



AGENDA

REGULAR MEETING OF THE FINANCE COMMITTEE A COMMITTEE OF THE BOARD OF DIRECTORS

Tuesday, August 25, 2026

2:30 PM

Administration Boardroom

600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

P. Brown

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Finance Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Gorgonio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee's part; a response will be forthcoming.

OLD BUSINESS

III. * Proposed Action – Approval of Minutes

P. Brown

- July 28, 2026, regular meeting

A

NEW BUSINESS

- IV. CEO Report C. Bjornberg verbal
- V. Conifer Health Solutions – Presentation B
* **Proposed Action – Recommend Approval to Healthcare District Board** C. Bjornberg
▪ **Discussion and Approval to Authorize Ryan Marshall And Christopher Bjornberg to finalize terms and language of the Conifer contract to be presented at a future board meeting for approval**
▪ **ROLL CALL**
- VI. * **Proposed Action – Recommend Approval to Healthcare District Board** R. Marshall C
▪ **July 2026 Financial Report (Unaudited)**
▪ **ROLL CALL**
- VII. * **Proposed Action – Recommend Approval to Healthcare District Board** C. Bjornberg D
▪ **Addendum #4 to the PSA between San Gorgonio Memorial Hospital, San Gorgonio Memorial Healthcare District and Jasleen Singh, MD, a Professional Corporation (Apna)**
▪ **ROLL CALL**
- VIII. Future Agenda Items
- IX. Next Meeting – September 29, 2026 @ 2:30 PM
- X. Adjournment P. Brown

*** Requires Action**

In accordance with The Brown Act, Section 54957.5, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Committee. Such records shall be available at the Hospital office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Certification of Posting

I certify that on August 21, 2026, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Healthcare District - Finance Committee, and on the San Gorgonio Memorial Hospital website said time being at least 72 hours in advance of the regular meeting of the Finance Committee (Government Code Section 54954.2).

Executed at Banning, California, August 21, 2026

Ariel Whitley

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BOARD OF DIRECTORS

FINANCE COMMITTEE
July 28, 2026

The regular meeting of the San Gorgonio Memorial Healthcare District Board of Directors Finance Committee was held on Tuesday, July 28, 2026, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Pat Brown, Susan DiBiasi, Ron Rader (C)

Excused: None

Required Staff: Chris Bjornberg (CEO), Angie Brady (CNO), John Peleuses (VP, Ancillary & Support Services), Ariel Whitley (Executive Assistant), Annah Karam (CHRO), Ryan Marshall (CFO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Ron Rader called the meeting to order at 2:31 pm.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action - Approve Minutes June 30, 2026, regular meeting	Ron Rader asked for any changes or corrections to the minutes of the June 30, 2026, regular meeting. There were none.	The minutes of the June 30, 2026, regular meeting will stand correct as presented.
NEW BUSINESS		
CEO Report	Chris Bjornberg, CEO, briefly reported that it has been a busy month. He reported that he had meetings with the different kinds of departments based on their executive leader, allowing them comfortability to participate in an open discussion in a smaller setting. Some topics discussed that are also causing financial pressures include delayed ERTC funds, lack of expected IEHP support, a maxed line of credit with a request for an additional \$7 million pending, the need to meet payroll, and an upcoming IGT payment.	
Proposed Action – Recommend Approval to the Healthcare District Board of Directors - Monthly Financial Report (Unaudited)	Ryan Marshall, CFO, reviewed the Unaudited June 2026 Finance Report. Items of note included: - Inpatient Days and E/R visits were close to budget and Adjusted Patient Days were significantly over budget. - Observation Count, Surgeries, and Deliveries, were notably	M.S.C. (Brown/DiBiasi), the SGMHD Finance Committee voted to recommend approval of the Unaudited June 2026 Financial Report

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
– June 2026	under budget. - June’s statement included \$605,597 of Supplemental Funding revenues. - Other Items of Note, including Year-end reconciliation adjustments, are outlined in the Extraordinary Items report. ROLL CALL: <table><tr><td>Brown</td><td>Yes</td><td>DiBiasi</td><td>Yes</td></tr><tr><td>Rader</td><td>Yes</td><td colspan="2">Motion carried.</td></tr></table>	Brown	Yes	DiBiasi	Yes	Rader	Yes	Motion carried.		to the Healthcare District Board of Directors.
Brown	Yes	DiBiasi	Yes							
Rader	Yes	Motion carried.								
Proposed Action – Recommend Approval to the Healthcare District Board of Directors – Declaration of Surplus Property - Van	Closure of BHC rendered patient transport vans obsolete. Coachella Valley Behavioral Health expressed interest in at least one van. Selling obsolete items will reduce insurance costs. ROLL CALL: <table><tr><td>Brown</td><td>Yes</td><td>DiBiasi</td><td>Yes</td></tr><tr><td>Rader</td><td>Yes</td><td colspan="2">Motion carried.</td></tr></table>	Brown	Yes	DiBiasi	Yes	Rader	Yes	Motion carried.		M.S.C. (Brown/ DiBiasi), the SGMHD Finance Committee voted to recommend approval of the Declaration of Surplus Property - Van to the Healthcare District Board of Directors
Brown	Yes	DiBiasi	Yes							
Rader	Yes	Motion carried.								
Proposed Action – Recommend Approval to the Healthcare District Board of Directors – Adopt Resolution No. 2026-10	Resolution to direct Riverside County to levy Measure A for FY 2026–2027 to pay principal and interest (~\$8.177 million). Refinancing considered but postponed for six months due to unfavorable rates and conditions. ROLL CALL: <table><tr><td>Brown</td><td>Yes</td><td>DiBiasi</td><td>Yes</td></tr><tr><td>Rader</td><td>Yes</td><td colspan="2">Motion carried.</td></tr></table>	Brown	Yes	DiBiasi	Yes	Rader	Yes	Motion carried.		M.S.C. (DiBiasi/Brown), the SGMHD Finance Committee voted to recommend approval of the adoption of Resolution No. 2026-10
Brown	Yes	DiBiasi	Yes							
Rader	Yes	Motion carried.								
Future Agenda Items	None									
Next Meeting	The next regular Finance Committee meeting will be held on August 25, 2026 @ 2:30 pm.									
Adjournment	The meeting was adjourned at 3:29 pm.									

In accordance with The Brown Act, *Section 54957.5*, all reports, and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

TAB B



By operators, for operators

Your partner in care.

August 25, 2026

Agenda



CONIFER
HEALTH SOLUTIONS®

Introductions & Session Overview

Why Conifer?

Conifer Overview

Technology & Business Intelligence

Governance

Integration and Implementation Timeline

Proposal Summary

Questions & Discussion



Deepali Narula
Chief Operating Officer
Conifer Health Solutions



David Dawson
SVP, Client Success
Conifer Health Solutions

Why Conifer is the right revenue cycle partner for San Gorgonio

- > Conifer proposes to assume revenue cycle mid-cycle and accounts receivable management services, integrate ConiferCore technology, and leverage our expertise, best practices, and global delivery model to provide **yield improvement of approximately \$1M to \$1.5M annually while lowering the cost to collect by 12%.**
- > Conifer brings more than **35 years of exclusive healthcare revenue cycle experience**, built by hospital owners and operators who have carried the same margin, mission, and community pressures your Finance Committee and Board weighs every month. We have a **deep understanding of health system culture, operations, and challenges** with subject matter experts that speak the language of your CFO, Case Managers, RCM Ops leaders, Physicians, and Clinical Leaders.
- > As experienced revenue cycle operators in the California market for over 35 years, we understand the challenges of managing complex payer mixes, Medicare and Medi-Cal requirements, high labor costs, patient financial assistance obligations, and diverse patient populations. We have **deep expertise in California's reimbursement environment** with established relationships with Medi-Cal and national and regional payers.
- > Our **ConiferCore Technology Platform** unifies the entire patient's financial journey into a single, efficient workflow offering a **comprehensive, tailored solution** by combining technology, operational focus, and a scalable infrastructure to drive efficiency and improve performance. This month, we successfully integrated ConiferCore with an Altera system for another client and will leverage that experience to support a similar integration for SGMH.
- > We have a **100% cash performance mindset** with a fee structure that aligns our success directly with San Gorgonio's. Deep integration between RCM operations, case management, clinical leaders, and managed care is needed to aggressively pursue the 5% of cash collections that are the toughest to collect.



Unmatched
Expertise
and Scale



Technology,
Automation &
Innovation



End-to-End
Revenue Cycle
Management



Scalable,
Global
Delivery

By operators, for operators

- Maximize Revenue & Reimbursement
- Improve Yield & Reduce Cost
- Drive Technology-Enabled Results

Prevent downstream challenges upfront

Accelerate Revenue Capture. Support Accurate Documentation. Reinforce a Culture of Integrity.

Strategic Enablers

- > 1,700 credentialed coding professionals across the enterprise
- > Over 60 credentialed coding quality compliance auditors
- > Specialized training for client physicians and clinicians
- > Speech recognition for transcription utilizing natural language processing
- > Continuous improvement with Lean Six Sigma techniques



Clinical Documentation Integrity

650K+

CDI Records Reviewed

>98%

Query Accuracy



Revenue Integrity

0.7 Days

CDM Requests Turnaround Time

99%

Accuracy



Health Information Management

190M

Documents Imaged

99.8%

Document Imaging Accuracy



Coding & Coding Quality

27M+

Charts Coded

98%

Coding Quality

Increase cash collections and optimize yield

Improve Patient Experience. Minimize Future Denials. Increase Cash Flow.

