locums: FY2024-2026 for John George-Psych, General Surgery & Eastmont Wellness center.

January 2026 Financial Report

Expense Highlights – Benefits (continued)

- Employee Benefits unfavorable from higher self-funded health (\$1.0M), FICA (\$0.9M) offset by lower Kaiser health plan (\$0.6M), other benefits (\$0.3M), and worker compensation (\$0.2M). YTD, unfavorable from higher self-funded health (\$9.6M) offset by lower Kaiser health plan (\$2.2M), other benefits (\$0.9M), and timing of resident housing allowance (\$0.8M).
- Retirement unfavorable from ACERA (\$0.3M) and union plans (\$0.5M). YTD, unfavorable from ACERA (\$1.1M) and union plans (\$0.8M).

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Salaries and wages (staff)	\$ 65,371	\$ 60,313	\$ (5,058)	(8.4)%	\$ 429,480	\$ 408,576	\$ (20,904)	(5.1)%	\$ 389,282	(10.3)%
Salaries and wages (providers)	15,337	13,342	(1,995)	(15.0)%	91,559	91,720	161	0.2%	86,262	(6.1)%
Registry	3,266	4,301	1,035	24.1%	23,882	29,673	5,791	19.5%	30,662	22.1%
Physician contract services	3,784	3,737	(47)	(1.3)%	26,200	25,339	(861)	(3.4)%	24,883	(5.3)%
Employee benefits (taxes, insurance)	19,122	18,362	(760)	(4.1)%	117,463	111,753	(5,710)	(5.1)%	106,692	(10.1)%
Retirement	9,723	8,885	(838)	(9.4)%	57,376	55,484	(1,892)	(3.4)%	53,140	(8.0)%
Total labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Compensation ratio	82.5%	79.6%	-2.9%		77.9%	76.2%	-1.7%		74.4%	
Paid FTEs - staff	4,695	4,543	(152)	(3.3)%	4,634	4,522	(112)	(2.5)%	4,614	(0.4)%
Paid FTEs - providers	384	405	21	5.2%	383	401	18	4.5%	289	(32.5)%
Paid FTEs - registry	179	217	38	17.5%	193	215	22	10.2%	224	13.8%
Total FTEs	5,258	5,165	(93)	(1.8)%	5,210	5,138	(72)	(1.4)%	5,127	(1.6)%

January 2026 Financial Report

Balance Sheet Key Metrics

- Days in Cash are 0.4 days and lower than year-end; typically, below 5.0 days.
- Gross AR Days increased 3.1 days and Net AR Days increased 5.4 days. See next slide for additional detail.
- Days in Accounts Payable increased due to timing of the check run and implementation of Hyland/Onbase (automation of AP processes). The target is 30 days.
- Net Position is negative \$72.4M and increased \$10.6M from June 30, 2025 reflecting YTD Net Loss.
- Net Negative Balance is a payable of \$62.9M. NNB consists of the liquidity facility (loan) of \$91.3M offset by the restricted cash of \$28.4M; and is expected to be below the June 30, 2026 credit ceiling of \$95.0M at the end of the fiscal year.

	<u>Jan-26</u>	<u>Dec-25</u>	<u>FY 2025</u>
Days in cash	0.4	5.2	2.9
Gross days in patient receivable	68.8	65.7	62.4
Net days in patient receivable	53.8	48.4	43.8
Due from/(to) third-party payors	\$ 215,770	\$ 272,907	\$ 158,555
Due from/(to) County	\$ 24,466	\$ (18,238)	\$ 49,680
Days in accounts payable	31.6	23.7	38.3
% of AP over 60 days	4.3%	4.1%	4.0%
Net position - fund balance/(deficit)	\$ (72,408)	\$ (60,938)	\$ (61,798)
Net negative balance - receivable/(payable)	\$ (62,935)	\$ (80,312)	\$ 26,949

January 2026 Financial Report

Patient Accounts Receivable Trending

Trending Graph



Hospital Revenue Cycle Key Indicators

- HB AR Days (gross) increased by 3.2 days to 73.7 days.
- January collections were \$52.5M. Lower than the average of the prior twelve months at \$60.6M.
 - Managed Medi-Cal delay in payment
 - Managed Medicare delay in payment
- Fiscal intermediary reported a claims processing error. Impact is approximately 1.7 days.
- Coding work queue increased 1.5 days.
- Inpatient CDI is under review to determine improvements for specific DRGs that may not capture all complication or comorbidity.

Trending Graph



Professional Revenue Cycle Key Indicators

- PB AR Days (gross) increased by 1.8 days to 38.1 days and are at Epic's top 25% tier.
- January collections were \$10.8M. Higher than average of the prior twelve months at \$11.5M.
- Enterprise CI launched to address provider clinical documentation along with charge automation and usage of Epic tools.

January 2026 Financial Report

Patient Collections

PATIENT COLLECTIONS (in thousands)							
	Behavioral Health	Epic	Total FY 2026	FY 2025	FY 2024	FY 2023	FY 2022
Jul	11,928	67,883	79,811	72,694	79,592	74,260	59,732
Aug	28,651	82,136	110,787	79,768	69,313	58,590	57,374
Sep	-	66,819	66,819	69,741	63,322	76,063	61,968
Oct	868	82,323	83,191	76,783	63,122	59,796	49,923
Nov	11,569	71,370	82,939	78,747	57,781	56,939	52,057
Dec	7,275	65,241	72,516	94,631	63,867	67,018	68,121
Jan	6,034	63,286	69,320	89,014	68,757	71,452	62,292
Feb	-	-	-	68,511	75,852	57,886	52,269
Mar	-	-	-	91,851	54,720	65,320	62,888
Apr	-	-	-	74,892	61,895	55,307	56,235
May	-	-	-	74,339	102,015	63,795	69,591
Jun	-	-	-	72,211	71,208	70,027	53,187
Total	66,325	499,058	565,383	943,182	831,444	776,453	705,637
% change between fiscal years			0.7%	13.4%	7.1%	10.0%	

- Epic collections are lower from Medi-Cal delays. Collections on fully reserved accounts are consistent with YTD trend.
- Payments received for JGP in January for the FY26 contract.
 - JGP FY26 contract was executed at \$81.2M. The maximum contract have been paid for prior years.
 - Since the conversion to SmartCare/CalAIM in July 2023, the County began withholding approximately 20% of AHS invoices for provided services.

January 2026 Financial Report

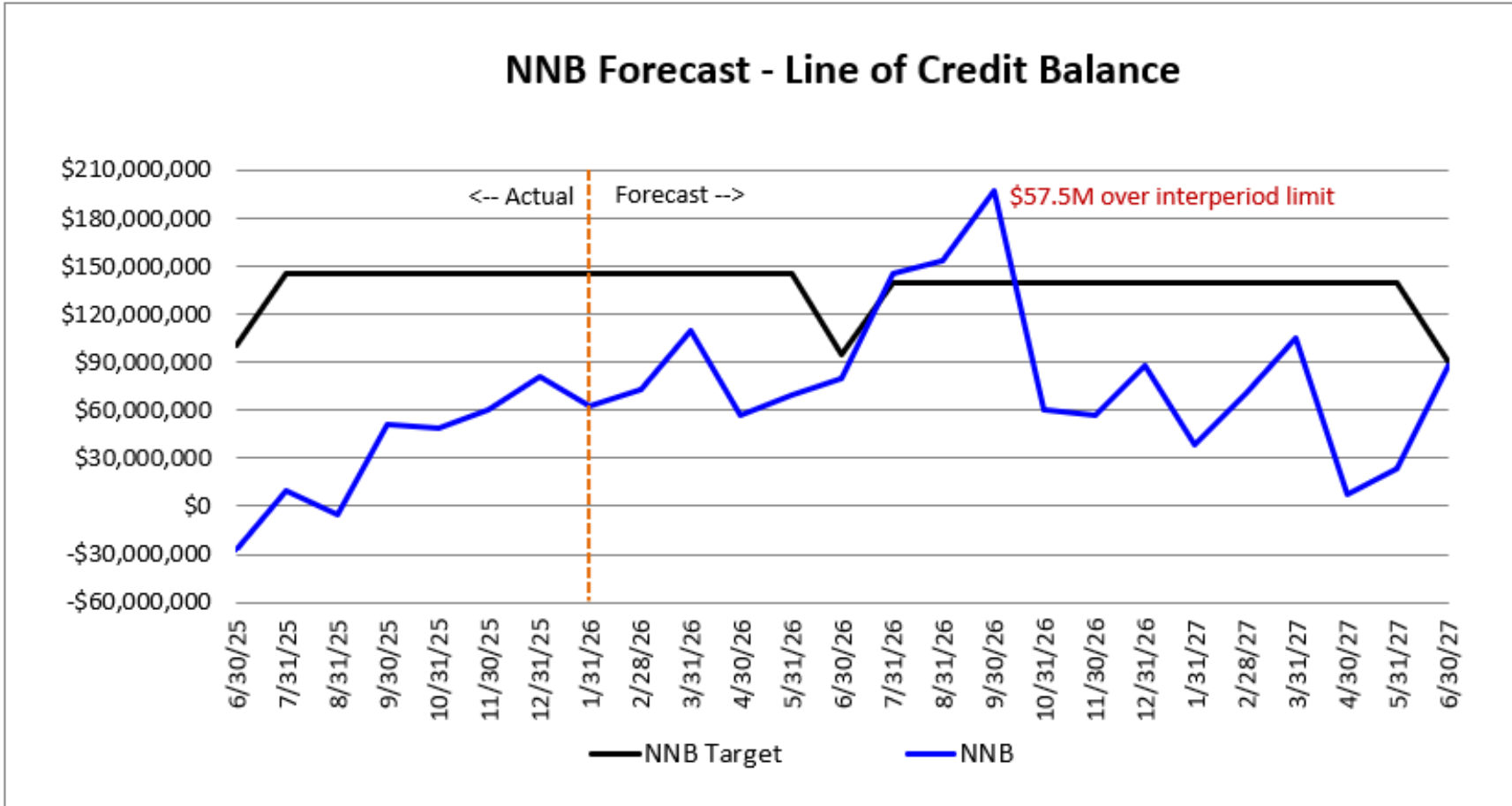
Capital Expenditures

- Capital expenditures behind approved budget and pending available cashflow.
- Some contingency items have been approved pending processing.
- Implemented Lawson Activities Module beginning 7/1/25 to provide expenditure status on capital projects.

Capital Expenditures to Budget (in thousands)						
	Approved Capital Budget	Adj to Capital plus Additions	Total BOT Adjusted Capital Budget	Prior Years' Expenditures	FY 2026 YTD Expenditures	Remaining budget for fiscal year
Carry-forward	53,691	5,077	58,768	(22,662)	(8,829)	27,277
FY26 Placeholder	23,063	1,100	24,163	-	(2,952)	21,211
FY26 Emergency/Contingency	5,000	-	5,000	-	-	5,000
Total	81,754	6,177	87,931	(22,662)	(11,781)	53,488

January 2026 Financial Report

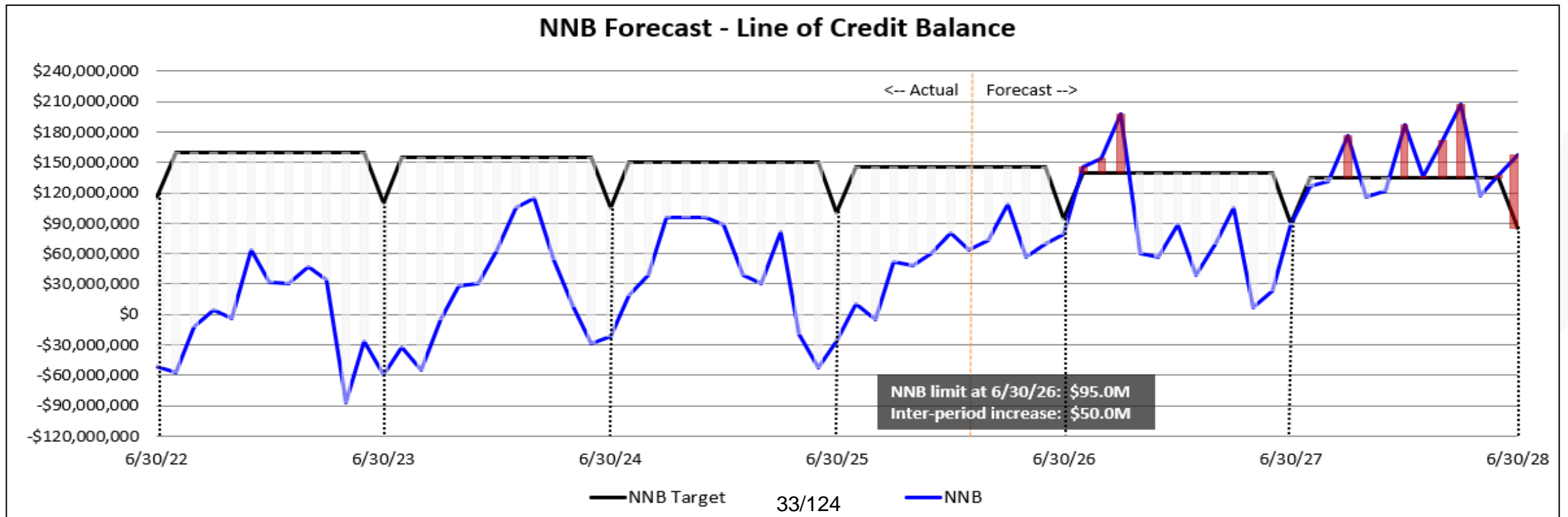
Line of Credit (NNB) Forecast through 6/30/26



- FY2026 forecast was slightly improved from the prior month despite losses from operations from additional Rate Range (\$2.4M), Alameda Hospital Parcel Tax (\$1.0M) and AB85 Realignment FY2024 growth receipts (\$3.6M).
- The NNB on June 30th is expected to be compliant with the term of the debt agreement with the County.
 - below \$95M at 6/30/26
 - below \$90M at 6/30/27
- Forecast shows increasing debt for the entire fiscal year and NNB expected to exceed the inter-period limit by \$57.5M.
 - *Insufficient credit available to fund operations in Q1.*

Line of Credit (NNB) and AHS Business Cycle

- The graph below shows the business cycle which is driven by timing of the supplemental funding.
- The NNB is projected to increase to \$197.5M during the first quarter of FY2027 and will continue to exceed the NNB in future fiscal years if interventions are not taken.
- HR1 and other state impacts are not included in the forecast model which projects based on current cashflow.
- COT initiatives (labor and non-labor) are in process to contribute to offset future HR 1 impacts.



January 2026 Financial Report

Material Items Impacting NNB Forecast

Material Items Included in NNB Forecast

(in thousands)

	Feb-26	Mar-26	FY26 Q4	FY27 Q1	FY27 Q2	FY27 Q3	FY27 Q4
GPP (quarterly)	\$ 18,196	\$ 5,600	\$ 25,210	\$ 23,550	\$ 23,550	\$ 28,650	\$ 19,700
EPP (semi-annual)	-	-	31,800	-	75,350	-	39,500
QIP	-	-	36,658	-	50,000	-	50,000
Medi-Cal Rate Range	-	-	-	-	-	51,300	-
BHCS (JGP/Alameda County) - fy26	9,654	6,084	18,251	12,167	-	-	-
BHCS (JGP/Alameda County) - fy27	-	-	-	-	18,900	18,900	25,200
HPAC	-	10,800	10,800	-	21,600	10,800	10,800
AB85 Realignment	-	-	-	-	4,800	-	-
SNF DP-NF (final pmt Jan-27)	-	-	-	-	-	26,000	-
Waiver recoupment (fy11, fy12)	3,922	-	29,169	-	-	-	-
St. Rose Hospital LOC	2,500	2,500	(7,000)	-	-	7,500	(7,500)
Donation to St. Rose Hospital	-	9,508	-	-	-	10,507	-
	<u>\$ 34,272</u>	<u>\$ 34,492</u>	<u>\$ 144,888</u>	<u>\$ 35,717</u>	<u>\$ 194,200</u>	<u>\$ 153,657</u>	<u>\$ 137,700</u>

Prior Year Reimbursement Settlements

AB915 (fy14-fy20)	(17,000)	TBD
Medi-Cal FQHC recoupment (fy08 - fy13)	(40,000)	TBD
Physician SPA (fy08 - fy13)	(25,100)	TBD
	<u>\$ (82,100)</u>	

- Activity consistent with prior month's forecast
- Waiver recoupment (fy11, fy12) moved from Prior Year Reimbursement Settlements as the amount and timing has been determined.
- St. Rose donation approved by BOT.

January 2026 Financial Report

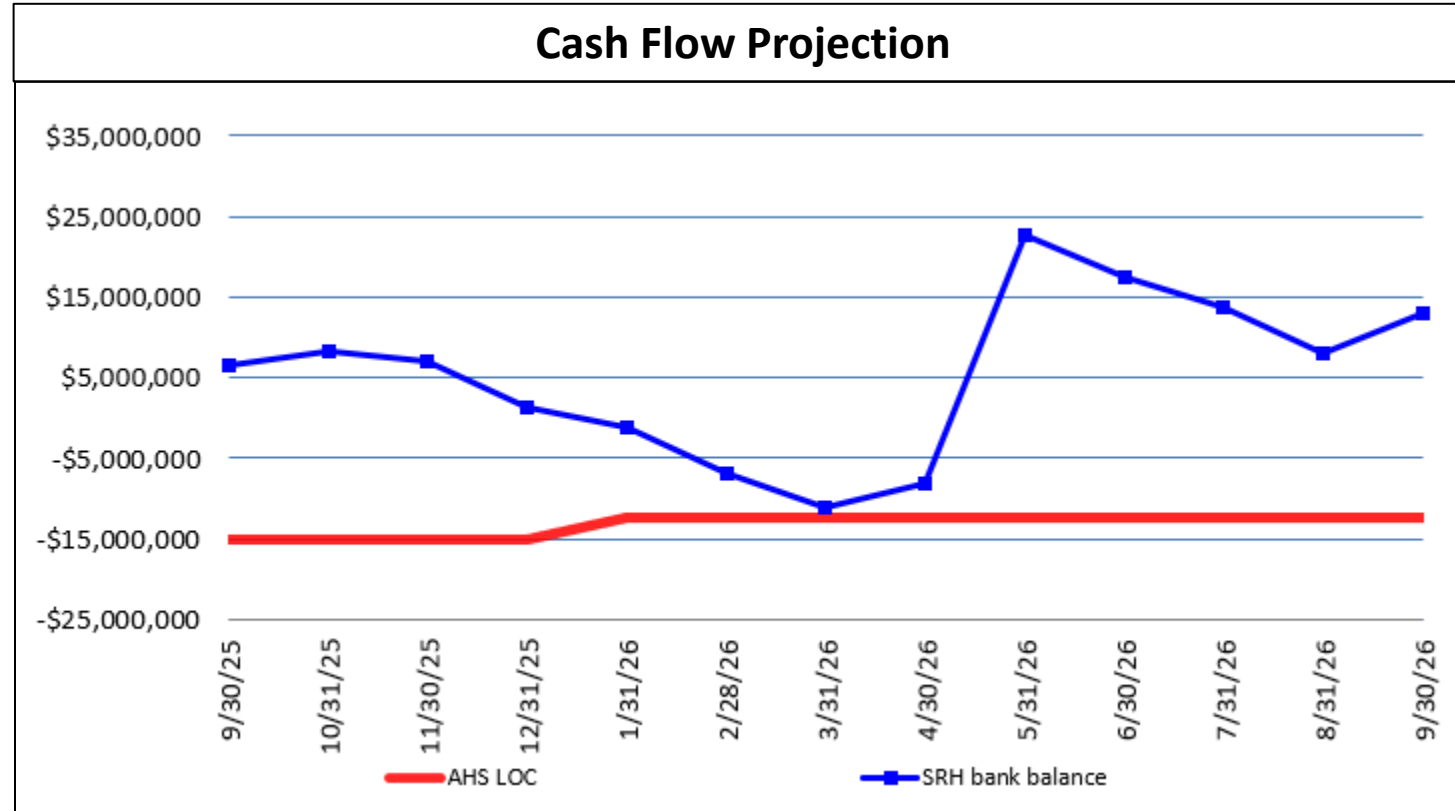
Growing Responsibly Through Innovation & Teamwork GRIT

- Charge capture and CDI teams yielding significant improvement \$12.0 YTD
- LOS work showing positive progress \$2.8M YTD
- EWC dental expansion ramp up slower than plan
- Labor improvements behind target

#	Project Name	FY2026 Target YTD Q2	FY2026 Actual YTD Q2	Variance	Metric	
1	OP Non-FQ Charge Capture(Enterprise CDI)	\$5,407	\$5,879	\$472	Charge per case increase	
2	OR Charge Level	\$18,321	\$23,218	\$4,897	Charge per case increase	
3	Provider Productivity	20%	13%	-7%	Provider productivity move from 10% to 20%	
4	Reduce Overtime %	4.5%	5.6%	-1.1%	Actual OT % at 5.6% to a target of 4.5%	
5	Staffing Efficiency	45	-	(45)	Total reduction for the year is 45 FTEs.	
6	EWC Dental Expansion	12,780	8,050	(4,730)	Variance in clinic visits	
7	Decrease in Opportunity Days	6,513	4,662	1,851	Decrease in opportunity days	

- SRH's YTD net loss (\$7.3M), \$4.7M favorable to budget
 - Gross charges above budget due to higher-than-budgeted acute census, partly offset by unfavorable Sub Acute volume.
 - Net patient service revenue variance, favorable 11.6% (\$4.1M), driven by higher gross patient revenue (\$6.4M) but a lower collection ratio. AR days increased by 3.
 - Favorable QAF reflects a prior month true-up, while DSH revenue is unfavorable due to delayed PHSF payment from DCHS pending CMS State Plan amendment approval.
 - Expenses approximates budget; with favorable professional fees and purchased services expense offsetting higher labor costs primarily due to registry utilization.
- MOB's YTD net income (\$209K), \$35K favorable to budget.
 - Repairs and maintenance work gradually resume after being deferred for a period of time offset by favorable overall expenses.
- Foundation's YTD net income (\$23K), \$4K unfavorable due to lower investment income.

	January 31, 2026				Year-To-Date			
	Actual	Budget	Var (\$)	Var (%)	Actual	Budget	Var (\$)	Var (%)
Total Net Patient Service Revenue	\$9,171	\$8,466	\$705	8.3%	\$39,113	\$35,032	\$4,081	11.6%
Total Other Revenue	\$175	\$171	\$4	2.3%	\$714	\$695	18	2.6%
TOTAL OPERATING REVENUE	\$9,346	\$8,637	\$709	8.2%	\$39,827	\$35,728	\$4,099	11.5%
Less: Operating Expenses	\$11,875	\$11,889	\$14	0.1%	\$46,364	\$46,777	\$413	0.9%
EBITDA	(\$2,529)	(\$3,252)	\$723	-22.2%	(\$6,537)	(\$11,050)	\$4,512	-40.8%
Total Non-Operating Exp/(Income)	\$391	\$451	(\$60)	-13.3%	\$575	\$790	(\$214)	-27.2%
NET INCOME/(LOSS)	(\$2,920)	(\$3,703)	\$783	-21.1%	(\$7,112)	(\$11,839)	\$4,726.84	-39.9%



- The current cash position has declined as holiday-related slowdowns negatively impacted cash collections in recent months. Seasonal disruptions in billing cycles, payer processing, and patient payment activity contributed to lower-than normal inflows. This resulted in a \$2.5M AHS line of credit draw at the end of January, which was \$1.0M higher than originally projected.
- New QAF CY2025 not reflected in cash projection, normally received in Q1 pending guidance from CMS. Budget revenue 2026 was \$10.2M based on 2025 expert analysis from SCA.
- Full IGT funding is projected for May receipt (\$36.0M). AHS BOT approved the remaining local share (\$10.5M).

