

V. Attachments

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Reference	Description
Attachment 1a	Annual Public Hearing Written Comments

[This Attachment contains proprietary, competitively sensitive information redacted from the public version]


FILED UNDER SEAL

Reference	Description
Attachment 1b	Annual Public Hearing Presentation



Shannon Annual Update





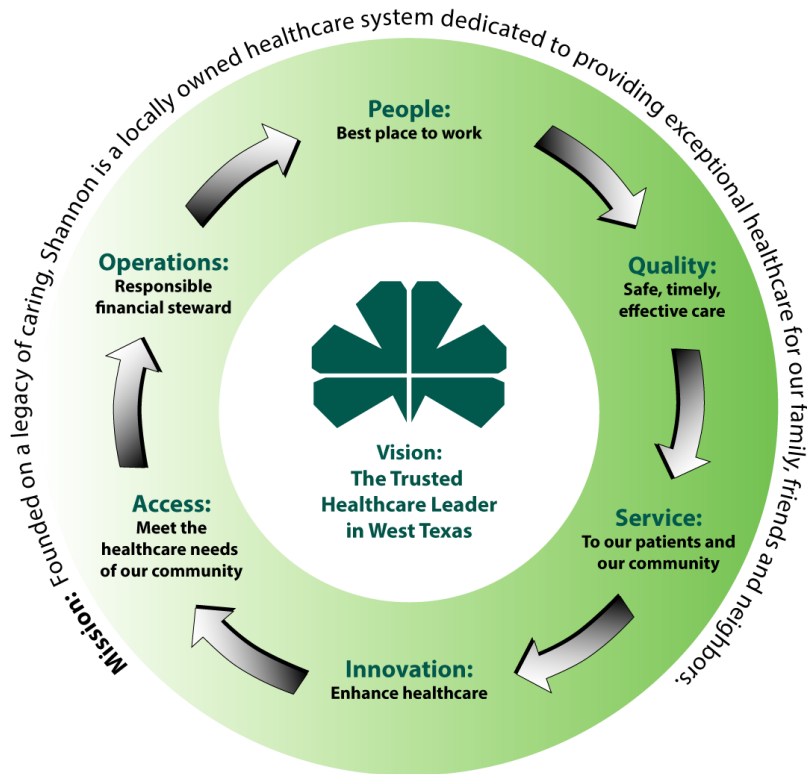
thank
YOU:-)



Honor & Privilege
to serve & care for the
people of this region

LEADERSHIP

OUR SHARED VISION, MISSION, PILLARS & VALUES



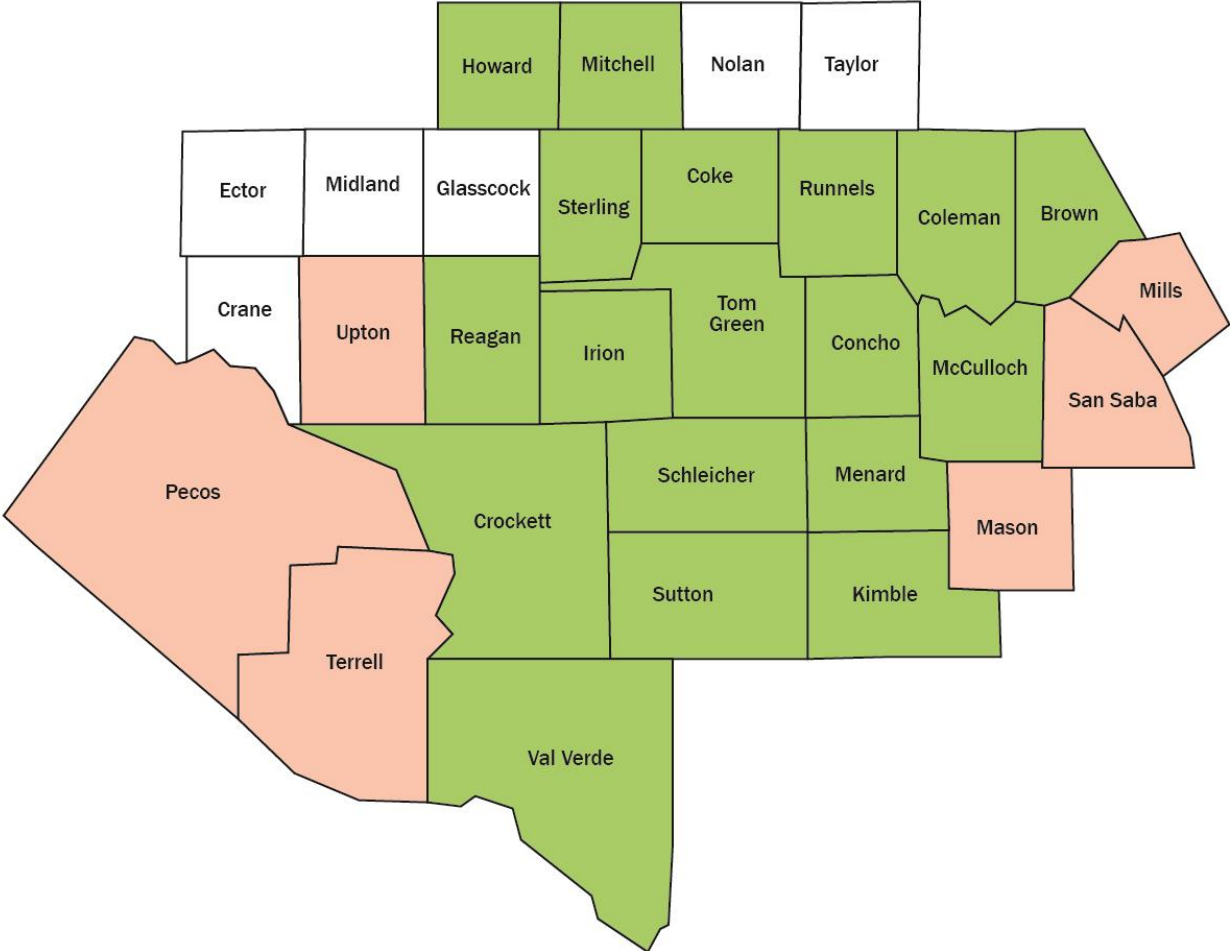
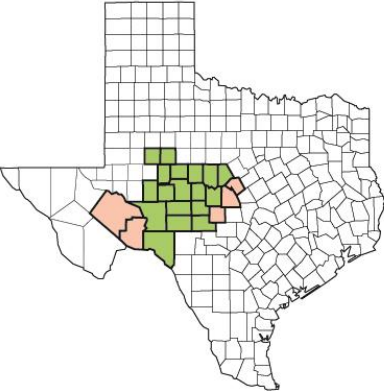
To be **trusted**