Strategic Enablers

- > 100 dedicated staff focused on product and process automation and innovations to drive value and scale
- > Real-time inventory management to optimize right-time, right-touch, exceptions-based accounts resolution
- > Seamless integration between onshore and offshore resources
- > Deep expertise within regulatory, legal and compliance teams



Billing Integrity

64%

Reduction in Claim Correction Turn-Around Time

100%

Cash Collected



Third-Party Resolution

63M+

Automated Claim Inquiries Processed

250+

Payors on Direct Connect



Denials & Appeals Management

33%

Reduction in AR Cycle Time

294K+

Automated First Level Technical Appeals



Self-Pay/Bad Debt

12%

Lower Payment Plan Default Rates

40%

Self-Service Adoption for Patient Payments

ConiferCore® Revenue Intelligence Platform

Seamlessly integrates with all EHR's bringing advanced technology, proprietary, and best-in-class solutions

Enhance patient experience & access
(Front-End)

Maximize recovery and reimbursement
(Mid-Cycle)

Improve yield and reduce cost
(Back-End)

Automated Workflow Engine | Advanced Analytics

1M+ Tasks Automated Annually | 3K+ Quality Rules | 2M+ Authorization Rules



Scheduling



Pre-Reg &
Financial Clearance



Registration



Eligibility &
Enrollment



Revenue
Integrity



Clinical Documentation
Improvement



Coding



Health Information
Management



Claim
Submission



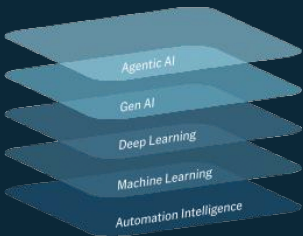
Third Party
Resolution



Denials & Appeals
Management



Self-Pay
Bad Debt



Artificial Intelligence Layer

Unifies the revenue cycle value-chain, improving automation and operational speed from patient intake through reimbursement.

Authorization
Automation

Eligibility &
Authorization

Plan Code
Accuracy

Coverage
Detection

Charity/Government
Programs

Coding QA/
Charge Anomaly

Payer Direct
Connect

Claim
Statusing

Billing
Automation

Omni-channel
Segmentation

Clinical & Technical
Appeals

Technology and automation to protect revenue and drive yield



AI & Advanced Analytics

Anticipate and prevent denials before they impact revenue, leveraging data to uncover root causes and systematically improve yield.



Automation & Digital Tools

Accelerate cash realization by standardizing workflows, reducing manual variation, and prioritizing action with the highest financial impact.



Operational Intelligence

Provide continuous visibility into revenue performance, enabling accountability and faster decision-making tied directly to financial outcomes.

ConiferCore® Business Intelligence enables transparent enterprise performance reporting



- Web-based analytics engine that provides access to best practice KPIs, scorecards and dashboards
- Utilizes A.I. to predict performance outcomes
- Detects anomalies based on supervised predictive models
- Enables operators to proactively address potential issues based on leading versus trailing indicators

A strong governance model ensures alignment of interest

Implementation

Project Manager
Revenue Cycle Operations
IT, Compliance, HR



Integration Leader
Service Line Optimization Leaders
IT, Compliance, Analytics, HR



Project Work Stream Updates
Risk Review
Barrier Removal
Milestone/Timelines Calibration
Vendor Migration

Recurring Work Stream Meetings

Ensure Strategic Alignment & Goals, Clear Roles and Responsibility Assignment, Review Operational Performance



STEERING COMMITTEE

Client: Senior Executives
Conifer: Senior Executives



Operations

Revenue Cycle Leadership
Hospital CFO
Hospital Operational Owners



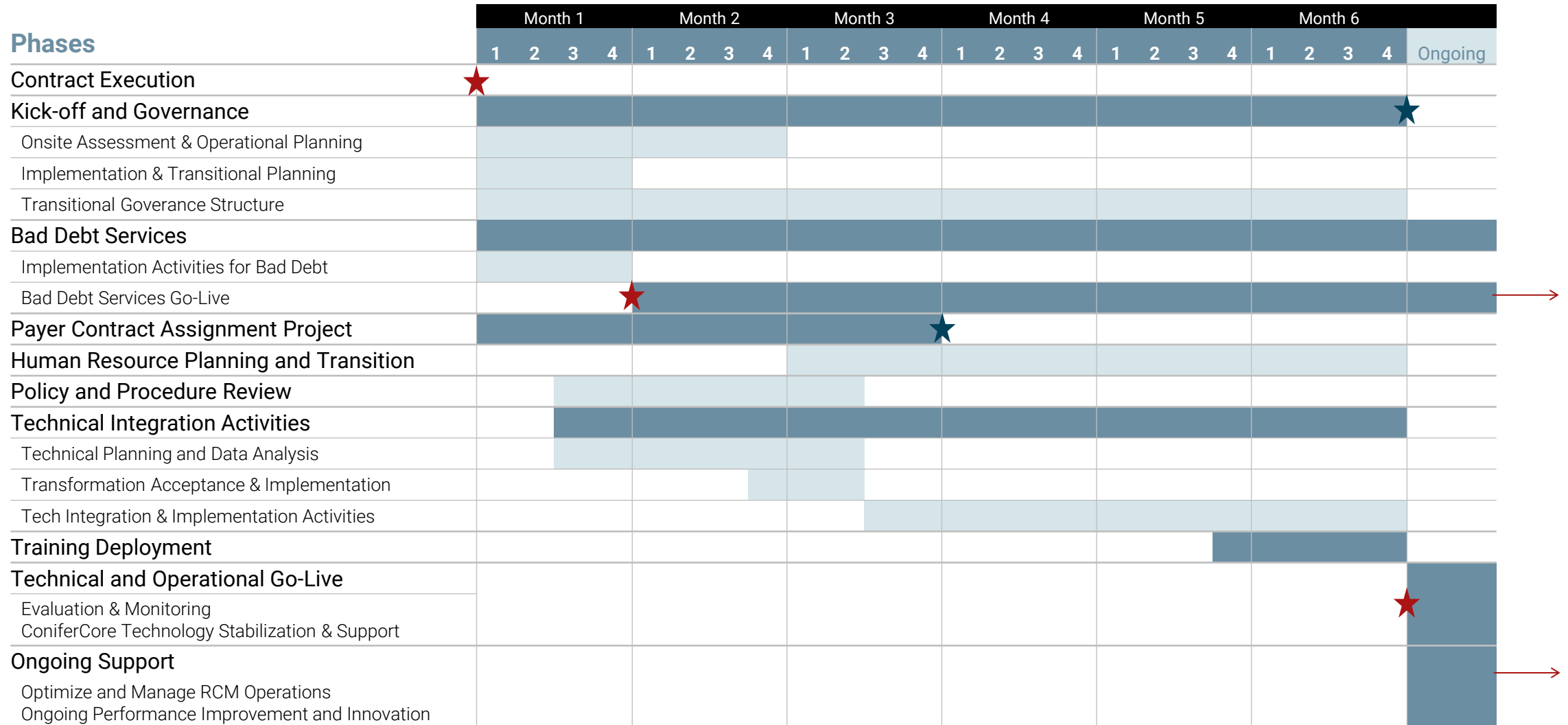
Dedicated Client Executive
Dedicated Operational Leaders
IT, Compliance, Analytics, HR

Recurring Governance Meetings

Monthly Revenue Cycle Performance / KPI Review
Optimization Opportunities
Escalations
Denials Prevention
Weekly CFO Touchpoint

Weekly, Monthly, Quarterly and Annually Governance Meetings Cadence

Integration and implementation timeline



Proposal Summary: Phase I

Bad Debt Services

22%
of Cash Collected

Scope of Work

- Bad Debt Collections:
 - Contract & Relationship Management
 - Collection Performance Oversight
 - Quality Assurance & Patient Experience
 - Operational Governance
- Included:
 - Business Insights and Reporting (Daily, Weekly, Monthly)
 - \$0 Implementation fee

**5-Year
Term**

Assumptions

- Placement volume remains constant throughout year (~\$1.0M monthly/~\$12M annually)
- No change in account mix or inventory quality
- Inventory prior to start date remains with current vendor for resolution
- Current vendor recovery performance: 1.27%
- Fee structure aligns with current vendor contract

Final pricing is valid for a period of 120 days from the date of issuance, subject to standard confirmatory due diligence. After this period, prices are subject to review and may be adjusted.

Proposal Summary: Phase II

Mid-Cycle and AR Services

3.20%

% of Collections

Scope of Work

- Mid-Cycle Services:
 - Coding
 - CDM Maintenance
 - CDI
 - HIM Operations and ROI
- AR Services:
 - AR Management
Claims Submission, Edits, Follow-Up)
 - Self-Pay
Submission, Patient Statements, Early Out Billing, Follow-Up, Customer Service, Payment Plan Setup and Maintenance
 - Denials Management & Appeals
 - Payment Posting & Reconciliation, Cash Research, Refunds, Credit Balance

5-Year
Term

Included

- Business Insights and Reporting (Daily, Weekly, Monthly)
- Hybrid Global Delivery Model
- \$0 Implementation fee

Assumptions

- 6-month termination of current vendor after contract execution
- Implement ConiferCore technology platform prior to assuming services
- Rebadging RCM SGMH staff relevant to scope
- Potential to add Patient Access to scope – due diligence underway

Final pricing is valid for a period of 120 days from the date of issuance, subject to standard confirmatory due diligence. After this period, prices are subject to review and may be adjusted.



The right mix.

Innovation.

Discipline.

Talent.



Technology-enabled Solutions

Integrate with your existing systems to prioritize the patient experience and improve financial performance



Intelligent process automation

Transform your business model to boost productivity and reduce operational risk



Global delivery model

Leverage best-cost geographies to increase quality and efficiency while decreasing your cost



Deep domain expertise

Guide your organization to apply best practices that solve problems and create lasting value



By operators, for operators

Your partner in care.

TAB C



**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA**

Unaudited Financial Statements

for

ONE MONTH ENDING JULY 31, 2026

FY 2027

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Note: Because these reports are prepared for internal users only, they do not purport to conform to the principles contained in U.S. GAAP.