Appendix

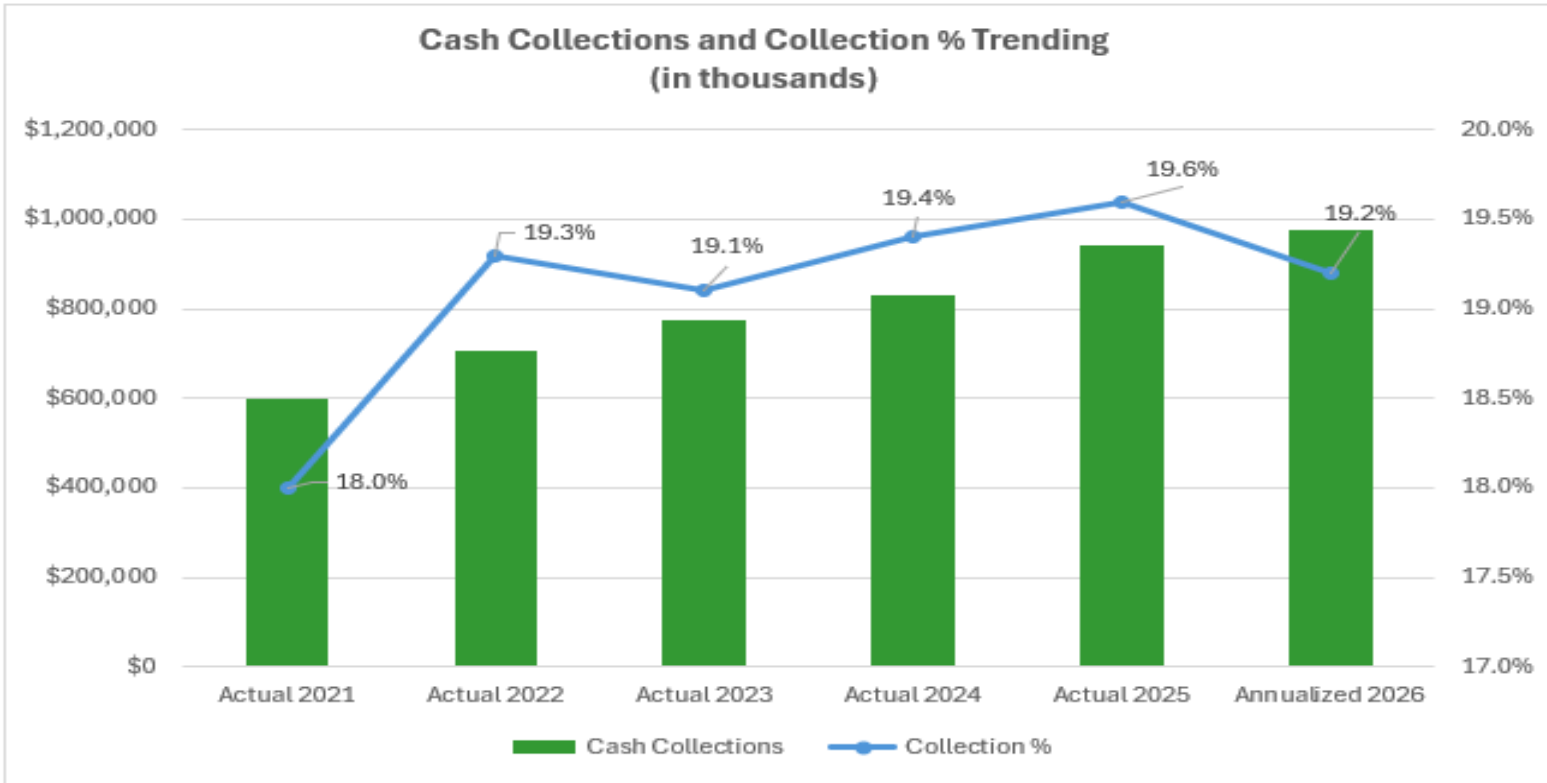
January 2026 Financial Report (presented to Health Committee 1/26/25)

Line of Credit (NNB) information

- AHS has paid off the line of credit (NNB) for the last four fiscal years ending with funds in the County treasury. The historical cycle has required the use of the NNB to cover the lack of supplemental funding during the first four months of the fiscal year. This is why it is important to pay off the NNB at the end of each fiscal year.
- Primary financial constraints are:
 - AHS utilized the NNB to pay the required recoupment of \$42.0M related to AB85 Realignment to the State in October 2025 for FY2023 program funding.
 - Consistent with St. Rose affiliation and protecting the safety net in south Alameda County, AHS provided \$12.2M in April 2025 for supplemental IGT program and up to \$10.5M in April 2026 pending AHS trustees' approval.
 - JGP funding under state CalAIM rate reform resulting in the County withholding 20% of billings. No information on collections or denials has been received from County since conversion to SmartCare in July 2023 to justify the 20% withhold.
 - Anticipated and ongoing State budget cuts for the current and upcoming fiscal years related to reduction of Medi-Cal.
 - Increased operating costs, particularly labor and benefit costs, following a period of high inflationary times where government funding did not grow in step.

January 2026 Financial Report (shared with Health Committee 1/26/26)

Cash Collections Outpace Government Fee Schedules



	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Annualized 2026
Cash Collections	\$600,100	\$705,638	\$776,455	\$831,443	\$943,180	\$977,576
% change		17.6%	10.0%	7.1%	13.4%	3.6%

Epic implemented October 2019.

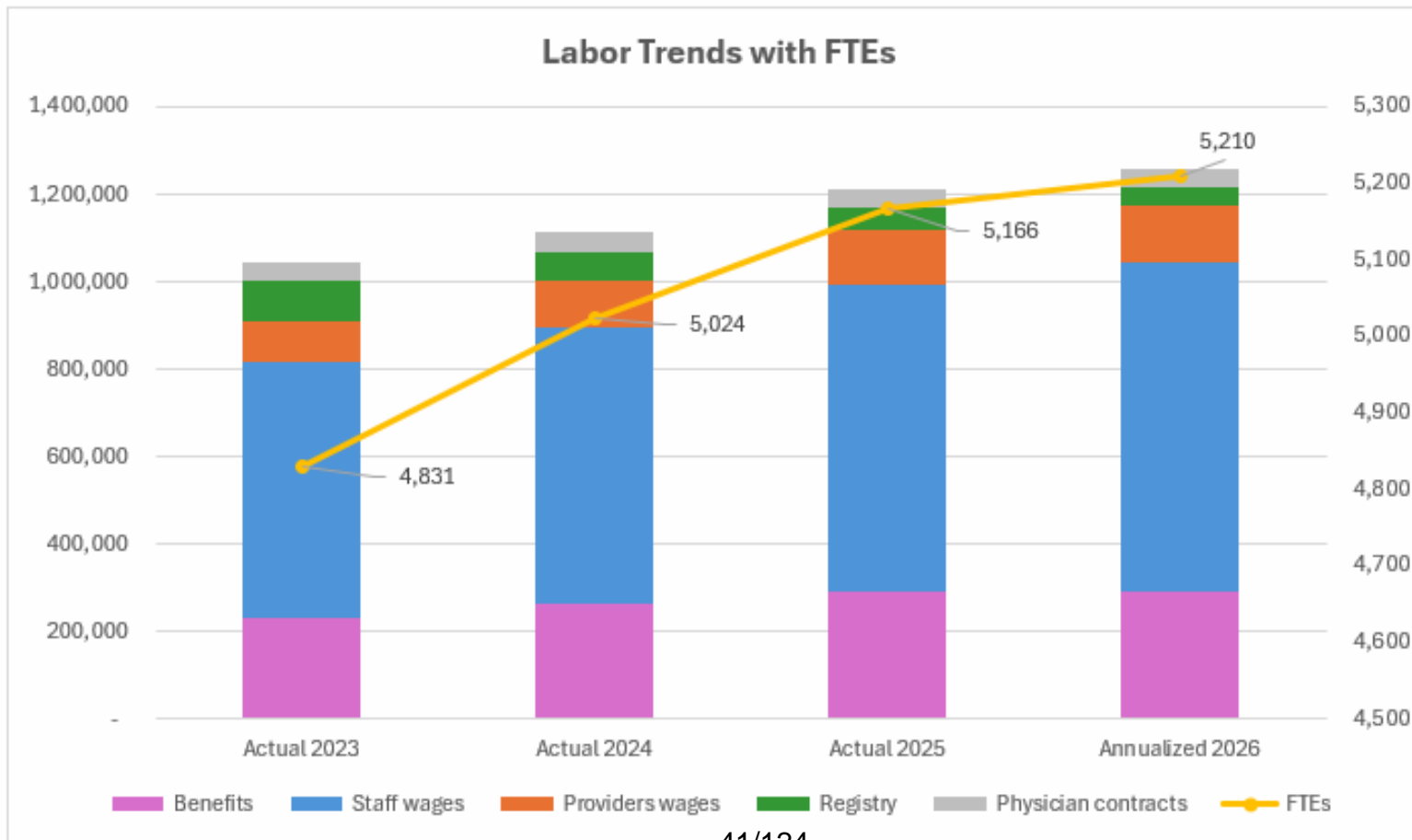
FY2026 annualized doesn't reflect increases from government fee schedules and managed Medi-Cal effective January 2026.

- AHS collections growth has significantly exceeded increases in government fee schedules for Medicare, FFS Medi-Cal and Managed Medi-Cal, which represents over 90% of all payor sources.
- Significant improvement in cash collections has occurred as the result of strong revenue cycle management. Building strong partnerships and alignment around a shared vision that supports:
 - deploying Epic tools
 - standardized workflows
 - enhance clinical documentation and provider charge capture
 - implement continuous training
 - performance monitoring of revenue cycle metrics to drive long term sustainability.

January 2026 Financial Report (shared with Health Committee 1/26/26)

Labor Trends with FTEs

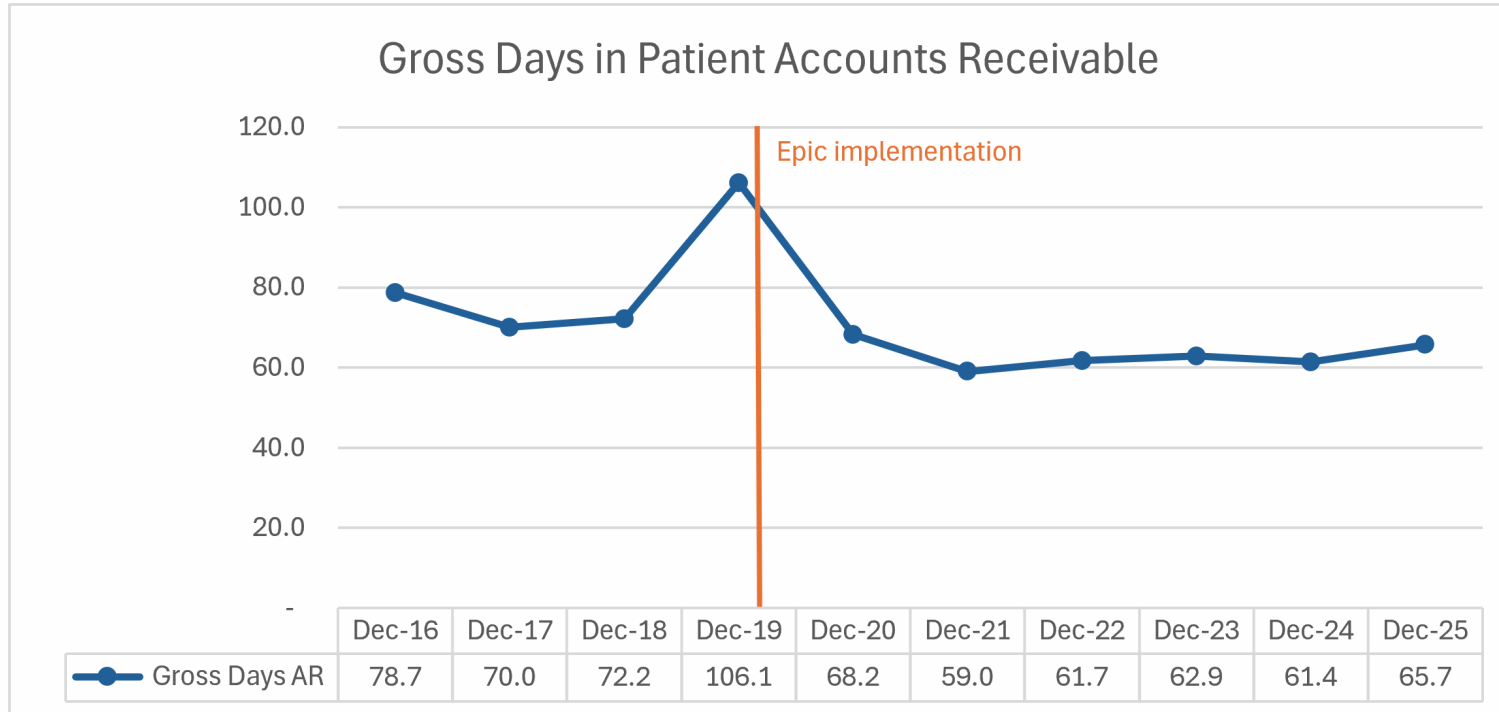
- Since FY2023, the net increase of 379 FTEs has strengthened the organization, expanded access to care, improved the patient experience, and quality outcomes.
- Labor costs represent approximately 75% of total operating expense.



Contracted physicians are not included in FTEs due to hours not available to calculate FTEs.

January 2026 Financial Report

Days in AR Trending



- AR Days is one metric to evaluate revenue cycle performance.
 - AHS achieving Epic AR Days median for safety net hospitals.
 - AHS hovers at approximately 60 days.
 - Taking the time to work accounts and collect payment produces higher collections versus writing off accounts to lower AR days.
 - AHS continues to implement tools to improve all Revenue Cycle metrics.

- AHS cash collections are strong.

January 2026 Financial Report

Medicare GMLOS Benchmark – Trend of Excess Days

Acute Care Hospitals: HGH, SLH, AH (excludes any rehab)



➤ LOS Variance Days | January:
There were 2,472 excess days which is a 4.5% monthly decrease. This reflects the total number of actual days in a bed in excess of the allowed number of days compared to the Medicare acuity model benchmark.

➤ Medicare GMLOS Benchmark:
Compares the total AHS patient population against the Federal regulatory guidelines (Medicare), regardless if the patient is a non-Medicare State (APR) payer or a Medicare Federal (MSDRG) payer.

January 2026 Financial Report

Summary of Transactions Impacting NNB

NNB Trending								
(in thousands)								
	Actual FY26 Q1	Actual FY26 Q2	Forecast FY26 Q3	Forecast FY26 Q4	Forecast FY27 Q1	Forecast FY27 Q2	Forecast FY27 Q3	Forecast FY27 Q4
<i>Expenditures</i>								
accounts payable, payroll, capital	\$ (432,784)	\$ (441,187)	\$ (404,777)	\$ (389,007)	\$ (433,100)	\$ (380,100)	\$ (441,407)	\$ (416,700)
<i>Deposit activity</i>								
Patient collections	205,809	235,737	186,462	210,600	214,500	214,500	214,500	215,100
BHCS (JGP/Alameda County)	40,579	19,711	21,771	18,251	12,167	18,900	18,900	25,200
Measure A	37,318	35,024	36,883	37,247	37,500	37,500	37,500	37,500
GPP	26,771	26,537	23,591	25,210	23,550	23,550	28,650	19,700
AB85 realignment	3,902	(41,506)	3,558	-	-	4,800	-	-
Medi-Cal Rate Range	-	-	48,228	-	-	-	51,300	-
EPP	-	26,274	-	31,800	-	75,350	-	39,500
QIP	-	33,777	-	36,658	-	50,000	-	50,000
Medi-Cal Waiver	-	(1,961)	3,922	29,169	-	-	-	-
DP-NF Pass-through	-	23,775	-	-	-	-	26,000	-
Other activity	40,023	54,621	51,415	29,810	27,131	64,910	47,825	46,487
Subtotal - net activity	(78,382)	(29,198)	(28,947)	29,738	(118,252)	109,410	(16,732)	16,787
NNB, beginning balance	26,767	(51,615)	(80,813)	(109,760)	(80,022)	(198,274)	(88,864)	(105,596)
NNB, ending balance	\$ (51,615)	\$ (80,813)	\$ (109,760)	\$ (80,022)	\$ (198,274)	\$ (88,864)	\$ (105,596)	\$ (88,809)
NNB limit	(145,000)	(145,000)	(145,000)	(95,000)	(140,000)	(140,000)	(140,000)	(90,000)
under (over) NNB limit	under	under	under	under	over	under	under	under

➤ FY2027 Q1 has significantly less supplemental funding causing a deficit from operations.



MEMORANDUM

1411 East 31st Street
Oakland, CA 94602

TO: AHS Finance Committee
FROM: Kim Miranda, CFO
DATE: February 27, 2026
SUBJECT: January 2026 Financial Report

Financial Summary

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Operating revenue	\$ 141,262	\$ 136,778	\$ 4,484	3.3%	\$ 957,021	\$ 947,921	\$ 9,100	1.0%	\$ 928,842	3.0%
Operating expense	152,648	139,040	(13,608)	(9.8)%	965,520	938,743	(26,777)	(2.9)%	902,602	(7.0)%
Operating income (loss)	(11,386)	(2,262)	(9,124)	(403.4)%	(8,499)	9,178	(17,677)	(192.6)%	26,240	(132.4)%
Other non-operating activity	(84)	(343)	259	75.5%	(2,279)	(2,323)	44	1.9%	(2,619)	13.0%
Net Income (loss)	\$ (11,470)	\$ (2,605)	\$ (8,865)	(340.3)%	\$ (10,778)	\$ 6,855	\$ (17,633)	(257.2)%	\$ 23,621	(145.6)%
EBIDA adjustments	2,485	2,801	(316)		18,808	19,914	(1,106)		25,486	
EBIDA	\$ (8,985)	\$ 196	\$ (9,181)		\$ 8,030	\$ 26,769	\$ (18,739)		\$ 49,107	
Operating Margin	(8.1)%	(1.7)%	(6.4)%		(0.9)%	1.0%	(1.9)%		2.8%	
EBIDA Margin	(6.4)%	0.1%	(6.5)%		0.8%	2.8%	(2.0)%		5.3%	
Total FTEs	5,258	5,165	(93)	(1.8)%	5,210	5,138	(72)	(1.4)%	5,093	

Net Income for the month was a loss of \$11.5 million compared to a budget loss of \$2.6 million and unfavorable to budget by \$8.9 million and 340.3%. Operating Revenue was \$141.3 million and favorable to budget by \$4.5 million and 3.3%. Operating Expense was \$152.6 million and unfavorable to budget by \$13.6 million and 9.8%. Earnings before interest, depreciation, and amortization (EBIDA) were a negative \$9.0 million and the EBIDA Margin was a negative 6.4% compared to a budget EBIDA of \$0.2 million and a budget EBIDA Margin of 0.1%. For the month, EBIDA was unfavorable to budget by \$9.2 million.

Net Income year-to-date (YTD) was a loss of \$10.8 million compared to a budget of \$6.9 million and unfavorable to budget by \$17.6 million and 257.2%. Operating Revenue was \$957.0 million and favorable to budget by \$9.1 million and 1.0%. Operating Expense was \$965.5 million and unfavorable to budget by \$26.8 million and 2.9%. EBIDA was \$8.0 million and the EBIDA Margin was 0.8% compared to the budget EBIDA of \$26.8 million and a budget EBIDA Margin of 2.8%. For the year, EBIDA is unfavorable to budget by \$18.7 million.

Operating Revenue

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Inpatient service revenue	\$ 232,106	\$ 227,373	\$ 4,733	2.1%	\$ 1,552,025	\$ 1,558,613	\$ (6,588)	(0.4)%	\$ 1,500,881	3.4%
Outpatient service revenue	164,629	150,801	13,828	9.2%	1,105,540	1,025,196	80,345	7.8%	998,953	10.7%
Professional service revenue	45,902	41,305	4,596	11.1%	293,333	296,667	(3,333)	(1.1)%	305,913	(4.1)%
Gross patient service revenue	442,637	419,480	23,157	5.5%	2,950,899	2,880,476	70,423	2.4%	2,805,747	5.2%
Deductions from revenue	(359,048)	(337,480)	(21,568)	(6.4)%	(2,385,811)	(2,317,401)	(68,410)	(3.0)%	(2,258,899)	5.6%
Net patient service revenue	83,589	82,000	1,589	1.9%	565,088	563,075	2,013	0.4%	546,848	(3.3)%
Collection % - NPSR	18.9%	19.5%	(0.6)%		19.1%	19.5%	(0.4)%		19.5%	
Capitation and HPAC	4,455	4,454	1	0.0%	31,304	31,351	(47)	(0.1)%	32,278	(3.0)%
Other government programs	47,477	45,415	2,062	4.5%	317,662	317,905	(243)	(0.1)%	314,167	1.1%
Other operating revenue	5,741	4,909	832	16.9%	42,967	35,590	7,377	20.7%	35,549	20.9%
Total operating revenue	\$ 141,262	\$ 136,778	\$ 4,485	3.3%	\$ 957,021	\$ 947,921	\$ 9,100	1.0%	\$ 928,842	3.0%

Gross Patient Revenue

Gross Patient Service Revenue (patient charges) was \$442.6 million for the month and favorable to budget by \$23.2 million and 5.5%. Inpatient, Outpatient and Professional Fee charges were above budget by 2.1%, 9.2% and 11.1%, respectively. For the year, Gross Patient Service Revenue was \$3.0 billion and favorable to budget by \$70.4 million and 2.4%. Outpatient charges were above budget by 7.8%. Inpatient and Professional Fee charges were below budget by 0.4% and 1.1%, respectively. Inpatient charges were higher than budget for the month driven by higher surgeries, trauma cases, and case mix index (CMI). Trauma cases were above budget for the month and YTD. The CMI is higher than budget for the month and YTD; however, YTD is lower than prior year. CMI is an indicator of the overall complexity of inpatient illness and services being provided. General Acute Length of Stay (LOS) was above budget for the month and higher than previous month's trend. Noteworthy, YTD LOS is trending better than the YTD budget and prior year which indicates patients are staying fewer days over the expected LOS. Favorable outpatient charge variance for the month was driven by Observation cases. YTD Emergency Room visits were above budget by 4.3%. Outpatient surgeries also exceeded budget for the month and YTD by 18.0% and 6.6%, respectively. Professional Fees were favorable for the month and unfavorable YTD. Clinic visits were below budget by 936 and 2.5% for the month and below budget by 6,243 and 2.4% YTD. The largest negative variances were Eastmont dental (632 visits) and Highland OB Clinic (513 visits). Physician wRVU were above budget by 35.2% for the month and 13.3% for the year driven by clinic visits and hospital services. Overall, adjusted patient days were higher than budget for the month and year. Adjusted discharges are below budget by 2.9% for the month and above budget by 2.0% for the year; positively impacted by lower LOS.

Net Patient Revenue

Net Patient Service Revenue (NPSR) was \$83.6 million and favorable to budget by \$1.6 million and 1.9%. YTD, NPSR was \$565.1 million favorable to budget by \$2.0 million and 0.4%. The favorable variance is being driven by volume. The collection ratio was 18.9% for the month and unfavorable to budget, and below the YTD trend of 19.1%. Trauma cases tend to drive a higher commercial mix; however, the commercial payer mix is below budget. The mix of services shift to more outpatient negatively impacts the collection rate. Rate increases for Government and Alliance contracts began in January which should improve the collection rate. As a reminder, the budget spread rate increases evenly for the year. Collections on fully reserved accounts (over 270 days) were closer to the YTD trend.

Other Government Program Revenue

Other Government Program Revenue for the month was \$47.5 million and favorable to budget by \$2.1 million and 8.5% based on the transactions below.