- Trust has to be earned!!!



To provide **exceptional care**

- Treat our patients & their families as we would want our closest loved ones to be treated...

VALUES: Accountability Safety Professionalism Innovation Respect Excellence
Perseverance Resilience Appreciation Integrity Service Empathy



AREAS WE SERVE

 Primary Counties
 Secondary Counties

25

**Counties
Served**

300,000 Population





**AMBULATORY
SURGERY CENTERS**



INPATIENT HOSPITAL



INPATIENT REHAB



HOME HEALTH



HOME



VIRTUAL



**MEDICAL
PRACTICE**



SHANNON




OUR FOCUS





Short Term
“Looking down
the road”



Short Term
“Looking down
the road”

Long Term
“Looking over
the horizon”

TOP HEALTHCARE SYSTEMS IN THE COUNTRY



Charity Care



SHANNON
MEMORIAL
HOSPITAL
SAN ANGELO TEX.

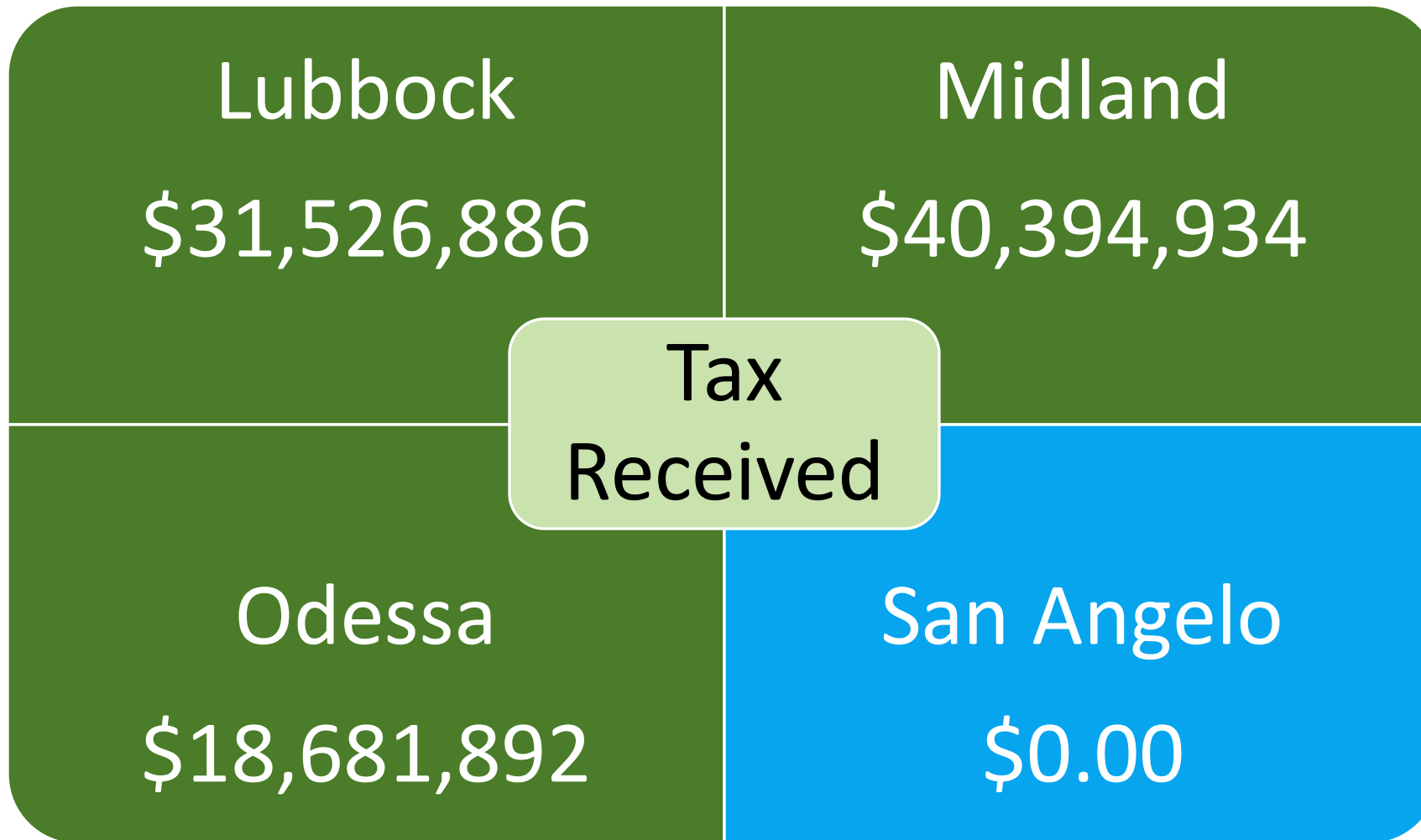




Pre COPA
Charity
\$33M

Post COPA
Charity
\$60M

SACMC
provided \$3M



Total Tax paid in other parts of Texas



Pre COPA
Charity
\$33M

Post COPA
Charity
\$60M

SACMC
provided \$3M



Achievement & Successes



ACHIEVEMENT & SUCCESSES

ACCESS &
TECHNOLOGY



Technology – ION (Robotic Bronchoscopy)



Access: Expanded Women's Imaging at the Harris Facility



Access & Technology – Additional Ultrasound Units



Access & Technology – Additional DEXA Unit



Access & Technology – Additional Mammography Machines



Access & Technology: Added Siemens 3T MRI Downtown



ACHIEVEMENT & SUCCESSES

SAFETY

