



REDWOOD COAST MEDICAL SERVICES, INC
BOARD OF DIRECTORS - MEETING AGENDA
In person: Elaine Jacob Center | Online: Zoom
May 27, 2026 5:00 PM – 7:00 PM

Business Item	Person	Vote(s) Required	Page #
AGENDA & MINUTES <ul style="list-style-type: none"> Review and vote on acceptance of Meeting Agenda and the Minutes of April 29, 2026 	Leslie Bates	Vote	Page 1-4
OPERATIONS & HUMAN RESOURCES REPORT <ul style="list-style-type: none"> Update 	Laura Curtis		Page 5
MEDICAL TEAM REPORT <ul style="list-style-type: none"> Update 	Tom Bertolli		
DEVELOPMENT, GRANTS, OUTREACH & RISK/COMPLIANCE REPORT <ul style="list-style-type: none"> Updates grant, outreach, and Risk Compliance activities Review & vote on acceptance of 2025 Annual Risk Management Report Board Training: HRSA Compliance Ch. 13 	Dawn McQuarrie	Vote	Page 6-21
COMMUNICATIONS COMMITTEE REPORT <ul style="list-style-type: none"> Updates 	Hall Kelley (Ext.)		
CEO REPORT <ul style="list-style-type: none"> Organizational Update 	Linda Royal		
FACILITIES REPORT <ul style="list-style-type: none"> Update 	Jim Nybakken		
FINANCE COMMITTEE REPORT <ul style="list-style-type: none"> Report on April Financials Vote on acceptance of the April Financials 	Drew McCalley	Vote	Page 22-33
MENDONOMA HEALTH ALLIANCE REPORT <ul style="list-style-type: none"> Update 	Janis Dolphin		
EXECUTIVE COMMITTEE REPORT <ul style="list-style-type: none"> Update 	Leslie Bates		
PUBLIC COMMENT/SHOUT OUTS	Leslie Bates		

The mission of Redwood Coast Medical Services (RCMS) is to provide high quality, family-oriented, community based medical care, dental care and behavioral health services, including a broad range of preventive health services to residents and visitors within the coastal areas of Southern Mendocino and Northern Sonoma Counties. Services are designed to meet identified needs of the communities served, are integrated with other existing health care services and systems and are evaluated on a regular basis to assure that community health needs are being met. As a non-profit corporation receiving public funds, RCMS provides services to qualifying individuals on a sliding fee scale as well as to patients with MediCal and MediCare coverage, private insurance or self pay status. RCMS plays a special role as the sole provider of medical care in the community and in responding to public health emergencies.



Redwood Coast Medical Services, Inc.
 Board of Directors Meeting – Zoom Online Meeting
Meeting Minutes of April 29, 2026

BOARD MEMBER	P	A/E	BOARD MEMBER	P	A/E
Leslie Bates	X		Drew McCalley	X	
Janis Dolphin	X		Jim Nybakken	X	
Susan Hamlin		X	Andrea Polk	X	
Hall Kelley	X		Laurie Voss	X	
Kimberley Lakes	X		Harriet Wright	X	
Patricia Lynch	X				

STAFF PRESENT	
Linda Royal	
Tom Bertolli	
Laura Curtis	
Dawn McQuarrie	
Karen Wilder	
Faviola Augilar	

Public Attendees: 1

CALL TO ORDER: Leslie Bates called the meeting to order at 5:00 pm.

APPROVAL OF AGENDA AND MINUTES: After review and minor correction, Janis Dolphin moved to accept the agenda and the minutes of March 25, 2026. Seconded: McCalley. Vote: Unanimously accepted.

HUMAN RESOURCES COMMITTEE REPORT: Laura Curtis, Director of Operations & Human Resources

- A full-time provider has been hired to begin in August. Two more provider site visits are scheduled for June.
- Discussed challenges with finding housing for medical support staff and what the ideal range of rent would be for these families.
- A new Patient Service Representative has been hired with a background in computer sciences.
- In discussion with a past RCMS provider to help fill in the gap until the new provider starts in August.
- Launched an employee hub to house all the employee documents.
- Upcoming Lab inspection is very involved, and the team has already been preparing for it.
- Launched new training with Patient Services Team to help improve and implement new workflows. Training will also include introduction to insurance services, etc. Looking into other programs to enhance and automate processes.
- Every 3rd Thursday time is blocked out for training and all team huddles.

MEDICAL TEAM REPORT: Tom Bertolli, Interim CMO

- Discussed the comprehensive testing that is being done in the laboratory.
- 3-year lab equipment testing and review is coming up and the team is preparing. Lab is considered “moderately complex” and requires a more extensive review compared to other (Federally Qualified Health Centers) FQHCs.
- Discussed challenges with AI not yet integrating with the NextGen system. Looking at tools to help providers reduce their time to take Subjective, Objective, Assessment, and Plan (SOAP) notes.

DEVELOPMENT, GRANTS, OUTREACH, AND RISK/COMPLIANCE REPORT: Dawn McQuarrie, Programs Manager

- The annual Uniform Data System (UDS) report was finalized on April 24.
- The annual Federal Torts Claims Act (FTCA) reapplication is in process.
- Continuing to apply for other grant opportunities as appropriate and attending all grant meetings.
- Reviewed the revised/updated Medication Refill Policy & Procedure

Recommendation to Accept Medication Refill Policy

On behalf of the Performance Improvement Committee, Dawn McQuarrie made the recommendation for the Board to accept the updated Medication Refill Policy as presented.

Motion: Bates Second: Kelley

Vote: Motion passed unanimously.



Board Training: Ch.19 & 20 Board Authority & Composition:

- Ch. 19 – Covers Board Authority requirements, including oversight of operations, policy approval, CEO selection, budget approval, and strategic planning.
- Ch. 20 – Covers Board Composition requirements, including patient-majority membership, community representation, and qualifications for non-patient members.

COMMUNICATIONS COMMITTEE REPORT: Hall Kelley, External

- Hall Kelley reported on the actions of the external communications committee:
 - Thank you Linda for helping to create a budget for committee projects.
 - Barbara Brittell's contribution is much appreciated.

CEO REPORT: Linda Royal, CEO

- Mary Ledbury, Maxwell IT has moved us off OSIS and we are now contracting directly with NextGen. Delayed moving to a cloud-based system through the end of 2027. The cost savings is over \$100k per year.
- Continuing to examine vendor contracts and evaluate the level of service provided.
- Discussed the need for quick turnaround for radiology report and a new partner who can provide this service.
- Continuing to upgrade IT infrastructure to improve the speed of communication within the organization and externally.
- Discussed issues with the Health Information Exchange hub. Data transfer protocols are not working as described and RCMS will be requesting a refund. Thank you Laura, Jennifer and Maryann for their input and oversight.
- Cleaning up rooms in Point Arena to create more space for patients and to provide a better space for home health nurses to work. Looking at better breakrooms at Point Arena Medical and Dental. Continuing to work on getting better signage for the facilities in Point Arena.
- Looking at ways to build a maintenance position that will focus on building maintenance as well as site beautification.
- In Gualala team is looking at ways to create a separate blood draw room. Also looking to convert space to better integrate the Community Outreach and Enrollment Staff.
- Reported on the recent All Staff Meeting and topics discussed such as inappropriate patient behavior and how to confidentially report and track any incidents.

CAPITAL CAMPAIGN COMMITTEE REPORT: Jim Nybakken, Committee Chair

- Capital Campaign Committee:
 - End of the 6-month contract with the Capital Campaign consulting firm, who is more than happy to restart when RCMS is ready to move forward with the expansion project in the future.
- Facility Modernization Project:
 - Waiting for a wetland delineation update survey which needs to be done in the summer to move forward to the parking lot expansion plans.

FINANCE COMMITTEE REPORT: Drew McCalley, Treasurer

- RCMS remains in a strong financial position, reporting a \$480K year-to-date net gain.
- Balance sheet ratios continue to meet or exceed benchmark goals, and overall cash reserves remain strong.
- Primary Care patient visits were slightly below budget projections due to one vacant full-time provider position.
- Payor mix remains consistent with prior year trends.
- Reviewed the balance sheet, noting a decrease in restricted cash related to expenditures for the solar project.
- Reviewed the Statement of Activities, reflecting a \$30K deficit in patient revenue that was largely offset by a \$40K reduction in operating expenses.



- Receipt of a grant increased grant revenue and helped offset lower 340B revenue.
- Discussed unrealized investment losses for the month; despite recent market fluctuations, investments remain up approximately \$100K overall.
- Reviewed the quarterly Urgent Care expense report, which remains consistent with prior quarter trends.

Recommendation to Adopt March 2026 Financials

On behalf of the Finance Committee, Drew McCalley made the recommendation for the Board to accept the March 2026 financial statements as presented.

Motion: Nybakken Second: Bates

Vote: Motion passed unanimously.

- Despite the recent dip in the investments, overall RCMS still managed to gain \$100k.
- The Investment Subcommittee recommends approval of updates to the investment strategy, including amending the Investment Policy to allow Treasury securities, retaining current cash and fixed income funds, and replacing VIGI and PRBLX with ACWI to improve global diversification.
- The Subcommittee further recommends maintaining current asset allocation targets (with adjustments to reflect ACWI) and authorizing portfolio rebalancing upon Finance Committee and Board approval.

Recommendation to Approve Investment Subcommittee Recommendations

On behalf of the Finance Committee, Drew McCalley made the recommendation for the Board to accept the changes to the RCMS Investment Policy and Portfolio as presented.

Motion: Dolphin Second: Nybakken

Vote: Motion passed unanimously.

MENDONOMA HEALTH ALLIANCE REPORT: Janis Dolphin, MHA Board Member

- Drug Take Back Event scheduled for May 13 in Gualala.
- CalAIM enrollment saw 80 participants last month.
- Additional Narcan Kiosks have been deployed in the community with a map on the MHA website.
- Substance abuse prevention efforts are ongoing.
- Next cohort of Matter of Balance to convene in June.
- Discussed complications on how Partnership Health Plan has assigned auto assigned patients.
- MHA will be setting up at Point Arena High School 2 days a week as required by the single primary site model, allowing for broader mobile service. Additional sites include Manchester, Stewarts Point, Timber Cove, and Point Arena Apartments.