- Medi-Cal Rate Range CY2025 increased based on receipts by \$2.4 million.
- DP-NF Pass-through CY2024 decreased based on receipt by \$0.2 million.
- Prop 56 was lower than budget by \$0.1 million.

For the year, the Other Government Program Revenue is \$317.7 million and approximates budget based on the transactions below.

- Measure A FY2026 Q1 decreased based on receipts by \$2.5 million.
- Alameda Parcel Tax increased based on receipts by \$0.8 million.
- Pay-for-Performance (P4P) revenue increased from successfully meeting CY2024 Alameda Alliance quality metrics for additional payment of \$1.2 million.
- DP-NF Pass-through CY2024 payment was received for \$23.8 million which was \$2.0 million less than budget. As of January, the revenue was reduced by \$1.2 million, and remaining \$0.8 million variance will be recognized over the next four months.
- Medi-Cal Rate Range CY2024 revenue increased based on receipts by \$2.4 million.
- FEMA revenue received for successful filing of Covid-related expenditure was \$0.2 million. Total FEMA receipts, starting in FY2024, are \$7.1 million.
- Prop 56 was lower than budget by \$1.3 million. The budget was based on FY25 receipts that included an overpayment from Alameda Alliance. It is anticipated that this unfavorable variance will continue for the remainder of the fiscal year.
- The remaining variance, netting to a positive \$0.2 million, is spread across many programs.

Other Operating Revenue

Other Operating Revenue for the month was \$5.7 million and favorable to budget by \$0.8 million and 16.9% based on the transactions below.

- Retail pharmacy revenue was favorable by \$0.5 million.
- St. Rose Hospital management fee favorable by \$0.3 million, which was not included in the budget.

For the year, Other Operating Revenue was \$43.0 million and favorable by \$7.4 million and 20.7% based on the transactions below.

- Payor settlement received on older patient accounts of \$3.1 million.
- Retail pharmacy revenue favorable by \$2.8 million.
- St. Rose Hospital management fee \$2.2 million, which was not included in the budget.
- Alameda Alliance Equity and Practice Transformation CY2024 incentive payment of \$0.3 million.
- Grant revenue unfavorable from timing differences of \$1.4 million.
- The remaining variance, netting to a positive \$0.4 million, is spread across many programs.

Operating Expense

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Purchased services	9,954	8,351	(1,603)	(19.2)%	60,681	64,088	3,407	5.3%	59,099	(2.7)%
Materials and supplies	16,278	13,344	(2,934)	(22.0)%	98,198	92,559	(5,639)	(6.1)%	88,680	(10.7)%
Facilities	4,331	3,205	(1,126)	(35.1)%	25,775	23,266	(2,509)	(10.8)%	21,769	(18.4)%
Depreciation and amortization	2,392	2,445	53	2.2%	16,534	17,500	966	5.5%	22,909	27.8%
General and administrative	3,090	2,755	(335)	(12.2)%	18,372	18,785	413	2.2%	19,225	4.4%
Total operating expense	\$ 152,648	\$ 139,040	\$ (13,608)	(9.8)%	\$ 965,520	\$ 938,743	\$ (26,777)	(2.9)%	\$ 902,602	(7.0)%

Operating Expense was \$152.6 million for the month and unfavorable to budget \$13.6 million and 9.8%. Non-labor expense variances net to an unfavorable variance of \$5.9 million for the month as follows (Labor costs are discussed in a subsequent section):

- Purchased services were unfavorable to budget by \$1.6 million and 19.2% driven by unfavorable variances in clinical services primarily laboratory/pathology (\$0.4 million), interpretive services (\$0.2 million), security (\$0.2 million), HIM coding services (\$0.2 million), and remaining \$0.6 million variance is spread across many cost centers. Audit fees for FY2025 was higher than anticipated from additional work related to St. Rose Hospital affiliation and implementation of two accounting pronouncements.
- Materials and supplies were unfavorable to budget of \$2.9 million and 22.0% driven by unfavorable variances in medical and surgical supplies (\$1.7 million) and pharmaceutical (\$1.2 million). An inventory adjustment of \$0.9 million was booked based on the perpetual medical supply inventory review.
- Facilities were unfavorable to budget by \$1.1 million and 35.1% driven by unfavorable variance in building repairs (\$1.0 million), equipment rentals (\$0.3 million) offset by favorable variance in utilities (\$0.2 million). Most of the facility variance was Highland Hospital (\$0.4 million) and Alameda Hospital (\$0.3 million).
- Depreciation and amortization approximate budget driven by a favorable variance for equipment depreciation (\$0.4 million) offset by higher lease/software amortization (\$0.4 million).
- General and administrative costs were unfavorable to budget \$0.3 million and 12.2% driven by a timing variance for memberships (\$0.3 million).

For the year, Operating Expense was \$965.5 million and unfavorable to budget by \$26.8 million and 2.9%. Non-labor expense variances net to an unfavorable variance of \$3.4 million as follows (Labor costs are discussed in a subsequent section).

- Purchased services were favorable to budget by \$3.4 million and 5.3% driven by favorable variances in outside medical services (\$2.7 million), software licensing (\$1.9 million), security (\$0.3 million), emergency food/shelter (\$0.2 million) offset by unfavorable variance in management consultants/services (\$0.5 million), clinical services (\$0.2 million), laundry (\$0.2 million) and remaining \$0.8 million variance is spread across many cost centers. The favorable variance in outside medical services is expected to continue for the remainder of the fiscal year. The budget was based on higher ambulance services which were the result of duplicate invoices between sister companies. A refund of \$1.2 million was received in June 2025.

Memorandum to AHS Finance Committee
January 2026 Operating Results

- Materials and supplies were unfavorable to budget by \$5.6 million and 6.1% driven by unfavorable variance in pharmaceuticals (\$3.5 million), medical and surgical supplies (\$2.6 million) offset by favorable variance in computer equipment (\$0.5 million).
- Facilities were unfavorable to budget by \$2.5 million and 10.8% driven by unfavorable variance in facility repairs (\$3.8 million), facility leases (\$0.2 million) offset by a favorable variance for utilities (\$1.5 million). The facility repairs occurred at Highland Hospital (\$2.0 million), Alameda Hospital (\$1.4 million), and San Leandro Hospital (\$0.3 million).
- Depreciation and amortization were favorable to budget by \$1.0 million and 5.5% driven by favorable variance from timing of equipment depreciation (\$3.0 million) and offset by higher than anticipated amortization of leases and software agreements (\$2.0 million).
- General and administrative costs were favorable to budget by \$0.4 million and 2.2% driven by favorable variance for recruitment (\$0.6 million) and insurance (\$0.2 million).

Labor Costs

	January 2026				Year-To-Date				FY 2025	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Salaries and wages (staff)	\$ 65,371	\$ 60,313	\$ (5,058)	(8.4)%	\$ 429,480	\$ 408,576	\$ (20,904)	(5.1)%	\$ 389,282	(10.3)%
Salaries and wages (providers)	15,337	13,342	(1,995)	(15.0)%	91,559	91,720	161	0.2%	86,262	(6.1)%
Registry	3,266	4,301	1,035	24.1%	23,882	29,673	5,791	19.5%	30,662	22.1%
Physician contract services	3,784	3,737	(47)	(1.3)%	26,200	25,339	(861)	(3.4)%	24,883	(5.3)%
Employee benefits (taxes, insurance)	19,122	18,362	(760)	(4.1)%	117,463	111,753	(5,710)	(5.1)%	106,692	(10.1)%
Retirement	9,723	8,885	(838)	(9.4)%	57,376	55,484	(1,892)	(3.4)%	53,140	(8.0)%
Total labor costs	\$ 116,603	\$ 108,940	\$ (7,663)	(7.0)%	\$ 745,960	\$ 722,545	\$ (23,415)	(3.2)%	\$ 690,920	(8.0)%
Compensation ratio	82.5%	79.6%	-2.9%		77.9%	76.2%	-1.7%		74.4%	
Paid FTEs - staff	4,695	4,543	(152)	(3.3)%	4,634	4,522	(112)	(2.5)%	4,614	(0.4)%
Paid FTEs - providers	384	405	21	5.2%	383	401	18	4.5%	289	(32.5)%
Paid FTEs - registry	179	217	38	17.5%	193	215	22	10.2%	224	13.8%
Total FTEs	5,258	5,165	(93)	(1.8)%	5,210	5,138	(72)	(1.4)%	5,127	(1.6)%

Labor costs for the month were \$116.6 million and unfavorable to budget by \$7.7 million and 7.0%. YTD, labor costs were \$746.0 million and unfavorable to budget by \$23.4 million and 3.2%. Starting in September 2025, physician contract services were moved to the labor cost section to show a complete picture of staffing.

Total staff salaries and registry costs for the month were \$68.6 million and unfavorable to budget by \$4.0 million and 6.2% from higher rates (\$2.5 million) and higher volume (114 FTEs/\$1.5 million). YTD, this category was \$453.4 million and unfavorable by \$15.1 million driven by higher rates (\$6.8 million) and higher volume (90 FTEs/\$8.3 million). For the month and YTD, employees and registry are over budget by 114 FTEs and 90 FTEs, respectively. Additional detail as follows.

FTEs below budget:

- Departments outperforming labor standards - 129 FTEs month, 79 FTEs YTD
- Medical Records staff in purchased service, not registry – 16 FTEs month, 17 FTEs YTD

Offset by FTEs over budget:

- Departments not achieving labor standards – 130 FTEs month, 83 FTEs YTD
- GRIT initiative not realized – 45 FTEs month, 45 FTEs YTD
- Volume related increases – 49 FTEs month, 33 FTEs YTD

- Higher sitter utilization for SNF care – 15 FTEs month, 13 FTEs YTD
- Higher sitter utilization for acute care at HGH – 12 FTEs month, 8 FTEs YTD
- New FTEs, not included in the budget - 8 FTEs month, 4 FTEs YTD

Total provider salaries and physician contract services for the month were \$19.1 million and unfavorable to budget by \$2.0 million and 12.0% from the final payment for the discontinued paternity benefit of \$1.6 million. YTD, this category was \$117.8 million and unfavorable to budget by \$0.7 million and 0.6%. Unrealized recruitment that was included in the budget continues but is offset by the paternity benefit payout. Contract physician was driven by locum usage. As a reminder, contract providers do not provide hours to calculate an FTE.

Employee benefits were unfavorable for the month by \$0.8 million and 4.1% driven by self-funded health insurance (\$1.0 million), FICA (\$0.9 million) offset by positive variances in Kaiser insurance plan (\$0.6 million), other benefits (\$0.3 million), and worker compensation (\$0.2 million). YTD, employee benefits were unfavorable to budget by \$5.7 million and 5.1% driven by self-funded health (\$9.6 million) offset by positive variances for Kaiser insurance plan (\$2.2 million), other benefits (\$0.9 million), and residents/interns housing allowance adjustment (\$0.8 million).

Retirement expense unfavorable for the month by \$0.8 million and 9.4% driven by higher employer contributions for ACERA (\$0.3 million) and union retirement plan (\$0.5 million). YTD, retirement expense was unfavorable \$1.9 million and 3.4% from ACERA (\$1.1 million) and union plans (\$0.8 million).

Balance Sheet and Financial Condition

The Balance Sheet key financial metrics are reflected in the table below.

	<u>Jan-26</u>	<u>Dec-25</u>	<u>FY 2025</u>
Days in cash	0.4	5.2	2.9
Gross days in patient receivable	68.8	65.7	62.4
Net days in patient receivable	53.8	48.4	43.8
Due from/(to) third-party payors	\$ 215,770	\$ 272,907	\$ 158,555
Due from/(to) County	\$ 24,466	\$ (18,238)	\$ 49,680
Days in accounts payable	31.6	23.7	38.3
% of AP over 60 days	4.3%	4.1%	4.0%
Net position - fund balance/(deficit)	\$ (72,408)	\$ (60,938)	\$ (61,798)
Net negative balance - receivable/(payable)	\$ (62,935)	\$ (80,312)	\$ 26,949

Days in Cash

Days in Cash are low as all AHS cash receipts are swept to the County Treasury. The Days in Cash can fluctuate based on timing of cash draws from the County treasury and timing of vendor payments and payroll.

Accounts Receivable (AR)

The Gross Days in AR were 68.8 days and 3.1 days higher than last month and Net Days in AR were 53.8 and 5.4 days higher than last month. The calculation reflects 90 days versus actual days for the quarter to standardize the calculation. Utilizing a 90-day period does lead to more fluctuations. The fiscal intermediary

reported a claims processing error in the prior month which continued to trigger soft denials for an increase of 1.7 days in AR days. In addition, the coding work queue is trending higher in the short term for an increase of 1.5 days.

Key updates on work in progress within Revenue Cycle are noted below:

- Settlements through arbitration using Sac Law continue to support GRIT. In August, a settlement of \$3.1 million was received and recorded as other operating income due to the age of the patient accounts.
- Enterprise CI launched to address providers’ clinical documentation along with charge automation and usage of Epic tools. Inpatient CDI is under review to determine improvements for specific DRGs that may not be coded to include complication or comorbidity.
- Inpatient charge reconciliation is in process for women’s services, bedside procedures, implants, and Code Blue.
- An AR Reduction Task Force was launched on February 3, 2026 to bring in more cash quickly.

Patient collections are reflected in the table below and are lower due to recoupments, delayed processing, and holiday schedules from December as discussed in the NPSR section. Behavioral Health represents the County receipts under contract for JGP services which total \$66.3 million. The FY2026 interim contract was signed for \$81.4 million on October 13, 2025. Payments on the FY2026 contract total \$24.9 million through January 2026. AHS has not received information on how the maximum contract amount was determined and the County is unable to provide reports from their new billing system, SmartCare. AHS is unable to trend, research or follow up on payment denials or other discrepancies leading to underpayment. The County continues to withhold approximately 20 percent of the amount due on the invoices submitted for payment.

PATIENT COLLECTIONS							
(in thousands)							
	Behavioral		Total				
	Health	Epic	FY 2026	FY 2025	FY 2024	FY 2023	FY 2022
Jul	11,928	67,883	79,811	72,694	79,592	74,260	59,732
Aug	28,651	82,136	110,787	79,768	69,313	58,590	57,374
Sep	-	66,819	66,819	69,741	63,322	76,063	61,968
Oct	868	82,323	83,191	76,783	63,122	59,796	49,923
Nov	11,569	71,370	82,939	78,747	57,781	56,939	52,057
Dec	7,275	65,241	72,516	94,631	63,867	67,018	68,121
Jan	6,034	63,286	69,320	89,014	68,757	71,452	62,292
Feb	-	-	-	68,511	75,852	57,886	52,269
Mar	-	-	-	91,851	54,720	65,320	62,888
Apr	-	-	-	74,892	61,895	55,307	56,235
May	-	-	-	74,339	102,015	63,795	69,591
Jun	-	-	-	72,211	71,208	70,027	53,187
Total	66,325	499,058	565,383	943,182	831,444	776,453	705,637
% change between fiscal years			0.7%	13.4%	7.1%	10.0%	

Accounts Payable

Days in Accounts Payable are 31.6 at the end of the month and were 7.9 days higher than the prior month from timing of recurring check runs versus the last day of the calendar month and resolution of ongoing implementation issues with OnBase. The Percent over 60 Days is 4.3% and is below the 5% target. Purchasing and Accounts Payable teams are making positive progress resolving older invoices held in work queues.

Supplemental Program Revenue Receivable/Payable

Net Reimbursement Supplemental Programs					
as of 1/31/2026					
Programs	FY97-20	FY21-25	FY26	Net Balance	Comments
Medicare Cost Report	(1,617)	(1,780)	(388)	(3,785)	Older years pending disputed SSI ratio and outlier holds for both OPPS/IPPS services from CMS.
Medi-Cal P14 Waiver	4,225	(1,780)	(5,169)	(2,723)	P14 audits are in various stages of completion. Currently DHCS has finalized up to FY19.
Current Waiver (GPP & CalAIM)	-	8,069	18,803	26,873	Global Payment Program (GPP) subsidizing remaining uninsured. GPP extended to 2026 as CalAIM.
AB85 Realignment	0	(48,869)	-	(48,869)	Realignment reserves for HPAC amendment passing through the County for physical health for Medi-Cal and Indigent populations.
Physician SPA	(6,000)	1,160	6,615	1,775	Reconciliation based on P14 utilization file with the State. FY14-FY16 Finalized. Catch-up ACA interim payments began during FY22.
FQHC	(7,922)	(15,405)	(2,917)	(26,244)	Negotiating settlement for a new FQ rate. The difference between the new FQ rate and FFS rate will determine the settlement for the impacted years. AHS started FQ billing in March 2022.
Medi-Cal Managed Care EPP	0	92,364	37,972	130,336	EPP (Enhanced Payment Program). New supplemental program for services provided to Medi-Cal Managed Care.
Medi-Cal Managed Care QIP	0	72,826	46,492	119,318	QIP (Quality Incentive Program). New supplemental program for services provided to Medi-Cal Managed Care.
Medi-Cal Managed Care Rate Range	(0)	24,917	29,234	54,151	Subsidize rates for Medi-Cal Managed Care members in Alameda County.
Medi-Cal Managed Care GME	0	3,635	5,435	9,070	CMS approved in March 2020. GME is paying concurrently with fiscal year.
Medi-Cal Managed Care DP-NF Pass-Through	-	(9,906)	-	(9,906)	New payment program assisting AHS with LTC carve-in from FFS to managed care, time-limited CY2023 through CY2025. Full CY2024 amount paid Dec. when only 6 mos. had been accrued, resulting in negative balance.
Medi-Cal SNF Cost Settlement	0	699	472	1,171	The State began their reconciliation.
AB915	-	2,353	5,138	7,491	The State began their reconciliation.
Old Waiver (FY11 & FY12)	31,130	0	0	31,130	FY11 & FY12 will be finalized by June 2026.
All Other Supplemental Programs	0	3,682	4,302	7,983	The State began their reconciliation.
Subtotal	19,817	131,965	145,989	297,771	
AB915 (FY14-FY20)	(17,000)	0	0	(17,000)	FY14-FY20 Reserve pending on audits.
Physician SPA (FY08-12)	(25,000)	0	0	(25,000)	FY13 final settled.
FQHC (FY12-18)	(40,000)	0	0	(40,000)	Negotiating settlement for Highland FQ clinics is pending for HGH K-6 clinic.
Subtotal	(82,000)	-	-	(82,000)	
Grand Total	(62,183)	131,965	145,989	215,770	

The information presented in the table provides subsidiary information for Supplemental Program receivables and payables on the Balance Sheet. The net receivable balance for Supplemental Programs is \$215.8 million, which decreased by \$57.1 million over last month. Key items are noted below.

- Payment received for AB85 Realignment FY2025 (\$3.5 million).
- Payment received for Voluntary Rate Range CY2024 (\$90.1 million).
- Recognized revenue for Voluntary Rate Range CY2024 (\$2.4 million)
- IGT funded for GME FY2026 Q3 (\$3.4 million).
- Minor cost report adjustments and monthly accruals (\$30.7 million).

Estimates are necessary to record supplemental income because the ultimate amount that may be collected under the program is uncertain, dependent on costs for services that were ultimately provided, quality metrics achieved, Medi-Cal enrollment, and our ability to identify and claim related costs. AHS has significant liability estimates dating back more than 5 years as reflected at the bottom of the schedule, which includes AB915, Physician SPA and Highland FQHC. The total estimated amount due is \$82.0 million.

Net County Receivable and Payable

Due To/From County of Alameda			
	<u>Jan-26</u>	<u>Dec-25</u>	<u>FY 2025</u>
Due from County of Alameda	\$ 29,414	\$ 25,990	\$ 54,713
Capital designation receivable	7,000	7,000	7,000
Due from County of Alameda	<u>36,414</u>	<u>32,990</u>	<u>61,713</u>
Due to County of Alameda	(1,941)	(2,714)	(1,153)
County IGT funding	(3,411)	(41,917)	-
Capital cost payable	(6,597)	(6,597)	(10,880)
Due to County of Alameda	<u>(11,949)</u>	<u>(51,228)</u>	<u>(12,033)</u>
Net due from/(to) County	<u>\$ 24,465</u>	<u>\$ (18,238)</u>	<u>\$ 49,680</u>

The net County receivable and payable due under arrangements with the County are reflected as part of the Due to and Due From accounts reported on the Balance Sheet as follows:

- The County receivable includes the HPAC contract, John George Pavilion (JGP) services agreement and grants.
- The Capital Designation receivable reflects reimbursement expected from the County (\$7 million per year) to help fund the Sapphire project. An annual invoice is sent to the County after AHS transfers the funds, and certain contractual requirements are met at the end of the fiscal year. The FY2025 invoice was submitted to the County in June 2025.
- Inter-government transfers (IGT) are ongoing to draw down federal supplemental funding and once they have received the funds are returned to the County. The Voluntary Rate Range CY2024 IGT was repaid in January 2026 for a total of \$41.9 million and still outstanding is the GME FY2024 Q3 (\$3.4 million).

- The Capital Cost Transfer reflects a payable based on the balance remaining on open cost report settlements associated with County owned buildings (\$6.6 million). AHS transfers cost reimbursement estimates to the County each year and AHS has the contractual ability to benefit from these funds to help maintain and invest in County owned facilities. AHS paid 90% for the FY2023 filing (\$4.3 million) in September 2025. In May 2024, the County spent \$1.2 million to pay for an emergency transformer on the Fairmont campus. AHS is working with the County to develop a workflow to allow AHS to capture costs for future cost reimbursement. AHS is not aware of any additional expenditures made by the County.

Net Position

The Net Position or Fund Balance of AHS as of January 31, 2026, is negative \$72.4 million, which improved \$10.6 million over last fiscal year on June 30, 2025 reflecting the YTD net loss.

Net Negative Balance

The Net Negative Balance (NNB) or Line of Credit with the County is \$62.9 million payable on January 31, 2026, and remains compliant with the terms of the Permanent Agreement. The Working Capital Loan is reported on the Balance Sheet as a long-term liability labeled “Liquidity Facility – County of Alameda.” To calculate the NNB, the Liquidity Facility (\$91.3 million payable) decreased by the County Restricted Cash Fund (\$28.4 million) which is included in Cash.

Contingencies

John George Pavilion (JGP)

The County continues to struggle with the implementation of new software, SmartCare, for claims beginning in July, 2023 under Cal Aim. JGP technical and professional services have been input into SmartCare to be billed and paid for by the State although AHS has not received any information from the County on denials or payments they have received. There is a twelve-month timely filing requirement to submit claims and the County struggled to meet this billing window, primarily for professional fees. The County has indicated it will ensure claims are paid even if the timely filing deadline means they cannot be federally matched. The County is paying claims up to the annual maximum contract amount; however, they are withholding approximately 20% pending resolution with the State. AHS has no information on how the maximum contract amounts were determined or the status of claims or if more adequate funding will happen.