Certified by:

Daniel R. Heckathorne

Daniel R. Heckathorne

8/19/2026

Executive Director of Finance

	2.49	2.73	OP Factor		2.49	2.73			2.66	2.66		
	Current Month				Year To Date				Prior Year			
	Actual	Budget	Units Var	% Var	Actual	Budget	Units Var	% Var	Month	% Growth	YTD	% Growth
Admissions	219	229	(10)	-4.4%	219	229	(10)	-4.4%	209	4.8%	209	14.8%
Adjusted Admissions	545	626	(81)	-12.9%	545	626	(81)	-12.9%	555	-1.8%	555	-1.8%
Adjusted Patient Days	2,575	2,182	393	18.0%	2,575	2,182	393	18.0%	2,043	26.0%	2,043	26.0%
ALOS	4.72	3.48	(1.24)	-35.6%	4.72	3.48	(1.24)	-35.6%	3.68	-28.3%	3.68	-28.3%
Total Surgeries	63	79	(16)	-20.3%	63	79	(16)	-20.3%	89	-29.2%	89	-29.2%
EBIDA	(1,746)	(2,143)	397	18.5%	(1,746)	(2,143)	397	18.5%	(2,216)	21.2%	(2,216)	21.2%
Normalized EBIDA [annualized Supplementals]	704	307	397	-129.6%	704	307	397	129.6%	(571)	223.3%	(571)	223.3%
Net Operating Margin (%)	-25.23%	-33.12%	0	-23.8%	-25.23%	-33.12%	7.9%	-23.8%	-33.10%	-23.8%	-33.10%	-23.8%
Net Coll. Rev per Adj. Adm.	11,274	9,124	2,150	23.6%	11,274	9,124	2,150	23.6%	10,628	6.1%	10,628	6.1%
Uncollect Exp % Net Pat Rev	17.8%	19.6%	1.8%	9.2%	17.8%	19.6%	1.8%	9.2%	19.4%	-8.4%	19.4%	-8.4%

NORMALIZING ITEMS EBIDA:
\$2.45M = Rate Range \$11.6M, Other Supp \$15M, P4P/QIP \$2.9M

	2.49	2.73	OP Factor		2.49	2.73			2.66	2.66		
	Current Month				Year To Date				Prior Year			
	Actual	Budget	Units Var	% Var	Actual	Budget	Units Var	% Var	Month	% Growth	YTD	% Growth
Paid FTE/AA												
Paid FTE/APD												
SWB/AA	9,441	7,916	(1,525)	-19.3%	9,441	7,916	(1,525)	-19.3%	9,560	1.2%	9,560	1.2%
SWB/APD	1,999	2,272	273	12.0%	1,999	2,272	273	12.0%	2,597	23.0%	2,597	23.0%
Supply Exp per Adj. Adm.	1,438	1,482	44	3.0%	1,438	1,482	44	3.0%	1,747	17.7%	1,747	17.7%
OCE/NCE Per Adj. Adm	5,019	4,357	(662)	-15.2%	5,019	4,357	(662)	-15.2%	4,749	-5.7%	4,749	-5.7%
Total Operating Expense Per Adj. Adm	15,898	13,755	(2,143)	-15.6%	15,898	13,755	(2,143)	-15.6%	16,056	1.0%	16,056	1.0%
Contract Labor	437	225	(211)	-93.9%	437	225	(211)	-93.9%	290	-50.4%	290	-50.4%

San Gorgonio Memorial Hospital

Financial Report - Executive Summary – 08/19/26

For the Month of July, 2026 and YTD One Month Ended July 31, 2026 (Unaudited)

Unfavorable Variances Show as (Negatives)

Monthly Profit/Loss (EBIDA) Summary - Positive (comparison to Budget)

INCOME STATEMENT - CURRENT MONTH		July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025	July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
NET INCOME		(2,358,234)	(1,904,318)	453,916	19.2%	(2,383,247)	478,929	20.1%
EBIDA		(2,216,419)	(1,746,129)	470,290	21.2%	(2,143,385)	397,256	18.5%

YTD Profit/Loss (EBIDA) Summary - Positive (comparison to Budget)

(See Current Month Information)

Items of Note:

- Inpatient Days, Adjusted Patient Days, and Outpatient Registrations were 29%, 18%, and 27% respectively over budget.
- E/R visits were 4.5% under budget and Surgeries and Newborn Deliveries were significantly under budget.
- July's Supplemental Funding revenues were nominal as expected (\$760).
- Other Items of Note are outlined in the Board Dashboard report.

Monthly Workloads – The following table illustrates the monthly Workload Units:

KEY WORKKLOAD UNITS - CURRENT MONTH	JULY 2025 ACTUAL	JULY 2026 ACTUAL	VARIANCE JULY 2026 TO JULY 2025	PER CENTAGE VARIANCE JULY 2026 TO JULY 2025	JULY 2026 BUDGET	VARIANCE JULY 2026 ACTUAL TO BUDGET	PER CENTAGE VARIANCE JULY 2026 ACTUAL TO BUDGET
TOTAL ACUTE PATIENT DAYS	770	1,036	266	34.5%	803	233	29.0%
AVERAGE DAILY CENSUS	24.8	33.4	8.6	34.5%	25.9	7.5	29.0%
AVERAGE ACUTE LENGTH OF STAY	3.68	4.73	1.0	28.4%	3.51	1.22	34.9%
PATIENT DISCHARGES	209	219	10	4.8%	229	(10)	-4.4%
ADJUSTED PATIENT DAYS	2,043	2,575	532	26.0%	2,182	393	18.0%
OBSERVATION COUNT	383	349	(34)	-8.9%	384	(35)	-9.0%
TOTAL EMERGENCY ROOM VISITS	3,521	3,469	(52)	-1.5%	3,633	(164)	-4.5%
AVERAGE EMERGENCY VISITS PER DAY	113.6	111.9	(1.7)	-1.5%	117.2	(5)	-4.5%
TOTAL SURGERIES (EXCLUDING G.I.'S)	89	63	(26)	-29.2%	79	(16)	-20.3%
DELIVERIES/BIRTHS	4	7	3	75.0%	12	(5)	-41.7%
OUTPATIENT REGISTRATIONS (EXCLUDING EMERGENCY AND CLINIC)	581	742	161	27.7%	585	157	26.8%
CASE MIX INDEX	1.5937	1.5150	(0.0787)	-4.9%	1.4884	0.0266	1.8%

YTD Workloads – The following table illustrates the YTD Workload Units:

(See Current Month Information)

Monthly Patient Revenues - Positive Variance

INCOME STATEMENT - CURRENT MONTH		July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025	July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
	NET PATIENT REVENUE	5,899,380	6,146,465	247,085	4.2%	5,714,101	432,364	7.6%
	GROSS REVENUE FROM PATIENT SERVICES	49,979,786	52,954,616	2,974,830	6.0%	50,193,746	2,760,870	5.5%
	TOTAL INPATIENT REVENUE	18,818,009	21,272,058	2,454,049	13.0%	18,354,369	2,917,689	15.9%
	TOTAL OUTPATIENT REVENUE	31,161,777	31,682,558	520,781	1.7%	31,839,377	(156,819)	-0.5%
	DEDUCTIONS FROM REVENUE	(44,080,406)	(46,808,151)	(2,727,745)	6.2%	(44,479,645)	(2,328,506)	5.2%
	OTHER OPERATING REVENUE	796,807	774,629	(22,178)	-2.8%	756,824	17,805	2.4%

YTD Patient Revenues - Positive Variance

(See Current Month Information)

Monthly Total Operating Revenues - Positive Variance

INCOME STATEMENT - CURRENT MONTH	July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025	July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
NET OPERATING REVENUE	6,696,187	6,921,094	224,907	3.4%	6,470,925	450,169	7.0%
NET PATIENT REVENUE	5,899,380	6,146,465	247,085	4.2%	5,714,101	432,364	7.6%
OTHER OPERATING REVENUE	796,807	774,629	(22,178)	-2.8%	756,824	17,805	2.4%

YTD Total Operating Revenues – Positive Variance

(See Current Month Information)

Monthly Operating Expenses - Negative Variance

INCOME STATEMENT - CURRENT MONTH	July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025	July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
TOTAL OPERATING EXPENSE	8,912,606	8,667,223	245,383	2.8%	8,614,310	(52,913)	-0.6%
TOTAL LABOR EXPENSE	5,306,559	5,146,988	159,571	3.0%	4,957,509	(189,479)	-3.8%
WAGES	4,088,991	3,804,723	284,268	7.0%	3,889,206	84,483	2.2%
EMPLOYEE BENEFITS	927,259	905,722	21,537	2.3%	843,201	(62,521)	-7.4%
CONTRACT LABOR	290,309	436,543	(146,234)	-50.4%	225,102	(211,441)	-93.9%
PHYSICIAN FEES	732,959	874,985	(142,026)	-19.4%	787,508	(87,477)	-11.1%
PURCHASED SERVICES	1,181,191	1,152,152	29,039	2.5%	1,152,317	165	0.0%
SUPPLY EXPENSE	969,916	784,176	185,740	19.2%	928,380	144,204	15.5%
UTILITIES	133,288	108,085	25,203	18.9%	136,369	28,284	20.7%
REPAIRS AND MAINTENANCE	89,577	79,711	9,866	11.0%	82,338	2,627	3.2%
INSURANCE	298,168	343,449	(45,281)	-15.2%	355,949	12,500	3.5%
OTHER EXPENSES	91,247	132,728	(41,481)	-45.5%	172,758	40,030	23.2%
LEASE AND RENTALS	109,701	44,949	64,752	59.0%	41,182	(3,767)	-9.1%

Monthly Expense Items of Note: 1) Total Labor costs were \$189K (3.82%) over budget, while Adjusted Patient Days were 18.0% over budget; 2) Purchased Services were \$165 under budget in spite of Dialysis & Lab fees, and I/T expenses being \$53K and \$29K respectively over budget; 3) Physician Fees were \$87K over budget, largely due to extra fees to cover OB and Anesthesia services; Supply Expenses were \$144K under budget due to favorable variances in general medical supplies (\$83K), Radioactive supplies (\$23K), and all other supplies (\$38K); 4) Other favorable variances included Utilities (\$28K), Other Expenses (\$40K), and other minor variances in all categories combined (\$11K).