EXECUTIVE COMMITTEE REPORT: Leslie Bates, Board Chair

- Report on the topics that were discussed in the Closed Session meeting:
 - Continuing discussions on facilities with the CEO

Recommendation to Adopt Report of the 03/25/2026 Closed Session Meeting

On behalf of the Executive Committee, Patricia Lynch made the recommendation for the Board to accept the report of the March 25, 2026 Closed Session as presented.

Motion: Lynch Second: McCalley

Vote: Motion passed unanimously.

PUBLIC COMMENT/SHOUT OUTS:

- Linda Royal: Thank you to the Leadership Team for everything they did to host and have tough discussion with the staff.

Meeting adjourned at 6:48 PM.

Karen Wilder, for Janis Dolphin, Board Secretary for the RCMS Board of Directors

Ops & HR Report – May 2026

Prepared by: Laura Curtis, Director of Operations and Human Resources

Recruitment

Open Positions:

Primary Care MD/DO | Urgent Care MD/DO/ APP | APP | Charge Nurse (RN) | Urgent Care RN | Patient Services Representative (PSR)| Home Health RN | MA | Medical Assistant Coordinator (MAC) | Patient Access Coordinator (PAC)

- We have two more provider site visits scheduled to happen in June.

Workforce

- Welcomed both our new Lab Coordinator Beth Roland and our new Environmental Services (EVS) staff member Margaret Beck.
- Our offer to Katie Brandt FNP was accepted, her start date is in the beginning of August.
- Michelle Page FNP locum last day is May 29. We thoroughly enjoyed having her here.
- We have opened 2 locum searches to provide care.

Turnover Trends and Retention Goals

- First Year Turn Over: 30% (May 2025 – April 2026 timeframe) Turnover increased by 7.8 percentage points month-over-month.
- Overall Turnover: 23.3%

Compliance

- We had it's lab inspection. The inspectors were good to work with and had some advice on how to expand lab services.

Operations

- Had our first new Third Thursday Training agency wide check in
- In the demo phase for a few platforms and tools to make front-end processes more seamless for both patients and staff.

Anniversaries:

Victoria Urizar DA 14 years | Ronna Frost RN 13 years

Grants, Development, Outreach, and Compliance Report

April 29, 2026

Grants/Funding

- Federal Torts Claim Act (FTCA) – opened February 27 – in process
- Looking at potential grants
- Attended meetings for all grants

Marketing

- We are leveraging print media, social media, flyers, radio, TV monitors, and The Pulse
- We respond to all messages received via Facebook and website

Surveys

- None to report

Compliance

- Continuing to update and streamline PnPs
- Attending meeting and trainings

Risk Management

- 2025 Annual Risk Management Report

Other/Policies and Procedures

- None to be presented

Board Training

Chapter 13: Conflict of Interest



2025 Annual Risk Management Report

Date: January 1 to December 31, 2025
Date submitted to the board: May 27, 2026

Introduction

The purpose of this report is to provide an account of RCMS’ annual performance relative to the risk management plan and evaluate the effectiveness of risk management activities aimed at mitigating risks and respond to identified areas of high risk. Topics presented include claims management, event reporting, risk and patient safety activities, risk assessments, and training and education. Each topic includes:

- An introduction to explain the relevance of the topic
- A data summary to highlight performance relative to established goals
- A SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to identify additional factors related to performance
- Follow-up actions to note activities aimed at maintaining or improve performance throughout the year
- A conclusion to summarize findings at year-end
- Proposed future activities to respond to identified areas of high organizational risk

See the Risk Management Dashboard for a complete data summary of all topics presented.

Claims Management

Introduction

The Health Center Program Compliance Manual requires health centers to have a claims management process for addressing any potential or actual health or health-related claims. RCMS identifies risk areas most likely to lead to claims based on previous claims activity, claims prevention guidance from professional organizations, and published research.

Claims Management Focus Area / Measure	Summary Description of Assessment/Methodology/Indicators
# Claims submitted to HHS	RCMS immediately sends court complaints or notices of intent to the HHS Office of the General Counsel. RCMS monitors the number claims sent per quarter. No minimum nor maximum threshold is set.
# Claims settled or closed	RCMS monitors the number of claims settled or closed per quarter. No minimum nor maximum threshold is set.
# Claims open	RCMS monitors the number of claims opened per quarter. No minimum nor maximum threshold is set.
# Lawsuits filed	RCMS monitors the number of lawsuits resulting from a claim are filed per quarter. No minimum nor maximum threshold is set.

Claims Management Focus Area / Measure	Summary Description of Assessment/Methodology/Indicators
# Lawsuits settled	RCMS monitors the number of lawsuits settled per quarter. No minimum nor maximum threshold is set.
# Lawsuits litigated	RCMS monitors the number of lawsuits litigated per quarter. No minimum nor maximum threshold is set.

Data Summary

See the dashboard below for completed risk management activities and status of our performance relative to established risk management goals.

Person responsible	Measure/Key Performance Indicator	Threshold	Q1	Q2	Q3	Q4	Annual Total
CM	# Claims submitted to HHS	n/a	0	0	0	0	0
CM	# Claims settled or closed	n/a	0	0	0	0	0
CM	# Claims open	n/a	0	0	0	0	0
CM	# Lawsuits filed	n/a	0	0	0	0	0
CM	# Lawsuits settled	n/a	0	0	0	0	0
CM	# Lawsuits litigated	n/a	0	0	0	0	0

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
N/A	N/A	N/A	N/A

Follow-up Actions

- N/A

Conclusion

There were no claims for 2025.

Proposed Future Activities

Continue current claims management processes that include monitoring for emerging concerns, preserving claims-related documentation, and promptly communicating with HHS Office of the General Counsel, General Law Division regarding any actual or potential claim or complaint.

Event Reporting

Introduction

Event reporting is an essential component of the risk management program and is considered part of the performance and quality improvement process. Each provider, employee, or volunteer is responsible to report all events, including sentinel events, incidents, and near misses at the time they are discovered to his or her immediate supervisor and/or the risk manager. The clinical operations manager is responsible for conducting follow-up investigations. The clinical operations manager's investigation is a form of self-critical analysis to determine the cause of the incident, analyze the process, and make improvements.

Risk Activity Focus Area/Measure	Summary Description of Assessment/Methodology/Indicators
# Adverse events	An adverse event or incident is defined as an undesired outcome or occurrence, not expected within the normal course of care or treatment, disease process, condition of the patient, or delivery of services. RCMS monitors the number of events reported per quarter. Low volumes of reports may indicate barriers to reporting, such as fear of personal blame for events. The goal is to report all events so no minimum nor maximum threshold is set.
# Near misses	A near miss is defined as an event or situation that could have resulted in an accident, injury, or illness but did not, either by chance or through timely intervention (e.g., a procedure almost performed on the wrong patient due to lapse in verification of patient identification but caught at the last minute by chance). RCMS monitors the number of near misses reported per quarter. Near misses are viewed as opportunities for learning and for developing preventive strategies and actions. No minimum nor maximum threshold is set.
# Unsafe conditions	Unsafe conditions are potentially hazardous conditions, circumstances, or events that have the capacity to cause injury, accident, or healthcare error. RCMS monitors the number of unsafe reported per quarter. Reporting unsafe conditions can prevent an event from occurring. No minimum nor maximum threshold is set.
# Serious reportable events/Sentinal events	Serious reportable events (SREs) are serious, largely preventable, and harmful clinical events. The National Quality Forum has defined a set of SREs by event type. SREs may also be known as “never events”. A sentinel event is a patient safety event (not primarily related to the natural course of the patient’s illness or underlying condition) that reaches a patient and results in death, permanent harm, or severe temporary harm. Sentinel events may also be known as “serious events”. Both serious reportable and sentinel event types are serious and result in severe harm to the patient, warranting thorough investigation. RCMS monitors the number of serious reportable/sentinel events reported per quarter. No minimum nor maximum threshold is set.
# RCAs completed per qtr	Root-cause analysis is a process for identifying the basic or causal factor(s) that underlie the occurrence or possible occurrence of an adverse event or error. A root-cause analysis is conducted for all events or errors with a harm severity category of “E” or above, or near misses with the potential for an event or error with a harm severity category of “E” or above per our event reporting and investigation policy. RCMS monitors the number of RCAs conducted per quarter. No minimum nor maximum threshold is set.
# Peer review status completed (5/provider/qtr)	RCMS’ quality improvement program includes a peer review audit process to monitor and manage the quality of care and documentation to comply with health center standards, state and federal regulations, and accreditation standards. RCMS’ goal is to conduct a minimum of 5 peer review audits per provider per calendar quarter.

Data Summary

See the dashboard below for completed risk management activities and status of our performance relative to established risk management goals.

Person responsible	Measure/Key Performance Indicator	Threshold / Goal	Q1	Q2	Q3	Q4	Annual Total
Center staff	# Adverse events	Total #/qtr	0	0	0	0	0
Center staff	# Near misses	Total #/qtr	0	0	0	0	0
Center staff	# Incident reports	Total #/qtr	4	5	5	11	25
Center staff	# Grievances	Total #/qtr	0	2	2	1	5
Center staff	# Sharps incidents	Total #/qtr	0	1	0	0	1
RM	# RCAs completed per qtr	Total #/qtr	0	0	0	0	0
CMO	# Peer review audits completed (5/provider/qtr)	Total #/qtr	0	0	0	0	0

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Minimum number of sharps incidents due to continual staff trainings.	Event reporting could decrease if staff does not see systematic improvements as a result of reporting. Peer review audit completion is below goal; many assigned providers state they do not have time to complete peer audits. This should increase in 2026 with the addition of new providers.	N/A	N/A

Follow-up Actions

- Q4 2025: Increased discussion regarding the value and importance of incident reporting to increase clinical and patient safety.

Conclusion

Event reporting has been stable during the year. Consistent reporting for all of 2025. Once the reporting is sufficiently recorded, these should increase.

Proposed Future Activities

A recent Incident Reporting conducted by the Safety Manager during the end of 2025 has helped staff with how and where to send reports. There is always a continuing effort to improve Incident Reporting.

Risk and Patient Safety Activities

Introduction

The objective of our patient safety and risk management program is to continuously improve patient safety and minimize and/or prevent the occurrence of errors, events, and system breakdowns leading to harm to patients, staff, volunteers, visitors, and others through proactive risk management and patient safety activities.