Highland Federally Qualified Healthcare Center (FQHC) Settlement

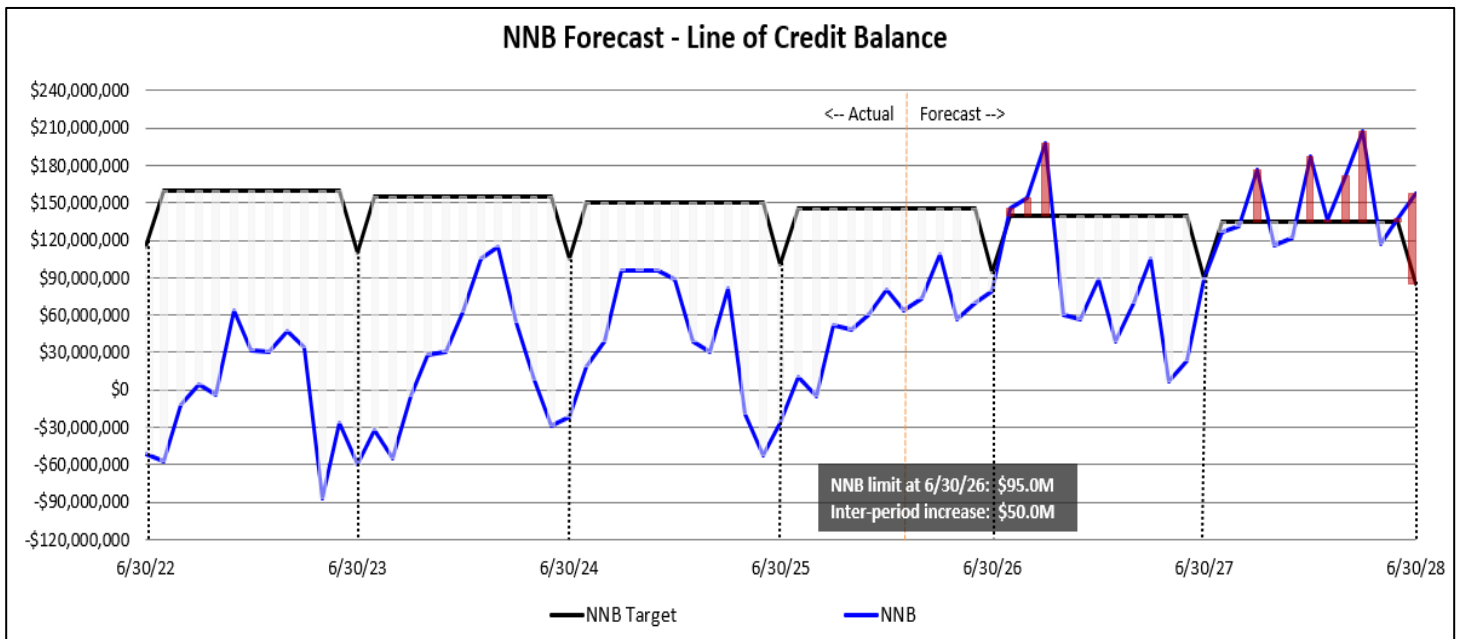
The State reached out to AHS inquiring about a new application that AHS submitted to establish the dental clinic located at Highland as a new FQHC. The State wanted to understand the new application request which started a conversation that ultimately resulted in the State verbally agreeing AHS could resume billing previous service locations on the Highland campus as FQHC. AHS began billing as an FQHC for these service locations on March 1, 2022. AHS and the State started negotiations on a retroactive settlement going back to the FY2012 filing made by AHS to establish an FQHC rate. Once the negotiations progress to a point where a new estimate can be determined, AHS will adjust the current liability on the balance sheet. AHS currently has a pending recoupment of \$40.0 million. AHS is being paid at the historical Highland FQ rate for the additional service locations until the new rate is finalized.

Line of Credit (Net Negative Balance) Forecast

The Line of Credit Balance or the Net Negative Balance (NNB) held with the County is forecasted in the line graph below through June 30, 2027 for planning purposes. AHS is currently forecasting that the NNB will be compliant with the terms of the debt agreement with the County which limits the NNB to \$95.0 million on

June 30, 2026 and to \$90.0 million on June 30, 2027. The forecast indicates AHS will exceed the inter-period limit by up to \$57.5 million during the first quarter of fiscal year 2027 if actions are not taken to improve performance. The forecast slightly improved over last month’s projection despite losses from operations due to additional Rate Range, Alameda Hospital Parcel Tax and AB85 Realignment growth receipts not included in the forecast.

The forecast reflects current operations; however, the forecast updates as actual activity is reflected in the cashflow model. The approved FY2026 budget required cashflow in excess of operations which is causing the organization to project nearly \$100 million in additional debt by year-end. As a reminder, the BOT approved the FY2026 budget with the understanding that administration would take immediate action to prevent AHS from maximizing the NNB as projected and to work with the County to modify the existing NNB agreement.



Material items impacting the NNB are summarized in the table below. The top portion of the table provides expected cash flow from sizable items included in NNB forecast.

- Forecasted activity remained constant with the prior forecast.
- HR1 and other State changes are expected to have a material and significant impact on AHS and Medi-Cal funding beginning this calendar year. Models are too fluid to project at this time and are not included in the forecast, which primarily relies on current cashflow to project future cashflows.

The bottom portion of the table below reflects older year’s liability estimates which are not included in the forecast (blue line) due to unknown timing for resolution. The Federal Qualified Health Center (FQHC) recoupment is a conservative settlement estimate based on the difference between reimbursement rates for services provided at Highland campus locations that were considered qualified and subsequently denied by the State. AHS is in current discussions with the State and once an agreement is reached with the State the FQHC liability will be adjusted. Lastly, Physician SPA reconciliations are delayed because the State is having difficulty obtaining claim data.

Material Items Included in NNB Forecast							
(in thousands)							
	Feb-26	Mar-26	FY26 Q4	FY27 Q1	FY27 Q2	FY27 Q3	FY27 Q4
GPP (quarterly)	\$ 18,196	\$ 5,600	\$ 25,210	\$ 23,550	\$ 23,550	\$ 28,650	\$ 19,700
EPP (semi-annual)	-	-	31,800	-	75,350	-	39,500
QIP	-	-	36,658	-	50,000	-	50,000
Medi-Cal Rate Range	-	-	-	-	-	51,300	-
BHCS (JGP/Alameda County) - fy26	9,654	6,084	18,251	12,167	-	-	-
BHCS (JGP/Alameda County) - fy27	-	-	-	-	18,900	18,900	25,200
HPAC	-	10,800	10,800	-	21,600	10,800	10,800
AB85 Realignment	-	-	-	-	4,800	-	-
SNF DP-NF (final pmt Jan-27)	-	-	-	-	-	26,000	-
Waiver recoupment (fy11, fy12)	3,922	-	29,169	-	-	-	-
St. Rose Hospital LOC	2,500	2,500	(7,000)	-	-	7,500	(7,500)
Donation to St. Rose Hospital	-	9,508	-	-	-	10,507	-
	<u>\$ 34,272</u>	<u>\$ 34,492</u>	<u>\$ 144,888</u>	<u>\$ 35,717</u>	<u>\$ 194,200</u>	<u>\$ 153,657</u>	<u>\$ 137,700</u>

Prior Year Reimbursement Settlements		
AB915 (fy14-fy20)	(17,000)	TBD
Medi-Cal FQHC recoupment (fy08 - fy13)	(40,000)	TBD
Physician SPA (fy08 - fy13)	(25,100)	TBD
	<u>\$ (82,100)</u>	

ALAMEDA HEALTH SYSTEM (consolidated)
Statement of Revenues and Expenses
For the Period Ended January 31, 2026
(In Thousands)

	January 2026				Year-To-Date				FY 2025		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	Variance	% Variance
Operating revenue											
Net patient service revenue	\$ 83,589	\$ 82,000	\$ 1,589	1.9%	\$ 565,088	\$ 563,075	\$ 2,013	0.4%	\$ 546,848	\$ 18,240	3.3%
Capitation revenue	4,455	4,454	1	0.0%	31,304	31,351	(47)	(0.1)%	32,278	(974)	(3.0)%
Other government programs	47,477	45,415	2,062	4.5%	317,662	317,905	(243)	(0.1)%	314,167	3,495	1.1%
Other operating revenue	5,741	4,909	832	16.9%	42,967	35,590	7,377	20.7%	35,549	7,418	20.9%
Total operating revenue	141,262	136,778	4,484	3.3%	957,021	947,921	9,100	1.0%	928,842	28,179	3.0%
Operating expense											
Labor costs	116,603	108,940	(7,663)	(7.0)%	745,960	722,545	(23,415)	(3.2)%	690,920	(55,040)	(8.0)%
Purchased services	9,954	8,351	(1,603)	(19.2)%	60,681	64,088	3,407	5.3%	59,099	(1,582)	(2.7)%
Materials and supplies	16,278	13,344	(2,934)	(22.0)%	98,198	92,559	(5,639)	(6.1)%	88,680	(9,518)	(10.7)%
Facilities	4,331	3,205	(1,126)	(35.1)%	25,775	23,266	(2,509)	(10.8)%	21,769	(4,006)	(18.4)%
Depreciation and amortization	2,392	2,445	53	2.2%	16,534	17,500	966	5.5%	22,909	6,375	27.8%
General and administrative	3,090	2,755	(335)	(12.2)%	18,372	18,785	413	2.2%	19,225	853	4.4%
Total operating expense	152,648	139,040	(13,608)	(9.8)%	965,520	938,743	(26,777)	(2.9)%	902,602	(62,918)	(7.0)%
Operating income (loss)	(11,386)	(2,262)	(9,124)	(403.4)%	(8,499)	9,178	(17,677)	(192.6)%	26,240	(34,739)	(132.4)%
Non-operating activity											
Interest income (expense)	(93)	(356)	263	73.9%	(2,274)	(2,414)	140	5.8%	(2,577)	303	11.8%
Other nonoperating revenue	9	13	(4)	(30.8)%	(5)	91	(96)	(105.5)%	(42)	37	88.0%
Total non-operating activity	(84)	(343)	259	75.5%	(2,279)	(2,323)	44	1.9%	(2,619)	340	13.0%
Net income (loss)	\$ (11,470)	\$ (2,605)	\$ (8,865)	(340.3)%	\$ (10,778)	\$ 6,855	\$ (17,633)	(257.2)%	\$ 23,621	\$ (34,399)	(145.6)%
EBIDA adjustments											
Interest income (expense)	93	356	(263)		2,274	2,414	(140)		2,577	(303)	
Depreciation and amortization	2,392	2,445	(53)		16,534	17,500	(966)		22,909	(6,375)	
Total EBIDA adjustments	2,485	2,801	(316)		18,808	19,914	(1,106)		25,486	(6,678)	
EBIDA	\$ (8,985)	\$ 196	\$ (9,181)		\$ 8,030	\$ 26,769	\$ (18,739)		\$ 49,107	\$ (41,077)	

ALAMEDA HEALTH SYSTEM (consolidated)

Balance Sheet

As of January 31, 2026

(In Thousands)

	Current Month	Prior Month	FYE 2025
ASSETS			
Cash & cash equivalents	\$ 1,936	\$ 23,417	\$ 14,556
Patient account receivables, net	126,539	111,176	101,401
Due from third-party payors	389,298	443,648	338,189
Due from County of Alameda	36,414	32,990	61,713
Due from State of California	24,810	25,321	25,635
Inventories	11,644	12,423	12,267
Other current assets	25,788	23,669	20,054
TOTAL CURRENT ASSETS	616,429	672,644	573,815
Restricted cash equivalents	28,342	28,099	27,781
Right-to-use lease assets, net	27,396	28,005	31,604
Right-of-use subscription assets, net	10,966	10,469	8,190
Capital assets - nondepreciable	9,021	9,021	9,021
Capital assets - depreciable, net	131,090	131,116	129,675
TOTAL NONCURRENT ASSETS	206,815	206,710	206,271
DEFERRED OUTFLOWS OF RESOURCES	105,570	105,570	105,570
TOTAL ASSETS & DEFERRED OUTFLOWS	\$ 928,814	\$ 984,924	\$ 885,656
LIABILITIES & NET ASSETS			
Accounts payable and accrued expenses	\$ 80,882	\$ 79,584	\$ 89,527
Accrued compensation	43,785	34,975	65,654
Due to third-party payors	173,528	170,741	179,634
Due to County of Alameda	11,948	51,228	12,033
Other Payables	50,879	52,264	43,509
TOTAL CURRENT LIABILITIES	361,022	388,792	390,357
Liquidity facility - County of Alameda	91,277	108,411	832
Net pension obligation	369,632	369,632	370,400
Post employment benefit asset	43,255	43,255	43,255
Accrued compensated absences, net of current portion	22,604	22,604	26,667
Self-insurance liabilities, net of current portion	41,231	41,231	41,231
Lease obligations, net of current portion	26,550	26,558	29,739
Subscription obligations, net of current portion	4,449	4,177	3,771
Other long-term liabilities	0	0	0
TOTAL LONG TERM LIABILITIES	598,998	615,868	515,895
DEFERRED INFLOWS OF RESOURCES	41,202	41,202	41,202
Fund balance - capital contribution	86,653	86,653	86,484
Fund balance - prior years	(148,283)	(148,283)	(166,072)
Current year income/(loss)	(10,778)	692	17,790
FUND BALANCE	(72,408)	(60,938)	(61,798)
TOTAL LIABILITIES, DEFERRED INFLOWS, & FUND BALANCE	\$ 928,814	\$ 984,924	\$ 885,656

ALAMEDA HEALTH SYSTEM (consolidated)
Statement of Cash Flows
For the Period Ended January 31, 2026
(in thousands)

	Current Month	Year-to Date	FYE 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (11,386)	\$ (8,499)	\$ 20,942
Depreciation and amortization	2,392	16,534	37,542
Net changes in operating assets and liabilities:			
Patient account receivables, net	(15,363)	(25,138)	4,695
Due from/to third-party payors	57,137	(57,215)	(13,222)
Due from/to County	(42,704)	25,214	(24,880)
Due from State	511	825	(1,371)
Inventory	779	623	(280)
Other current assets	(2,119)	(5,734)	(2,432)
Accounts payable and accrued expenses	1,295	(8,646)	4,040
Accrued compensation	8,812	(21,869)	9,387
Other current payables	(1,385)	7,370	10,867
Net pension liability	-	(768)	(55,607)
Other postemployment benefits obligations	-	-	4,881
Other long-term liabilities	-	(4,063)	7,347
Deferred outflows/inflows	-	-	50,894
Net cash provided by (used in) operating activities	(2,031)	(81,366)	52,803
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Change in liquidity facility	(17,134)	90,445	(4,269)
Interest payments on working capital loan	131	2,554	3,604
Proceeds from grants for COVID-19 pandemic	-	-	-
Receipts of rental income	9	(5)	(253)
Net cash provided by (used in) noncapital financing activities	(16,994)	92,994	(918)
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES			
Purchase and construction of capital assets	(1,289)	(10,914)	(19,936)
Proceeds from disposals of capital assets	0	0	0
Repayment of other long-term liabilities	0	0	(2,783)
Payments of lease liabilities	(9)	(3,308)	(6,730)
Interest payments on lease liabilities	86	629	1,232
Payments of subscription obligations	(692)	(4,806)	(6,587)
Interest payments on subscription obligations	10	97	131
Capital contributions and transfers	-	169	1,033
Net cash provided by (used in) capital and financing activities	(1,894)	(18,133)	(33,640)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and investment income	(320)	(5,554)	(7,866)
Net cash provided by (used in) investing activities	(320)	(5,554)	(7,866)
CHANGES IN CASH AND CASH EQUIVALENTS	(21,239)	(12,059)	10,379
CASH AND CASH EQUIVALENTS, beginning of period	51,516	42,337	31,958
CASH AND CASH EQUIVALENTS, end of period	\$ 30,277	\$ 30,278	\$ 42,337

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	January 2026				FY2026 Year-To-Date				FY2025 Year-To-Date		
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	Actual	Var	% Var
Campus: AHS ALL CAMPUS											
Total Adjusted Patient Days	32,330	31,484	846	2.7%	216,644	213,875	2,769	1.3%	212,682	3,962	1.9%
Total Adjusted Discharges	2,747	2,830	-83	-2.9%	19,142	18,763	379	2.0%	18,419	722	3.9%
GENERAL ACUTE											
Patient Days	6,657	6,807	-150	-2.2%	42,424	45,098	-2,674	-5.9%	44,932	-2,508	-5.6%
Discharges	1,247	1,327	-80	-6.0%	8,710	8,725	-15	-0.2%	8,629	81	0.9%
Average Length of Stay	5.3	5.1	-0.2	-4.1%	4.9	5.2	0.3	5.8%	5.2	0.3	6.5%
CMI	1.681	1.653	0.028	1.7%	1.616	1.565	0.051	3.2%	1.644	-0.028	-1.7%
Emergency Visits	9,833	10,153	-320	-3.2%	66,186	63,475	2,711	4.3%	64,113	2,073	3.2%
Trauma Cases	331	295	36	12.3%	2,208	2,180	28	1.3%	2,225	-17	-0.8%
Observation Equivalent Days	943	698	245	35.1%	5,240	4,593	647	14.1%	4,392	848	19.3%
Surgeries	696	621	75	12.2%	4,783	4,770	13	0.3%	5,227	-444	-8.5%
PSYCH											
Psych Patient Days	2,034	1,938	96	5.0%	14,203	14,007	196	1.4%	13,731	472	3.4%
Psych Discharges	202	215	-13	-6.1%	1,476	1,556	-80	-5.1%	1,501	-25	-1.7%
Average Length of Stay	10.1	9	-1.1	-11.8%	9.6	9	-0.6	-6.9%	9.1	-0.5	-5.2%
Occupancy %											
PES Equivalent Days	665	813	-147	-18.1%	4,967	4,741	226	4.8%	4,667	300	6.4%
REHAB											
Rehab Patient Days	727	842	-115	-13.7%	4,899	5,172	-273	-5.3%	4,918	-19	-0.4%
Rehab Discharges	42	64	-22	-34.1%	366	391	-25	-6.4%	361	5	1.4%
Average Length of Stay	17.3	13.2	-4.1	-30.9%	13.4	13.2	-0.2	-1.3%	13.6	0.2	1.7%
Occupancy %	84%	97%	-13%		81%	86%	-5%		82%	-1%	
SNF WITH SUB-ACUTE											
Average Daily Census	273.5	275.7	-2.1	-0.8%	276.7	275.7	1.1	0.4%	274.7	2	0.7%
Occupancy %	94%	95%	-1%		95%	95%	0%		95%	0%	
Bed Holds	143	74	69	92.4%	568	559	9	1.6%	572	-4	-0.7%
PAYOR MIX											
Insurance %	7.3%	7.8%	-0.5%		6.7%	7.1%	-0.5%		7.0%	-0.3%	
Medi-Cal %	57.0%	58.5%	-1.5%		59.6%	60.7%	-1.2%		60.8%	-1.3%	
Medicare %	31.1%	29.8%	1.3%		29.6%	27.2%	2.3%		27.9%	1.6%	
Other Govt %	1.6%	1.3%	0.3%		1.4%	1.8%	-0.4%		1.7%	-0.3%	
Self-Pay %	3.0%	2.6%	0.4%		2.9%	3.1%	-0.2%		2.6%	0.3%	
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: AHS ALL CAMPUS												
Total Adjusted Patient Days	32,330	31,484	846	2.7%	216,644	213,875	2,769	1.3%	212,682	3,962	1.9%	
Total Adjusted Discharges	2,747	2,830	(83)	-2.9%	19,142	18,763	379	2.0%	18,419	722	3.9%	
GENERAL ACUTE												
Patient Days	6,657	6,807	(150)	-2.2%	42,424	45,098	(2,674)	-5.9%	44,932	(2,508)	-5.6%	
Discharges	1,247	1,327	(80)	-6.0%	8,710	8,725	(15)	-0.2%	8,629	81	0.9%	
Average Daily Census	214.7	219.6	(4.8)	-2.2%	197.3	209.8	(12.4)	-5.9%	209.0	(11.7)	-5.6%	
Average Length of Stay	5.3	5.1	(0.2)	-4.1%	4.9	5.2	0.3	5.8%	5.2	0.3	6.5%	
Adjusted Patient Days	12,500	12,454	47	0.4%	80,534	82,324	(1,790)	-2.2%	82,337	(1,802)	-2.2%	
Adjusted Discharges	2,342	2,428	(86)	-3.6%	16,534	15,927	608	3.8%	15,812	722	4.6%	
Occupancy %	72%	74%	-2%		66%	70%	-4%		70%	-4%		
Emergency Visits	9,833	10,153	(320)	-3.2%	66,186	63,475	2,711	4.3%	64,113	2,073	3.2%	
Left Without Being Seen (LWBS)	638	507	(131)	-20.5%	3,367	3,609	242	7.2%	4,335	968	28.7%	
Trauma Cases	331	295	36	12.3%	2,208	2,180	28	1.3%	2,225	(17)	-0.8%	
Observation Equivalent Days	943	698	245	35.1%	5,240	4,593	647	14.1%	4,392	848	19.3%	
IP Surgeries	305	289	16	5.5%	2,084	2,239	(155)	-6.9%	2,189	(105)	-4.8%	
OP Surgeries	391	331	60	18.0%	2,699	2,531	168	6.6%	3,038	(339)	-11.2%	
Total Surgeries	696	621	75	12.2%	4,783	4,770	13	0.3%	5,227	(444)	-8.5%	
Deliveries	112	134	(22)	-16.5%	946	1,004	(58)	-5.8%	952	(6)	-0.6%	
PSYCH												
Psych Patient Days	2,034	1,938	96	5.0%	14,203	14,007	196	1.4%	13,731	472	3.4%	
Psych Discharges	202	215	(13)	-6.1%	1,476	1,556	(80)	-5.1%	1,501	(25)	-1.7%	
Psych OP Factor	1.2220	1.2454	0.0234	1.9%	1.2267	1.2193	(0.0074)	-0.6%	1.2303	0.0036	0.3%	
Average Daily Census	65.6	62.5	3.1	5.0%	66.1	65.1	0.9	1.4%	63.9	2.2	3.4%	
Average Length of Stay	10.1	9.0	(1.1)	-11.8%	9.6	9.0	(0.6)	-6.9%	9.1	(0.5)	-5.2%	
Adjusted Patient Days	2,486	2,413	72	3.0%	17,422	17,078	344	2.0%	16,893	529	3.1%	
Adjusted Discharges	247	268	(21)	-7.9%	1,811	1,897	(86)	-4.5%	1,847	(36)	-2.0%	
PES Equivalent Days	665	813	(147)	-18.1%	4,967	4,741	226	4.8%	4,667	300	6.4%	
PES Visits	813	911	(98)	-10.8%	5,648	5,682	(34)	-0.6%	5,516	132	2.4%	
PES Hours	15,970	17,121	(1,151)	-6.7%	119,208	110,659	8,550	7.7%	112,009	7,199	6.4%	
PES Hours per Visit	20	19	(1)	-4.5%	21	19	(2)	-8.4%	20	(1)	-3.9%	
REHAB												
Rehab Patient Days	727	842	(115)	-13.7%	4,899	5,172	(273)	-5.3%	4,918	(19)	-0.4%	
Rehab Discharges	42	64	(22)	-34.1%	366	391	(25)	-6.4%	361	5	1.4%	
Rehab OP Factor	1.0000	1.0000	0.0000	0.0%	1.0000	1.0000	0.0000	0.0%	1.0000	0.0000	0.0%	
Average Daily Census	23.5	27.2	(3.7)	-13.7%	22.8	24.1	(1.3)	-5.3%	22.9	(0.1)	-0.4%	
Average Length of Stay	17.3	13.2	(4.1)	-30.9%	13.4	13.2	(0.2)	-1.3%	13.6	0.2	1.7%	
Adjusted Patient Days	727	842	(115)	-13.7%	4,899	5,172	(273)	-5.3%	4,918	(19)	-0.4%	
Adjusted Discharges	42	64	(22)	-34.1%	366	391	(25)	-6.4%	361	5	1.4%	
Occupancy %	84%	97%	-13%		81%	86%	-5%		82%	-1%		
Bed Holds	(1)	0	(1)	0.0%	3	1	2	177.8%	0	3	0.0%	
Paid FTE	71	91	21	22.7%	71	76	5	7.0%	71	0	0.7%	
Productive FTE	58	83	25	29.7%	60	65	5	7.2%	61	1	1.1%	
Paid FTE per AOB	3.01	3.37	0.35	10.5%	3.10	3.16	0.06	1.8%	3.11	0.01	0.3%	
Worked Hours per APD	14.1	17.3	3.2	18.6%	15.1	15.4	0.3	2.0%	15.2	0.1	0.8%	
Worked Hours per AD	245	229	(15)	-6.6%	202	203	2	0.8%	207	5	2.5%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE		
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var
Campus: AHS ALL CAMPUS											
SNF WITH SUB-ACUTE											
SNF Patient Days	8,480	8,546	(66)	-0.8%	59,495	59,269	226	0.4%	59,067	428	0.7%
SNF Discharges	30	24	6	24.5%	141	167	(26)	-15.6%	131	10	7.6%
SNF OP Factor	1.0032	1.0012	(0.0020)	-0.2%	1.0252	1.0016	(0.0236)	-2.4%	1.0298	0.0046	0.4%
Average Daily Census	273.5	275.7	(2.1)	-0.8%	276.7	275.7	1.1	0.4%	274.7	2.0	0.7%
Average Length of Stay	282.7	354.7	72.1	20.3%	422.0	354.9	(67.0)	-18.9%	450.9	28.9	6.4%
Adjusted Patient Days	8,507	8,556	(49)	-0.6%	60,996	59,363	1,632	2.7%	60,828	168	0.3%
Adjusted Discharges	30	24	6	24.8%	145	167	(23)	-13.6%	135	10	7.2%
Occupancy %	94%	95%	-1%		95%	95%	0%		95%	0%	
Bed Holds	143	74	69	92.4%	568	559	9	1.6%	572	(4)	-0.7%
TOTAL FTE, HOURS, WRVU											
Total Paid FTE	5,258	5,165	(93)	-1.8%	5,210	5,138	(73)	-1.4%	5,127	(83)	-1.6%
Total Productive FTE	4,131	4,563	432	9.5%	4,445	4,434	(11)	-0.2%	4,375	(70)	-1.6%
Total Paid FTE per AOB	5.04	5.09	0.04	0.9%	5.17	5.16	(0.01)	-0.1%	5.18	0.01	0.2%
Worked Hours Per APD	22.6	25.7	3.0	11.8%	25.2	25.5	0.3	1.0%	25.3	0.1	0.3%
Worked Hours Per AD	266	286	19	6.8%	285	290	5	1.7%	292	7	2.2%
Physician wRVU	149,616	110,678	38,938	35.2%	955,193	842,849	112,345	13.3%	1,040,112	(84,918)	-8.2%
TOTAL CLINIC VISITS											
FQHC Visits	36,442	37,378	(936)	-2.5%	250,814	257,057	(6,243)	-2.4%	241,404	9,410	3.9%
Non-FQHC Visits	30,368	31,865	(1,497)	-4.7%	210,879	217,763	(6,884)	-3.2%	202,373	8,506	4.2%
	6,074	5,513	561	10.2%	39,935	39,294	641	1.6%	39,031	904	2.3%
PAYOR MIX											
Insurance %	7.3%	7.8%	-0.5%		6.7%	7.1%	-0.5%		7.0%	-0.3%	
Medi-Cal %	57.0%	58.5%	-1.5%		59.6%	60.7%	-1.2%		60.8%	-1.3%	
Medicare %	31.1%	29.8%	1.3%		29.6%	27.2%	2.3%		27.9%	1.6%	
Other Govt %	1.6%	1.3%	0.3%		1.4%	1.8%	-0.4%		1.7%	-0.3%	
Self-Pay %	3.0%	2.6%	0.4%		2.9%	3.1%	-0.2%		2.6%	0.3%	
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%	
CAMPUS CMI											
CMI Alameda	1.436	1.415	0.021	1.4%	1.415	1.393	0.022	1.6%	1.450	-0.035	-2.4%
CMI Highland	1.804	1.766	0.039	2.2%	1.706	1.657	0.049	2.9%	1.740	-0.034	-1.9%
CMI San Leandro	1.467	1.541	-0.073	-4.7%	1.459	1.428	0.031	2.2%	1.477	-0.018	-1.2%
CMI Behavioral Health	1.375	1.329	0.046	3.4%	1.364	1.266	0.097	7.7%	1.348	0.016	1.2%