Non-Operating Revenues and Expenses were favorably impacted by Depreciation expense (\$53K) and Interest expense (\$21K) along with combined favorable non-operating Interest Income and Donations (\$7K). See next following Table.

YTD Operating Expenses - Negative Variance

(See Current Month Information)

YTD Expense Items of Note

(See Current Month Information)

Monthly Non-Operating Revenue (Positive): Depreciation. & Interest Exp. (Positive) Variances

INCOME STATEMENT - CURRENT MONTH		July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025	July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
NON-OPERATING REVENUE & EXPENSE								
TOTAL NON-OPERATING REVENUE & EXPENSE		823,975	833,710	9,735	1.2%	826,328	7,382	0.9%
OTHER NON-OPERATING REVENUE		177,566	172,130	(5,436)	-3.1%	164,748	7,382	4.5%
NON-OPERATING INTEREST INCOME		78,153	68,033	(10,120)	-12.9%	64,470	3,563	5.5%
NON-OPERATING DONATIONS/GAIN ON SALE		99,413	104,097	4,684	4.7%	100,278	3,819	3.8%
NON-OPERATING TAX REVENUE		646,409	661,580	15,171	2.3%	661,580	0	0.0%
EXTRAORDINARY REVENUE		0	0	0	0.0%	0	0	0.0%
				0				
TOTAL INTEREST & DEPRECIATION		965,790	991,899	(26,109)	-2.7%	1,066,190	74,291	7.0%
DEPRECIATION		458,308	455,375	2,933	0.6%	508,895	53,520	10.5%
INTEREST		507,482	536,524	(29,042)	-5.7%	557,295	20,771	3.7%

YTD Non-Operating Revenue, Depreciation, & Interest Expense Negative Variance

(See Current Month Information)

Balance Sheet/Cash Flow

Patient cash collections in July were \$5.33M compared to \$6.87M in June, \$6.26M in May, and \$6.24M in April. Gross Accounts Receivable Days for July were 60.8 compared to 57.1 in June, 58.1 in May, and 54.3 in April.

July's Operating Cash balance was \$4.61M compared to \$5.84M in June, \$5.52M in May, and \$5.61M in April. Accounts Payable for July were \$13.65M in July, compared to \$11.63M in June, \$12.99M in May, and \$13.72M in April. July's A/P days were 103 compared to 87 in June, 95 in May, and 99 in April. The Line of Credit principal balance, now with Tenet Healthcare, remained at \$15.00M in July, the same as June 30.

Other key changes in the Balance Sheet included: 1) Normal changes to Taxes Receivable, Accrued Interest Payable for debt service, along with the impact on the corresponding bank accounts, including the continuation of semi-annual property tax receipts; 2) Establishment of a Grant Receivable of \$131K for I/T software purchase; 3) an increase in Prepaid Expenses of \$569K related mostly to annual Insurance payments made in July; and 4) an increase in Accounts Payable of \$2.02M due to the temporary current cash shortage.

Positive takeaways:

- 1) Workload volumes, i.e. Patient Days, Adjusted Patient Days, and Outpatient Registrations were strong compared to budget and compared to June, 2026.
- 2) EBIDA exceeded budget by \$397K; Net Revenues exceeded budget by \$450K.
- 3) Operating Expenses only exceeded budget by \$53K.

Negative/Challenging takeaways:

- 1) Cash balances continue to remain tight as we continue to aggressively pursue final resolution of the 3rd Quarter ERC funds that are waiting completion of the IRS audit process.
- 2) Contract Labor exceeded budget by \$211K, however, there are expectations that these costs will be transitioning to regular wages and benefits over the next few months.
- 3) Physician costs are over budget due to OB and Anesthesia coverage requirements.