Are your adult patients up-to-date on their pneumococcal vaccination?

[LEARN MORE →](#)

Click to learn more about the CDC recommendations.

CDC=Centers for Disease Control and Prevention.

A vaccine option from



PP-PNR-USA-1313 © Pfizer Inc.
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Legal & Regulatory Issues



Becker's Podcast Daily Briefing

Today's top stories in 5 minutes or less

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Indiana hospital shooting left 2 dead, including police officer

Laura Dyrda (Twitter) - Wednesday, July 5th, 2023



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TO TREAT HYPERKALEMIA, GO WITH

LOKELMA[®]
(sodium zirconium cyclosilicate)
5g | 10g for oral suspension

LOKELMA is indicated for the treatment of hyperkalemia in adults. LOKELMA should not be used as an emergency treatment for life-threatening hyperkalemia because of its delayed onset of action.

LEARN MORE >

IMPORTANT SAFETY INFORMATION FOR LOKELMA[®] (sodium zirconium cyclosilicate)
WARNINGS AND PRECAUTIONS:

- ▶ **Gastrointestinal Adverse Events in Patients with Motility Disorders:** Avoid LOKELMA in patients with severe constipation, bowel

[Prescribing Information](#) [Patient Information](#)

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Woman opens fire in Texas rehab facility: Police

Mariah Taylor (Email) - Wednesday, July 5th, 2023

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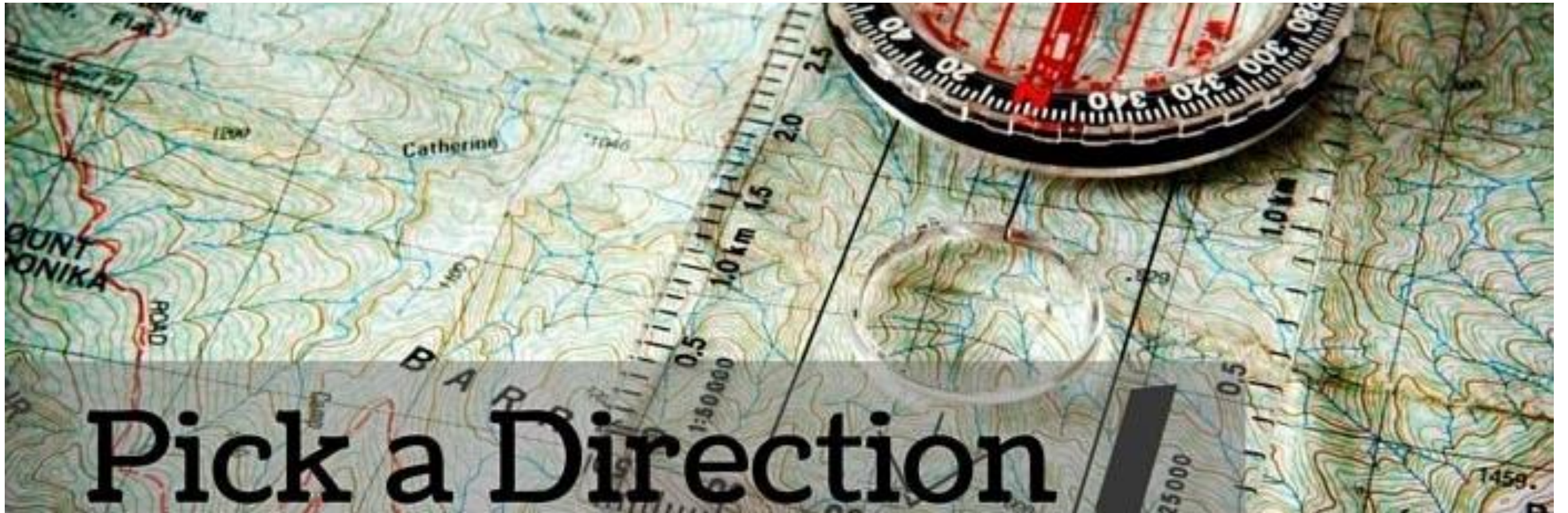