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: HIGHLAND												
Total Patient Days	4,414	4,496	(82)	-1.8%	29,386	30,815	(1,429)	-4.6%	30,788	(1,402)	-4.6%	
Total Discharges	731	780	(49)	-6.3%	5,400	5,347	53	1.0%	5,216	184	3.5%	
Total Adjusted Patient Days	7,815	7,926	(110)	-1.4%	52,694	53,809	(1,115)	-2.1%	53,602	(907)	-1.7%	
Total Adjusted Discharges	1,294	1,375	(81)	-5.9%	9,683	9,338	346	3.7%	9,081	602	6.6%	
GENERAL ACUTE												
Patient Days	4,414	4,496	(82)	-1.8%	29,386	30,815	(1,429)	-4.6%	30,788	(1,402)	-4.6%	
Discharges	731	780	(49)	-6.3%	5,400	5,347	53	1.0%	5,216	184	3.5%	
OP Factor	1.7744	1.7691	(0.0053)	-0.3%	1.7988	1.7524	(0.0464)	-2.6%	1.7467	(0.0521)	-3.0%	
Average Daily Census	142.4	145.0	(2.6)	-1.8%	136.7	143.3	(6.6)	-4.6%	143.2	(6.5)	-4.6%	
Average Length of Stay	6.0	5.8	(0.3)	-4.8%	5.4	5.8	0.3	5.6%	5.9	0.5	7.8%	
Adjusted Patient Days	7,832	7,954	(122)	-1.5%	52,860	53,999	(1,140)	-2.1%	53,779	(919)	-1.7%	
Adjusted Discharges	1,297	1,380	(83)	-6.0%	9,714	9,371	343	3.7%	9,111	602	6.6%	
Occupancy %	84%	86%	(2%)		81%	85%	(4%)		85%	(4%)		
Emergency Visits	4,928	4,997	(69)	-1.4%	33,896	31,611	2,285	7.2%	31,939	1,957	6.1%	
Left Without Being Seen (LWBS)	403	479	76	18.9%	2,140	3,334	1,194	55.8%	3,300	1,160	54.2%	
Trauma Cases	331	295	36	12.3%	2,208	2,180	28	1.3%	2,225	(17)	-0.8%	
Observation Equivalent Days	366	256	110	43.0%	1,925	1,995	(70)	-3.5%	1,711	214	12.5%	
IP Surgeries	241	236	5	2.2%	1,702	1,740	(38)	-2.2%	1,722	(20)	-1.2%	
OP Surgeries	224	161	63	39.5%	1,561	1,278	283	22.2%	1,364	197	14.4%	
Total Surgeries	465	396	69	17.3%	3,263	3,018	245	8.1%	3,086	177	5.7%	
Deliveries	112	134	(22)	-16.5%	946	1,004	(58)	-5.8%	952	(6)	-0.6%	
TOTAL FTE, HOURS, WRVU												
Total Paid FTE	2,039	1,809	(230)	-12.7%	1,949	1,817	(132)	-7.3%	1,826	(122)	-6.7%	
Total Productive FTE	1,630	1,592	(38)	-2.4%	1,666	1,557	(109)	-7.0%	1,552	(114)	-7.3%	
Total Paid FTE per AOB	8.09	7.07	(1.01)	-14.3%	7.95	7.26	(0.69)	-9.5%	7.33	(0.63)	-8.5%	
Worked Hours Per APD	36.9	35.6	(1.4)	-3.8%	38.8	35.6	(3.3)	-9.2%	35.6	(3.3)	-9.2%	
Worked Hours Per AD	223	205	(18)	-8.8%	211	205	(6)	-3.1%	210	(1)	-0.7%	
Physician wRVU	49,011	2	49,009	2232835.	88,092	39	88,053	227013.	48	88,043	182284.1%	
OTHER STATS												
GI Procedures	366	362	4	1.2%	2,667	2,250	417	18.5%	2,230	437	19.6%	
Cardiac Procedures	83	64	19	29.8%	839	390	449	115.2%	465	374	80.4%	
HGH Cath Lab and IR Procedures	521	633	(112)	-17.6%	4,983	3,475	1,508	43.4%	4,373	610	13.9%	
TOTAL CLINIC VISITS												
Specialty	749	607	142	23.5%	4,965	3,622	1,343	37.1%	4,241	724	17.1%	
Behavioral Health	627	657	(30)	-4.6%	4,609	5,507	(898)	-16.3%	5,062	(453)	-8.9%	
PAYOR MIX												
Insurance %	8.2%	9.5%	-1.3%		7.3%	8.4%	-1.2%		8.2%	-0.9%		
Medi-Cal %	55.5%	58.0%	-2.4%		58.2%	60.4%	-2.3%		60.6%	-2.4%		
Medicare %	30.9%	28.7%	2.2%		29.6%	25.6%	4.0%		26.4%	3.2%		
Other Govt %	1.9%	1.0%	0.9%		1.6%	2.1%	-0.5%		1.9%	-0.3%		
Self-Pay %	3.4%	2.8%	0.6%		3.4%	3.5%	-0.1%		2.9%	0.4%		
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%		
CAMPUS CMI												
CMI Highland	1.804	1.766	0.039	2.2%	1.706	1.657	0.049	2.9%	1.740	-0.034	-1.9%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: ALAMEDA												
Total Patient Days	6,323	6,413	(90)	-1.4%	43,244	43,727	(483)	-1.1%	43,328	(84)	-0.2%	
Total Discharges	253	262	(9)	-3.3%	1,667	1,649	18	1.1%	1,634	33	2.0%	
Total Adjusted Patient Days	9,907	9,256	651	7.0%	65,772	63,604	2,168	3.4%	64,577	1,195	1.9%	
Total Adjusted Discharges	396	378	19	4.9%	2,535	2,398	137	5.7%	2,435	100	4.1%	
GENERAL ACUTE												
Patient Days	1,136	1,122	14	1.2%	6,731	7,035	(304)	-4.3%	7,109	(378)	-5.3%	
Discharges	234	250	(16)	-6.2%	1,582	1,564	18	1.1%	1,565	17	1.1%	
OP Factor	1.8991	1.7128	(0.1863)	-10.9%	1.8645	1.7585	(0.1061)	-6.0%	1.8134	(0.0511)	-2.8%	
Average Daily Census	36.6	36.2	0.4	1.2%	31.3	32.7	(1.4)	-4.3%	33.1	(1.8)	-5.3%	
Average Length of Stay	4.9	4.5	(0.4)	-7.9%	4.3	4.5	0.2	5.4%	4.5	0.3	6.3%	
Adjusted Patient Days	2,157	1,923	235	12.2%	12,550	12,371	179	1.4%	12,891	(341)	-2.6%	
Adjusted Discharges	444	427	17	4.0%	2,950	2,750	199	7.2%	2,838	112	3.9%	
Occupancy %	56%	55%	1%		47%	50%	(2%)		50%	(3%)		
Emergency Visits	1,768	1,801	(33)	-1.8%	12,016	11,447	569	5.0%	11,661	355	3.0%	
Left Without Being Seen (LWBS)	76	0	(76)	-100.0%	416	0	(416)	-100.0%	340	(76)	-18.3%	
Observation Equivalent Days	323	262	61	23.4%	1,770	1,376	394	28.7%	1,469	301	20.5%	
IP Surgeries	11	14	(3)	-18.8%	95	122	(27)	-22.1%	105	(10)	-9.5%	
OP Surgeries	9	0	9	0.0%	42	0	42	0.0%	440	(398)	-90.5%	
Total Surgeries	20	14	6	47.6%	137	122	15	12.4%	545	(408)	-74.9%	
SNF with Sub-Acute												
SNF Patient Days	5,187	5,290	(103)	-2.0%	36,513	36,692	(179)	-0.5%	36,219	294	0.8%	
SNF Discharges	19	12	7	55.6%	85	85	0	0.4%	69	16	23.2%	
SNF OP Factor	1.0042	1.0009	(0.0032)	-0.3%	1.0066	1.0015	(0.0050)	-0.5%	1.0047	(0.0019)	-0.2%	
Average Daily Census	167.3	170.7	(3.3)	-2.0%	169.8	170.7	(0.8)	-0.5%	168.5	1.4	0.8%	
Average Length of Stay	273.0	433.3	160.3	37.0%	429.6	433.4	3.8	0.9%	524.9	95.3	18.2%	
Adjusted Patient Days	5,209	5,295	(87)	-1.6%	36,754	36,749	5	0.0%	36,390	363	1.0%	
Adjusted Discharges	19	12	7	56.1%	86	85	1	0.9%	69	16	23.4%	
Occupancy %	92%	94%	-2.0%		94%	94%	0.0%		93%	1.0%		
Bed Holds	87	50	37	75.1%	332	327	5	1.4%	336	(4)	-1.2%	
TOTAL FTE, HOURS, WRVU												
Total Paid FTE	672	625	(46)	-7.4%	640	621	(19)	-3.1%	618	(22)	-3.6%	
Total Productive FTE	546	555	9	1.7%	554	539	(15)	-2.8%	536	(18)	-3.3%	
Total Paid FTE per AOB	2.10	2.09	(0.01)	-0.4%	2.09	2.10	0.01	0.3%	2.06	(0.04)	-1.7%	
Worked Hours Per APD	9.8	10.6	0.9	8.1%	10.3	10.4	0.1	0.6%	10.2	(0.1)	-1.4%	
Worked Hours Per AD	244	260	16	6.3%	268	276	8	2.7%	270	2	0.8%	
Physician wRVU	10,532	0	10,532	0.0%	18,789	0	18,789	0.0%	0	18,789	0.0%	
TOTAL CLINIC VISITS												
Specialty	1,271	1,249	22	1.8%	9,454	8,560	894	10.4%	8,969	485	5.4%	
PAYOR MIX												
Insurance %	6.8%	5.8%	0.9%		7.0%	6.9%	0.1%		7.2%	-0.2%		
Medi-Cal %	54.3%	54.3%	-0.1%		57.8%	56.1%	1.8%		56.7%	1.1%		
Medicare %	35.8%	36.1%	-0.3%		32.7%	33.6%	-0.9%		33.9%	-1.3%		
Other Govt %	1.4%	1.3%	0.1%		1.1%	1.5%	-0.4%		1.3%	-0.2%		
Self-Pay %	1.8%	2.5%	-0.7%		1.4%	1.9%	-0.5%		0.8%	0.6%		
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%		
CAMPUS CMI												
CMI Alameda	1.436	1.415	0.021	1.4%	1.415	1.393	0.022	1.6%	1.450	-0.035	-2.4%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: SAN LEANDRO												
Total Patient Days	1,834	2,031	(197)	-9.7%	11,206	12,420	(1,214)	-9.8%	11,953	(747)	-6.2%	
Total Discharges	324	361	(37)	-10.2%	2,094	2,204	(110)	-5.0%	2,209	(115)	-5.2%	
Total Adjusted Patient Days	3,763	3,901	(138)	-3.5%	23,704	24,269	(564)	-2.3%	23,714	(9)	0.0%	
Total Adjusted Discharges	665	693	(29)	-4.1%	4,430	4,308	122	2.8%	4,382	47	1.1%	
GENERAL ACUTE												
Patient Days	1,107	1,188	(81)	-6.8%	6,307	7,248	(941)	-13.0%	7,035	(728)	-10.3%	
Discharges	282	297	(15)	-5.1%	1,728	1,813	(85)	-4.7%	1,848	(120)	-6.5%	
OP Factor	2.3382	2.2162	(0.1220)	-5.5%	2.4624	2.2433	(0.2191)	-9.8%	2.2746	(0.1878)	-8.3%	
Average Daily Census	35.7	38.3	(2.6)	-6.8%	29.3	33.7	(4.4)	-13.0%	32.7	(3.4)	-10.3%	
Average Length of Stay	3.9	4.0	0.1	1.8%	3.6	4.0	0.3	8.7%	3.8	0.2	4.1%	
Adjusted Patient Days	2,588	2,633	(45)	-1.7%	15,530	16,259	(729)	-4.5%	16,002	(471)	-2.9%	
Adjusted Discharges	659	659	1	0.1%	4,255	4,068	187	4.6%	4,203	52	1.2%	
Occupancy %	57%	61%	(4%)		47%	54%	(7%)		52%	(5%)		
Emergency Visits	3,137	3,354	(217)	-6.5%	20,274	20,417	(143)	-0.7%	20,513	(239)	-1.2%	
Left Without Being Seen (LWBS)	159	28	(131)	-82.5%	811	275	(536)	-66.1%	695	(116)	-14.3%	
Observation Equivalent Days	254	180	74	41.0%	1,545	1,223	323	26.4%	1,213	333	27.4%	
IP Surgeries	53	40	13	33.2%	287	377	(90)	-23.8%	362	(75)	-20.7%	
OP Surgeries	158	171	(13)	-7.5%	1,096	1,253	(157)	-12.5%	1,234	(138)	-11.2%	
Total Surgeries	211	211	0	0.2%	1,383	1,630	(247)	-15.1%	1,596	(213)	-13.3%	
REHAB												
Rehab Patient Days	727	842	(115)	-13.7%	4,899	5,172	(273)	-5.3%	4,918	(19)	-0.4%	
Rehab Discharges	42	64	(22)	-34.1%	366	391	(25)	-6.4%	361	5	1.4%	
Rehab OP Factor	1.0000	1.0000	0.0000	0.0%	1.0000	1.0000	0.0000	0.0%	1.0000	0.0000	0.0%	
Average Daily Census	23.5	27.2	(3.7)	-13.7%	22.8	24.1	(1.3)	-5.3%	22.9	(0.1)	-0.4%	
Average Length of Stay	17.3	13.2	(4.1)	-30.9%	13.4	13.2	(0.2)	-1.3%	13.6	0.2	1.7%	
Adjusted Patient Days	727	842	(115)	-13.7%	4,899	5,172	(273)	-5.3%	4,918	(19)	-0.4%	
Adjusted Discharges	42	64	(22)	-34.1%	366	391	(25)	-6.4%	361	5	1.4%	
Occupancy %	84%	97%	-13%		81%	86%	-5%		82%	0%	81%	
Bed Holds	(1)	0	(1)	0.0%	3	1	2	177.8%	0	3	0.0%	
TOTAL FTE, HOURS, WRVU												
Total Paid FTE	512	497	(15)	-3.1%	496	475	(20)	-4.3%	475	(20)	-4.3%	
Total Productive FTE	415	439	24	5.5%	420	405	(15)	-3.7%	404	(17)	-4.1%	
Total Paid FTE per AOB	4.22	3.95	(0.27)	-6.8%	4.50	4.21	(0.29)	-6.8%	4.31	(0.19)	-4.3%	
Worked Hours Per APD	19.5	20.0	0.4	2.1%	21.8	20.5	(1.3)	-6.1%	20.9	(0.9)	-4.2%	
Worked Hours Per AD	111	112	2	1.5%	117	116	(1)	-0.8%	113	(3)	-3.0%	
Physician wRVU	18,523	0	18,523	0.0%	33,238	0	33,238	0.0%	0	33,238	0.0%	
PAYOR MIX												
Insurance %	7.6%	7.3%	0.3%		6.2%	6.0%	0.2%	2.6%	5.7%	0.5%		
Medi-Cal %	53.0%	54.7%	-1.7%		55.1%	56.7%	-1.7%	-3.0%	56.5%	-1.5%		
Medicare %	34.7%	34.3%	0.4%		34.3%	33.0%	1.3%	3.9%	33.8%	0.5%		
Other Govt %	1.5%	1.2%	0.3%		1.5%	1.3%	0.2%	15.6%	1.4%	0.2%		
Self-Pay %	3.2%	2.5%	0.7%		2.9%	2.9%	0.0%	1.4%	2.6%	0.3%		
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%	0.0%	100.0%	0.0%		
CAMPUS CMI												
CMI San Leandro	1.467	1.541	-0.073	-4.7%	1.459	1.428	0.031	2.2%	1.477	-0.018	-1.2%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: JOHN GEORGE												
Total Patient Days	2,034	1,938	96	5.0%	14,203	14,007	196	1.4%	13,731	472	3.4%	
Total Discharges	202	215	(13)	-6.1%	1,476	1,556	(80)	-5.1%	1,501	(25)	-1.7%	
Total Adjusted Patient Days	2,417	2,351	66	2.8%	16,896	16,640	256	1.5%	16,406	490	3.0%	
Total Adjusted Discharges	240	261	(21)	-8.1%	1,756	1,848	(92)	-5.0%	1,793	(38)	-2.1%	
PSYCH												
Psych Patient Days	2,034	1,938	96	5.0%	14,203	14,007	196	1.4%	13,731	472	3.4%	
Psych Discharges	202	215	(13)	-6.1%	1,476	1,556	(80)	-5.1%	1,501	(25)	-1.7%	
Psych OP Factor	1.2220	1.2454	0.0234	1.9%	1.2267	1.2193	(0.0074)	-0.6%	1.2303	0.0036	0.3%	
Average Daily Census	65.6	62.5	3.1	5.0%	66.1	65.1	0.9	1.4%	63.9	2.2	3.4%	
Average Length of Stay	10.1	9.0	(1.1)	-11.8%	9.6	9.0	(0.6)	-6.9%	9.1	(0.5)	-5.2%	
Adjusted Patient Days	2,486	2,413	72	3.0%	17,422	17,078	344	2.0%	16,893	529	3.1%	
Adjusted Discharges	247	268	(21)	-7.9%	1,811	1,897	(86)	-4.5%	1,847	(36)	-2.0%	
PES Equivalent Days	665	813	(147)	-18.1%	4,967	4,741	226	4.8%	4,667	300	6.4%	
PES Visits	813	911	(98)	-10.8%	5,648	5,682	(34)	-0.6%	5,516	132	2.4%	
PES Hours	15,970	17,121	(1,151)	-6.7%	119,208	110,659	8,550	7.7%	112,009	7,199	6.4%	
PES Hours per Visit	20	19	(1)	-4.5%	21	19	(2)	-8.4%	20	(1)	-3.9%	
TOTAL FTE, HOURS, WRVU												
Total Paid FTE	401	353	(48)	-13.6%	396	369	(28)	-7.5%	385	(11)	-2.8%	
Total Productive FTE	319	308	(11)	-3.7%	337	314	(23)	-7.4%	330	(7)	-2.3%	
Total Paid FTE per AOB	5.14	4.66	(0.49)	-10.5%	5.04	4.77	(0.28)	-5.9%	5.05	0.01	0.1%	
Worked Hours Per APD	23.4	23.2	(0.2)	-0.8%	24.5	23.2	(1.3)	-5.8%	24.7	0.2	0.7%	
Worked Hours Per AD	235	209	(27)	-12.7%	236	209	(27)	-13.1%	226	(10)	-4.5%	
Physician wRVU	4,769	5,007	(238)	-4.8%	44,905	54,514	(9,608)	-17.6%	159,904	(114,999)	-71.9%	
PAYOR MIX												
Insurance %	4.2%	6.0%	-1.8%		5.2%	5.3%	-0.2%		4.9%	0.3%		
Medi-Cal %	65.9%	60.9%	5.0%		66.4%	64.5%	1.9%		64.6%	1.8%		
Medicare %	26.4%	26.8%	-0.4%		26.5%	24.1%	2.4%		25.2%	1.4%		
Other Govt %	-0.5%	3.7%	-4.2%		-0.4%	2.1%	-2.5%		1.2%	-1.6%		
Self-Pay %	3.9%	2.5%	1.4%		2.3%	4.0%	-1.7%		4.2%	-1.8%		
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%		
CAMPUS CMI												
CMI Behavioral Health	1.375	1.329	0.046	3.4%	1.364	1.266	0.097	7.7%	1.348	0.016	1.2%	