	A	B	O	AP	BC	BP	BQ
1		SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA					07/31/26
2							
3			FYE 22/23	FYE 23/24	FYE 24/25	FYE 25/26	FYE 26/27
4			12	12	12	12	
5			MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	JULY
6		Gross Patient Revenue					
7		Inpatient Revenue	\$ 14,171,780	\$ 14,394,934	\$ 17,450,067	\$ 19,251,871	\$21,272,058
8		Inpatient Psych/Rehab Revenue	-	-	-	-	-
9		Outpatient Revenue	25,575,741	27,197,604	28,549,917	31,816,275	31,682,558
10		Long Term Care Revenue	-	-	-	-	-
11		Home Health Revenue	0	-	-	-	-
12		Total Gross Patient Revenue	39,747,521	41,592,538	45,999,984	51,068,146	52,954,616
13							
14		Deductions From Revenue					
15		Discounts and Allowances	(33,545,205)	(35,678,219)	(39,128,491)	(43,675,482)	(45,682,951)
16		Bad Debt Expense	(1,047,941)	(884,929)	(1,083,498)	(1,114,312)	(1,092,703)
17		GI HMO Discounts	0	-	-	-	0
18		Charity Care	(97,443)	(54,157)	(94,415)	(148,155)	(32,497)
19		Total Deductions From Revenue	(34,690,589)	(36,617,305)	(40,306,404)	(44,937,949)	(46,808,151)
20			-87.3%	-88.0%	-87.6%	-88.0%	-88.4%
21		Net Patient Revenue	5,056,932	4,975,233	5,693,580	6,130,197	6,146,465
22							
23		Non- Patient Revenues					
24		Supplemental Revenues	941,881	1,994,148	1,767,021	1,427,617	58,187
25		Grants & Other Op Revenues	986,421	341,356	195,412	234,628	210,278
26		Clinic Net Revenues	0	-	-	-	0
27		Tax Subsidies Measure D/H	213,402	242,508	231,175	233,729	238,403
28		Tax Subsidies Prop 13	189,707	218,100	240,726	259,962	267,761
29		Tax Subsidies County Suplmtl Funds	2,308	13,938	-	-	0
30		Non-Patient Revenues	2,333,719	2,810,051	2,434,334	2,155,935	774,629
31							
32		Total Operating Revenue	7,390,651	7,785,284	8,127,914	8,286,132	6,921,094
33							
34		Operating Expenses					
35		Salaries and Wages	3,634,721	3,922,586	4,073,968	4,078,974	3,804,723
36		Fringe Benefits	938,301	816,313	854,537	890,286	905,722
37		Contract Labor	81,255	135,922	233,823	353,164	436,543
38		Physicians Fees	299,739	425,458	711,175	736,362	874,985
39		Purchased Services	863,657	968,088	1,212,055	1,202,923	1,152,152
40		Supply Expense	953,253	781,620	1,065,725	1,089,094	784,176
41		Utilities	93,037	104,674	102,574	100,271	108,085
42		Repairs and Maintenance	76,806	101,283	102,208	78,992	79,711
43		Insurance Expense	119,548	127,300	143,335	169,239	343,449
44		All Other Operating Expenses	151,928	114,358	165,558	138,604	132,728
45		IGT Expense	91,499	120,769	127,110	131,640	0
46		Leases and Rentals	99,514	90,298	69,039	54,397	44,949
47		1206 (b) CLINIC	0	-	-	-	0
48		Total Operating Expenses	7,403,258	7,708,667	8,861,107	9,023,946	8,667,223
49							
50		EBIDA	(12,606)	76,617	(733,193)	(737,813)	(1,746,129)
51							
52		Interest, Depreciation, and Amortization					
53		Depreciation Expense	495,039	547,393	451,967	473,572	455,375
54		Interest Expense	484,663	438,303	527,058	535,209	536,524
55		Total Interest, Depr, & Amort.	979,702	985,697	979,025	1,008,781	991,899
56							
57		Non-Operating Revenue:					
58		Contributions & Other	132,587	483,520	356,470	279,532	172,130
59		Tax Subsidies for GO Bonds - M-A	660,979	1,074,156	745,407	744,875	661,580
60		Total Non Operating Revenue/(Expense)	793,566	1,557,676	1,101,877	1,024,407	833,710
61							
62		Total Net Surplus/(Loss)	(198,742)	648,598	(610,340)	(722,186)	(1,904,318)
63		Change in Interest in Foundation	0	-	-	-	0
64		Extra-Ordinary Income (Loss)	0	(231,988)	612,147	106,034	0
65		Increase/(Decrease in Unrestricted Net Assets	\$ (198,742)	\$ 416,610	\$ 1,807	\$ (616,152)	\$ (1,904,318)
66							
67		Total Profit Margin	-2.7%	5.4%	0.0%	-7.4%	-27.5%
68		EBIDA %	-0.2%	1.0%	-9.0%	-8.9%	-25.2%
69							
70							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL									NOTE: UNFAVORABLE VARIANCES SHOW AS NEGATIVES							
2	INCOME STATEMENT - CURRENT MONTH									July 2025 ACTUAL	July 2026 ACTUAL	VARIANCE July 2026 TO July 2025	PERCENTAGE VARIANCE July 2026 TO July 2025		July 2026 BUDGET	VARIANCE July 2026 ACTUAL TO BUDGET	PERCENTAGE VARIANCE July 2026 ACTUAL TO BUDGET
3	NET INCOME									(2,358,234)	(1,904,318)	453,916	19.2%		(2,383,247)	478,929	20.1%
4	EBIDA									(2,216,419)	(1,746,129)	470,290	21.2%		(2,143,385)	397,256	18.5%
5																	
6	NET OPERATING REVENUE									6,696,187	6,921,094	224,907	3.4%		6,470,925	450,169	7.0%
7	NET PATIENT REVENUE									5,899,380	6,146,465	247,085	4.2%		5,714,101	432,364	7.6%
8	GROSS REVENUE FROM PATIENT SERVICES									49,979,786	52,954,616	2,974,830	6.0%		50,193,746	2,760,870	5.5%
9	TOTAL INPATIENT REVENUE									18,818,009	21,272,058	2,454,049	13.0%		18,354,369	2,917,689	15.9%
10	TOTAL OUTPATIENT REVENUE									31,161,777	31,682,558	520,781	1.7%		31,839,377	(156,819)	-0.5%
11	DEDUCTIONS FROM REVENUE									(44,080,406)	(46,808,151)	(2,727,745)	6.2%		(44,479,645)	(2,328,506)	5.2%
12	OTHER OPERATING REVENUE									796,807	774,629	(22,178)	-2.8%		756,824	17,805	2.4%
13	OTHER REVENUE - RATE RANGE									0	0	0	0.0%		0	0	0.0%
14	OTHER REVENUE - OTHER SUPPLEMENTALS									0	685	685	0.0%		0	685	0.0%
15	OTHER REVENUE - DSH									47,902	57,427	9,525	19.9%		57,427	0	0.0%
16	OTHER REVENUE - P4P									0	75	75	0.0%		0	75	0.0%
17	OTHER REVENUE - OTHER									214,525	210,278	(4,247)	-2.0%		179,064	31,214	17.4%
18	OPERATING TAX REVENUES									534,380	506,164	(28,216)	-5.3%		520,333	(14,169)	-2.7%
19																	
20	TOTAL OPERATING EXPENSE									8,912,606	8,667,223	245,383	2.8%		8,614,310	(52,913)	-0.6%
21	TOTAL LABOR EXPENSE									5,306,559	5,146,988	159,571	3.0%		4,957,509	(189,479)	-3.8%
22	WAGES									4,088,991	3,804,723	284,268	7.0%		3,889,206	84,483	2.2%
23	EMPLOYEE BENEFITS									927,259	905,722	21,537	2.3%		843,201	(62,521)	-7.4%
24	CONTRACT LABOR									290,309	436,543	(146,234)	-50.4%		225,102	(211,441)	-93.9%
25	PHYSICIAN FEES									732,959	874,985	(142,026)	-19.4%		787,508	(87,477)	-11.1%
26	PURCHASED SERVICES									1,181,191	1,152,152	29,039	2.5%		1,152,317	165	0.0%
27	SUPPLY EXPENSE									969,916	784,176	185,740	19.2%		928,380	144,204	15.5%
28	UTILITIES									133,288	108,085	25,203	18.9%		136,369	28,284	20.7%
29	REPAIRS AND MAINTENANCE									89,577	79,711	9,866	11.0%		82,338	2,627	3.2%
30	INSURANCE									298,168	343,449	(45,281)	-15.2%		355,949	12,500	3.5%
31	OTHER EXPENSES									91,247	132,728	(41,481)	-45.5%		172,758	40,030	23.2%
32	LEASE AND RENTALS									109,701	44,949	64,752	59.0%		41,182	(3,767)	-9.1%
33																	
34	NON-OPERATING REVENUE & EXPENSE																
35	TOTAL NON-OPERATING REVENUE & EXPENSE									823,975	833,710	9,735	1.2%		826,328	7,382	0.9%
36	OTHER NON-OPERATING REVENUE									177,566	172,130	(5,436)	-3.1%		164,748	7,382	4.5%
37	NON-OPERATING INTEREST INCOME									78,153	68,033	(10,120)	-12.9%		64,470	3,563	5.5%
38	NON-OPERATING DONATIONS/GAIN ON SALE									99,413	104,097	4,684	4.7%		100,278	3,819	3.8%
39	NON-OPERATING TAX REVENUE									646,409	661,580	15,171	2.3%		661,580	0	0.0%
40	EXTRAORDINARY REVENUE									0	0	0	0.0%		0	0	0.0%
41												0					
42	TOTAL INTEREST & DEPRECIATION									965,790	991,899	(26,109)	-2.7%		1,066,190	74,291	7.0%
43	DEPRECIATION									458,308	455,375	2,933	0.6%		508,895	53,520	10.5%
44	INTEREST									507,482	536,524	(29,042)	-5.7%		557,295	20,771	3.7%
45																	
46																	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL									NOTE: UNFAVORABLE VARIANCES SHOW AS NEGATIVES							
2	INCOME STATEMENT - 1 MONTH YTD									July 2025 YTD ACTUAL	July 2026 YTD ACTUAL	YTD VARIANCE July 2026 TO July 2025	PERCENTAGE YTD VARIANCE July 2026 TO July 2025		July 2026 YTD BUDGET	VARIANCE July 2026 YTD ACTUAL TO BUDGET	PERCENTAGE VARIANCE YTD July 2026 ACTUAL TO BUDGET
3	NET INCOME								(2,358,234)	(1,904,318)	453,916	19.2%		(2,383,247)	478,929	20.1%	
4	EBIDA								(2,216,419)	(1,746,129)	470,290	21.2%		(2,143,385)	397,256	18.5%	
5																	
6	NET OPERATING REVENUE								6,696,187	6,921,094	224,907	3.4%		6,470,925	450,169	7.0%	
7	NET PATIENT REVENUE								5,899,380	6,146,465	247,085	4.2%		5,714,101	432,364	7.6%	
8			GROSS REVENUE FROM PATIENT SERVICES						49,979,786	52,954,616	2,974,830	6.0%		50,193,746	2,760,870	5.5%	
9				TOTAL INPATIENT REVENUE					18,818,009	21,272,058	2,454,049	13.0%		18,354,369	2,917,689	15.9%	
10				TOTAL OUTPATIENT REVENUE					31,161,777	31,682,558	520,781	1.7%		31,839,377	(156,819)	-0.5%	
11			DEDUCTIONS FROM REVENUE						(44,080,406)	(46,808,151)	(2,727,745)	6.2%		(44,479,645)	(2,328,506)	5.2%	
12	OTHER OPERATING REVENUE								796,807	774,629	(22,178)	-2.8%		756,824	17,805	2.4%	
13			OTHER REVENUE - RATE RANGE						0	0	0	0.0%		0	0	0.0%	
14			OTHER REVENUE - OTHER SUPPLEMENTALS						0	685	685	0.0%		0	685	0.0%	
15			OTHER REVENUE - DSH						47,902	57,427	9,525	19.9%		57,427	0	0.0%	
16			OTHER REVENUE - P4P						0	75	75	0.0%		0	75	0.0%	
17			OTHER REVENUE - OTHER						214,525	210,278	(4,247)	-2.0%		179,064	31,214	17.4%	
18			OPERATNG TAX REVENUES						534,380	506,164	(28,216)	-5.3%		520,333	(14,169)	-2.7%	
19																	
20	TOTAL OPERATING EXPENSE								8,912,606	8,667,223	245,383	2.8%		8,614,310	(52,913)	-0.6%	
21			TOTAL LABOR EXPENSE						5,306,559	5,146,988	159,571	3.0%		4,957,509	(189,479)	-3.8%	
22					WAGES			4,088,991	3,804,723	284,268	7.0%		3,889,206	84,483	2.2%		
23					EMPLOYEE BENEFITS			927,259	905,722	21,537	2.3%		843,201	(62,521)	-7.4%		
24					CONTRACT LABOR			290,309	436,543	(146,234)	-50.4%		225,102	(211,441)	-93.9%		
25			PHYSICIAN FEES						732,959	874,985	(142,026)	-19.4%		787,508	(87,477)	-11.1%	
26			PURCHASED SERVICES						1,181,191	1,152,152	29,039	2.5%		1,152,317	165	0.0%	
27			SUPPLY EXPENSE						969,916	784,176	185,740	19.2%		928,380	144,204	15.5%	
28					UTILITIES			133,288	108,085	25,203	18.9%		136,369	28,284	20.7%		
29			REPAIRS AND MAINTENANCE						89,577	79,711	9,866	11.0%		82,338	2,627	3.2%	
30					INSURANCE			298,168	343,449	(45,281)	-15.2%		355,949	12,500	3.5%		
31			OTHER EXPENSES						91,247	132,728	(41,481)	-45.5%		172,758	40,030	23.2%	
32			LEASE AND RENTALS						109,701	44,949	64,752	59.0%		41,182	(3,767)	-9.1%	
33																	
34	NON-OPERATING REVENUE & EXPENSE																
35	TOTAL NON-OPERATING REVENUE & EXPENSE								823,975	833,710	9,735	1.2%		826,328	7,382	0.9%	
36					OTHER NON-OPERATING REVENUE				177,566	172,130	(5,436)	-3.1%		164,748	7,382	4.5%	
37						NON-OPERATING INTEREST INCOME			78,153	68,033	(10,120)	-12.9%		64,470	3,563	5.5%	
38						NON-OPERATING DONATIONS/GAIN ON SALE			99,413	104,097	4,684	4.7%		100,278	3,819	3.8%	
39					NON-OPERATING TAX REVENUE				646,409	661,580	15,171	2.3%		661,580	0	0.0%	
40					EXTRAORDINARY REVENUE				0	0	0	0.0%		0	0	0.0%	
41											0						
42	TOTAL INTEREST & DEPRECIATION								965,790	991,899	(26,109)	-2.7%		1,066,190	74,291	7.0%	
43					DEPRECIATION				458,308	455,375	2,933	0.6%		508,895	53,520	10.5%	
44					INTEREST				507,482	536,524	(29,042)	-5.7%		557,295	20,771	3.7%	
45																	
46												Page 9					