Safety: Implemented Evolv Technology



ACHIEVEMENT & SUCCESSES

PEOPLE



Strategic Perspectives

STRATEGIC PERSPECTIVES

INDUSTRY TRENDS INCREASE THE URGENCY

- An Aging population
- Care Delivery Changes
- Workforce Challenges



STRATEGIC PERSPECTIVES

INDUSTRY TRENDS INCREASE THE URGENCY

An Aging population

10,000 people turning age 65 every day



STRATEGIC PERSPECTIVES

INDUSTRY TRENDS INCREASE THE URGENCY

Workforce Challenges

Aging healthcare workforce

Projected shortages of

- Physicians
- Nurses
- Allied Health Professionals





People: Continued growth in the Margaret Shannon Scholarship Program



People: Continued growth in the Margaret Shannon Scholarship Program



People: Growing Childcare Services Program



People: Growing Childcare Services Program

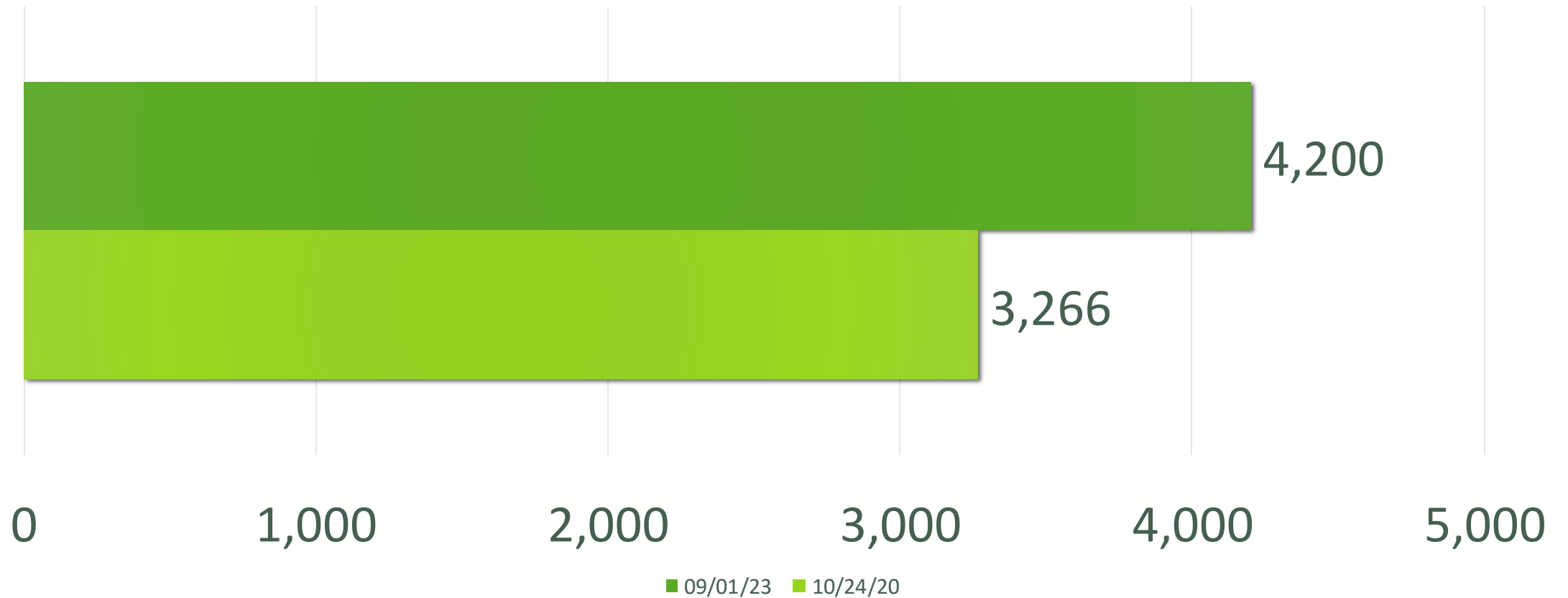


People: Shannon hired 1,250 Team Members in the last 12 months



People: Increase Retention and now have over 4,000 Team Members

SHANNON TEAM MEMBERS





People: Investment in our People: Market Rate adjustments and Merits