ALAMEDA HEALTH SYSTEMS Volume Reports



Month: January

	MONTH				YEAR-TO-DATE				PRIOR YEAR-TO-DATE			
	MTD Actual	MTD Budget	Var	% Var	YTD Actual	YTD Budget	Var	% Var	YTD PY Actual	Var	% Var	
Campus: FAIRMONT												
Total Patient Days	3,293	3,255	38	1.2%	22,982	22,577	405	1.8%	22,848	134	0.6%	
Total Discharges	11	12	(1)	-7.4%	56	82	(26)	-32.0%	62	(6)	-9.7%	
Total Adjusted Patient Days	4,445	4,371	75	1.7%	30,130	30,555	(425)	-1.4%	30,685	(555)	-1.8%	
Total Adjusted Discharges	15	16	(1)	-6.9%	73	111	(38)	-34.1%	83	(10)	-11.8%	
SNF WITH SUB-ACUTE												
SNF Patient Days	3,293	3,255	38	1.2%	22,982	22,577	405	1.8%	22,848	134	0.6%	
SNF Discharges	11	12	(1)	-7.4%	56	82	(26)	-32.0%	62	(6)	-9.7%	
SNF OP Factor	1.0017	1.0017	0.0000	0.0%	1.0562	1.0017	(0.0545)	-5.4%	1.0716	0.0154	1.4%	
Average Daily Census	106.2	105.0	1.2	1.2%	106.9	105.0	1.9	1.8%	106.3	0.6	0.6%	
Average Length of Stay	299.4	274.0	(25.4)	-9.3%	410.4	274.3	(136.1)	-49.6%	368.5	(41.9)	-11.4%	
Adjusted Patient Days	3,298	3,261	38	1.2%	24,274	22,614	1,659	7.3%	24,483	(210)	-0.9%	
Adjusted Discharges	11	12	(1)	-7.4%	59	82	(23)	-28.3%	66	(7)	-11.0%	
Occupancy %	97%	96%	1.0%		98%	96%	2.0%		97%	1.0%		
Bed Holds	56	25	31	127.3%	236	232	4	1.9%	236	0	0.0%	
TOTAL FTE, HOURS, WRVU												
Total Paid FTE	309	284	(25)	-8.7%	301	294	(7)	-2.4%	297	(4)	-1.2%	
Total Productive FTE	242	251	9	3.8%	256	252	(3)	-1.2%	255	(1)	-0.4%	
Total Paid FTE per AOB	2.16	2.02	(0.14)	-6.9%	2.15	2.07	(0.08)	-3.9%	2.08	(0.06)	-3.1%	
Worked Hours Per APD	9.6	10.2	0.5	5.4%	10.4	10.2	(0.3)	-2.7%	10.2	(0.2)	-2.2%	
Worked Hours Per AD	2883	2789	(94)	-3.4%	4277	2784	(1493)	-53.6%	3757	(520)	-13.8%	
Physician wRVU	991	0	991	0.0%	1,884	0	1,884	0.0%	0	1,884	0.0%	
CLINIC / TELEHEALTH VISITS												
Behavioral Health	2,104	1,990	114	5.7%	12,569	15,175	(2,606)	-17.2%	14,481	(1,912)	-13.2%	
Rehab	11	14	(3)	-21.3%	78	67	11	16.1%	78	0	0.0%	
Clinic Visits	2,115	2,004	111	5.5%	12,647	15,242	(2,595)	-17.0%	14,559	(1,912)	-13.1%	
Telehealth Behavioral Health	106	56	50	90.4%	680	434	246	56.7%	403	277	68.7%	
Telehealth Visits	106	56	50	90.4%	680	434	246	56.7%	403	277	68.7%	
TOTAL CLINIC VISITS	2,221	2,060	161	7.8%	13,327	15,676	(2,349)	-15.0%	14,962	(1,635)	-10.9%	
PAYOR MIX												
Insurance %	2.0%	0.8%	1.2%		1.6%	0.9%	0.8%		1.0%	0.6%		
Medi-Cal %	74.5%	77.0%	-2.6%		78.6%	76.5%	2.0%		77.7%	0.9%		
Medicare %	23.7%	22.3%	1.4%		19.1%	21.9%	-2.8%		21.3%	-2.2%		
Other Govt %	0.2%	-0.2%	0.4%		0.2%	0.2%	0.1%		0.2%	0.0%		
Self-Pay %	-0.4%	0.0%	-0.4%		0.5%	0.6%	-0.1%		-0.2%	0.7%		
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%		

ALAMEDA HEALTH SYSTEMS Volume Reports

Month: January

	January 2026				FY2026 Year-To-Date				FY2025 Year-To-Date		
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	Actual	Var	% Var
Campus: FQ CLINIC											
CLINIC VISITS											
Total by Site	30,368	31,865	-1,497	-4.7%	210,879	217,763	-6,884	-3.2%	202,373	8,506	4.2%
Highland FQHC	16,693	17,399	16,693	-4.1%	117,231	120,472	-3,241	-2.7%	116,371	860	0.7%
Eastmont Wellness Center	7,714	8,090	-376	-4.6%	52,037	55,421	-3,384	-6.1%	44,390	7,647	17.2%
Hayward Wellness Center	3,791	3,828	-37	-1.0%	25,920	25,615	305	1.2%	25,973	-53	-0.2%
Newark Wellness Center	2,170	2,548	-378	-14.8%	15,691	16,255	-564	-3.5%	15,639	52	0.3%
Total by Specialty	30,368	31,865	-1,497	-4.7%	210,879	217,763	-6,884	1.2%	202,373	8,506	4.2%
Primary Care	15,578	16,286	-708	-4.3%	108,433	109,634	-1,201	1.2%	109,087	-654	-0.6%
Behavioral Health	59	26	33	126.9%	340	189	151	1.2%	133	207	155.6%
Dental	3,583	3,959	-376	-9.5%	23533	27712	-4,179	1.2%	17,089	6,444	37.7%
Specialty	11,148	11,594	-446	-3.8%	78,573	80,228	-1,655	1.2%	76,064	2,509	3.3%
PAYOR MIX											
Insurance %	3.8%	2.4%	1.3%		3.2%	2.5%	0.7%		2.6%	0.6%	
Medi-Cal %	74.1%	80.0%	-5.9%		76.6%	80.0%	-3.5%		78.7%	-2.1%	
Medicare %	16.3%	12.9%	3.4%		15.2%	12.8%	2.4%		14.0%	1.2%	
Other Govt %	2.2%	1.8%	0.5%		1.8%	1.7%	0.0%		1.9%	-0.1%	
Self-Pay %	3.6%	3.0%	0.6%		3.3%	2.9%	0.3%		2.9%	0.4%	
Total Payor Mix %	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%	0.0%	

Financial Planning

Long Range Financial Plan

Alex Gallo
John Minot-Schwartz
03.04.26
Finance Committee

Presentation Objectives



Shared Understanding and Alignment



The Long Range Plan will be a living tool.
Presentation is for discussion purposes only
and information is subject to change.



Presentation is not an approval of five year
forecast.

Why a Long Range Financial Plan Is Essential

A safety net system faces multi year structural pressures that cannot be managed through annual budgets alone, including reimbursement risk, labor cost growth, and capital needs.

A long range financial plan ensures these pressures are addressed in a way that protects patient care, advances health equity, and sustains our ability to serve as the safety net of the community.



Provides early visibility into sustainability risks, allowing leadership and the Board of Trustees to take proactive action over long term activities.



Creates a disciplined framework to prioritize initiatives and investments that protect access, quality, and the mission over time.



Aligns operating decisions, capital planning, and transformation efforts to ensure the system can continue serving the community through economic and policy cycles.

LR Plan Goals & Guiding Principles

Establish Baseline

- Zero Net Negative Balance at year end.
- Ensure a *positive bottom line sufficient to cover capital needs without* increasing debt.
- Take a multi-year view to ensure strategic investment and the long-term sustainability of the organization.

Dynamic Adjustments

- Incorporate **factors** that may not be reflected in the baseline but likely impact the plan, such as new, or changing services.
- Incorporate full-year staffing as needed, including physician services and approved programs.
- Align resources and funding decisions to drive optimal clinical outcomes and advance HEDI goals

External Factors

- Monitor regulatory shifts, state and federal budgetary/ policy decisions, reimbursement changes, and evolving payer models.
- Structural limits on revenue growth shift the burden of deficit reduction to productivity gains and disciplined cost management.
- Maintain ***fiscal discipline to control expenses necessary to stabilize operations from fluctuations in funding.***

Sustainable Continuous Improvement

- Embed operational and digital efficiencies to drive cost reductions and revenue optimization.
- Develop an achievable budget that includes performance improvement with stretch goals.
- Support Strategic Plan including emphasis on driving productivity to address projected revenue declines.
- Support a multi year strategic services roadmap.

Our Mission

Caring, Healing, Teaching, Serving All

Our Vision

Alameda Health System will be recognized as a world-class patient and family centered system of care that promotes wellness, eliminates disparities and optimizes the health of our diverse communities.

Strategic Pillars

STEWARDSHIP

Optimize asset utilization and resources to deliver high-quality care to our patients

Objective: Grow and optimize resources for the patient care continuum to meet the community need

STAFF & PHYSICIAN EXPERIENCE

AHS values its physicians, clinicians and staff and seeks to grow, engage, retain, and empower them to serve all

Objective: Empowered people and teams delivering exceptional care

QUALITY CARE

AHS provides Safe, Timely, Effective, Efficient, Equitable and Patient-Centered care that is accessible to all

Objective: Safe place to receive exceptional and compassionate care

COMMUNITY CONNECTION

AHS partners with our community to improve health

Objective: Earn the mutual trust of and partner with our community to strive for optimal health for All

Strategic Initiatives

1

Workforce Optimization & Labor Cost Management

Transform workforce planning and deployment to achieve benchmark staffing ratios while optimizing compensation structures, reducing premium labor costs, and implementing sustainable hiring practices that balance cost efficiency with quality care delivery.

STEWARDSHIP STAFF & PHYSICIAN EXP

2

Revenue Cycle Excellence

Maximize revenue capture and accelerate cash flow through enhanced charge capture processes, strategic accounts receivable management, denial reduction, and patient access optimization across ambulatory and acute care settings.

STEWARDSHIP STAFF & PHYSICIAN EXP QUALITY CARE

3

Operational Efficiency & Clinical Excellence

Optimize clinical operations through evidence-based staffing models, improved patient flow, and standardized care delivery processes that enhance quality outcomes while reducing operational costs.

STEWARDSHIP STAFF & PHYSICIAN EXP QUALITY CARE

4

Technology & Digital Transformation

Modernize technology infrastructure and optimize digital investments to reduce costs, improve user experience, and enable data-driven decision-making across the enterprise.

STEWARDSHIP QUALITY CARE

5

Supply Chain & Procurement Excellence

Optimize supply chain operations and strategic sourcing to reduce costs, improve inventory management, and ensure reliable access to quality supplies and equipment.

STEWARDSHIP STAFF & PHYSICIAN EXP

6

Capital Investment & Real Estate Optimization

Strategically manage capital investments and real estate assets to support clinical operations while minimizing costs through consolidation, energy efficiency, and data-driven project prioritization.

STEWARDSHIP

7

Regulatory Related Major Capital Projects

Execute infrastructure investments to ensure regulatory compliance, patient safety, and long-term operational sustainability while leveraging external funding sources.

STEWARDSHIP COMMUNITY CONNECTION

8

Strategic Collaborations/Partnerships

Develop strategic collaborations/partnerships to expand access, improve financial performance, and position AHS as a regional leader in community-based care.

STEWARDSHIP STAFF & PHYSICIAN EXP QUALITY CARE COMMUNITY CONNECTION

Ongoing Oversight



Integrated Strategic and Financial Plan (ISFP) Framework and Timeline

Month	Initiative Planning	Capital Planning	Budgeting
Q1: Execution			
Jul	(Prior plan in action) Launch fiscal year, execute goals	Capital deployment begins (e.g., purchasing equipment, projects start)	Operational and capital funds allocated and spent in accordance with project timelines
Aug	(Prior plan) Monitor early progress, support teams	Monitor initial capital spend, ensure alignment with goals	Track budget adherence, report early variances
Sep	(Prior plan) Q1 review, assess progress, refine tactics	Review capital project progress, make minor adjustments if needed	Assess spending vs. plan, adjustments made accordingly
Q2: Planning			
Oct	Review past fiscal year, conduct environmental scan	Initial capital assessment: identify past successes/gaps	Maintain focus on current fiscal year
Nov	Gather stakeholder input, draft objectives, set OKRs	Identify capital needs for new initiatives (e.g., rough estimates)	Assess current year and potential carryover/adjustments impacting next fiscal year
Dec	Finalize strategic plan: approve goals, action plans	Forecast capital requirements, align with strategic priorities	Pre-budget prep: informally review prior year budget outcomes
Q3: Budgeting			
Jan	Communicate new plan to teams, prep for execution	Detailed capital planning: refining costs, timelines, ROI projections	Budgeting begins
Feb	Train teams, align resources for next fiscal year	Finalize capital budget for July 1 implementation	Gather input, detail operational and capital costs
Mar	Final prep for fiscal year start, monitor current progress	Pre-launch prep: secure funds, issue orders for July execution	Draft initial budget based on strategic plan; align with revenue forecasts
Q4: Approval and Transition			
Apr	Execute current year goals, push toward year-end targets	Monitor ongoing capital projects, adjust if critical	Refine budget: detail line items for ops and capital spend
May	Continue execution, gather mid-year feedback	Mid-year capital review: assessment of spending and ROI	Final budget prep: incorporate feedback, prepare for board review
Jun	Close out current fiscal year, celebrate wins	Finalize mid-year capital assessment, note changes for next cycle	Board approval: finalize and approve budget; operational and capital allocations locked in

Alignment Cadence

- Long Range Financial Plan is linked to the Integrated Strategic Framework including budgeting, initiative intake reviews and capital planning.

Criteria for LR Initiatives

- \$3m+/year annual impact (items not covered in typical annual budget)
- 5 year planning horizon

Financial Risks (Same as FY26 Budget)

- Multi-year planning necessary to solve projected NNB deficits for long-term sustainability of the organization.
- Threat and perception of tariff increases may impede supplies and other components for capital projects.
- Global provider expense budget at \$233.5M includes new FTE as AHS employs providers, requiring reduction in overtime, locums and SAN from current run rate spending.
 - New doctors' productivity may not reach median as planned.
- Achieve GRIT \$26.8M necessary to close budget gap and fund the capital plan.
 - Adopting tighter labor standards aligned with external benchmarks for safety net organizations to ensure long term financial sustainability. WORC and Budget Oversight Committees are tasked with achieving GRIT staffing efficiencies (\$8.8M).

Programmatic Financial Risks

- Federal cuts passed July 2025 (HR 1 / "Big Bill") significantly reduces Medi-Cal enrollment expected from January 2027, combined with State budget cuts passed June 2025 that are already reducing Medi-Cal enrollment for immigrant categories & will also reduce benefits of those remaining during FY27
 - AHS has had estimates of both federal and state impacts since August 2026 but significant uncertainty remains, will present Board with assumptions and possible approaches for feedback at Board Retreat.
 - Federal regulations for HR 1 work requirements not expected until summer; true impact will be hazy up to the day it takes effect
- Supplemental revenue was based on information available through May 31, 2024.
 - DP-NF Pass-Through, a 3-year time-limited program assisting with transition of SNF services to Managed Care, must end 12/31/2025 under federal rules; revenues not yet received have been earmarked for capital investment.
 - Interim HPAC Amendment (1991 Realignment) funds not advanced during year, based on updated state estimates of “need” under statutory AB85 formula due to significant projected increases in EPP & QIP.
- Cal Aim transition and County’s conversion to a new billing system has impacted AHS’ ability to get reimbursed for all the services provided. Budget 2026 assumes \$72.1M for JGP reimbursement based on FY23 contract. It should be noted that this level of reimbursement is insufficient to cover costs.

Other Financing Threats

State Budget Cuts

- State budget cuts include, for certain adult immigrant populations:
 - Enrollment freeze & PPS rate cut Jan. 2026
 - Elimination of non-emergency dental benefits from Jul. 2026
 - \$30/mo. premiums from Jul. 2027
- If state tax revenue is down in May, further cuts are possible, not known until end of June
- Alliance saw enrollment drop by almost 7,000 in January 2026 alone, first month of freeze
 - Alliance projected at least 40,000 fewer enrollees by June 2026
 - At least \$350M medical expenses for population – impact to AHS via HPAC OMS being monitored

Federal Lapses

- Enhanced subsidies for ACA exchange plans lapsed as of January 2026
 - Average Covered CA premium doubled, participation sharply down
 - Could send more people back to us as uncompensated care (monitoring)

Financial Threats – Incremental Income Statement Impact

- Projected incremental reduction to operating revenue ranges from \$41M in FY27 to \$128M by FY30, reflecting escalating exposure to federal and state actions.
- Incremental operating losses grow from \$33M in FY27 to approximately \$114M by FY30 under current assumptions.
- Expense offsets shown are limited relative to revenue impact, highlighting the magnitude of top line exposure.
- Figures reflect point in time assumptions for directional planning; updated scenarios and sensitivities will be reviewed at a future Board retreat.

	FY2027 Big Bill	FY2028 Big Bill	FY2029 Big Bill	FY2030 Big Bill
Operating revenue				
Net patient service revenue	\$ (34,113)	\$ (60,935)	\$ (60,935)	\$ (60,935)
Capitation revenue				
Other government programs	(6,996)	(20,780)	(43,464)	(66,951)
Other operating revenue				
Total operating revenue	(41,109)	(81,715)	(104,399)	(127,886)
Operating expense				
Labor costs	(7,772)	(13,998)	(13,998)	(13,998)
Physician contract services				
Purchased services				
Materials and supplies				
Facilities				
Depreciation and amortization				
General and administrative				
Total operating expense	(7,772)	(13,998)	(13,998)	(13,998)
Operating income (loss)	(33,337)	(67,717)	(90,401)	(113,888)
Non-operating activity				
Interest income (expense)				
Other nonoperating revenue				
Total non-operating activity	-	-	-	-
Net income (loss)	\$ (33,337)	\$ (67,717)	\$ (90,401)	\$ (113,888)

5 Year Income Statement With No Action

- High impact assumptions:
 - Labor Increases based on COLA/Step
 - Net Patient Service Revenue Increases
 - Rent/Utilities Increases
- Baseline shows structural imbalance where expense growth outpaces revenue under current reimbursement assumptions.
- Operating losses compound over time, reducing flexibility and increasing reliance on financing solutions.
- Key Takeaways:
 - With half of operating revenue sourced patient service revenue, the path to closing future years Net Income gaps is primarily around efficiency gains.
 - Baseline Status quo is not sustainable.

ALAMEDA HEALTH SYSTEM (consolidated) Statement of Revenues and Expenses For Fiscal Years Ending June 30th (In Thousands)

	Final FY2024	Projected FY2025 (as of 6/11/25)	Projected FY2026	Projected FY2027	Projected FY2028	Projected FY2029	Projected FY2030
Operating revenue							
Net patient service revenue	\$ 854,841	\$ 933,578	\$ 958,674	\$ 934,147	\$ 882,553	\$ 830,443	\$ 777,812
Capitation revenue	51,451	55,418	53,640	53,640	53,640	53,640	53,640
Other government programs	497,798	544,008	541,316	549,361	533,115	514,667	500,709
Other operating revenue	55,254	60,527	59,353	59,353	59,353	59,353	59,353
Total operating revenue	1,459,344	1,593,531	1,612,983	1,596,501	1,528,661	1,458,103	1,391,514
Operating expense							
Labor costs	1,055,837	1,155,334	1,208,706	1,237,195	1,247,941	1,258,901	1,270,081
Physician contract services	47,488	42,190	43,639	43,639	43,639	43,639	43,639
Purchased services	106,138	103,493	105,518	105,518	105,518	105,518	105,518
Materials and supplies	138,106	154,442	158,391	158,391	158,391	158,391	158,391
Facilities	36,132	37,770	38,264	39,029	39,810	40,606	41,418
amort - ROU leases	6,112	7,683	7,375	6,377	4,242	4,242	4,242
amort - RTU software	965	2,238	1,187	1,187	1,187	1,187	1,187
depr - capital	33,971	27,370	20,983	20,983	20,983	20,983	20,983
Depreciation and amortization	41,048	37,291	29,545	28,547	26,412	26,412	26,412
General and administrative	29,786	44,553	33,166	33,166	33,166	33,166	33,166
Total operating expense	1,454,535	1,575,073	1,617,229	1,645,485	1,654,876	1,666,633	1,678,625
Operating income (loss)	4,809	18,458	(4,246)	(48,984)	(126,215)	(208,530)	(287,111)
Non-operating activity							
Interest income (expense)	(1,898)	(4,600)	(3,900)	(3,900)	(3,900)	(3,900)	(3,900)
Other nonoperating revenue	155	(253)	156	156	156	156	156
Covid-19 revenue	-	-	-	-	-	-	-
Total non-operating activity	(1,743)	(4,853)	(3,744)	(3,744)	(3,744)	(3,744)	(3,744)
Net income (loss)	\$ 3,066	\$ 13,605	\$ (7,990)	\$ (52,728)	\$ (129,959)	\$ (212,274)	\$ (290,855)
EBIDA adjustments							
Interest income (expense)	1,898	4,600	3,900	3,900	3,900	3,900	3,900
Depreciation and amortization	41,048	37,291	29,545	28,547	26,412	26,412	26,412
Retirement (deferred)	(9,784)	-	-	-	-	-	-
Total EBIDA adjustments	33,162	41,891	33,445	32,447	30,312	30,312	30,312
EBIDA	\$ 36,228	\$ 55,496	\$ 25,455	\$ (20,281)	\$ (99,647)	\$ (181,962)	\$ (260,543)

NNB Impact With No Action (reference finance NNB)

- Without action AHS is projected to hit NNB pressure points in Q1, FY27, creating near term liquidity risk
- Middle years are the highest risk window as early actions plateau and external pressures rise
- NNB timing is the forcing function for urgency, it defines when corrective actions must be realized not just planned
- This slide clarifies the minimum level of execution needed to protect cash and maintain operational stability

Net Negative Balance (NNB) Projection

(In thousands)

	ACTUAL 2024	FORECAST 2025	BUDGET 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029	PROJECTED 2030
Earning Before Interest, Depreciation and Amortization (EBIDA)	\$ 36,228	\$ 55,496	\$ 25,455	\$ (20,281)	\$ (99,647)	\$ (181,962)	\$ (260,543)
<i>Supplemental Program Timing</i>							
<i>HPAC Amendment & AB85 Realignment</i>	(22,984)	9,780	(39,990)	4,789	(45,600)	-	-
<i>EPP</i>	(3,836)	(39,547)	(32,184)	21,982	55	11,258	13,679
<i>QIP (including DP-NF PT)</i>	(2,828)	(9,643)	(1,698)	9,499	441	16,233	11,849
<i>Other programs</i>	(42,422)	37,286	(22,594)	(3,810)	4,023	(2,844)	(6,980)
<i>Other Balance Sheet Timing</i>	41,361	(12,727)	7,756	7,756	7,756	7,756	7,756
Cash From Operations	5,519	40,645	(63,255)	19,935	(132,972)	(149,559)	(234,239)
<i>EPIC Financing Payment</i>	(3,977)	(2,783)	-	-	-	-	-
<i>Other arrangements (leases, software)</i>	(7,018)	(8,086)	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
Committed Debt	(10,995)	(10,869)	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
<i>Capital Projects</i>	(20,601)	(20,035)	(20,035)	(29,271)	(31,851)	(21,585)	(22,000)
Capital Outlay	(20,601)	(20,035)	(20,035)	(29,271)	(31,851)	(21,585)	(22,000)
<i>AHSF Support</i>	221	795	668	-	-	-	-
<i>Jaber</i>	164	220	-	-	-	-	-
Other Activity	(1,668)	(3,332)	(3,388)	(4,056)	(4,056)	(4,056)	(4,056)
<i>Capital Cost Transfer (pmt to County)</i>	(9,202)	(7,503)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Total County Transactions	(9,202)	(7,503)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Cash Surplus/(Deficit)	(36,947)	(1,094)	(102,618)	(27,613)	(180,467)	(186,492)	(271,587)
<i>NNB, Beginning Balance</i>	58,174	21,227	20,133	(82,485)	(110,098)	(290,565)	(477,057)
NNB, Ending Balance	21,227	20,133	(82,485)	(110,098)	(290,565)	(477,057)	(748,644)
NNB Limit at June 30th	105,000	100,000	95,000	90,000	85,000	80,000	75,000
Under (Over) NNB Limit	126,227	120,133	12,515	(20,098)	(205,565)	(397,057)	(673,644)

Key Initiatives – Year 1

The initiatives shown represent management’s current portfolio of actions designed to stabilize performance in the near term while beginning to address longer term structural challenges. These initiatives are intentionally concentrated in FY26 and FY27.