Risk Activity Focus Area/Measure	Summary Description of Assessment/Methodology/Indicators
Patient satisfaction top score rate	RCMS routinely analyzes patient satisfaction surveys as part of its quality assurance/quality improvement (QA/QI) program. RCMS' goal is to receive an overall top score of 10 out of 10 on at least 90% of all returned patient satisfaction surveys during the calendar year.
# Grievances – open	A patient grievance is a formal written or verbal complaint filed by a patient that cannot be resolved promptly by staff present. All grievances are investigated and reviewed for opportunities for improvement. RCMS monitors the number of grievances opened per quarter. No minimum nor maximum threshold is set.
Grievances – resolved rate	RCMS responds to and resolves grievances in a timely manner. In order to resolve the grievance, RCMS provides the patient with written notice of our contact person writing the letter, the steps taken on behalf of the patient to investigate the grievance, the results of the grievance process, and the date of completion as described in the RCMS' complaint and grievance policy. RCMS' goal is to resolve a grievance within 10 business days from initial receipt of notification.
HIPAA breaches – wrong visit handouts	RCMS encourages all staff to report suspected HIPAA breaches. After visit summary handouts, which contain protected health information, have unintentionally been given to the wrong patient historically. This year RCMS continues to work on process improvements as identified from last year's RCA associated with these types of breaches. RCMS monitors the number of HIPAA breaches involving visit handouts per quarter. No minimum nor maximum threshold is set.
Timely annual RM goal and plan submission	The annual risk management goal and plan report is submitted timely to the board for comprehensive review and approval. RCMS' goal is to have the report submitted during Q4 of the year (with additional finalization of any Q4 data completed no later than 10 business after the end of the CY).
Credentialing and privileging file review rate	RCMS maintains files for all clinical staff that contain documentation of licensure, credentialing verification, and applicable privileges, consistent with RCMS' operating procedures as required by the Health Center Program Compliance Manual. RCMS monitors for timely renewal of privileges. The goal is to complete all renewals within the month they are due 100% of the time.

Data Summary

See the dashboard below for completed risk management activities and status of our performance relative to established risk management goals.

Person responsible	Measure/Key Performance Indicator	Threshold / Goal	Q1	Q2	Q3	Q4	Annual Total
QI	Patient satisfaction top score rate	90.00%	n/a	91.55%	n/a	91.90%	91.65%
RM	# Grievances – open	Total #/qtr	0	0	0	0	0
RM	Grievances – resolved	100%	100%	100%	100%	100%	100%
Compliance	HIPAA breaches – wrong visit handouts	Total #/qtr	0	0	0	0	0

Person responsible	Measure/Key Performance Indicator	Threshold / Goal	Q1	Q2	Q3	Q4	Annual Total
RM	Timely RM goal and plan submission	Q4				Done	Done
RM	# Credentialing and privileging files reviewed	100%	100%	100%	100%	100%	100%

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Patient satisfaction top score rate exceeds threshold.	Survey are distributed at time of visit. Return rates cannot be determined.	With the implementation of our patient portal, the plan is to implement the ability to send surveys to all patients registered in the patient portal.	N/A

Follow-up Actions

Q4 2025: Continue the current process of distributing surveys at time of visit for 2026 and implementing survey sent via patient portal when module is activated.

Conclusions

Risk and patient safety activities described in last year's risk management plan were implemented as written.

High-risk activities (HIPAA, infection control, and obstetrics) were assessed and actions were taken. A comprehensive obstetrics training module was added to our HealthStreams on-line trainings. All clinical staff, including dental and behavioral health, have this as required annual training.

The patient satisfaction survey results did meet the threshold and are discussed in quality improvement and process improvement meetings. Survey results are reported to the board when available by the process improvement committee chair.

Proposed Future Activities

The patient satisfaction survey results were 91.65% for the set goal of 5 out of 5, which exceeded the 90% threshold. There is a strong relationship between patient satisfaction and medical malpractice. Considerations will be given to opportunities such as increasing online survey volumes for higher return rates and the possibility of starting a patient advisory group.

Tracking referrals is an ongoing problem and an identified area of high risk for missed and delayed diagnoses. We will continue reporting in quality improvement and process improvement meetings. Discussion on how to address this risk area will occur during these meetings. Some known barriers to referral completion rates is the difficulty of getting appointments with specialists in a timely manner. These specialists are also located at least a two hour drive from our area.

Risk Assessments

Introduction

The Health Center Program Compliance Manual requires quarterly risk assessments focused on patient safety. A risk assessment is a structured process used to identify potential hazards within the organization's operations, departments, and services. Risk assessment tools include self-assessment questionnaires, FMEA, and safety walkarounds—in which members of leadership walk around the building and ask employees about potential risks and concerns while observing processes in action. Collecting data on practices, policies, and safety cultures in various areas generates information that can be used to proactively target patient safety activities and prioritize risk prevention and reduction strategies.

Risk Activity Focus Area/Measure	Summary Description of Assessment/Methodology/Indicators
# High risk assessments	RCMS has determined that the following areas are at high clinical risk: obstetrics training. RCMS' goal is to conduct a comprehensive risk assessment on two high-risk areas annually. In 2025 we focused on patient safety which will be reflected in 2026. For 2025, obstetrics training continued for comprehensive risk assessment. We choose obstetrics as this was a segment of our annual training requirement that we were not focused on. We did not focus on obstetrics because we do births at our clinic. We incorporated the AIM module of obstetrics training in HealthStream. We have selected different topics of training for the next several years. We will continue to offer the same level of quality patient care to all.
# Quarterly risk assessments	RCMS, at minimum conducts one risk assessment quarterly. Our Safety and Risk Manager and designees conducts daily safety checks and quarterly risk assessments on each RCMS facility. Concerns may be elevated to senior leadership, and/or the board as appropriate. Additional quarterly risk assessments are conducted as new risks are identified.
% Open action plans	Action plans are created in response to high-risk assessments, quarterly risk assessments, and other risk activities. Each action plan is assigned a deadline upon creation. Action plans contain meaningful risk reduction strategies to improve overall patient safety and should be implemented in a timely manner. RCMS' goal is to have no more than 75% of action plans open past their initial deadline. Any action plan open past the deadline is elevated to senior leadership, and/or the board as appropriate for further discussion and intervention.

Data Summary

See the dashboard below for completed risk management activities and status of our performance relative to established risk management goals.

Person responsible	Measure/Key Performance Indicator	Threshold / Goal	Q1	Q2	Q3	Q4	Annual Total
RM	# Completed annual high-risk assessments	≥ 2/yr	0	0	0	0	0

RM	# Completed quarterly assessments	Min 1/qtr	1	1	1	1	4
RM	% Open action plans	< 75%	0%	0%	0%	0%	0%

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
All facilities have been collaborating with the Safety and Risk Manager to complete quarterly risk assessments in their respective areas.	One high-risk assessment was not conducted this year. Barriers to completion include the focus on environmental safety. We have enhanced our focus to include clinical and patient safety.	N/A	N/A

Follow-up Actions

Q1 2025: Our focus for Q1 was to have all staff fitted for an N95. We proceeded with a N95 fit test to make sure there was a proper seal protecting staff from airborne hazards. By fitting the N95 for staff we fulfilled our legal obligations required by OSHA. This also allows staff to feel safer, which reduces the risk of exposure to airborne pathogens.

Q2 2025: RCMS installed Emergency pull cords in all restrooms. This allows us to enhance patient and staff safety by installing and maintaining reliable emergency pull cord systems in critical areas of the medical facility. This provides fast and direct ways to request help in emergencies from patients or staff. These emergency pull cords also help meet safety standards and building codes, especially in healthcare or elderly care environments.

Q3 2025: Our thresholds between exam rooms and hallways were an issue as they were not glued down properly which is a safety issue for patients and staff. Once glued down we now reduce the tripping risk compared to uneven or unprotected flooring edges and now provides a smooth finish between different flooring types.

Q4 2025: RCMS needed to increase WiFi capability for optimal connectivity during telehealth therapy. As this issue was resolved we now do not have interruptions, reduced rapport from repeated disruptions for patients and staff.

Conclusion

We focused on clinical and patient safety throughout 2025 and will continue to do so going forward. Our goal for 2025 was to have four high-risk assessments per year.

Proposed Future Activities

The number of quarterly risk assessments that were completed met the threshold. The plan for 2026 is to increase the threshold to a minimum of one risk assessment per quarter and one high-risk assessment per quarter. We will be able to meet the new thresholds by actively engaging our teams at each facility to aid in the identification of high-risk concerns.

Training and Education

Introduction

The Health Center Program Compliance Manual requires risk management training for all staff members and documentation that all appropriate staff complete training at least annually. Risk management education and training are critical for clinical and nonclinical staff to improve safety and mitigate risk related to patient care. The risk manager identifies areas of highest risk within the context of our risk management plan and selects risk management training topics.

Risk Activity Focus Area/Measure	Summary Description of Assessment/Methodology/Indicators
# RM education sessions/all staff trainings	RCMS provides annual mandatory training to all staff on the following topics: event reporting, basic infection control and prevention issues, medical record confidentiality requirements, and the Health Insurance Portability and Accountability Act (HIPAA). This training is offered at minimum once a year.
# RM education sessions/clinical staff trainings	RCMS provides annual mandatory training to all clinical staff on equipment sterilization and advanced infection control and prevention issues. This training is offered at minimum once a year.
# Other specialty clinical training	RCMS identified that HIPAA, infection control, and obstetrics are our areas of high-risk. RCMS' has provided online training throughout the year.
Annual training completion rate	The annual training completion rate is reported as a cumulative total annually. Each staff member must complete all mandatory training (all staff training, clinical staff training, and other specialty clinical staff training) as assigned based on role. The goal is to have 75% of all staff complete annual training by the end of the calendar year. Training is offered online.
Obstetrics training completion rate	RCMS identified that all clinical staff should complete one obstetric training per year. This training is available online. The goals is to have 60% of all clinical staff complete this training by the end of the calendar year.

Data Summary

See the dashboard below for completed risk management activities and status of our performance relative to established risk management goals.

