



Bay Area Hospital District Board Meeting Agenda

July 21, 2025 @ Bay Area Hospital, Myrtle Conference Room

TIME

3:00 Call to Order Simon Alonzo, Board Chairperson

3:05 BMO Status Update - Verbal Simon Alonzo, Board Chairperson

3:10 Board Interview of Kelly Morgan for interim CEO Simon Alonzo, Board Chairperson

3:45 Public Comment

4:00 Appointment of Kelly Morgan, interim CEO **ACTION ITEM** Simon Alonzo, Board Chairperson

4:05 Adjourn – next regular meeting Tuesday, August 12, 2025



KELLY C. MORGAN

SENIOR EXECUTIVE

Creative and visionary leader with a highly successful track record in the healthcare field. Extensive experience in financial management, leadership, strategic alliances, negotiating joint ventures and mergers, turnarounds and operational systems. Proven team builder and catalyst, creating bottom line results through collaborative decision-making and consensus building with internal / external constituencies.

EXPERIENCE

Mercy Medical Center, Roseburg, OR

09/06 to 05/23 (Retired)

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Mercy is a 174 bed Medical Center and part of CommonSpirit Health, a 142 hospital system. Mercy and the Douglas County Independent Practice Association formed Umpqua Health, LLC, a clinically integrated network to manage healthcare for selected patients. The combined NPSR for both entities is over \$400M. Responsible for physician group practice consisting of 63 providers at 13 locations.

Health Plan/Clinically Integrated Network

- Chairman of the network for nine years
- Formed clinically integrated network through a 50-50 joint venture with the local IPA.
- Accepting full risk for 32,000 Medicaid lives.

Physician Relations

- Established partnership with largest primary care group in service area
- Completed acquisition of Oregon Surgery Center from local surgeons.
- Executed Management Services Agreement with local surgeons to operate Inpatient and Outpatient Surgery Departments.
- Created Centennial Medical Group for all hospital employed physicians.

Financial Management

- Improved cash reserves by 14,121%.
- Enhanced days of cash on hand from 58 to 365 or 529%.
- Increased unrestricted equity by 675%.
- In 16 years achieved most profitable eight years in history of Medical Center.
- Decrease long term debt by 77%.
- Increased outpatient growth in Imaging by 52%, Outpatient Laboratory by 195%. Heart Center by 108%, Rehabilitation by 142% and a total of Non-emergent outpatient visits by 110%.

Human Resources

- Restructured senior management team.
- Developed salary administration plan through establishment of merit evaluation system and internal/external salary analysis.
- Enhanced hiring process by implementing behavior based interview process.

- Recognized at Best Place to Work by News Review for five years.

Quality

- Named Top 50 Hospital by HealthGrades and Excellence Awards for Coronary Intervention, GI Care and Patient Safety.
- First hospital in the Western United States to receive Accreditation for Cardiovascular Excellence (ACE).
- Received Award as Top 20 Community/Rural Hospital from iVantage Health Analytics/National Rural Health Association.
- Received Top ED award from CEP-America.
- Most improvement in SCIP measure's by any Medical Center in Oregon.
- Achieved recognition by Forbes.com as one of safest hospitals in country.
- Exceeded clinical quality metrics for Coordinated Care Organizations in Oregon.

Sierra View Local Healthcare District, Porterville, CA

05/99 to 09/06

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Sierra View District is a public entity that included two hospitals, Sierra View (163 beds) and Lindsey District (106 beds). Reported to two separate, publically elected Board of Directors.

Financial Management

- Improved operating margin from a negative 4.1% in fiscal year 2000 to a positive 9.0% by 2006.
- Increased cash reserves by 242%.
- Raised inpatient and ancillary volumes by 35% over a four year span.
- Revised the accounts receivable process to improve cash flow by 50%.
- Elevated annual net revenues by 101%.

Hospital Integration

- Integrated Sierra View and Lindsay District Hospitals by implementing a consolidation plan encompassing clinical and support functions. Coordinated the process through active participation of boards, medical staff, department managers, and the media.

Physician Relations

- Enhanced relationship between medical staff and management through individual discussions and active participation at medical staff committees. Achievements include: resolving emergency room call; revising the medical staff bylaws; recruiting new anesthesiology and radiology groups; and selected specialists.
- Expanded services for Imaging Department, with purchase of new MRI, CT, PACS and construction on an Outpatient Center.
- Negotiated an affiliation with UCLA for hospital's operated Oncology Treatment Center.
- Developed an Acute Hemodialysis Program and Chronic Outpatient Center.
- Established pediatric unit in affiliation with Children's Hospital of Central California.

Board Relations

- Completed a strategic plan that included community leaders, physicians, and management, which provided a clear vision and direction for the District. Improved market share to 71% of primary service area.

- Embarked on a long-range construction plan for to build a three story tower to include 63 additional beds, new Imaging and Lab Departments, expansion of the Emergency Department, and enhancement of Critical Care Services.
- Implemented Master Plan to meet growth of hospital and community.