The current initiative set to achieve the \$100m Together initiative is critical and must be executed with discipline. \$100m is the target and has not been reached – more work will be needed to activate initiatives to achieve the \$100m. The included Ideation represents several concepts under exploration but AHS will need assistance from its partners to expand this list.

Second, it is not sufficient to offset anticipated external funding risks in the outer years. The organization must begin developing a second wave of multi year initiatives that directly address exposure to policy driven funding changes.

This list is primarily Efficiency based but later versions will need to expand to include sections for Growth and Transformation.

Notes:

GRIT Initiatives are not counted in long range plan as financial impact already covered in FY26 budget. Any impact from teams (e.g. Rev Cycle) are incremental to the savings reflected in the budget.

Primary	Project Phase	Forecasted Savings			
		Revenue/Expense		Capex	
		FY26	FY27	FY26	FY27
Increase Census ARU	Idea	5,042			
OR Staffing Efficiency	Discovery	2,138			
Open Access	Discovery	500	-		
Stanford Collaboration: Secure 20 SNF Beds	Idea	5,840			
Physician Contracts Optimization		-	1,500		
Headcount and Labor Planning Revamp (WORC)	Execution	5,000	10,000		
Aging Accounts Follow Up	Idea	8,000	-		
Cancellations Reductions	Idea	3,500	7,000		
No Shows Reductions	Idea	385			
Pause Non Essential Capex	Idea			7,500	(7,500)
Non Essential - Travel Freeze	Execution	500			
Optimize Benefits Package	Idea	-	17,500		
Application Rationalization	Idea		800		
Bed Rentals	Idea	170	456		
Phones Data Plan Change	Idea	200	100		
EPIC License	Idea	200	200		
Reducing Paper & Printing Costs: Procurement & Printer Optimization	Idea	100	250		
Contracts	Execution	5,000	10,000		
Reductions in Force	Execution	16,000	41,928		
Non Labor Budget Cuts	Idea	5,000	-		
Supply Chain Optimization	Idea	2,500	1,500		
Space Optimization	Discovery	-	120		
Fuel Cell Technology	Idea		2,500		
Max Potential Savings		60,075	93,854	7,500	(7,500)
% Realization	55%				
Required Savings				100,000	
Total Expected Savings (Expense/Capex)				\$37,166	
Gap				(62,834)	

Key Investments – Year 2-5

- Investments are required to sustain performance improvements and enable transformation, not just to fund growth.
- These initiatives fall outside routine annual budget allocations and will require separate planning, sequencing, and capital alignment.
- Each investment should be tied to an expected financial return, risk reduction, quality impact, or capacity improvement.
- Investment pacing must align to liquidity constraints so AHS does not invest ahead of cash capacity.
- List should be viewed as a prioritization and sequencing discussion, not a wish list.

Category	Initiative	Description	FY27	FY28	FY29	FY30
Growth	Revenue & Cash Integrity	EPIC AI/ Craneware Expiration		-1,750 (labor savings)		
Growth	St. Rose Revitalization	Obligation - Funding of IGT	10,000	10,000		
Growth	St. Rose Revitalization	EPIC Rollout	6,500			
Growth	Infrastructure	Wi-Fi Refresh	3,500			
Transformation	System Investment	UKG Enhancement		3,000		
Transformation	Equipment Investment	Cathlab, Radiology, etc.	3,000	3,000		
Transformation	Transfer Procedures For Higher Reimbursement	Separate Ambulatory Surgical		3,000	5,000	
Transformation	HR/Finance System Investment	ERP	3,000	6,000	6,000	3,000
Transformation	Finance System Investment	Strata	2,000			

Risk Imperative: Efficiency Gains are High Risk

Structural Revenue Reality

- Approximately half of operating revenue is Net Patient Service Revenue and the remainder is supplemental funding subject to policy and regulatory volatility.
- Federal and state reductions create sustained top line compression across the planning horizon.
- There is no credible near term service creation or expansion strategy that can close the projected gap within required liquidity timelines.
- Income statement deterioration flows directly into cash constraints and accelerates Net Negative Balance pressure.

Required Strategic Response

- Productivity improvement across existing infrastructure is the most significant near term lever available to offset revenue compression.
- Achieving required improvements will necessitate difficult decisions, including evaluation of FTE levels, service scope, and operating model redesign.
- The efficiency trajectory implies a reduction from 5,200 to 4,000 FTEs over four years, a 24% decrease that is unlikely to be achieved through incremental improvement alone and would necessitate structural review of programs and service offerings.

Initiative	FY27	FY28	FY29	FY30
Efficiency Savings	-100,000	-130,000	-20,000	-85,000

Highest Material Risk

Productivity gains at the magnitude required are highly uncertain and execution dependent. Failure to achieve targeted efficiency levels will materially impact stability, and long term sustainability.

5 Year Income Statement With Action

- Approved initiatives materially improve the trajectory relative to baseline, demonstrating the value of the transformation portfolio.
- Results still indicate remaining structural risk, so the plan is a platform for continued initiative development.
- Statement useful to assess whether the system is moving toward sustainable operating performance and cash generation.
- This is the scorecard for whether actions translate into financial statement improvement.

For Fiscal Years Ending June 30th
(In Thousands)

	Final FY2024	Projected FY2025 (as of 6/11/25)	Projected FY2026	Projected FY2027	Projected FY2028	Projected FY2029	Projected FY2030
Operating revenue							
Net patient service revenue	\$ 854,841	\$ 933,578	\$ 959,924	\$ 938,410	\$ 886,858	\$ 834,792	\$ 782,204
Capitation revenue	51,451	55,418	53,640	53,640	53,640	53,640	53,640
Other government programs	497,798	544,008	541,316	549,361	533,115	514,667	500,709
Other operating revenue	55,254	60,527	59,353	59,353	59,353	59,353	59,353
Total operating revenue	1,459,344	1,593,531	1,614,233	1,600,764	1,532,966	1,462,452	1,395,906
Operating expense							
Labor costs	1,055,837	1,155,334	1,181,040	1,137,865	1,058,124	1,050,288	983,295
Physician contract services	47,488	42,190	43,639	43,639	43,639	43,639	43,639
Purchased services	106,138	103,493	105,518	105,518	105,518	105,518	105,518
Materials and supplies	138,106	154,442	158,391	158,391	158,391	158,391	158,391
Facilities	36,132	37,770	38,264	39,029	39,810	40,606	41,418
Depreciation and amortization	41,048	37,291	29,545	28,547	26,412	26,412	26,412
General and administrative	29,786	44,553	33,166	33,166	33,166	33,166	33,166
Total operating expense	1,454,535	1,575,073	1,589,563	1,546,155	1,465,060	1,458,020	1,391,840
Operating income (loss)	4,809	18,458	24,670	54,609	67,906	4,432	4,066
Non-operating activity							
Interest income (expense)	(1,898)	(4,600)	(3,900)	(3,900)	(3,900)	(3,900)	(3,900)
Other nonoperating revenue	155	(253)	156	156	156	156	156
Total non-operating activity	(1,743)	(4,853)	(3,744)	(3,744)	(3,744)	(3,744)	(3,744)
Net income (loss)	\$ 3,066	\$ 13,605	\$ 20,926	\$ 50,865	\$ 64,162	\$ 688	\$ 322
EBIDA adjustments							
Interest income (expense)	1,898	4,600	3,900	3,900	3,900	3,900	3,900
Depreciation and amortization	41,048	37,291	29,545	28,547	26,412	26,412	26,412
Total EBIDA adjustments	33,162	41,891	33,445	32,447	30,312	30,312	30,312
EBIDA	\$ 36,228	\$ 55,496	\$ 54,371	\$ 83,312	\$ 94,474	\$ 31,000	\$ 30,634

NNB Impact With Action

This reconciliation reflects only initiatives that are fully committed and approved, excluding conceptual or unvetted actions. As a result, it provides a conservative view of near and mid term liquidity risk.

The analysis highlights a key pressure point in the middle years, with an approximately ninety-one million of debt emerging as early initiatives plateau and external pressures increase. AHS is projecting to exceed the NNB in the first quarter of FY27. Strategic initiatives materially improve the trajectory, but they are not currently sufficient on their own to fully offset the \$100m gap.

Management faces two critical requirements. To avoid maximizing NNB in FY26, the system must achieve one hundred million in savings within that fiscal year. To remain viable and bridge to anticipated external funding relief, cumulative and recurring savings of one hundred million must be achieved by the end of FY27.

Net Negative Balance (NNB) Projection

(In thousands)

	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029	PROJECTED 2030
Earning Before Interest, Depreciation and Amortization (EBIDA)	\$ 54,371	\$ 83,312	\$ 94,474	\$ 31,000	\$ 30,634
<i>Supplemental Program Timing</i>					
HPAC Amendment & AB85 Realignment	(39,990)	4,789	(45,600)	-	-
EPP	(32,184)	21,982	55	11,258	13,679
QIP (including DP-NF PT)	(1,698)	9,499	441	16,233	11,849
Other programs	(22,594)	(3,810)	4,023	(2,844)	(6,980)
Other Balance Sheet Timing	7,756	7,756	7,756	7,756	7,756
Cash From Operations	(34,339)	123,528	61,149	63,403	56,938
EPIC Financing Payment	-	-	-	-	-
Other arrangements (leases, software)	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
Committed Debt	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
Capital Projects	(20,035)	(50,271)	(45,601)	(32,585)	(25,000)
Capital Outlay	(20,035)	(50,271)	(45,601)	(32,585)	(25,000)
Interest income (expense)	(3,900)	(3,900)	(3,900)	(3,900)	(3,900)
Non-operating income	(156)	(156)	(156)	(156)	(156)
AHSF Support	668	-	-	-	-
Jaber	-	-	-	-	-
Other Activity	(3,388)	(4,056)	(4,056)	(4,056)	(4,056)
Capital Cost Transfer (pmt to County)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Capital Cost Transfer (pmt from County)	-	-	-	-	-
Capital Reserve Fund (pmt to County)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Capital Reserve Fund (pmt from County)	7,000	7,000	7,000	7,000	7,000
Total County Transactions	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Cash Surplus/(Deficit)	(73,702)	54,980	(96)	15,470	16,590
NNB, Beginning Balance	20,133	(53,569)	1,411	1,315	16,785
NNB, Ending Balance	(53,569)	1,411	1,315	16,785	33,375
NNB Limit at June 30th	95,000	90,000	85,000	80,000	75,000
Under (Over) NNB Limit	41,431	91,411	86,315	96,785	108,375

FY27 Preliminary Budgetary Estimates

These estimates are preliminary directional ranges, developed ahead of the formal budget cycle scheduled to commence February and conclude in June.

They are intended to support early planning and risk awareness, not to represent a proposed or approvable budget.

- Guiding Principles expected to remain or be similar: Establish Baseline, Dynamic Adjustments, External Factors and Sustainable Continuous Improvement.
- Cash flow objective: zero balance or better within NNB by fiscal year end, which sets the bar for required savings and operational performance.
- Net Income Objective: Break even or positive net income to funds investments, including \$30m for capital expenses.
- With approximately half of operating revenue coming from net patient service revenue, efficiency gains are the large driver to achieving year over year improvement to the net income.
- Any shortfall in closing the FY26 NNB gap will carry forward into FY27, placing incremental pressure on savings targets and operational performance to reach a zero ending NNB balance.

ALAMEDA HEALTH SYSTEM (consolidated)

Budgetary Estimates

FY27-FY30

(In Thousands)

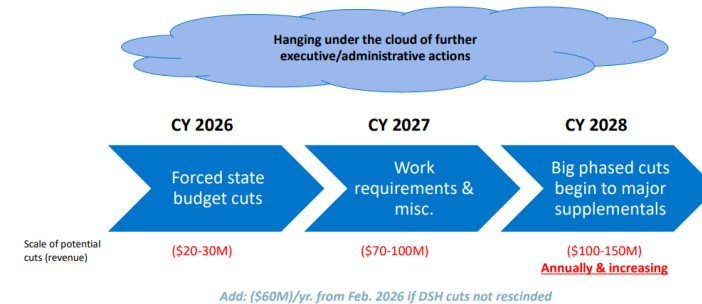
	FY26	FY27	FY28	FY29	FY30
Total Operating Revenue	1,614,000	1,601,000	1,533,000	1,462,000	1,396,000
Labor Costs	1,181,000	1,138,000	1,058,000	1,050,000	983,000
Total Operating Expense	1,590,000	1,546,000	1,465,000	1,458,000	1,392,000
Operating Income	25,000	55,000	68,000	4,000	4,000
Net Income	21,000	51,000	64,000	1,000	0
EBIDA	54,000	83,000	94,000	31,000	31,000
Capital Outlay	20,000	50,000	46,000	33,000	25,000
Cash	(74,000)	55,000	0	15,000	17,000
NNB (Ending Balance))	(54,000)	1,000	1,000	17,000	33,000
Debt Limit at June 30th	95,000	90,000	85,000	80,000	75,000
Under (Over) NNB Limit	41,000	91,000	86,000	97,000	108,000
Operating Margin*	1.5%	3.4%	4.4%	0.3%	0.3%

"No margin, no mission."

18 Month Priorities

- Mature project execution disciplines to ensure delivery of one hundred million dollars in **net savings by the end of FY26**, with clear ownership and accountability.
- Support organizational planning around FY28-30 to address funding gaps, including HR-1.
- Strengthen linkage between strategy, the long range financial plan, the annual budget, and resource/capital planning to ensure alignment of resources and timing.
- Support transition to Strata system for more robust capability.

Overall Est. of HR 1 Impacts to AHS to Prepare For



\$100M Together



Efficiency Program

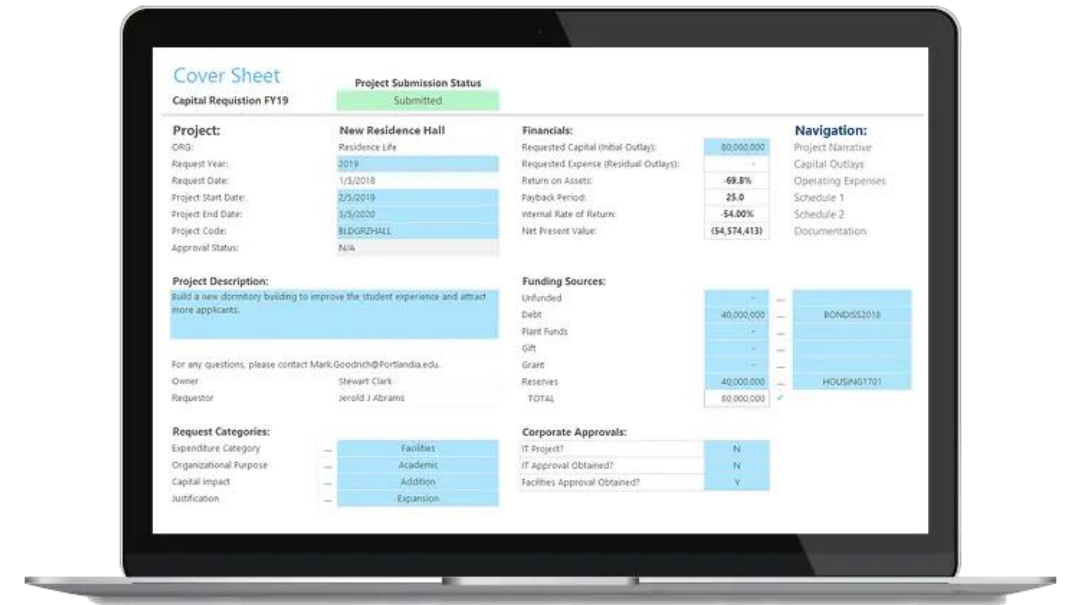
THANK YOU

APPENDIX

Decision Analysis Features

- Make quick adjustments by initiative to assess financial impact by year
- Multiple scenario evaluation - Expected, Optimistic, Conservative
- Multiple Roll Up Views - Dashboard summary vs. full financial statements

Takeaway: The tool allows leadership to actively shape the long range financial narrative by testing strategic tradeoffs and understanding their downstream impact.



Feature Representative Image. Not actual Data.

Big Bill Impact

As of September 1, 2025		As of June 30 of each fiscal year				
		BUDGET 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029	PROJECTED 2030
Big Bill impacts - federal actions	Medicaid Work Requirements					
	...Work requirements increasing uncompensated care	0	(7,929)	(23,787)	(23,787)	(23,787)
	...Work requirements decreasing patient utilization	0	(3,398)	(10,195)	(10,195)	(10,195)
	...Direct cost savings from decreased utilization	0	3,113	9,339	9,339	9,339
	...Work requirements reducing GME	0	(394)	(793)	(935)	(1,079)
	...reducing Rate-Range	0	0	0	(4,029)	(4,110)
	...reducing AB915, PNPP	0	0	(787)	(1,602)	(5,635)
	Subtotal Federal	0	(8,609)	(26,222)	(31,209)	(35,467)
	State Directed Payments caps					
	...EPP to Medicare equivalency (10% cut 2028, then 20%, etc.)	0	0	0	0	(9,772)
...QIP to Medicare equivalency (same)	0	0	0	0	(12,198)	
Subtotal Directed	0	0	0	0	(21,970)	
	Reduction to Emergency Medicaid FMAP (Immigration-Related)	0	(5,833)	(10,000)	(10,000)	(10,000)
Big Bill impacts - state actions	State reductions to coverage & rates	(4,098)	(12,294)	(12,294)	(12,294)	(12,294)
	Reduction to AHS share of HQAF (Direct Grant)	(3,664)	(3,622)	(3,622)	(3,622)	(3,622)
	Subtotal State	(7,762)	(15,916)	(15,916)	(15,916)	(15,916)
Total Big Bill impact		(7,762)	(30,358)	(52,138)	(57,125)	(83,353)

GRIT

Budget Approved 6/11/25

Growing Responsibly through Innovation & Teamwork (GRIT) Tracking

In Thousands

\$36,869	\$26,755
----------	----------

#	Project Name	Est. Timing	Description	Executive Dyad	Category	FY2026 Target	FY2026 Budget
Revenue Cycle						\$12,200	\$12,200
1	OP Non-FQ Charge Capture (Enterprise CDI)	FY2026	<p>Baseline YTD February 2025 annualize. Number of Cases: Basline: 299,729 Target: <u>308,720</u> Cases Improving: 8,992</p> <p>Gross Charge/Cases: \$5,407 Net/Cases: \$661 Reimb at 12.2% Estimate Net Increase by \$5.9M.</p> <p>Real time review of charges and documentation. Optimize documentation to capture all codable items to drive a higher charges and better reimbursement. Capture diagnosis at time order is placed for non FQ outpatient services. Target 3% increase for FY2026</p>	Kim Miranda	Quality	\$5,940	\$5,940
2	OR Charge Level	FY2026	AHS OR's were billing nearly 100% as HC OR Level 1. Director of Periop leading a workgroup to correctly build and implement Level 2,3 and 4 charges. Director worked with Rev cycle to ensure room level charge for complexity was billed at appropriate level using a rubric to determine complexity. (equivalent to in pt room charges by level of care; M/S vs ICU) level 1-3, added trauma level 4.	Jamie Weber	Quality	\$6,260	\$6,260
Physician Services						\$733	\$0
3	Provider Productivity	FY2026	<p>Currently, GI (6 Physician FTEs), Ortho (8 physician & 10 APP FTEs) and Urology (3.8 Physician FTEs) have wRVUS in the 10th percentile to MGMA survey.</p> <ul style="list-style-type: none"> - Gap of (82k) wRVUs to Median for these 3 specialties. - 25% improvement or increase of 21k wRVU would equate to +\$733k in PB revenue 	Dr. Beth Mahler	Stewardship	\$733	\$0
Other						\$4,500	\$0
4	FEMA	FY2026	Covid Nursing expenses denied by FEMA (April 2025) but under appeal	Kim Miranda	Stewardship	\$4,500	\$0

#	Project Name	Est. Timing	Description	Executive Dyad	Category	FY2026 Target	FY2026 Budget
Operations						\$15,839	\$10,958
5	Supplies Savings Initiative	FY2026	Standardization of products, services and processes across AHS to improve efficiency; negotiate better pricing.	Mark Fratzke	Stewardship	\$4,000	\$0
6	Rental Equipment Saving	FY2026	Biomed successfully implemented a cost-saving initiative in FY25 by eliminating rental expenses for Alaris infusion pumps and specialty mattresses through equipment purchases. The \$513K investment was partially offset by \$114K in savings from Alaris pump rentals, while the mattresses were funded under the FY25 Biomed Refresh budget. The total annual savings of \$881K will be reflected in the Supply Chain & Materials Management department, as the rentals are budgeted under their cost center.	Christine Yang	Stewardship	\$881	\$0
7	Reduce Overtime %	FY2026	Baseline FY2025: 4.9% Budget FY2026: 4.5% Excludes Physicians	Ro Lofton	Stewardship	\$1,148	\$1,148
8	Staffing Efficiency	FY2026	Achieve median long-term productivity standards consistent with labor standard benchmarks for safety net hospital systems for FY2026 of 45 FTEs.	Mark Fratzke	Stewardship	\$8,775	\$8,775
9	EWC Dental Expansion	FY2026	EWC Dental expansion (opened in March 2025) provides new capacity for Adult Dental services (18K visits) and improves access for pediatrics dentistry as well. Budget metric is based on Net Income.	Dr. C. Ng	Stewardship	\$1,035	\$1,035

#	Project Name	Est. Timing	Description	Executive Dyad	Category	FY2026 Target	FY2026 Budget
Length of Stay						\$3,598	\$3,598
9	Decrease Acute Length of Stay (LOS)	FY2026	Baseline YTD December 2024 Annualized: AHS Total Baseline Excess Days: 30,868 Target Excess Days: <u>28,469</u> Target Improve Days: 2,399 Measurement based on opportunity days (LOS greater than Medicare GMLOS) * \$1500/day in comparison to baseline as of December 2024.	RO Lofton/Dr. Andrea Wu	Quality	\$3,598	\$3,598
	Legth of Stay (LOS)HGH	FY2026	HGH Baseline Excess Days: 22,264 Target Excess Days: <u>20,653</u> Target Improve Days: 1,611 LOS at 5.7; Estimated Saving of \$2.4M				
	Legth of Stay (LOS)SLH	FY2026	SLH Baseline Excess Days: 4,056 Target Excess Days: <u>3,609</u> Target Improve Days: 447 LOS at 3.6; Estimated Saving of \$671K				
	Legth of Stay (LOS)AHD	FY2026	AH Baseline Excess Days: 4,548 Target Excess Days: <u>4,207</u> Target Improve Days: 341 LOS at 4.4; Estimated Saving of \$511K				
Grand Total						\$36,869	\$26,755

DISCUSSION: Managed Care Contract Update

Managed Care Contracting Update

Finance Committee Meeting
March 4, 2026

Managed Care Contracting Update - AGENDA

Content	Presenter	Time
01 Overview of Strategic Initiatives	Sandra Wellington	2 Mins
02 Areas for Growth in 2026	Ellen Gallagher Parsons	5 Mins
03 Medicare Advantage Strategy	Ellen Gallagher Parsons	5 Mins
04 Medi-Cal Strategy	Ellen Gallagher Parsons	3 Mins

01

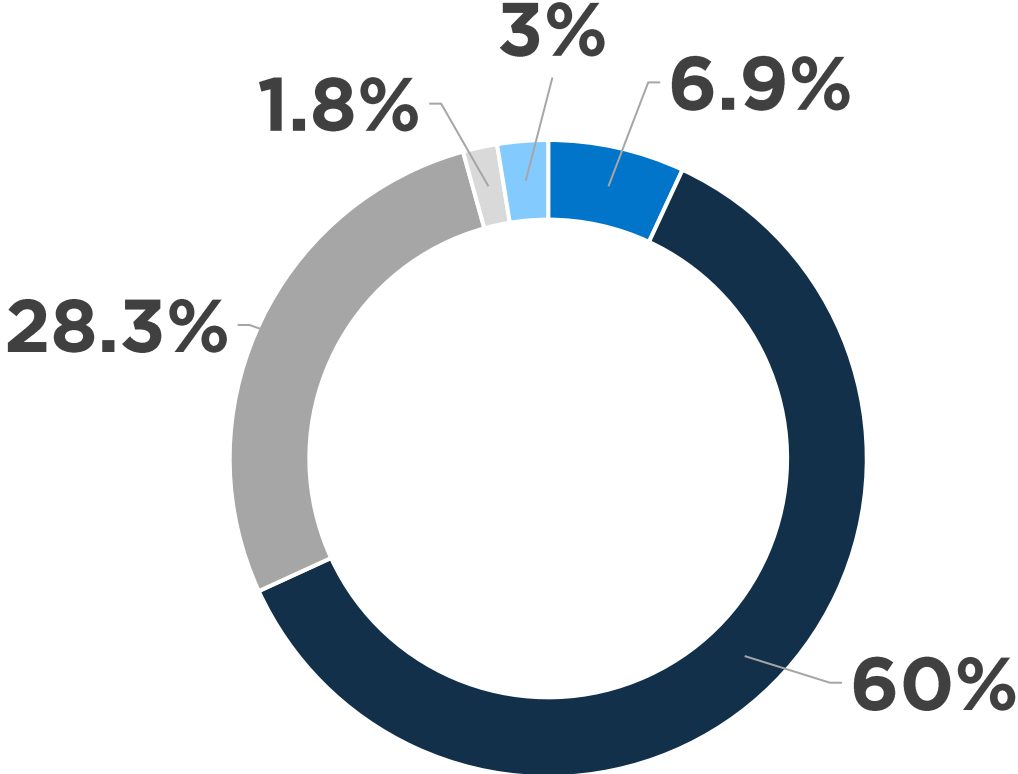
Overview of Strategic Initiatives

Current Contracting Landscape

- Improved patient and physician satisfaction by becoming an **in-network** hospital system.
- Contracted with **all** commercial payors to be in-network, reducing administrative barriers to elective admissions.
- **Negotiated market competitive reasonable rates for new and existing health plan agreements.**
- Preserved trauma rates at Highland Hospital.
- Established market-competitive contracts for AHS physicians and benchmark to Medicare.
- Ensure that AHS hospitals are paid accurately and timely in accordance with contracted rates and provisions.