Person responsible	Measure/Key Performance Indicator	Threshold / Goal	Q1	Q2	Q3	Q4	Annual Total
RM	# RM education sessions/all staff trainings	1x/year				Comp	1 completed
RM	# RM education sessions/clinical staff trainings	1x/year				Comp	1 completed
RM	# Other specialty clinical training	Min 1/qtr				Comp	4 completed
RM	Annual training completion rate	≥75% by year-end	34.8%	53.5%	57.2%	69.5%	69.5%
RM	Obstetrics training completion rate	≥60% by year-end	35.6%	53.3%	60.0%	71.1%	71.1%

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
In-person and online risk management training sessions were highly rated for content and ease of implementation.	Some staff and providers not completing training. Cannot hold staff and providers accountable to complete training currently.	Provide more staff / provider reminders as well as provide more online content.	Vendor e-learning upgrade may be cost prohibitive.

Follow-up Actions

- Q4 2025: The most significant barrier to completion was staff and providers not having dedicated work time available for training. Clinical staff (including providers) did not realize that they needed to complete both the mandatory training for all staff as well as training for clinical staff. A dedicated space is now available out of the clinics and time is being allocated for all clinical staff (including providers) to complete required trainings.

Conclusion

Specialty clinical training was completed for the three health center-specific risk areas identified: HIPAA, infection control, and obstetrics.

Clinical staff completed required training and met the threshold. However, because obstetrics continues to be a high-risk area, the threshold for training will be increased to 75% participation for next year.

All HealthStream training sessions were highly rated for content and ease of completion.

We completed annual risk management training with a completion rate of 69.5%, which is below threshold. Dedicated training hours are needed to complete training, as well as improved electronic reminders that highlight what specific training bundle(s) are due and when they are due for each individual staff member. Completion rates are discussed in proposed future activities below.

Proposed Future Activities

The training plan for 2026 will include many of the same on-line trainings and the obstetrics module will be on a separate topic. The cost for the e-learning vendor to provide reminders is not in our current budget. Our human resources will continue to monitor training completions and send reminders as appropriate.

Report Submission

The 2025 Annual Risk Management Report to RCMS' Board of Directors is respectfully submitted to demonstrate the ongoing risk management program to reduce the risk of adverse outcomes and provide safe, efficient, and effective care and services.

Risk Management Dashboard

Person Responsible	Measure / Key	Threshold	Q1	Q2	Q3	Q4	Annual Total
Claims Management							
CM	# Claims submitted to HHS	n/a	0	0	0	0	0
CM	# Claims settled or closed	n/a	0	0	0	0	0
CM	# Claims open	n/a	0	0	0	0	0
CM	# Lawsuits filed	n/a	0	0	0	0	0
CM	# Lawsuits settled	n/a	0	0	0	0	0
CM	# Lawsuits litigated	n/a	0	0	0	0	0
Event Reporting							
Center staff	# Adverse events	Total #/qtr	0	0	0	0	0
Center staff	# Near misses	Total #/qtr	0	0	0	0	0
Center staff	# Incident reports	Total #/qtr	4	5	5	11	25
Center staff	# Grievances	Total #/qtr	0	2	2	1	5
Center staff	# Sharps incidents	Total #/qtr	0	1	0	0	1
Center staff	# RCAs completed per qtr	Total #/qtr	0	0	0	0	0
Center staff	# Peer review audits completed (5/provider/qtr)	80%	0	0	0	0	0
Risk and Patient Safety Activities							
QI	Patient satisfaction top score rate	90%	n/a	91.55%	n/a	91.90%	91.65%
IC designee	# Grievances – open	Total #/qtr	0	0	0	0	0
Compliance	Grievances – resolved	100%	100%	100%	100%	100%	100%
RM	HIPAA breaches – wrong visit handouts	Total #/qtr	0	0	0	0	0
RM	Timely RM goal and plan submission	Q4				Done	Done
CMO	# Credentialing and privileging files reviewed	100%	100%	100%	100%	100%	100%
Risk Assessments							
RM	# Completed annual high-risk assessments	≥ 2/yr	0	0	0	0	0
RM	# Completed quarterly assessments	Min 1/qtr	1	1	1	1	4
RM	% Open action plans	< 75%	0%	0%	0%	0%	0%
Trainings and Education							
RM	# RM education sessions/all staff trainings	1x/year				4	4
RM	# RM education sessions/clinical staff trainings	1x/year				2	2

Person Responsible	Measure / Key	Threshold	Q1	Q2	Q3	Q4	Annual Total
RM	# Other specialty clinical training	Min 1/qtr				3	3
RM	Annual training completion rate	≥75% by year-end	34.8%	53.5%	57.2%	69.5%	69.5%
RM	Obstetrics training completion rate	≥60% by year-end	35.6%	53.3%	60.0%	71.1%	71.1%
Dashboard Key – Performance Threshold							
	Improve/exceeded expectations (green shading or*)						
	Acceptable/needs improvement (yellow shading or **)						
	Not meeting target, action needed (red shading or ***)						

Chapter 13: Conflict of Interest

Authority

Section 330(a)(1) and 330(k)(3)(D) of the PHS Act; 42 CFR 51c.113 and 42 CFR 56.114; and 45 CFR 75.327

Requirements

- The health center must maintain written standards of conduct covering conflicts of interest¹ and governing the actions of its employees engaged in the selection, award, or administration of [contracts](#) that comply with all applicable Federal requirements.
- No employee, officer, or agent² of the health center may participate in the selection, award, or administration of a contract supported by a [Federal award](#) if he or she has a real or apparent conflict of interest.
- Officers, employees, and agents of the health center may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
- The health center's standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the health center.
- If the health center has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian tribe, the health center also must maintain written standards of conduct covering organizational conflicts of interest.

Demonstrating Compliance

A health center would demonstrate compliance with these requirements by fulfilling all of the following:

¹ A conflict of interest arises when the employee, officer, or agent (including but not limited to any member of the governing board), any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. See: 45 CFR 75.327(c)1.

² An agent of the health center includes, but is not limited to, a governing board member, an employee, officer, or contractor acting on behalf of the health center.

Health Center Program Compliance Manual

- a. The health center has and implements written standards of conduct that apply, at a minimum, to its procurements paid for in whole or in part by the Federal award. Such standards:
 - Apply to all health center employees, officers, board members, and agents involved in the selection, award, or administration of such contracts;
 - Require written disclosure of real or apparent conflicts of interest;
 - Prohibit individuals with real or apparent conflicts of interest with a given contract from participating in the selection, award, or administration of such contract;³
 - Restrict health center employees, officers, board members, and agents involved in the selection, award, or administration of contracts from soliciting or accepting gratuities, favors, or anything of monetary value for private financial gain from such contractors or parties to sub-agreements (including [subrecipients](#) or affiliate organizations);⁴ and
 - Enforce disciplinary actions on health center employees, officers, board members, and agents for violating these standards.
- b. If the health center has a parent, affiliate, or subsidiary that is not a State, local government, or Indian tribe, the health center has and implements written standards of conduct covering organizational conflicts of interest⁵ that might arise when conducting a procurement action involving a related organization. These standards of conduct require:
 - Written disclosure of conflicts of interest that arise in procurements from a related organization; and
 - Avoidance and mitigation of any identified actual or apparent conflicts during the procurement process.
- c. The health center has mechanisms or procedures for informing its employees, officers, board members, and agents of the health center's standards of conduct covering conflicts of interest, including organizational conflicts of interest, and for governing its actions with respect to the selection, award and administration of contracts.
- d. In cases where a conflict of interest was identified, the health center's procurement records document adherence to its standards of conduct (for example, an employee

³ This includes, but is not limited to, prohibiting board members that are employees or contractors of a [subrecipient](#) of the health center from participating in the selection, award, or administration of that [subaward](#). This also includes prohibiting board members who are employees of an organization that contracts with the health center from participating in the selection, award, or administration of that contract.

⁴ Health centers may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. See [Related Considerations](#) in this chapter.

⁵ Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the health center is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. See: 45 CFR 75.327(c)(2).

Health Center Program Compliance Manual

whose family member was competing for a health center contract was not permitted to participate in the selection, award, or administration of that contract).

Related Considerations

The following points describe areas where health centers have discretion with respect to decision-making or that may be useful for health centers to consider when implementing these requirements:

- The health center determines the appropriate methods for employees, officers, board members, and agents to disclose real or apparent conflicts of interest, as it applies to the procurement process.
- The health center determines how to inform its employees, officers, board members, and agents about the health center's standards of conduct (for example, inclusion within operating procedures or staff manuals, as part of disclosure forms/statements, employee and board orientations or trainings).
- The health center determines whether to establish additional standards of conduct that are not addressed by Federal requirements.
- The health center determines whether to set standards that define when a financial interest is not substantial or a gift is an unsolicited item of nominal value and, therefore, could be accepted by employees, officers, board members, and agents of the health center.

REDWOOD COAST MEDICAL SERVICES, INC.