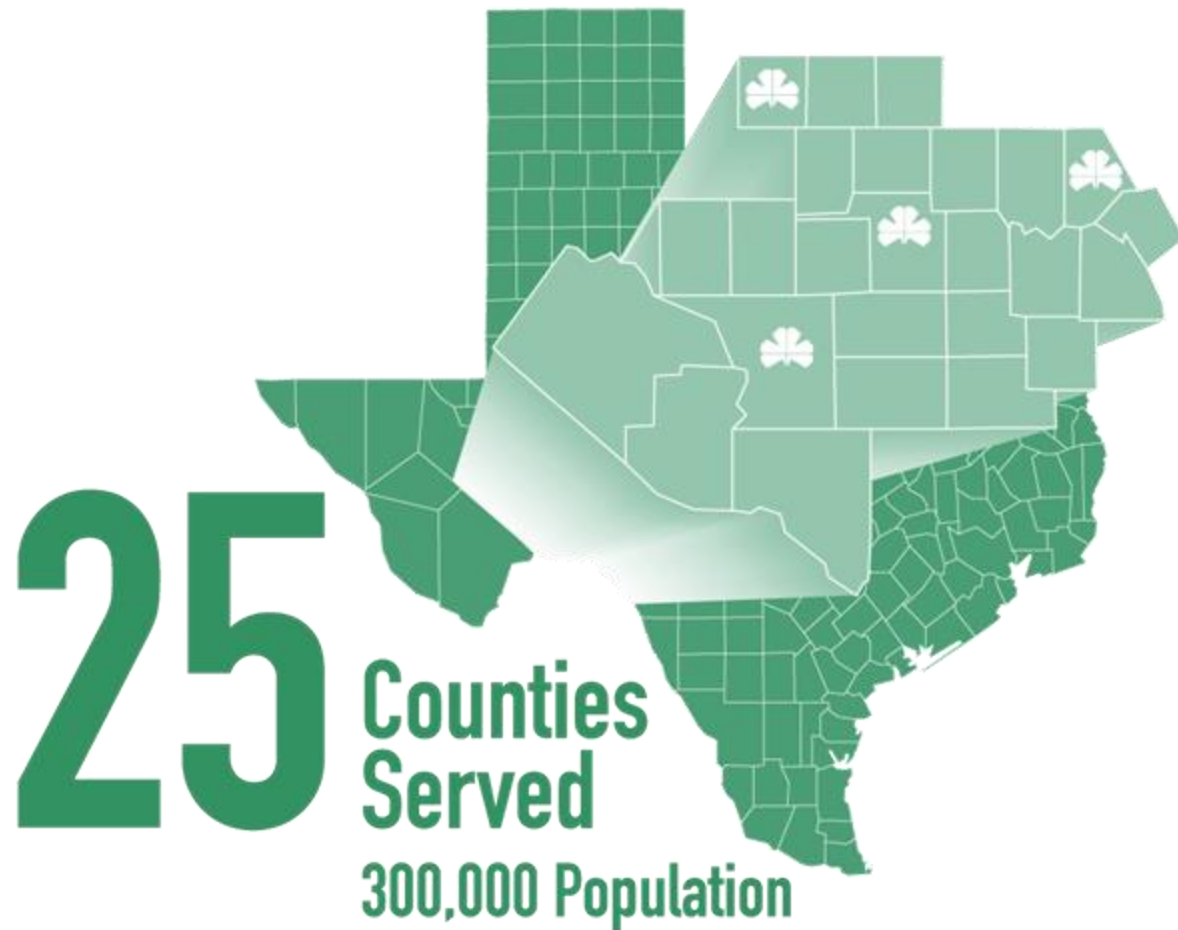
People: Investment in our People: Market Rate adjustments and Merits



People: Successful partnership with ASU



People: Successful partnership with Howard College



Shannon Leadership Training

offered to regional partners:

- Ballinger Memorial Hospital
- Concho County Hospital
- Frontera Clinic
- Goodfellow Airforce Base
- Heart of Texas Healthcare System
- Kimble Hospital
- La Esperanza Clinic
- Lillian M. Hudspeth Memorial Hospital
- Reagan Memorial Hospital
- Scenic Mountain Medical Center
- Schleicher County Medical Center
- West Texas Rehab



The future is coming... Next Steps



The future of **Care**

LOOKING FOR FINANCE WEBINARS?
Click here to see what's coming up next from Becker's



Watch Now **BECKER'S HEALTHCARE**

Financial Management

45 hospitals closing departments or ending services

Driven from trying to maintain ratings & debt covenants

45 hospitals closing departments or ending services



Looking to refine business processes?