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL (2026 Amounts are Unaudited)												
	BALANCE SHEET								PY Ending Balance Jun 26 ACT	May 26 Act	Jun 26 Act	Jul 26 Act	VARIANCE to Prior Month
2													
3													
4	** TOTAL ASSETS								106,741,457	105,999,572	106,741,457	107,507,411	765,954
5			CURRENT ASSETS						12,812,492	15,299,929	12,812,492	14,077,791	1,265,299
6							CASH & EQUIVALENTS		5,903,129	5,517,222	5,903,129	4,611,473	(1,291,656)
7							NET PATIENT ACCOUNTS RECEIVABLE		10,573,335	10,732,402	10,573,335	11,085,422	512,087
8							HOSPITAL ACCOUNTS RECEIVABLE		101,090,171	102,566,935	101,090,171	107,780,275	6,690,104
9							LESS: DEDUCTIONS AND BAD DEBT ALLOWANCES		(90,516,836)	(91,834,533)	(90,516,836)	(96,694,853)	(6,178,017)
10							OTHER CURRENT ASSETS		(3,663,972)	(949,695)	(3,663,972)	(1,619,104)	2,044,868
11							TAXES RECEIVABLE		471,664	1,941,638	471,664	1,586,722	1,115,058
12							MISC RECEIVABLE		(5,161,996)	(4,338,022)	(5,161,996)	(4,831,520)	330,476
13							DUE FROM 3RD PARTIES		(1,193,168)	(1,193,127)	(1,193,168)	(1,193,209)	(41)
14							INVENTORIES		1,887,012	2,491,479	1,887,012	1,917,720	30,708
15							PREPAID EXPENSES		332,516	148,337	332,516	901,183	568,667
16													
17							ASSETS WHICH USE IS LIMITED		21,213,078	17,513,725	21,213,078	21,214,597	1,519
18							NET PROPERTY, PLANT, AND EQUIPMENT		71,410,815	71,877,489	71,410,815	70,913,309	(497,506)
19							PROPERTY, PLANT, AND EQUIPMENT		176,041,676	175,948,361	176,041,676	176,004,351	(37,325)
20							LAND & LAND IMPROVEMENTS		8,091,366	8,091,366	8,091,366	8,091,366	0
21							BUILDINGS & BUILDING IMPROVEMENTS		119,440,724	116,880,119	119,440,724	119,440,724	0
22							FIXED EQUIPMENT		47,070,290	46,996,319	47,070,290	47,031,165	(39,125)
23							CONSTRUCTION IN PROGRESS		1,439,296	3,980,557	1,439,296	1,441,096	1,800
24							LESS: ACCUMULATED DEPRECIATION		(104,630,861)	(104,070,872)	(104,630,861)	(105,091,042)	(460,181)
25							OTHER ASSETS		1,305,072	1,308,429	1,305,072	1,301,714	(3,358)
26													
27							TOTAL LIABILITIES & FUND BALANCE		106,741,504	105,999,605	106,741,504	107,507,426	765,922
28							TOTAL LIABILITIES		145,422,167	146,693,593	145,422,167	148,092,452	2,670,285
29							CURRENT LIABILITIES		38,353,773	39,570,432	38,353,773	41,076,153	2,722,380
30							ACCOUNTS PAYABLE		11,631,707	12,993,454	11,631,707	13,648,400	2,016,693
31							PAYROLL PAYABLES		4,742,514	4,619,486	4,742,514	5,004,706	262,192
32							SALARIES & WAGES PAYABLE		1,713,662	1,258,421	1,713,662	1,897,508	183,846
33							PAYROLL TAXES & DEDUCTIONS PAYABLE		0	185,385	0	236,643	236,643
34							ACCRUED PTO & SICK DAYS PAYABLE		3,028,852	3,175,680	3,028,852	2,870,555	(158,297)
35							LINE OF CREDIT		15,025,311	15,154,536	15,025,311	15,118,956	93,645
36							OTHER CURRENT LIABILITIES		6,954,241	6,802,956	6,954,241	7,304,091	349,850
37							ACCRUED INTEREST PAYABLE		1,832,952	1,441,261	1,832,952	2,206,797	373,845
38							OTHER CURRENT LIABILITIES		667,731	908,137	667,731	643,736	(23,995)
39							DEBT - CURRENT		4,453,558	4,453,558	4,453,558	4,453,558	0
40													
41							LONG TERM LIABILITIES		107,068,394	107,123,161	107,068,394	107,016,299	(52,095)
42													
43							NET ASSETS		(38,680,663)	(40,693,988)	(38,680,663)	(40,585,026)	(1,904,363)
44							NET ASSETS - UNRESTRICTED		(38,680,663)	(40,693,988)	(38,680,663)	(40,585,026)	(1,904,363)
45							NET ASSETS - BEGINNING OF PERIOD		(31,286,834)	(31,286,834)	(31,286,834)	(38,680,708)	(7,393,874)
46							CURRENT YEAR NET GAIN/(LOSS)		(7,393,829)	(9,407,154)	(7,393,829)	(1,904,318)	5,489,511
47													
48	** Slight variances due to "rounding"												
49									Page 10				

	B	C	D	E	F	G	H
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL						
2						(UNAUDITED)	(UNAUDITED)
3	Note: These amounts do not include General Obligation Bonds Taxes & Payments					Current Month	Y-T-D
4						7/31/2026	7/31/2026
5	BEGINNING CASH BALANCES						
6		Cash: Beginning Balances- Hospital				\$ 5,880,784	\$ 5,880,784
7		Cash: Beginning Balances- District				22,345	22,345
8		Cash: Beginning Balances Totals				\$ 5,903,129	\$ 5,903,129
9							
10	Receipts						
11			Patient Collections			\$ 5,333,986	\$ 5,333,986
12			Tax Subsidies/Measure D/Prop 13			506,164	\$ 506,164
13			Misc Tax Subsidies				\$ -
14			Donations/Grants/Loans			104,097	\$ 104,097
15			Supplemental Funding (Rate Range, Etc.)			760	\$ 760
16			Draws/(Paydown) of LOC Balances				\$ -
17			Other Revenues/Receipts/Transfers			210,278	\$ 210,278
18	TOTAL RECEIPTS					\$ 6,155,285	\$ 6,155,285
19							
20	Disbursements						
21			Wages, Benefits, & Contract Labor			\$ 5,146,988	\$ 5,146,988
22			Other Operating Costs			3,520,235	\$ 3,520,235
23			Capital Spending			(37,325)	\$ (37,325)
24			Debt Service Payments (Excl.G/O Bonds)			90,670	\$ 90,670
25			Other - Changes in A/P, IGT's, Other Rcvbls, Etc.			(1,273,627)	\$ (1,273,627)
26	TOTAL DISBURSEMENTS					\$ 7,446,941	\$ 7,446,941
27							
28	TOTAL CHANGE in CASH					\$ (1,291,656)	\$ (1,291,656)
29							
30	ENDING CASH BALANCES						
31		Ending Balances- Hospital				\$ 4,574,004	\$ 4,574,004
32		Ending Balances- District				37,469	37,469
33		Ending Balances- Totals				\$ 4,611,473	\$ 4,611,473
34							
35							
36							
37	LOC Current Balances					\$ 15,000,000	\$ 15,000,000
38	8/19/2026						
39							
40					Page 11		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT - STATEMENT OF REVENUES AND EXPENSES JULY 31, 2026 Unaudited														
2	DISTRICT INCOME STATEMENT								July 26 Bud	July 26 Act	Variance		July - July 26 Bud YTD	July - July 26 Bud YTD	Variance
3															
4	NET INCOME								259,340	312,734	53,394		259,340	312,734	53,394
5	EBIDA								328,726	321,942	(6,784)		328,726	321,942	(6,784)
6															
7	TOTAL OPERATING REVENUE								540,039	524,411	(15,628)		540,039	524,411	(15,628)
8							OTHER REVENUE - OTHER		19,706	18,247	(1,459)		19,706	18,247	(1,459)
9	OPERATNG TAX REVENUES								520,333	506,164	(14,169)		520,333	506,164	(14,169)
10							703232 - OPERATING REVENUE TAX REVENUE MH.		247,589	238,403	(9,186)		247,589	238,403	(9,186)
11							703533 - OTHER REVENUE PROP 13		272,744	267,761	(4,983)		272,744	267,761	(4,983)
12															
13	TOTAL OPERATING EXPENSE								211,313	202,469	8,844		211,313	202,469	8,844
14							TOTAL LABOR EXPENSE		0	0	0		0	0	0
15							PROFESSIONAL FEES		204,488	198,027	6,461		204,488	198,027	6,461
16							601922 - CONSULTING FEES		4,084	0	4,084		4,084	0	4,084
17							601923 - LEGAL FEES		35,000	15,000	20,000		35,000	15,000	20,000
18							601926 - OTHER CONTRACT SERVICES		0	0	0		0	0	0
19							601962 - GROUND PURCHASED SERVICES		3,510	2,785	725		3,510	2,785	725
20							601966 - OTHER PURCHASED SERVICES		234	185	49		234	185	49
21							601967 - SERVICE AGREEMENTS		49,937	49,937	0		49,937	49,937	0
22							601969 - PURCHASED SERVICES		111,723	130,120	(18,397)		111,723	130,120	(18,397)
23															
24							SUPPLYS EXPENSE		0	0	0		0	0	0
25							OTHER EXPENSES		6,825	4,442	2,383		6,825	4,442	2,383
26							602177 - ELECTRICITY		486	273	213		486	273	213
27							602179 - WATER		4,250	4,169	81		4,250	4,169	81
28							602470 - FREIGHT SALES TAX		0	0	0		0	0	0
29							602472 - ELECTION FEES		0	0	0		0	0	0
30							602490 - OTHER EXPENSES		2,089	0	2,089		2,089	0	2,089
31															
32	NON-OPERATING REVENUE & EXPENSE								814,601	823,369	8,768		814,601	823,369	8,768
33							OTHER NON-OPERATING REVENUE		153,021	161,789	8,768		153,021	161,789	8,768
34							703098 - NON-OPERATING INTEREST INCOME		52,743	57,692	4,949		52,743	57,692	4,949
35							903031 - NON-OPERATING DONATIONS/GAIN ON SALE		100,278	104,097	3,819		100,278	104,097	3,819
36															
37							NON-OPERATING TAX REVENUE		661,580	661,580	0		661,580	661,580	0
38							EXTRAORDINARY REVENUE		0	0	0		0	0	0
39															
40	TOTAL INTEREST & DEPRECIATION								883,987	832,577	51,410		883,987	832,577	51,410
41							DEPRECIATION		508,895	455,375	53,520		508,895	455,375	53,520
42							INTEREST & AMORTIZATION		375,092	377,202	(2,110)		375,092	377,202	(2,110)
43										Page 12					