EXECUTIVE SUMMARY

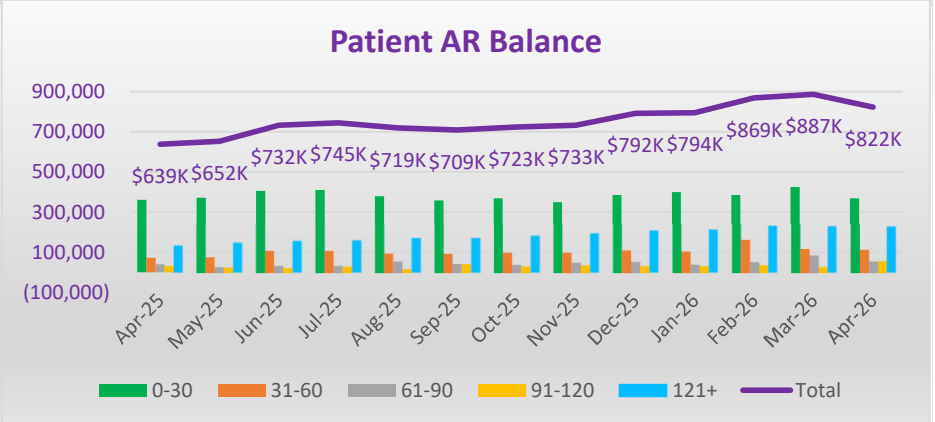
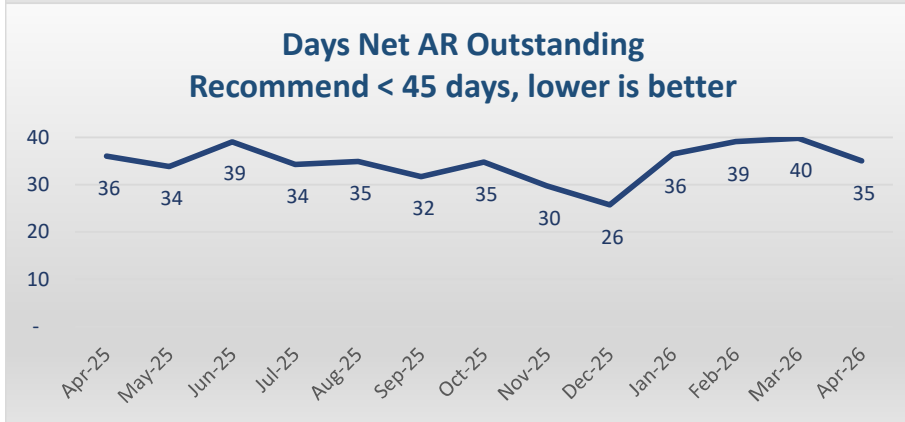
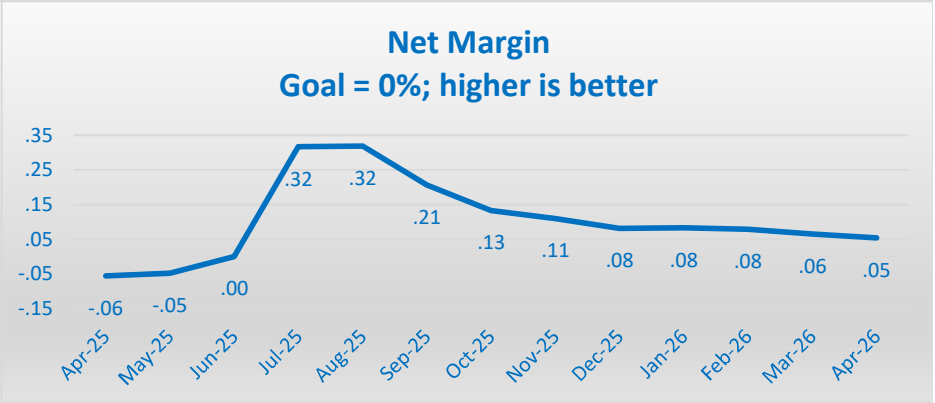
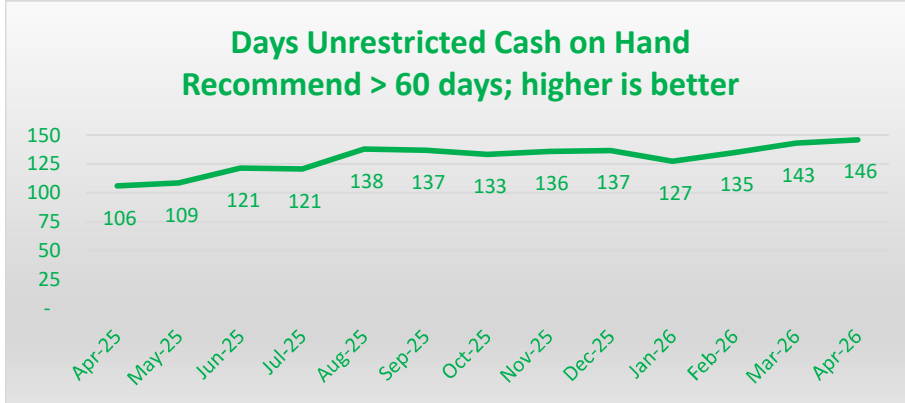
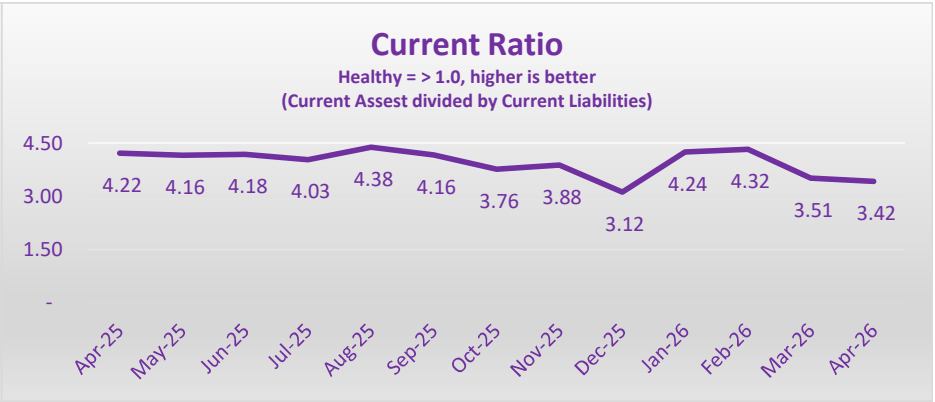
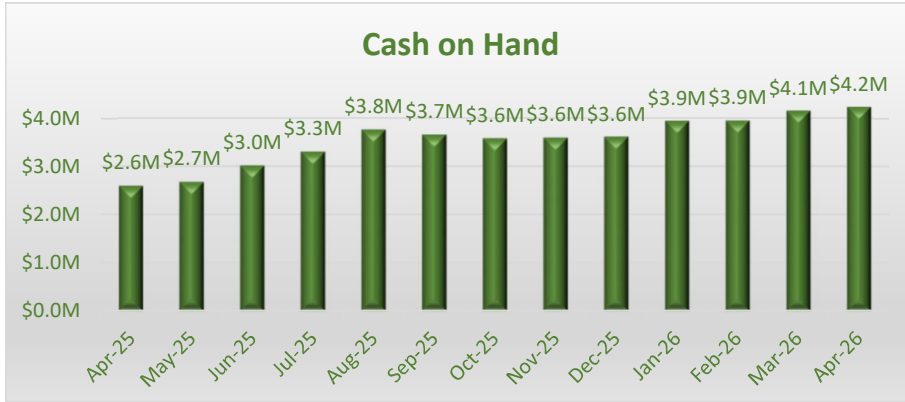
April 2026

STATEMENT OF FINANCIAL POSITION					
ASSETS	Apr-26	Apr-25	Change	Mar-26	Change
Current Assets	4,949,583	3,434,240	44.12%	3,876,090	27.70%
Long-Term Assets	3,009,781	2,832,631	6.25%	2,958,662	1.73%
TOTAL ASSETS	7,959,364	6,266,872	27.01%	6,834,752	16.45%
LIABILITIES AND NET ASSETS					
Current Liabilities	1,029,751	780,008	32.02%	882,867	16.64%
Estimated Medi-Cal Liabilities	416,995	34,705	1101.56%	44,038	846.90%
Long-Term Leases	560,953	2,250	24831.24%	97,844	473.31%
Total Liabilities	2,007,699	816,963	145.75%	1,024,749	95.92%
Net Assets	5,951,665	5,449,909	9.21%	5,810,003	2.44%
TOTAL LIABILITIES AND NET ASSETS	7,959,364	6,266,872	27.01%	6,834,752	16.45%
STATEMENT OF ACTIVITIES - YTD					
REVENUES	Actual	Budget	Variance	Prior Year	Change
Patient Service Revenue	4,214,713	4,961,957	-15.06%	3,675,091	14.68%
Grant & Other Revenue	3,885,434	2,833,349	37.13%	3,020,256	28.65%
NET REVENUE	8,100,147	7,795,306	3.91%	6,695,346	20.98%
OPERATING EXPENSES					
Salaries and Benefits	5,796,906	5,980,449	-3.07%	5,407,422	7.20%
Contracted Services	87,068	49,562	75.67%	55,087	58.06%
Facility Costs	198,277	216,492	-8.41%	209,581	-5.39%
Supplies	389,297	429,870	-9.44%	416,009	-6.42%
Depreciation & Amortization	141,579	148,050	-4.37%	150,716	-6.06%
Other Operating Expenses	1,463,331	1,399,980	4.53%	1,336,982	9.45%
TOTAL OPERATING EXPENSES	8,076,457	8,224,403	-1.80%	7,575,797	6.61%
OPERATING EXCESS/(DEFICIENCY)	23,691	(429,097)	-105.52%	(880,451)	-102.69%
Net Capital Income/(Expenses)	410,259	376,348	9.01%	513,926	-20.17%
TOTAL EXCESS/(DEFICIENCY)	433,950	(52,749)	-922.67%	(366,525)	-218.40%

REDWOOD COAST MEDICAL SERVICES, INC.

EXECUTIVE SUMMARY

April 2026

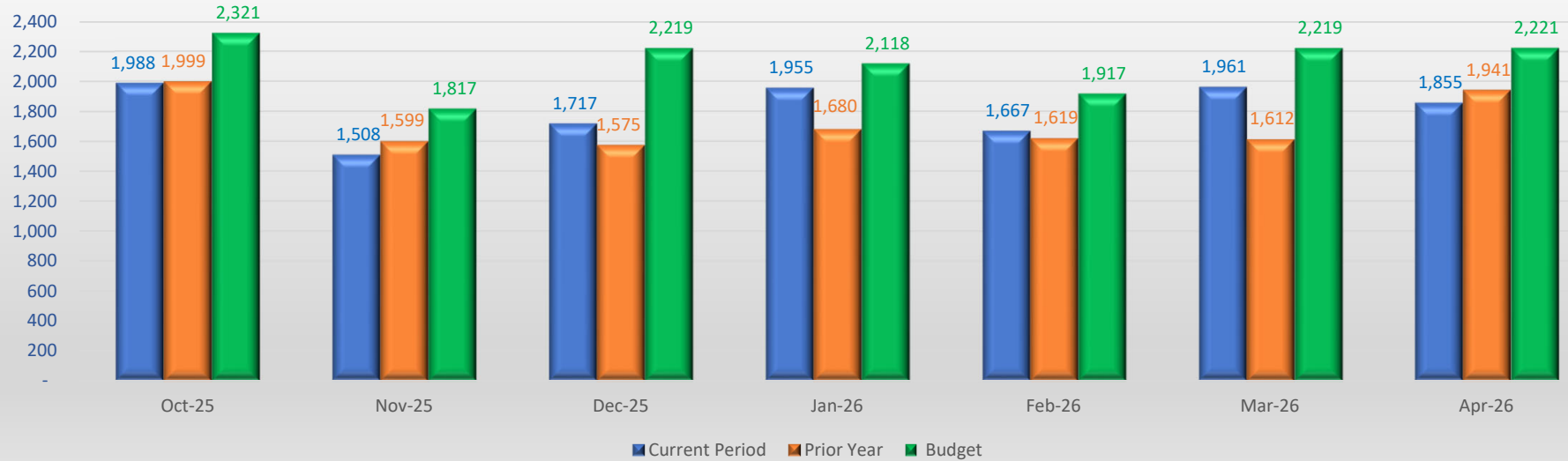


REDWOOD COAST MEDICAL SERVICES, INC.