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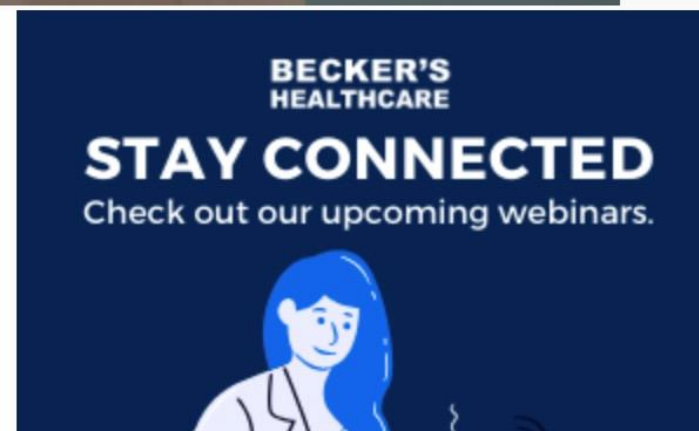
Watch now

BECKER'S
HEALTHCARE

Financial Management

'Dark clouds' may derail hospital financial recovery

Laura Dyrda ([Twitter](#)) - yesterday

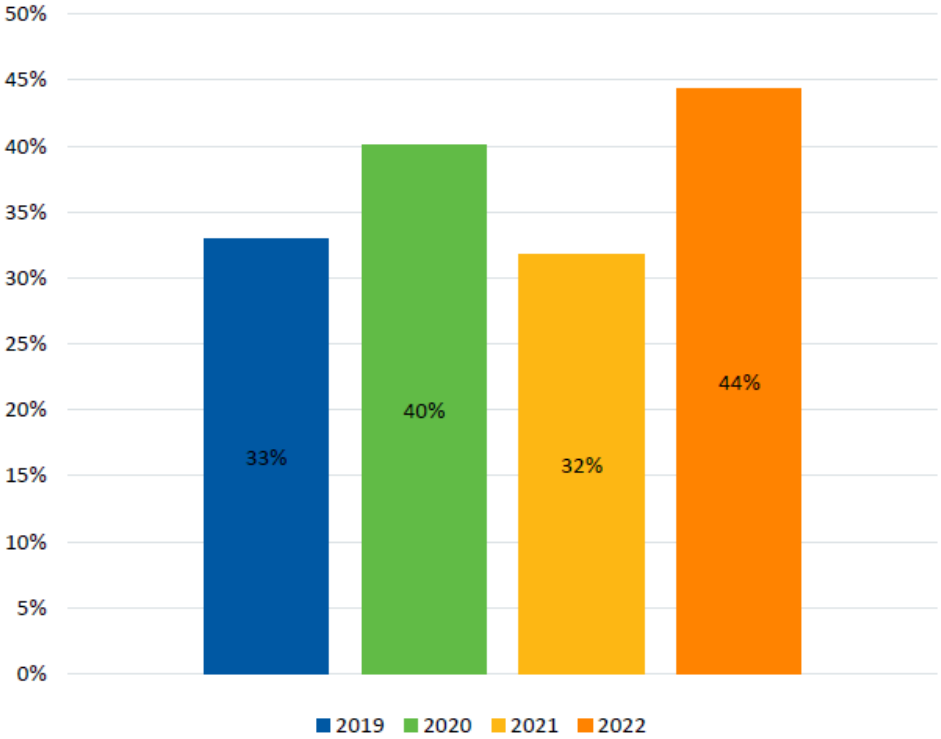


'Dark clouds' may derail hospital financial recovery

Hospitals In Texas Experienced Similar Operational Challenges

Nearly Half of Texas Hospitals Have Negative Operating Margins

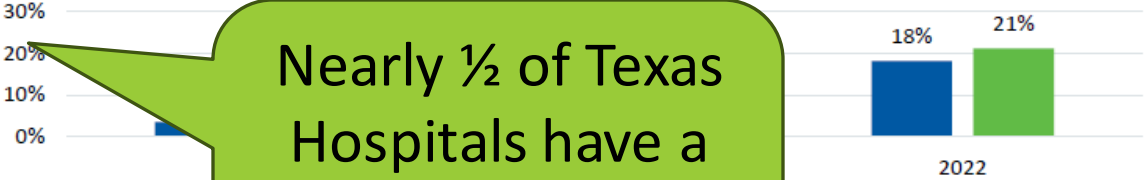
Percent of Hospitals with Negative Margins



Sources: Kaufman Hall: The Financial Impact of COVID-19 on Texas Hospitals. Fall 2022. Texas Hospital Association COVID-19 Impact Report. The Texas Hospital Association Financial Impact Report by Kaufman Hall. 2022.

Revenue Growth Has Lagged the Growth in Expenses

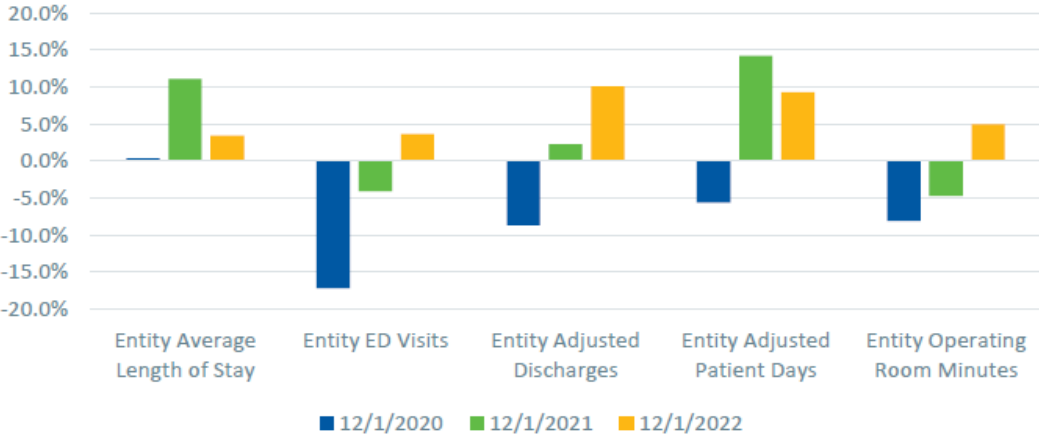
Median Revenue and Expense Percent Change from 2019



Nearly 1/2 of Texas Hospitals have a negative operating margin...