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT												
2	DISTRICT - BALANCE SHEET (UNAUDITED)							Apr 26 Act	May 26 Act	Jun 26 Act	Jul 26 Act		Var Jun 26 Act
3													
4							TOTAL ASSETS	108,180,452	110,909,266	92,697,702	93,483,037		785,335
5							CURRENT ASSETS	11,269,892	12,012,510	514,009	1,644,191		1,130,182
6							CASH & EQUIVALENTS	17,793	1,139,127	22,345	37,469		15,124
7							OTHER CURRENT ASSETS	11,252,099	10,873,383	491,664	1,606,722		1,115,058
8							TAXES RECEIVABLE	2,320,354	1,941,638	471,664	1,586,722		1,115,058
9							MISC RECEIVABLE	8,911,745	8,911,745	0	0		0
10							PREPAID EXPENSES	20,000	20,000	20,000	20,000		0
11													
12							ASSETS WHICH USE IS LIMITED	16,971,569	17,482,024	21,171,969	21,166,573		(5,396)
13													
14							NET PROPERTY, PLANT, AND EQUIPMENT	71,295,865	70,976,969	70,567,667	70,127,532		(440,135)
15							PROPERTY, PLANT, AND EQUIPMENT	173,761,632	173,922,997	174,006,049	174,021,289		15,240
16							LAND & LAND IMPROVEMENTS	8,091,366	8,091,366	8,091,366	8,091,366		0
17							BUILDINGS & BUILDING IMPROVEMENTS	116,880,119	116,880,119	119,440,724	119,440,724		0
18							FIXED EQUIPMENT	44,825,763	44,970,955	45,034,663	45,048,103		13,440
19							CONSTRUCTION IN PROGRESS	3,964,384	3,980,557	1,439,296	1,441,096		1,800
20							LESS: ACCUMULATED DEPRECIATION	(102,465,767)	(102,946,028)	(103,438,382)	(103,893,757)		(455,375)
21							OTHER ASSETS	8,643,126	10,437,763	444,057	544,741		100,684
22							INVESTMENT IN AFFILIATE	8,192,354	9,990,349	0	104,042		104,042
23							BONDS	450,772	447,414	444,057	440,699		(3,358)
24													
25							TOTAL LIABILITIES & FUND BALANCE	108,180,430	110,909,246	92,697,681	93,483,039		785,358
26							TOTAL LIABILITIES	125,946,967	128,385,908	128,829,675	129,354,118		524,443
27							CURRENT LIABILITES	19,018,099	21,482,250	21,951,228	22,498,106		546,878
28							ACCOUNTS PAYABLE	1,353,777	587,431	664,718	837,751		173,033
29							LINE OF CREDIT	12,161,195	15,000,000	15,000,000	15,000,000		0
30							OTHER CURRENT LIABILITIES	5,503,127	5,894,819	6,286,510	6,660,355		373,845
31							ACCRUED INTEREST PAYABLE	1,049,569	1,441,261	1,832,952	2,206,797		373,845
32							DEBT - CURRENT	4,453,558	4,453,558	4,453,558	4,453,558		0
33							LONG TERM LIABILITIES	106,928,868	106,903,658	106,878,447	106,856,012		(22,435)
34													
35							NET ASSETS	(17,766,537)	(17,476,662)	(36,131,994)	(35,871,079)		260,915
36							NET ASSETS - BEGINNING OF PERIOD	(23,656,909)	(23,656,909)	(43,740,963)	(36,183,813)		7,557,150
37							CURRENT YEAR NET GAIN/(LOSS)	5,890,372	6,180,247	7,608,969	312,734		(7,296,235)
38									Page 13				

STATISTICS

Inpatient Admissions/Discharges (Monthly Average)	Represents number of patients admitted/discharged into and out of the hospital.
Patient Days (Monthly Average)	Each day a patient stays in the hospital is counted as a patient day. This count is normally done at midnight.
Average Daily Census (Inpatient)	Equals the average number of inpatients in the hospital on any given day or month.
Average Length of Stay (Inpatient)	Represents that average number of days that inpatients stay in the hospital.
Emergency Visits (Monthly Average)	Represents the number of patients who sought services at the emergency room.
Surgery Cases - Excluding G.I. (Monthly Average)	Equals the number of patients who had a surgical procedure(s) performed.
G.I. Cases (Monthly)	Number of patients who had a gastrointestinal exam performed.
Newborn Deliveries (Monthly)	Number of babies delivered.

PRODUCTIVITY

Worked FTEs (includes Registry FTEs)	Represents an equivalency of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of hours in the respective work period (40, 80, etc.) Example: 340 hours worked in an 80 hour pay period = 4.25 FTE's
Worked FTES per APD	Divides the Total Worked FTE's by the daily average of the Adjusted Patient Days.
Paid FTEs (includes Registry FTEs)	Represents an equivalency of full-time staff paid. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours paid (includes all hours paid consisting of worked hours, PTO hours, sick pay, etc.) by the number of hours in the respective work period (40, 80, etc.) Example: 500 hours paid in an 80 hour pay period = 6.25 FTE's.
Paid FTES per APD	Divides the Total Paid FTE's by the daily average of the Adjusted Patient Days.
ADJUSTED PATIENT DAYS	This is a blend of total patient days stayed in the hospital for a month, plus an equivalency factor (based on average inpatient revenue per patient day) applied to the outpatient revenues in order to account for outpatient workloads.

INCOME STATEMENT

Gross Patient Revenue (000's) (Monthly Ave.)	Represents total charges (before discounts and allowances) made for all patient services provided.
Net Patient Revenue (NPR) (000's) (Monthly Ave.)	Equals the sum of all (patient) charges for services provided that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
NPR as % of Gross	Reflects the percentage of Gross Patient Revenues (charges) that are expected to be collected. Calculated by dividing Net Patient Revenue by the Gross Patient Revenue.
Total Operating Revenue (000's) (Monthly Ave.)	This reflects all Revenues available for payment of Operating Expenses. This includes Net Patient Revenue plus all other forms of miscellaneous Revenues.
Salaries, Wages, Benefits & Contract Labor (000's) (Monthly Ave.)	Represents the total staffing expenses of the Hospital
SWB + Contract Labor as % of Total Operating Revenue	Identifies what portion the Operating Revenues are spent on staffing costs.
Total Operating Expense (TOE) (000's)(Monthly Ave.)	Operating Expense reflects all costs needed to fund the Hospital's business operations.
TOE as % of Total Operating Revenue	Identifies the relationship that Operating Expenses have to the Total Operating Revenues.
EBIDA (000's)(Monthly Average)	Earnings Before Interest, Depreciation, and Amortization. This reflects the difference between Net Operating Revenues and Total Operating Expense. This is a quick measurment of the Hospital's ability to meet its financial obligations and have additional funds for equipment replacement and future growth of the organization.
EBIDA as % of NPR	This measurement is a guage of the surplus (or deficit) of funds available for operations and future growth.
Net Patient Revenue vs. Total Labor Expense	This measurement illustrates that Net Patient Revenues basically only cover Total Labor Expense, and that all of the Other Revenues and Supplemental Incomes are necessary to cover the remaining operational Expenses and EBIDA required to operate the Hospital.
Operating Revenues (Normalized), Expenses, Staffing Expenses, and EBIDA (Normalized)	This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating proportionate Supplemental Revenues and related Expenses into the current month and YTD results.

BALANCE SHEET (Period End)

Cash (000's)	Represents all unrestricted cash in the bank at each month-end.
Days Cash on Hand	Calculated by dividing amount of Cash on Hand by the historical average daily amount of cash requirements to cover operating expenses.
Accounts Receivable - Net (000's)	Equals the sum of all (patient) accounts that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
A/R Days - Net	This measures the average number of days it takes to collect payment of the Net Accounts Receivable. Lower values are desired.
Current Ratio (Current Assets/Current Liabilities)	A measure that illustrates the ability for the hospital to pay its obligations that come due over the course of the next year. The greater the Current Assets as compared to the Current Liabilities, the stronger position the organization is in to pay its upcoming obligations. Desired position is greater than 1:00 to 1:00, preferably at least 1:25 to 1:00 or greater.
Quick Ratio	This measures the Cash + Net Accounts Receivable compared to the Current Liabilities. Desired ratio is greater than 1.00 : 1.00.
Accounts Payable (000's)	Reflects payment obligations of the Hospital as of a point in time. Excludes Loans, Payroll and other Debt obligations. Lower values are desired.
Accounts Payable Days	Reflects the average number of days that it takes to pay routine bills. Lower numbers are desired. Calculated by dividing the Accounts Payable amount by the historical average daily cost of routine expenses.
Line of Credit Balance (000's)	The amount that is currently borrowed from a lending institution as of a given point in time.