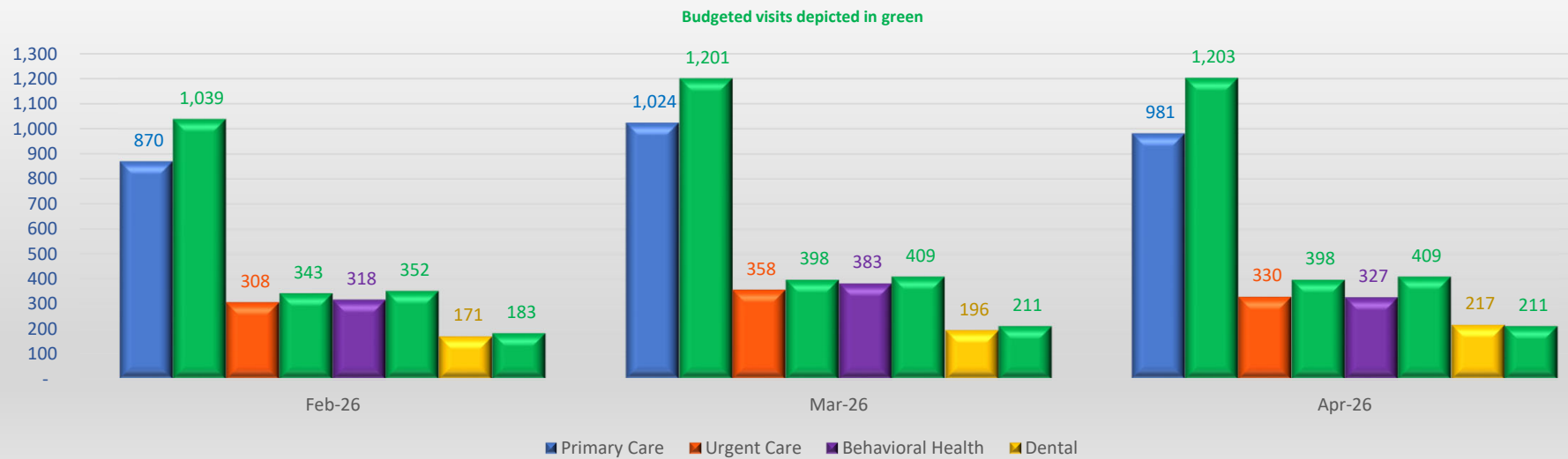
EXECUTIVE SUMMARY

April 2026

Monthly Visits



Monthly Visits by Department



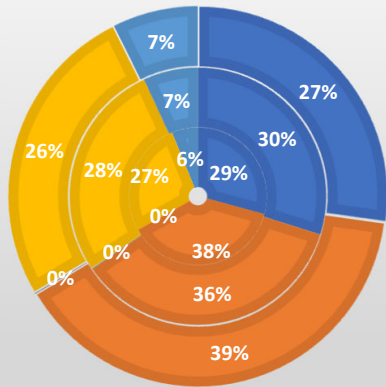
REDWOOD COAST MEDICAL SERVICES, INC.

EXECUTIVE SUMMARY

April 2026

YTD PAYOR MIX

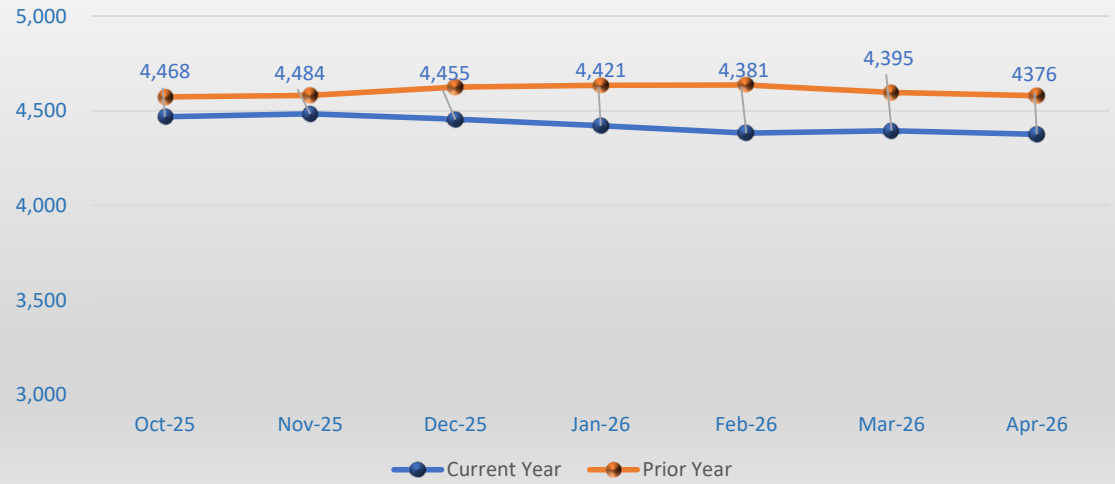
OUTER LAYER = CURRENT YEAR
MID LAYER = PRIOR YEAR
INNER LAYER = BUDGET



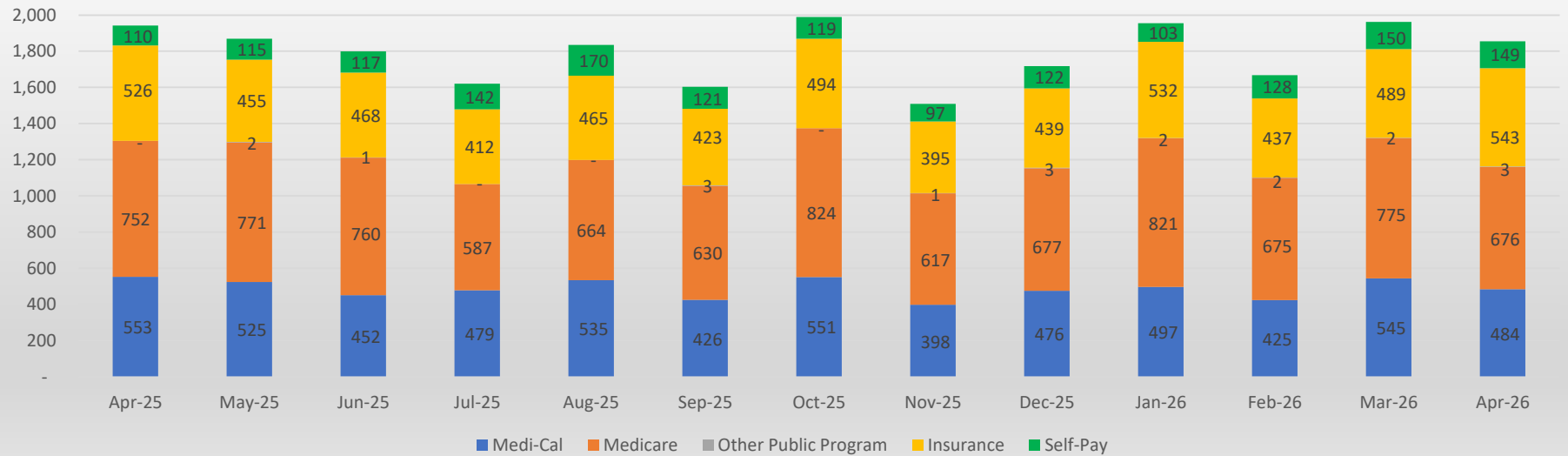
- Medi-Cal
- Medicare
- Other Public Program
- Insurance
- Self-Pay

Unduplicated Patients

SAC = 5,000



Monthly Visits by Financial Class



FINANCIAL NARRATIVE - PRELIMINARY April 2025

Financial results:

We recorded a bottom-line loss of \$46,531 for April, which was \$3,398 higher than the budgeted loss of \$49,929 and \$54,570 lower than the prior April profit of \$8,038. Our year-to-date bottom-line profit was \$433,949, which was \$486,698, better than the budgeted bottom-line loss of \$52,749 and \$800,474 higher than the prior year loss of \$366,525.

- Net Patient Revenue (NPR) of \$402,144 was \$115,527 less than the budgeted NPR of \$517,671.

NPR Variance	\$ (115,527.18)
Due to higher/(lower) visits	\$ (85,307.33)
Due to higher/(lower) rate per visit	\$ (30,219.85)

- April visits of 1,855 were 366 fewer than budgeted visits of 2,221.
- The average rate per visit of \$216.79 was \$16.29 lower than the budgeted average rate per visit of \$233.08.
- Grants and Other Revenue of \$270,802 were \$1,438 higher than budgeted.
 - Other Grant Revenue was \$28,695 higher than budgeted due to Kaiser and Partnership grants.
 - 340B revenue was \$15,947 lower than budgeted due to the local pharmacy closure.
 - ARCH QIP revenue was \$6,282 lower than budgeted.
- Fundraising and Capital Activity Revenue of \$87,077 was \$86,721 higher than budgeted.
 - Net Fundraising activity of \$7,359 was \$7,453 higher than budgeted.
 - Our overall investment value increased by \$79,718 during the month.
- Operating Expenses of \$806,554 were \$30,766 lower than budgeted.
 - Total compensation was \$12,255 less than budgeted due to vacant positions. Part of these savings were offset by higher contract provider use.
 - Rent expense was \$2,660 more than budgeted.

- Facility Repairs and Maintenance were \$3,508 less than budgeted.
- Computer supplies and support were \$4,903 less than budgeted due to the OSIS contract expiring.
- Consulting fees were \$7,668 more than budgeted due to laboratory consulting.
- Accounting fees were \$3,136 less than budgeted.
- Interest expense was \$3,763 more than budgeted due to interest on the solar project loan.
- Office supplies were \$3,346 more than budgeted due to invoices from prior months.
- Clinical supplies were \$13,557 under budget due to changes in supply ordering processes.
- Vaccine supplies were \$3,134 less than budgeted.
- Transcription services were \$3,842 less than budgeted.
- Travel and conference expenses were \$7,647 more than budgeted due to consultant travel to Gualala and the receipt of employee expense reports for prior periods.