Current AHS Payor Mix

FY2026 Internal Data



- Insurance %
- Medi-Cal %
- Medicare %
- Other Govt %
- Self-Pay %

02

Areas for Growth in 2026

2026 Goals – Commercial Strategies

- Maintain all existing commercial contracts and work to enhance throughput.
- AHS is positioning itself as “open” to commercial payors so we can grow volume. Change from the past, when AHS was closed due to perceived capacity issues
- Continue to position Trauma as AHS’s primary service line and maintain competitive pricing.
- Continue to Identify Commercial agreements both on and off the Exchange.

2026 Goals – Commercial Strategies (continued)

- Contracts have a 3-year term except for a few. AHS can choose to roll these agreements.
- Monitor cost coverage to ensure the agreements cover costs at the current rates for all service lines.
- The psych services line and the inpatient acute rehabilitation program could be expanded. Cost coverage is an issue for Psych services at John George. AHS is currently reviewing all behavioral health agreements.



2026 Goals – Contracting and Revenue Cycle Transparency

- Payor contracts are loaded and maintained in Epic, which allows the system to calculate expected reimbursement for claims.
- Reimbursement discrepancies are routed to work queues for follow-up and resolution.
- Leverage reporting tools to identify and analyze variances between expected reimbursement and actual payments.
- Improved data for future contract negotiations.



03

Medicare

Medicare Advantage – Why Now?



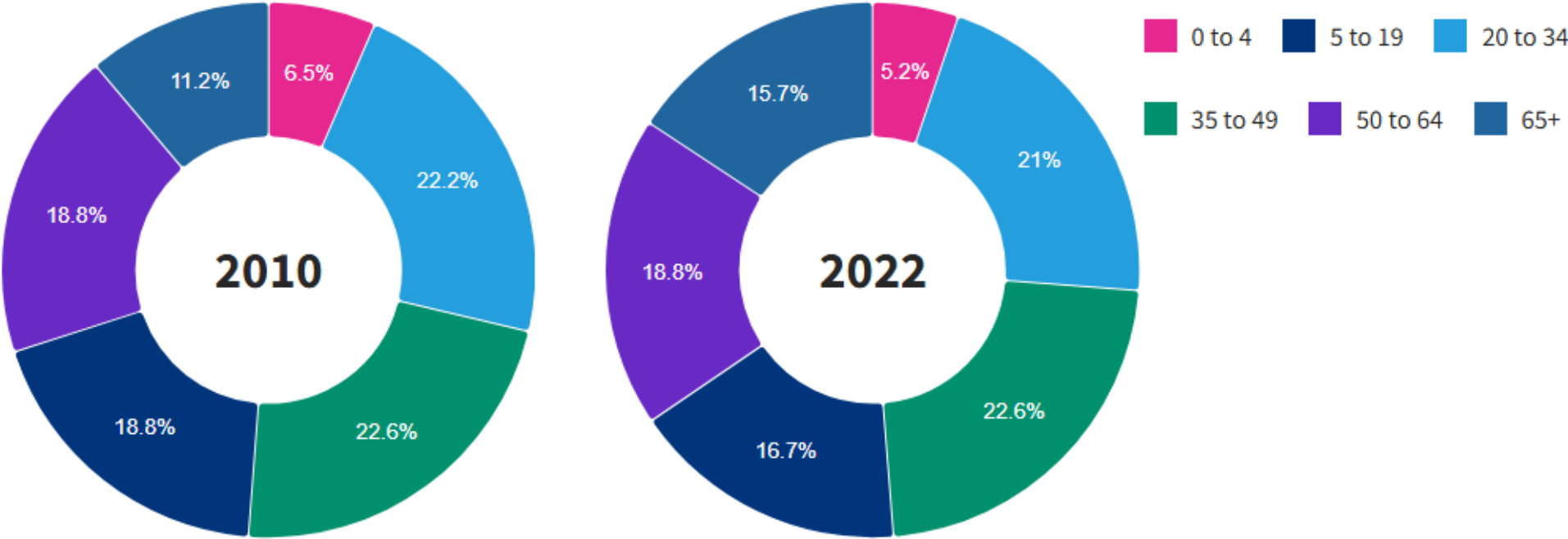
- Our population is aging > 65 years.
- Medi-Cal patients are transitioning to Medicare products.
- AHS need to be prepared to provide care for these patients
- AHS capacity has improved!
- AHS has many Medicare Advantage agreements, but our goal is to add several more plans in the next year.
- New Plans: **Humana, Imperial, Molina, Scan, Nivano.**



Medicare Advantage and the Aging Population in Alameda County

How has the distribution of ages in Alameda County changed?

- The share of the population that is **0 to 4 years** old decreased from **6.5% in 2010 to 5.2% in 2022**.
- The share of the population that is **65 and older** increased from **11.2% in 2010 to 15.7% in 2022**.



Current Medicare Advantage Agreements

Medicare Advantage represents 7.1% of our payor mix.

-  Aetna
-  Affinity Medical Group
-  Anthem
-  Blue Shield
-  Brown and Toland
-  Canopy
-  Chinese Community Health Plan
-  Center for Elders Independence
-  Essence Healthcare
-  HealthNet
-  Hill Physicians Health Solutions
-  Kaiser
-  Optum
-  United

04

Medi-Cal

Current Medi-Cal Landscape

- Alameda Alliance is the single Medi-Cal plan in Alameda County. **60% of the volume comes through this plan.**
- There are opportunities to potentially expand services to other out of county plans for example Acute Rehabilitation and Trauma services.
- Pursue opportunities for select services with out of county plans to include but are not limited to:
 - Contra Costa Health Plan
 - Partnership Health Plan
 - San Francisco Health Plan
 - Health Net/Centene.



St. Rose Update



- St. Rose is currently contracted for the top commercial plans.
- Skilled nursing facility and sub-acute rates have been added to the top plans except for United and Aetna which are in progress.
- MediCal is primarily Alameda Alliance, but AHS is reaching out to other Medi-Cal plans (Contra Costa, Partnership, Health Net/Centene) in other counties to add services.
- St. Rose is currently contracted with most Medicare Advantage Plans. We are adding Amada, Scan and Nivano.
- This places St. Rose in a good position to receive all Medicare Advantage patients to populate the Skilled Nursing/sub-acute units.
- St. Rose is preparing for potential Stanford lease agreement for SNF/Subacute. Based on Stanford's commercial mix, ongoing monitoring is required to ensure appropriate contracts are in place.

Questions



Appendix

Hospital and Professional Services Commercial Agreements

Commercial Negotiations:

Complete

- Aetna
- Anthem
- Blue Shield
- Canopy
- Chinese Community Health Plan
- Cigna
- HealthNet
- Hill Physicians
- Multiplan
- Optum
- TriWest (veterans)
- Tricare (veterans)
- United

AHS Health Plans In-Network with Increased Market Competitive Rates -

Contracted Plan Name	Facilities Covered by Contract					% of Charge Volume for Managed Care
	Alameda	Fairmont	Highland	San Leandro	John George	
Aetna	✓	✓	✓	✓	✓	8%
Anthem	✓	✓	✓	✓	✓	22%
Blue Shield	✓	✓	✓	✓		8%
Cigna	✓	✓	✓	✓		4%
HealthNet	✓	✓		✓	✓	4%
Kaiser	✓	✓	✓	✓	✓	29%
United	✓	✓	✓	✓	✓	7%

ACTION / DISCUSSION: Contracts

Contract Approvals

March 2026

1) New agreement with Fisher Scientific Company LLC dba Fisher Healthcare for provision of laboratory supplies. The term of this agreement is effective April 1, 2026 through March 31, 2029. The estimated impact of this agreement is \$6,600,000.

Mark Fratzke, Chief Operating Officer

2) New agreement with Hill-Rom Company, Inc. for provision of a new nurse call system at our skilled nursing facilities. The term of this agreement is effective March 12, 2026 through March 11, 2027. The estimated impact of this agreement is \$1,430,000.

Mark Fratzke, Chief Operating Officer

Recommendation: Motion to Recommend Approval for the above contract to the Board of Trustees

Board of Trustees Contract Summary | 2026

Contractor/Vendor Name:	Fisher Scientific Company LLC dba Fisher Healthcare (“Fisher”)
Description:	<p>AHS is seeking Board approval to enter into a three-year local pricing agreement under the Vizient – West Coast Sourcing Solutions Group Purchasing Organization (“GPO”) with Fisher for the period of January 1, 2026 through December 31, 2028, at an estimated annual cost of \$2,200,000. Fisher is a nationally recognized distributor of laboratory supplies and is part of Thermo Fisher Scientific, a global life sciences company originally founded in the United States in 1902. Through this long-standing history, Fisher has developed extensive expertise in supporting hospitals, health systems, and laboratory operations with reliable access to essential laboratory products. Under the proposed agreement, Fisher will serve as AHS’ distributor of choice for laboratory supplies across all sites, providing pricing stability, supply continuity, and long-term operational support for laboratory services that are critical to patient care and clinical decision-making.</p> <p>Under the proposed GPO agreement, Fisher will provide timely and dependable delivery of laboratory supplies to all organizational sites and is expected to supply approximately 90% of the laboratory supplies required for routine laboratory operations. By consolidating procurement through a single primary distributor, the organization can significantly reduce reliance on multiple vendors, minimize supply chain complexity, and improve inventory management and standardization across sites. This approach supports consistency in laboratory testing materials, which is important for quality, efficiency, and regulatory compliance.</p> <p>The laboratory supplies covered under this agreement are essential to support diagnostic testing, disease monitoring, and clinical decision-making across inpatient, outpatient, and ancillary care settings. Reliable access to these supplies is necessary to maintain uninterrupted laboratory operations and avoid delays in patient care that could result from shortages or inconsistent sourcing.</p> <p>From a financial and operational perspective, the proposed agreement provides cost savings of approximately \$200,000/year, price predictability and budget stability over the 3-year term, with an estimated annual spend of \$2,200,000 consistent with historical and anticipated laboratory supply usage. Centralizing laboratory supply purchasing through Fisher is expected to generate efficiencies in procurement, ordering, and vendor management while supporting system-wide standardization initiatives.</p> <p>Based on the vendor’s capabilities, the critical nature of the supplies involved, and the efficiencies gained through a GPO-aligned distributor-of-choice model, AHS recommends Board approval to enter into the proposed GPO agreement with Fisher for the period of April 1, 2026 through March 31, 2029.</p>
Contract Type and Term:	New Group Purchasing Organization Agreement April 1, 2026 through March 31, 2029
Termination Clause:	Either Party may terminate the Agreement at any time without cause upon 180 days prior written notice.

Board of Trustees Contract Summary | 2026

Total Spend with Vendor:	Description		Board Approval		Total	
	Laboratory Supplies		\$6,600,000		\$6,600,000	
	Total Requested Amount:		Approval Requested		\$6,600,000	
Estimated Cost Savings:	Savings of \$200,000/year.					
Fiscal Implications:	Cost has been included in FY 26 budget.					
Reasons for Recommendation:	We recommend Fisher because of its long-established presence, national scale, and proven ability to reliably supply a comprehensive range of laboratory products across multi-site healthcare systems. The vendor's broad product coverage, dependable distribution network, and GPO-negotiated pricing provide operational stability, cost predictability, and reduced supply-chain risk for essential laboratory services.					
Impacted Facilities:	JGPH	Highland	Fairmont	San Leandro	Alameda	Clinic(s)
	X	X	X	X	X	X
Coordination with Medical Staff:	Reviewed by Chair Pathology (Harris Goodman, MD)					
Administrative Review:	Vice President, Support Services					
Prior BOT Review/Action:	N/A					
Executive Sponsor	Chief Operating Officer					

Board of Trustees Contract Summary | 2026

Contractor/Vendor Name:	Hill-Rom Company, Inc. (“Hill-Rom”)
Description:	<p>Hill-Rom is a leading American medical technology company specializing in hospital smart beds, patient monitoring, care communications, and digital health solutions, now operating as a subsidiary of Baxter International. Acquired by Baxter in 2021, its headquarters is in Chicago, IL.</p> <p>The nurse call systems at Fairmont Hospital, South Shore Rehabilitation and Wellness, and Park Bridge are all at the end of their useful life and need replacement. A survey was conducted among Clinical and Engineering site leaders to gather the necessary business requirements necessary for a replacement call system. A request for quote was sent out to 3 vendors, Comtel, Ascom, and Hill-Rom.</p> <p>Hill-Rom was selected as they best met all requirements. This vendor performed in-person walkthroughs to provide more accurate quotes rather than a virtual floor plan-based assessment as used in the other quotes. A key element supporting selection of Hill-Rom was the inclusion of an integrated repair ticketing system. This facilitates timely identification of issues and requests for repair. Other vendors sub-contract maintenance and repairs to 3rd party providers. Our experience with vendors relying on sub-contracted maintenance and repairs has been poor with respect to quality of workmanship and timeliness.</p> <p>Additionally, Hill-Rom utilizes a “homerun cabling” method vs the standard daisy chain method used by other vendors. This will allow the call system in individual rooms on a floor to continue functioning in the event 1 room is experiencing a connection issue, whereas with the daisy chain method 1 room experiencing a fault in wiring will affect subsequent rooms on the same chain, leaving multiple rooms without nurse call until the broken link in the chain is repaired. Equipment and hardware pricing is optimized through Vizient, our Group Purchasing Organization.</p> <p>AHS has selected Hill-Rom to provide its nurse call system for the system’s skilled nursing facilities, upgrading the current system in use. Hill-Rom manufactures, installs and services the Voalte Nurse Call System. The benefits include</p> <ol style="list-style-type: none"> 1. Enhanced communication and collaboration among care teams, ensuring that critical information is shared quickly and efficiently. 2. Support efficient clinical workflows, leading to improved patient outcomes and satisfaction. 3. Provides a secure platform for communication, reducing the risk of medical errors and improving patient safety. 4. Designed to grow with AHS making it adaptable to future needs. <p>Senior Leadership recommends implementation of the Voalte system to increase patient safety, better system reliability, and efficient staff communication.</p>
Contract Type and Term:	<p>Statement of Work (March 12, 2026 – March 11, 2027). General Terms and Conditions of the SOW are governed by Baxter Master Purchase and License Agreement (“MPLA”).</p>

Board of Trustees Contract Summary | 2026

Termination Clause:	Without cause termination upon 30 days' written notice.					
Total Spend with Vendor:	Description		Board Approval		Total	
	3/12/2026-3/11/2027				\$1,300,000	
	10% Contingency				\$ 130,000	
	Total Estimated Spend:		Approval Requested		\$1,430,000	
Estimated Cost Savings:	There are no clearly identifiable cost savings associated with the Hill-Rom system, however there will be noticeable improvements to patient care, patient safety, system uptime and maintenance quality.					
Fiscal Implications:	The proposed purchase is in capital budget for FY26 and will be accounted for in future budget requests.					
Quotes Received	AHS obtained quotes from 3 vendors.					
Reasons for Recommendation:	The current system has reached its end-of-life and its maintenance has become increasingly more difficult to sustain. The Hill-Rom solution offers adaptability and standardization across the system					
Impacted Facilities:	JGPH	Highland	Fairmont	San Leandro	Alameda	Clinic(s)
			X			Park Bridge South Shore Rehab & Wellness
Coordination with Medical Staff:	Reviewed by Medical Director, Post Acute Services (James Yeh, DO)					
Administrative Review:	Primary: Chief Administration Officer, Post-Acute Services Secondary: Chief Operating Officer					
Prior BOT Review/Action:	N/A					
Executive Sponsor	Chief Operating Officer					

ALAMEDA HEALTH SYSTEM

BOT Previously Approved Contracts - FY26 (July 1, 2025 - June 30, 2026)

#	Vendor	Amount Requiring BOT Approval	Start Date	Ending Date	BOT approved Date	Agenda Summary	Expectation	Executive Sponsor
1	Alliance HealthCare Services, Inc. dba Alliance HealthCare Radiology	\$3,333,044	4/23/2025	4/22/2028	FC - 7-2-25 BOT Approved 7-9-25	Provision of mobile imaging services.		Chief Operating Officer
2	CareFusion Solutions, LLC	\$7,206,000	8/19/2025	8/18/1930	FC - 7-2-25 BOT Approved 7-9-25	Provision of infusion pumps and supplies.		Chief Clinical Officer
3	East Oakland Community Project	\$1,593,600	8/1/2025	7/31/2028	FC - 7-2-25 BOT Approved 7-9-25	Provision of respite care services.		Chief Clinical Officer
4	The Regents of the University of California on behalf of the University of California, San Francisco, Department of Neurological Surgery	\$7,594,371	8/1/2025	7/31/2027	FC - 7-2-25 BOT Approved 7-9-25	Provision of neurological surgery professional services.		Chief Medical Officer
5	Entisys Solutions, Inc. dba E360	\$1,499,410	9/29/2025	9/28/2028	FC - 9-3-25 BOT Approved 9-17-25	Citrix virtual access platform		Chief Information Officer
6	GuidePoint Security LLC	\$1,457,310	9/30/2025	6/30/2028	FC - 9-3-25 BOT Approved 9-17-25	Arctic Wolf cybersecurity monitoring and recovery services		Chief Information Officer
7	Xerox, Inc.	\$3,983,160	11/1/2025	10/31/1930	FC - 9-3-25 BOT Approved 9-17-25	Printer equipment and services.		Chief Information Officer
8	Anthem Blue Cross Life and Health Insurance Company	\$5,930,739	1/1/2025	12/31/2027	FC - 9-3-25 BOT Approved 9-17-25	Third-party administrator services for AHS employee health insurance plan.		Chief Human Resources Officer
9	Cardea Health	\$6,394,800	10/1/2025	9/30/2028	FC - 9-3-25 BOT Approved 9-17-25	Respite housing services.		Chief Clinical Officer
10	Lifepoint Rehabilitation of California, LLC	\$4,211,233	10/1/2025	9/30/2028	FC - 9-3-25 BOT Approved 9-17-25	Inpatient rehabilitation management services.		Chief Operating Officer

11	McKesson Corporation	\$447,180,000	4/1/2026	3/31/1931	FC - 9-3-25 BOT Approved 9-17-25	Wholesale pharmaceutical supply services.		Chief Clinical Officer
12	Quest Diagnostics	\$13,280,743	3/1/2022	2/28/2026	FC - 9-3-25 BOT Approved 9-17-25	Reference laboratory services.		Chief Clinical Officer
13	Nelson T. Lewis Construction Co., Inc.	\$3,197,080	10/15/2025	6/15/2026	FC - 10-1-25 BOT Approved 10-8-25	St. Rose Hospital cath lab upgrade.		St. Rose Chief Administrative Officer
14	ePlus Technology, Inc.	\$1,800,000	11/1/2025	10/31/2028	FC - 10-1-25 BOT Approved 10-8-25	Data loss protection services.		Chief Information Officer
15	Switch, Ltd.	\$1,509,294	2/16/2026	2/15/1931	FC - 10-1-25 BOT Approved 10-8-25	Data center services.		Chief Information Officer
16	Lescure Company, Inc.	\$1,668,200	11/1/2025	3/31/2027	FC - 10-1-25 BOT Approved 10-8-25	Architectural and structural work for Alameda Hospital HVAC replacement project.		Chief Operating Officer
17	Matrix HG, Inc.	\$1,214,436	11/1/2025	10/31/2026	FC - 10-1-25 BOT Approved 10-8-25	Installation of COVID prevention HVAC upgrades at JGPH.		Chief Operating Officer
18	Symplr Care Management LLC	\$1,112,847	1/1/2026	12/31/2028	FC - 11-5-25 BOT Approved 11-12-25	Patient safety and quality reporting software.		Chief Information Officer
19	LAZ Parking California, LLC	\$6,937,194	1/1/2026	12/31/2028	FC - 11-5-25 BOT Approved 11-12-25	Parking services.		Chief Operating Officer
20	Agiliti Health, Inc.	\$9,138,690	2/1/2026	1/31/2029	FC - 1-7-26 BOT Approved 1-14-26	Equipment rental services.		Chief Operating Officer
21	Smith-Karn Architecture	\$1,492,525	1/15/2026	1/15/2029	FC - 1-7-26 BOT Approved 1-14-26	Architectural services for remodel of SLH medical detoxification clinic.		Chief Operating Officer
22	VTP Holdings, LLC dba VIC the PICC	\$1,620,000	2/1/2026	1/31/2029	FC - 1-7-26 BOT Approved 1-14-26	PICC line placement services.		Chief Clinical Officer
23	Roelz Enterprises, LLC dba ELS Prestige Home Care	\$2,200,000	10/15/2025	10/14/2027	FC - 2-4-26 BOT Approved 2-11-26	SNF sitter services.		Chief Operating Officer

Total Amount for FY 26 year to date \$535,554,676