TAB D

Addendum #4
Professional Services Agreement Between
San Gorgonio Memorial Healthcare District,
San Gorgonio Memorial Hospital
and
Jasleen Singh MD a Professional Corporation

This Fourth addendum (“**Fourth Addendum**”) is effective as of the date the last signature is attached, by and between:

San Gorgonio Memorial Healthcare District (“**District**”)
and,
San Gorgonio Memorial Hospital (“**SGMH**”),
and,
Jasleen Singh, M.D., P.C. (dba Apna Health) (“**Apna**”).

District and SGMH are collectively referred to in this Fourth Addendum as the “**Hospital Parties**.” Singh MD, a Professional Medical Corporation - Staffing, TIN/EIN 42-2477794 (“**Assignee**” or “**Apna Health-Staffing**”), joins this Fourth Addendum solely for purposes of accepting the assignment and assumption described herein.

This Addendum updates the Professional Services Agreement (“**Agreement**”) entered into on December 1, 2024, as previously amended by Addendum #1 dated December 10, 2024, Addendum #2 dated September 15, 2025, and Addendum #3 dated October 3, 2025. For ease of reference, this Addendum shall use the terms as defined in the Agreement unless defined otherwise.

The parties agree to update the scope of services and compensation to reflect temporary OB/GYN emergency call coverage, additional clinic coverage, and insurance-related payment obligations as follows:

1. Role and Scope of Services

Apna, through its OB/GYN providers, shall provide professional services under temporary OB/GYN emergency call coverage and related clinical coverage, including:

- 1.1. OB/GYN in-house emergency call coverage.
- 1.2. OB/GYN out-of-hospital backup emergency call coverage.
- 1.3. Additional clinical coverage as needed by District and/or SGMH.
- 1.4. Coordination with SGMH medical staff, nursing staff, administration, and Apna OB/GYN providers as reasonably necessary to support the services covered by this Addendum #4.

2. Temporary OB/GYN Emergency Call Coverage and Compensation

For a period of three (3) months commencing on the effective date of this Addendum #4, Apna shall provide OB/GYN emergency call coverage services as needed by District and/or SGMH. Compensation for these specific OB/GYN emergency call duties shall be structured as follows:

- 2.1. **OB/GYN In-House Call Coverage:** Apna OB/GYN providers shall be compensated at a rate of Four Thousand Five Hundred Dollars (\$4,500) per twenty-four (24) hour OB/GYN call shift for in-house emergency coverage.

- 2.2. **OB/GYN Out-of-Hospital Backup Call Coverage:** Apna OB/GYN providers shall be compensated at a rate of Three Thousand Dollars (\$3,000) per twenty-four (24) hour OB/GYN call shift for emergency out-of-hospital backup coverage.

3. Clinic Coverage

For any additional OB/GYN clinical coverage provided by Apna Health-Staffing under this Addendum #4, Apna Health-Staffing shall be compensated at a rate of Two Hundred Fifty-Five Dollars (\$255) per hour. OB/GYN Clinic coverage shall be payable for services provided as needed by District and/or SGMH, actually performed by Apna or an Apna OB/GYN provider, and documented in accordance with Apna Health-Staffing's invoice.

4. Malpractice Insurance and Tail Insurance

District and SGMH shall be jointly and severally responsible for the payment obligations described in this Section 4 and are referred to collectively in this Addendum #4 as the "Hospital Parties."

- 4.1. The Hospital Parties shall pay for or reimburse Apna for the actual, documented cost of professional liability insurance or malpractice insurance for each additional OB/GYN physician or OB/GYN provider brought on by Apna to fulfill services under the Agreement, Addendum #1, Addendum #2, Addendum #3, or this Addendum #4.
- 4.2. The Hospital Parties shall pay for or reimburse Apna for the actual, documented cost of tail insurance, extended reporting period coverage, prior acts coverage, or substantially equivalent coverage required or reasonably necessary to cover claims arising from services performed by Apna or Apna OB/GYN providers under the Agreement, Addendum #1, Addendum #2, Addendum #3, or this Addendum #4.
- 4.3. Any tail insurance, extended reporting period coverage, prior acts coverage, or substantially equivalent coverage payable under this Addendum #4 shall apply only to claims arising from services performed by Apna or Apna OB/GYN providers under the Agreement and its Addenda and shall not apply to outside practice, unrelated professional services, moonlighting, private patients, or other services performed outside the scope of the Agreement and its Addenda.
- 4.4. Apna or Assignee, as applicable under Section 9, shall provide the Hospital Parties with an invoice, carrier quote, premium statement, declaration page, endorsement, proof of payment if already paid by Apna or Assignee, or other reasonable supporting documentation identifying the premium amount, coverage period, coverage limits, covered entity or OB/GYN provider, and the relationship of the coverage to the Agreement and its Addenda. If any insurance invoice includes coverage for both services under the Agreement and unrelated services, Apna or Assignee shall use commercially reasonable efforts to provide a reasonable allocation or supporting explanation of the portion attributable to the Agreement and its Addenda.
- 4.5. The Hospital Parties may satisfy the payment obligation under this Section by direct payment to the insurance carrier or broker or by reimbursement to Apna or Assignee, as applicable under Section 9, after Apna or Assignee provides the supporting documentation described above. No markup, administrative fee, duplicate payment, or reimbursement for unrelated coverage shall be owed under this Section.

5. Billing and Payment Timing

The Hospital Parties shall remit payment in full upon receipt of invoice from Assignee for amounts arising on or after May 1, 2026, or from Apna for amounts arising before May 1, 2026, and no later than seven (7) business days thereafter. This payment obligation applies to OB/GYN emergency call coverage, clinic coverage provided as needed, and documented insurance-related amounts payable under this Addendum #4. In the event of a good-faith dispute regarding any portion of an invoice, the Hospital Parties shall timely pay all undisputed amounts and the parties shall work cooperatively and in good faith to resolve the disputed portion. Any unpaid, undisputed balances not paid within the required timeframe shall accrue interest at the

maximum legal rate until paid in full. District and SGMH shall be jointly and severally responsible for payment obligations under this Addendum #4.

6. Schedule

Specific dates and times for OB/GYN call coverage and clinic coverage shall be determined based on program needs, SGMH scheduling needs, and Apna OB/GYN provider availability. Apna shall not be obligated to provide a specific OB/GYN call shift unless the call shift is accepted by Apna.

7. Compliance

The parties acknowledge that all compensation and insurance-related payments under this Addendum #4 are intended to reflect fair market value for actual services performed or actual documented insurance costs, are commercially reasonable, and are not determined in a manner that takes into account the volume or value of referrals or other business generated between the parties. Nothing in this Addendum #4 requires either party to make referrals to the other party.

8. General

8.1. Except as expressly modified by this Addendum #4, all other terms, conditions, and provisions of the Agreement, Addendum #1, Addendum #2, and Addendum #3 remain unchanged and in full force and effect.

8.2. In the event of a conflict between this Addendum #4 and the Agreement or prior Addenda, this Addendum #4 shall control solely with respect to the temporary OB/GYN emergency call coverage, OB/GYN clinic coverage, and insurance-related payment obligations described herein.

9. Assignment and Assumption; TIN Change. Effective May 1, 2026, Apna assigns to Singh MD, a Professional Medical Corporation - Staffing, TIN/EIN 42-2477794 (“**Assignee**”), and Assignee accepts and assumes, the Agreement, Addendum #1, Addendum #2, Addendum #3, and this Addendum #4 for professional services, OB/GYN call coverage, clinic coverage, coverage as needed, invoices, payment rights, tax identification/payment records, insurance-related payment rights, duties, and obligations arising on and after the Assignment Effective Date.

9.1. The “**Assignment Effective Date**” shall be May 1, 2026.

9.2. Execution of this Addendum #4 by District and SGMH shall constitute their written approval of the assignment and TIN/EIN change described in this Section, effective as of the Assignment Effective Date.

9.3. Beginning on the Assignment Effective Date, Assignee shall be substituted for Apna as the contracting party for future performance under the Agreement and its Addenda, and references to Apna shall be deemed references to Assignee for matters arising on or after the Assignment Effective Date.

9.4. For all services, OB/GYN call coverage, clinic coverage provided as needed, and insurance-related costs arising on or after the Assignment Effective Date, invoices shall be submitted by Assignee using TIN/EIN 42-2477794. The Hospital Parties shall update their vendor, payee, payment, and tax records immediately upon execution of this Addendum #4 to reflect Assignee as payee for amounts arising on or after the Assignment Effective Date.

9.5. Apna may submit invoices only for services, coverage, and insurance-related amounts incurred before the Assignment Effective Date. Assignee shall submit invoices for services, coverage, and insurance-related amounts incurred on or after the Assignment Effective Date.

9.6. Apna shall remain responsible only for obligations, claims, liabilities, services, and coverage arising before the Assignment Effective Date, unless otherwise expressly agreed in writing. Assignee shall be responsible for obligations, claims, liabilities, services, and coverage arising on or after the Assignment Effective Date. This Section does not modify the compensation rates, scope of services, compliance

obligations, or insurance-related payment obligations stated in this Addendum #4 except to reflect the assignment, assumption, and TIN/EIN change described above.

The parties executing this Addendum represent and warrant that they have read and understood its terms, and that they have the authority to bind their respective entities to the obligations set forth herein.

JASLEEN SINGH MD PC

By: _____
Name _____
Title _____
Date _____

**SAN GORGONIO MEMORIAL
HEALTHCARE DISTRICT**

By: _____
Name _____
Title _____
Date _____

SINGH MD, A PROFESSIONAL

MEDICAL CORPORATION -

STAFFING

TIN/EIN: 42-2477794

By: _____
Name _____
Title _____
Date _____

SAN GORGONIO MEMORIAL

HOSPITAL

By: _____
Name _____
Title _____
Date _____