Changes in financial position:

- Total Cash and Investments were \$4,229,824 as of the end of April.
 - Unrestricted cash (including Management Restricted) Cash and Investments were \$3,809,884.
 - Cash and Investments increased by \$82,105 during the month.
 - Days Unrestricted Cash on Hand were 146 as of the end of April.

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Financial Position

As of 4/30/2026

	Current Year	Prior Year	Change
Current Assets			
Cash & Investments			
Cash on Hand	1,382,003.64	392,825.15	989,178.49
Mgmt Restricted Cash - Clinic Modernization	396,255.57	425,059.03	(28,803.46)
Investments	2,031,625.25	1,771,479.17	260,146.08
Total Cash & Investments	<u>3,809,884.46</u>	<u>2,589,363.35</u>	<u>1,220,521.11</u>
Restricted Cash			
Restricted Cash - Solar Project	419,939.41	0.00	419,939.41
Total Restricted Cash	<u>419,939.41</u>	<u>0.00</u>	<u>419,939.41</u>
Patient Accounts Receivable			
Accounts Receivable	814,989.17	670,331.86	144,657.31
Allowance for Doubtful Accounts	(329,606.00)	(234,817.00)	(94,789.00)
Total Patient Accounts Receivable	<u>485,383.17</u>	<u>435,514.86</u>	<u>49,868.31</u>
Other Current Assets			
Medi-Cal Receivable - Prior Year	32,965.03	42,036.13	(9,071.10)
Grants Receivable	6,432.00	19,856.00	(13,424.00)
QIP Receivable	75,180.79	154,556.39	(79,375.60)
Other Accounts Receivable	19,944.00	2,137.00	17,807.00
Prepaid Expenses	93,854.09	184,776.74	(90,922.65)
Other Assets	6,000.00	6,000.00	0.00
Total Other Current Assets	<u>234,375.91</u>	<u>409,362.26</u>	<u>(174,986.35)</u>
Total Current Assets	<u>4,949,582.95</u>	<u>3,434,240.47</u>	<u>1,515,342.48</u>
Long Term Assets			
Fixed Assets			
Property & Equipment	5,118,840.27	5,103,050.03	15,790.24
Accumulated Depreciation	(2,717,057.09)	(2,616,296.66)	(100,760.43)
Total Fixed Assets	<u>2,401,783.18</u>	<u>2,486,753.37</u>	<u>(84,970.19)</u>
Construction in Progress			
Construction in Progress	504,824.02	324,940.97	179,883.05
Total Construction in Progress	<u>504,824.02</u>	<u>324,940.97</u>	<u>179,883.05</u>
Right of Use Assets			
Right-of-Use Assets	148,570.76	230,106.00	(81,535.24)
Accumulated Amortization-ROU	(45,396.79)	(209,169.08)	163,772.29
Total Right of Use Assets	<u>103,173.97</u>	<u>20,936.92</u>	<u>82,237.05</u>
Total Long Term Assets	<u>3,009,781.17</u>	<u>2,832,631.26</u>	<u>177,149.91</u>
Total Assets	<u><u>7,959,364.12</u></u>	<u><u>6,266,871.73</u></u>	<u><u>1,692,492.39</u></u>

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Financial Position

As of 4/30/2026

	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>
Current Liabilities			
Accounts Payable	187,616.60	55,057.41	132,559.19
Accrued Expenses	35,821.74	44,684.07	(8,862.33)
Patient Refunds Due	9,315.55	3,266.05	6,049.50
Accrued Compensation and Related Liabilities	538,893.80	552,274.24	(13,380.44)
Medi-Cal Payable - Current Year	143,924.73	4,773.62	139,151.11
Medi-Cal Payable - Prior Year	273,070.21	29,930.91	243,139.30
Other Liabilities	49,201.00	49,201.00	0.00
Current Portion of Long Term Debt	39,161.82	0.00	39,161.82
Current Portion of LT Leases	49,233.40	26,582.51	22,650.89
Deferred Revenue	120,507.40	48,942.99	71,564.41
Total Current Liabilities	<u>1,446,746.25</u>	<u>814,712.80</u>	<u>632,033.45</u>
Long Term Debt			
Leases Payable - Long Term	56,621.68	2,250.00	54,371.68
Notes Payable	504,331.16	0.00	504,331.16
Total Long Term Debt	<u>560,952.84</u>	<u>2,250.00</u>	<u>558,702.84</u>
Total Liabilities	<u>2,007,699.09</u>	<u>816,962.80</u>	<u>1,190,736.29</u>
Net Assets			
Unrestricted Net Assets	5,511,315.66	5,816,433.70	(305,118.04)
Net Assets with Donor Restrictions	6,400.00	0.00	6,400.00
Current Year Net Excess/Deficit	433,949.37	(366,524.77)	800,474.14
Total Net Assets	<u>5,951,665.03</u>	<u>5,449,908.93</u>	<u>501,756.10</u>
Total Liabilities & Net Assets	<u>7,959,364.12</u>	<u>6,266,871.73</u>	<u>1,692,492.39</u>

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Activities

From 4/1/2026 Through 4/30/2026

	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>Variance</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>
Patient Revenue						
Medi-Cal	158,881.58	216,068.00	(57,186.42)	1,716,858.25	2,063,309.00	(346,450.75)
Medicare	171,221.89	192,121.00	(20,899.11)	1,736,227.64	1,833,313.00	(97,085.36)
Family Pact	1,971.00	258.00	1,713.00	6,263.00	2,580.00	3,683.00
Insurance	70,368.80	86,613.00	(16,244.20)	641,136.84	826,261.00	(185,124.16)
Other Public Programs	(253.13)	0.00	(253.13)	(1,771.07)	0.00	(1,771.07)
Self Pay & Other	38,696.00	38,085.00	611.00	370,248.15	363,879.00	6,369.15
Sliding Scale & Other Write-Offs	(28,152.20)	(15,057.00)	(13,095.20)	(212,227.74)	(143,215.00)	(69,012.74)
Contractual Allowance	213.48	0.00	213.48	(13,499.48)	0.00	(13,499.48)
Allowance For Doubtful Accounts	(10,478.80)	0.00	(10,478.80)	(72,096.49)	0.00	(72,096.49)
Cost Report & Other Settlements	0.00	0.00	0.00	36,929.00	20,000.00	16,929.00
Patient Refunds and Recoveries	(324.80)	(417.00)	92.20	6,644.86	(4,170.00)	10,814.86
Total Patient Revenue	<u>402,143.82</u>	<u>517,671.00</u>	<u>(115,527.18)</u>	<u>4,214,712.96</u>	<u>4,961,957.00</u>	<u>(747,244.04)</u>
Operating Expenses						
Operating Expenses	806,553.95	837,320.00	30,766.05	8,076,456.68	8,224,403.00	147,946.32
Total Operating Expenses	<u>806,553.95</u>	<u>837,320.00</u>	<u>30,766.05</u>	<u>8,076,456.68</u>	<u>8,224,403.00</u>	<u>147,946.32</u>
Net Before Other Revenue	<u>(404,410.13)</u>	<u>(319,649.00)</u>	<u>(84,761.13)</u>	<u>(3,861,743.72)</u>	<u>(3,262,446.00)</u>	<u>(599,297.72)</u>
Grants & Other Revenue						
Grant Revenue-Federal 330	154,627.00	154,628.00	(1.00)	1,546,272.00	1,546,280.00	(8.00)
Grant Revenue-USAC	0.00	1,633.00	(1,633.00)	0.00	16,330.00	(16,330.00)
Grant Revenue-Other	34,108.00	5,413.00	28,695.00	230,050.65	195,267.00	34,783.65
340B Revenue (net)	(1,223.22)	14,724.00	(15,947.22)	143,418.38	145,812.00	(2,393.62)
Contract Revenue-CLSD	66,666.66	66,667.00	(0.34)	666,666.60	666,670.00	(3.40)
Partnership QIP Revenue	3,958.00	4,083.00	(125.00)	35,728.00	40,830.00	(5,102.00)
ARCH QIP Revenue	6,218.00	12,500.00	(6,282.00)	60,740.00	125,000.00	(64,260.00)
QIP-Other	0.00	341.00	(341.00)	0.00	3,410.00	(3,410.00)
Rental Income	1,147.00	3,125.00	(1,978.00)	22,635.00	31,250.00	(8,615.00)
Other Income	40.63	0.00	40.63	1,069,200.84	0.00	1,069,200.84
Interest & Dividends Earned	5,260.29	6,250.00	(989.71)	110,722.52	62,500.00	48,222.52
Total Grants & Other Revenue	<u>270,802.36</u>	<u>269,364.00</u>	<u>1,438.36</u>	<u>3,885,433.99</u>	<u>2,833,349.00</u>	<u>1,052,084.99</u>
Net Operating Income/(Loss)	<u>(133,607.77)</u>	<u>(50,285.00)</u>	<u>(83,322.77)</u>	<u>23,690.27</u>	<u>(429,097.00)</u>	<u>452,787.27</u>
Fundraising & Capital Activity						
Fundraising Income	8,397.80	4,662.00	3,735.80	352,611.19	419,408.00	(66,796.81)
Fundraising Expense	(1,039.04)	(4,756.00)	3,716.96	(34,920.81)	(47,560.00)	12,639.19
Donations	0.00	450.00	(450.00)	17,229.61	4,500.00	12,729.61
Realized/Unrealized Gains/(Losses)	79,717.81	0.00	79,717.81	75,339.11	0.00	75,339.11
Total Fundraising & Capital Activity	<u>87,076.57</u>	<u>356.00</u>	<u>86,720.57</u>	<u>410,259.10</u>	<u>376,348.00</u>	<u>33,911.10</u>
Net Excess of Revenue over Expenses	<u>(46,531.20)</u>	<u>(49,929.00)</u>	<u>3,397.80</u>	<u>433,949.37</u>	<u>(52,749.00)</u>	<u>486,698.37</u>

REDWOOD COAST MEDICAL SERVICES, INC.