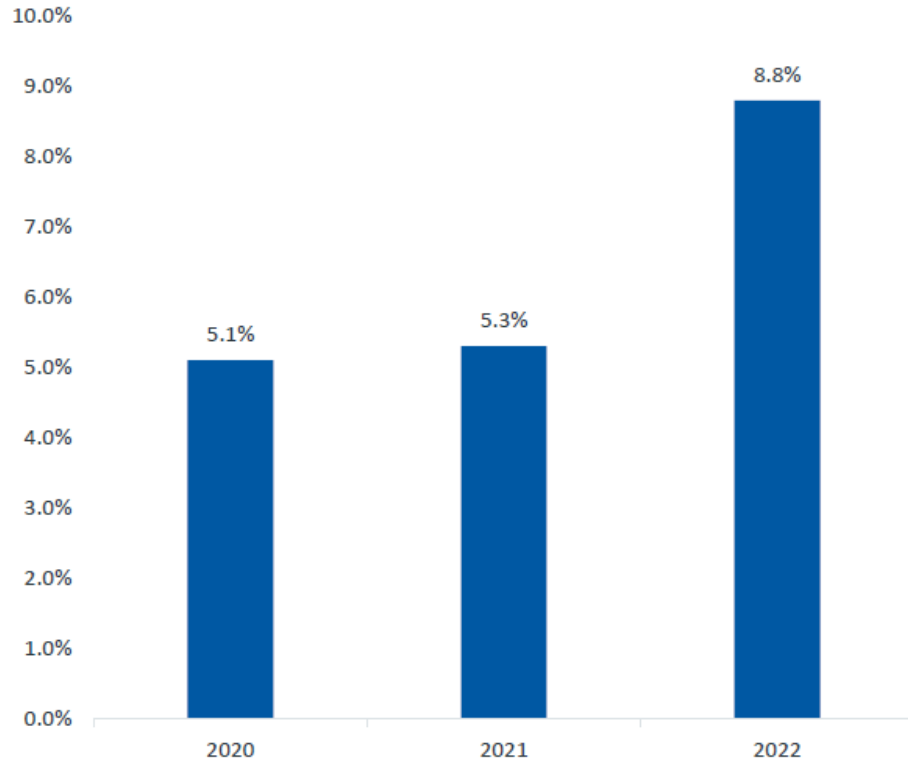
Volumes Have Increased, Length of Stay Have Increased

YOY YTD Volumes



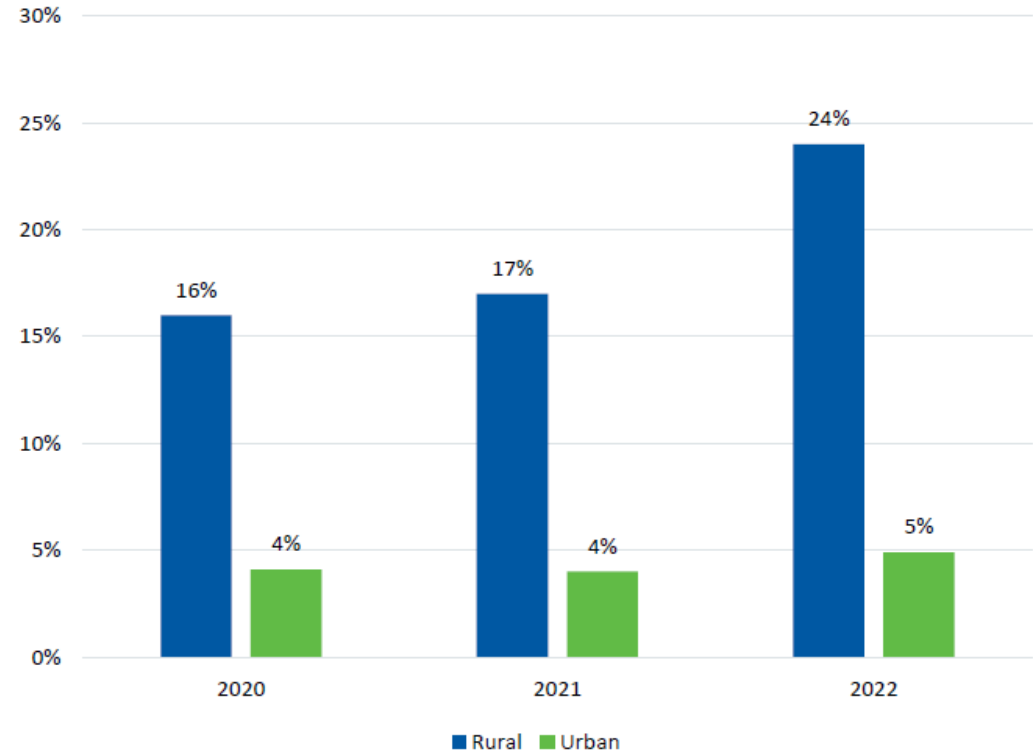
Nearly 1 out of 4 Rural Hospitals Are at Risk of Closure in Texas

Hospitals at Risk of Closure



The percent of Texas hospitals at risk of closure has nearly doubled since 2020.^[1]

Risk of Closure By Location



The risk of closure for rural hospitals in Texas remains highly elevated relative to urban hospitals.