Employee Relations

- Revised performance evaluation process to a merit system to establish expectations and improve accountability.
- Enhanced salary and wage program by implementing an internal equity plan and establishing competitive salary ranges based on competitive market analysis.
- Established tier pay structure for Registered Nurses, Radiology Technologists, and Clinical Lab Scientists that resulted in filling all open positions.
- Improved communications throughout the hospital by holding town hall meetings, implementing human resource policies and procedures, and recruiting key management personnel.
- Increased staffing by 59% or 290 full-time positions.

Community Relations

- Created partnerships with local community colleges for the implementation of the following clinical programs: Registered Nurse, LVN to RN Bridge Program, Radiology Technologist, and Medical Laboratory Technician.
- Developed Healthcare Task Force with community college, school districts, public agencies and private businesses to enhance health careers for local residents, which resulted in a \$700K grant and State of California award.
- Recognized by The Fresno Bee for Excellence in Business Award for the (California) Central Valley in 2005.
- Received Excellence in Business Award in 2002 and Largest Employer Award in 2004 from the local Chamber of Commerce.
- Completed Community Capital Campaign to expand hospital Cancer Treatment Center.

PricewaterhouseCoopers, Sacramento, CA

12/97 to 04/99

EXECUTIVE MANAGER***Practice Development***

- Developed a Healthcare Consulting practice for various entities including hospitals, medical groups, and non-acute healthcare organizations.

Engagements

- Coordinated numerous engagements utilizing a multidisciplinary team of professionals. The teams identified opportunities, alternatives, and implemented action plans for clients, including the following projects:
 - Hospital Strategic Plan
 - Restructure/Reorganization of the Healthcare Management Team
 - Operational Efficiency and Performance Improvement
 - Clinical Resource Management and Redesign
 - Creation of a Management Services Organization
 - Plan and Development of Managed Care Strategies
 - Physician Clinic Redesign and Profitability Improvement

➤ Hospital-Based Physician Contracts

Mercy Hospital and Health Services, Merced, CA

04/88 to 11/97

PRESIDENT AND CHIEF EXECUTIVE OFFICER (04/91 to 11/97)

VICE PRESIDENT AND CHIEF OPERATING OFFICER (04/88 to 04/91)

Regional Affiliation

- Completed a successful affiliation with Catholic Healthcare West and was an integral part of the Northern San Joaquin Region management team.
- Executed an exclusive affiliation agreement with Doctors Medical Center in Modesto. The affiliation enhanced opportunities for Managed Care contracting, strategic planning, quality of care, and access to tertiary services for the community.
- Involved with Health Services Council (Catholic Health Corporation) and a member of the Regional Management Team (CHW).

Physician Integration

- Developed a physician-hospital alliance with a primary care independent practice association. The alliance coordinated the first capitated contracts signed in the community.
- Established a hospital-affiliated primary care group practice consisting of 16 practitioners.

Strategic Planning

- Coordinated the development, implementation and revision of the hospital's strategic plan. The plan assisted in achieving the fundamental mission and objectives, while focusing on strategic vision and formulation. Specific accomplishments include: improved market share by 12%; purchased a physician-owned surgical and diagnostic center; established a community-wide database; developed a home health agency and construction of a critical care unit.

Financial

- Improved financial performance as evidenced by operating margins, utilization for inpatient and outpatient services, cash flow and productivity. Specific accomplishments include: the three most profitable operating margins in hospital history; increased discharges by 17% and cash reserves by 12 fold.

Board Relations

- Coordinated appointment of 8 new members and established 6 board committees. Through committee development, retreats, and individual discussions, assisted with the transformation of the board from operations to governance. The board's vision became focused on adapting to the healthcare environment and a community-based integrated delivery network.

Leadership and Management

- Committed to a collaborative management style. Through a well-trained, educated and motivated middle-management group, an empowered team of employees implemented the hospital's mission and philosophy.
- Hospital was awarded the Business of the Year by the Chamber of Commerce.

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| Ukiah General Hospital, Ukiah, CA ADMINISTRATOR | 04/86 to 04/88 |
| LaHabra Community Hospital, LaHabra, CA ASSISTANT ADMINISTRATOR | 01/84 to 04/86 |
| Humana Hospital - Westminster, Westminster, CA ASSISTANT EXECUTIVE DIRECTOR | 09/82 to 01/84 |
| Humana Hospital - Phoenix, Phoenix, AZ ADMINISTRATIVE SPECIALIST | 09/81 to 09/82 |
| Douglas Community Hospital, Roseburg, OR ADMINISTRATIVE RESIDENT | 01/81 to 09/81 |

EDUCATION

M.A., Hospital and Health Administration, University of Iowa
B.S., Business Administration, Oregon State University

AFFILIATIONS

Oregon Healthcare Enterprises, Board Chairman
Southern Oregon Workforce Investment Board, Chairman
Oregon Hospital and Health Association, Board Member
Douglas County Economic Development Corporation, Chairman and Board Member
Oregon Health Policy Board, Healthcare Workforce Committee
California Hospital Association, Former Board Member
Hospital Council of Central and Northern California, Former Chair Kings-Tulare Conference
Tulare County Economic Development Corporation, Former Board Member
Porterville Chamber of Commerce, Economic Development Committee, Former Chair