Schedule of Expenses

From 4/1/2026 Through 4/30/2026

	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Salaries & Wages						
Salaries & Wages	473,897.73	505,366.00	31,468.27	4,895,263.20	5,007,761.00	112,497.80
Total Salaries & Wages	473,897.73	505,366.00	31,468.27	4,895,263.20	5,007,761.00	112,497.80
Benefits						
Payroll Taxes	35,059.38	36,446.00	1,386.62	355,032.09	361,148.00	6,115.91
Health Insurance	48,585.60	64,790.00	16,204.40	482,231.68	528,998.00	46,766.32
Workmans Compensation	4,897.42	5,390.00	492.58	39,385.10	53,408.00	14,022.90
Retirement	1,943.89	2,521.00	577.11	19,993.67	24,980.00	4,986.33
Other Benefits	500.00	425.00	(75.00)	5,000.00	4,154.00	(846.00)
Total Benefits	90,986.29	109,572.00	18,585.71	901,642.54	972,688.00	71,045.46
Contracted Services						
Contracted Physician	0.00	1,555.00	1,555.00	5,220.00	15,410.00	10,190.00
Contracted NP	41,300.00	2,227.00	(39,073.00)	73,910.18	22,071.00	(51,839.18)
Contracted Dentist Svcs	1,500.00	1,219.00	(281.00)	7,937.50	12,081.00	4,143.50
Total Contracted Services	42,800.00	5,001.00	(37,799.00)	87,067.68	49,562.00	(37,505.68)
Total Compensation	607,684.02	619,939.00	12,254.98	5,883,973.42	6,030,011.00	146,037.58
Facility Expenses						
Depreciation-Facility	6,410.08	6,302.00	(108.08)	63,844.81	63,020.00	(824.81)
Amortization-Facility ROU	4,126.97	6,538.00	2,411.03	58,019.30	65,380.00	7,360.70
Interest Expense-Facility ROU	526.28	854.00	327.72	6,368.14	7,622.00	1,253.86
Janitorial	2,953.33	2,834.00	(119.33)	27,314.55	28,340.00	1,025.45
Rent	6,530.00	3,870.00	(2,660.00)	44,310.00	38,700.00	(5,610.00)
Repairs & Maint-Facility	0.00	3,508.00	3,508.00	16,767.47	35,080.00	18,312.53
Utilities	7,723.55	8,983.00	1,259.45	87,575.06	89,830.00	2,254.94
Real Estate Taxes	0.00	1,692.00	1,692.00	15,941.88	16,920.00	978.12
Total Facility Expenses	28,270.21	34,581.00	6,310.79	320,141.21	344,892.00	24,750.79
Other Expenses						
Advice Line	2,040.00	1,959.00	(81.00)	20,070.00	19,590.00	(480.00)
Audit Fees	0.00	0.00	0.00	18,750.00	21,500.00	2,750.00
Bad Debt	0.00	267.00	267.00	753.51	2,670.00	1,916.49
Bank Charges	835.11	958.00	122.89	8,998.02	9,580.00	581.98
Board Expense	1,856.00	1,917.00	61.00	18,432.00	19,170.00	738.00
Billing Services	1,236.62	2,413.00	1,176.38	16,171.46	24,130.00	7,958.54
Computer Supplies & Support	45,003.21	49,906.00	4,902.79	505,904.84	499,060.00	(6,844.84)
Consulting Fees	12,909.84	5,242.00	(7,667.84)	50,251.77	52,420.00	2,168.23
Consulting Fees - Accounting	5,238.75	8,375.00	3,136.25	82,247.74	83,750.00	1,502.26
Consulting Fees - Government Compliance	4,138.42	2,166.00	(1,972.42)	32,322.76	21,660.00	(10,662.76)
Consulting Fees - CFO	2,594.69	1,958.00	(636.69)	12,843.11	19,580.00	6,736.89
Continuing Education	2,033.00	1,567.00	(466.00)	17,192.48	15,670.00	(1,522.48)
Depreciation Expense	1,929.11	1,965.00	35.89	19,714.67	19,650.00	(64.67)
Donations/Contributions	78.00	1,283.00	1,205.00	1,972.00	12,830.00	10,858.00
Dues & Subscriptions	2,672.32	2,342.00	(330.32)	21,952.18	23,420.00	1,467.82
Employee Recognition	0.00	1,666.00	1,666.00	880.00	16,660.00	15,780.00
Equipment Lease	923.34	2,308.00	1,384.66	23,779.14	23,080.00	(699.14)
Fundraising Allocation	(1,039.04)	(939.00)	100.04	(11,625.82)	(9,390.00)	2,235.82
Infectious Waste Disposal	1,453.44	1,767.00	313.56	13,532.63	17,670.00	4,137.37
Insurance-General	2,931.00	2,667.00	(264.00)	32,653.07	26,670.00	(5,983.07)
Insurance-D&O	2,380.69	2,550.00	169.31	28,729.91	25,500.00	(3,229.91)

REDWOOD COAST MEDICAL SERVICES, INC.

Schedule of Expenses

From 4/1/2026 Through 4/30/2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>
Insurance-Malpractice	889.00	1,108.00	219.00	11,001.67	11,080.00	78.33
Interest Expense	3,763.46	0.00	(3,763.46)	7,640.76	0.00	(7,640.76)
Lab Services	6,288.05	5,634.00	(654.05)	38,852.51	56,340.00	17,487.49
Legal Fees	5,222.80	4,167.00	(1,055.80)	149,757.10	41,670.00	(108,087.10)
Minor Equipment	0.00	600.00	600.00	1,797.07	6,000.00	4,202.93
Outreach & Hlth Ed Matls Exp	1,084.00	1,208.00	124.00	11,891.66	12,080.00	188.34
Payroll Service Fees	2,278.52	2,483.00	204.48	25,320.08	24,830.00	(490.08)
Penalties & Late Fees	64.95	0.00	(64.95)	1,485.29	0.00	(1,485.29)
Postage & Shipping	1,200.89	942.00	(258.89)	8,912.66	9,420.00	507.34
Publicity/Advertising	1,249.25	667.00	(582.25)	12,634.98	6,670.00	(5,964.98)
Recruiting Expense	2,448.70	2,917.00	468.30	38,149.06	29,170.00	(8,979.06)
Recruiting-Moving Expense	0.00	833.00	833.00	0.00	8,330.00	8,330.00
Provider Housing	2,477.04	3,417.00	939.96	28,658.35	34,170.00	5,511.65
Repairs & Maint-Equipment	1,519.41	3,043.00	1,523.59	26,883.17	30,430.00	3,546.83
Retirement Administration	283.22	483.00	199.78	3,506.76	4,830.00	1,323.24
Supplies-Office	7,413.34	4,067.00	(3,346.34)	49,716.45	40,670.00	(9,046.45)
Supplies-Clinical	18,162.75	31,720.00	13,557.25	279,249.26	317,200.00	37,950.74
Supplies-Vaccines	421.27	3,555.00	3,133.73	36,004.41	35,550.00	(454.41)
Supplies-Pharmaceutical	764.42	2,703.00	1,938.58	15,413.93	27,030.00	11,616.07
Taxes & Licenses	1,808.00	1,024.00	(784.00)	18,699.40	10,240.00	(8,459.40)
Telephone/Communication	6,930.33	7,158.00	227.67	71,127.00	71,580.00	453.00
Transcription Services	0.00	3,842.00	3,842.00	12,446.81	38,420.00	25,973.19
Travel & Conferences	12,304.88	4,658.00	(7,646.88)	59,304.02	46,580.00	(12,724.02)
X-Ray Expenses	4,810.94	4,234.00	(576.94)	48,364.18	42,340.00	(6,024.18)
Total Other Expenses	<u>170,599.72</u>	<u>182,800.00</u>	<u>12,200.28</u>	<u>1,872,342.05</u>	<u>1,849,500.00</u>	<u>(22,842.05)</u>
Total Operating Expenses	<u>806,553.95</u>	<u>837,320.00</u>	<u>30,766.05</u>	<u>8,076,456.68</u>	<u>8,224,403.00</u>	<u>147,946.32</u>
Total Operating Expenses After Allocation	<u>806,553.95</u>	<u>837,320.00</u>	<u>30,766.05</u>	<u>8,076,456.68</u>	<u>8,224,403.00</u>	<u>147,946.32</u>

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Cash Flows

As of 4/30/2026

	<u>Current Period</u>	<u>Current Year</u>
Operating Activities		
Change in Net Assets	(46,531.20)	433,949.37
Adjustments to Reconcile Change in Net Assets to Cash		
Depreciation and Amortization	(62,906.84)	66,205.78
(Increase)/Decrease in Accounts Receivable	49,889.72	(20,232.66)
(Increase)/Decrease in Grants Receivable	19,761.21	4,607.40
(Increase)/Decrease Estimated Medi-Cal Receivable	0.00	17,634.00
(Increase)/Decrease in Prepaid Expenses	30,117.66	68,679.49
Increase/(Decrease) in Accounts Payable	36,872.34	79,515.25
Increase/(Decrease) in Accrued Expenses	13,289.41	(116,750.87)
Increase/(Decrease) in Estimated Medi-Cal Payable	(6,710.62)	191,982.94
Increase/(Decrease) in Deferred Revenue	(12,500.00)	109,725.00
Total Adjustments to Reconcile Change in Net Assets to Cash	<u>67,812.88</u>	<u>401,366.33</u>
Total Operating Activities	<u>21,281.68</u>	<u>835,315.70</u>
Cash Flows from Investing Activities		
Investing Activities		
Building Improvements	0.00	(6,400.00)
Construction in Progress	(7,500.00)	(181,243.29)
ROU Asset	75,373.00	75,373.00
Total Investing Activities	<u>67,873.00</u>	<u>(112,270.29)</u>
Total Cash Flows from Investing Activities	<u>67,873.00</u>	<u>(112,270.29)</u>
Cash Flows from Financing Activities		
Financing Activities		
Increase/(Decrease) in Notes Payable	(3,072.54)	543,492.98
Increase/(Decrease) in Leases Payable	(3,976.72)	(56,661.86)
Total Financing Activities	<u>(7,049.26)</u>	<u>486,831.12</u>
Total Cash Flows from Financing Activities	<u>(7,049.26)</u>	<u>486,831.12</u>
Increase/(Decrease) in Net Assets with Donor Restrictions	0.00	6,400.00
Net Increase(Decrease) in Cash	<u>82,105.42</u>	<u>1,216,276.53</u>
Cash at Beginning of Period	4,147,718.45	3,013,547.34
Cash at End of Period	<u>4,229,823.87</u>	<u>4,229,823.87</u>