Sources: Kaufman Hall: The Financial Impact of COVID-19 on Texas Hospitals. Fall 2022. Texas Hospital Association COVID-19 Impact Report. The Texas Hospital Association Financial Impact Report by Kaufman Hall. 2022.

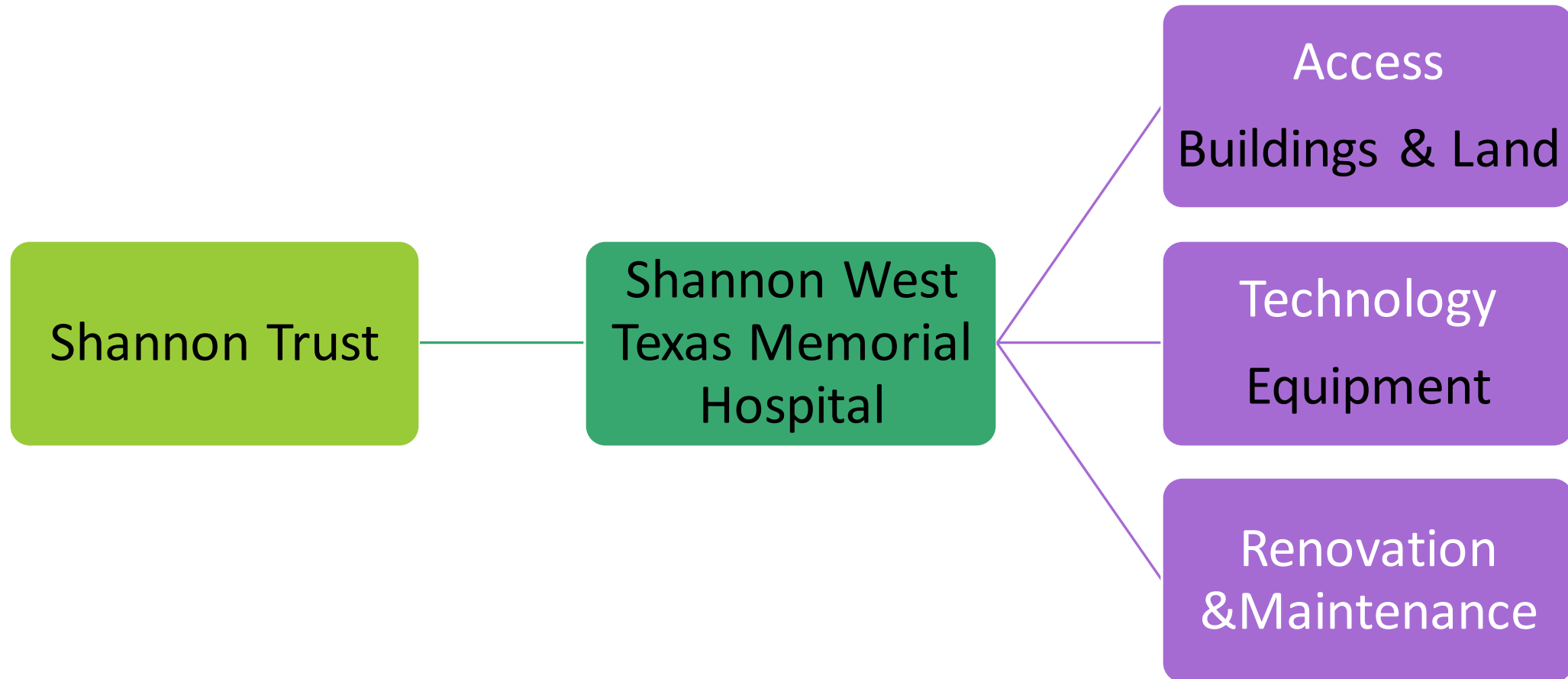
[1] Risk is assessed by performance of operating margin, days cash on hand, and debt to capitalization ratios in unsustainable positions.



Ongoing and Future Projects

SHANNON'S LEGACY OF CARING

SHANNON TRUST



A large, horizontal red brushstroke graphic with a textured, splattered appearance. The words "COMING SOON" are written in white, bold, sans-serif capital letters across the center of the brushstroke.

COMING SOON

The future is coming... Next Steps



Downtown Map



Downtown Map



Access: Completed Cancer Center & Parking Garage



Access: Completed Cancer Center & Parking Garage

A large, horizontal red brushstroke graphic with a textured, paint-like appearance. The stroke is centered and serves as a background for the main text.

COMING SOON

The future is coming... Next Steps



Downtown Map

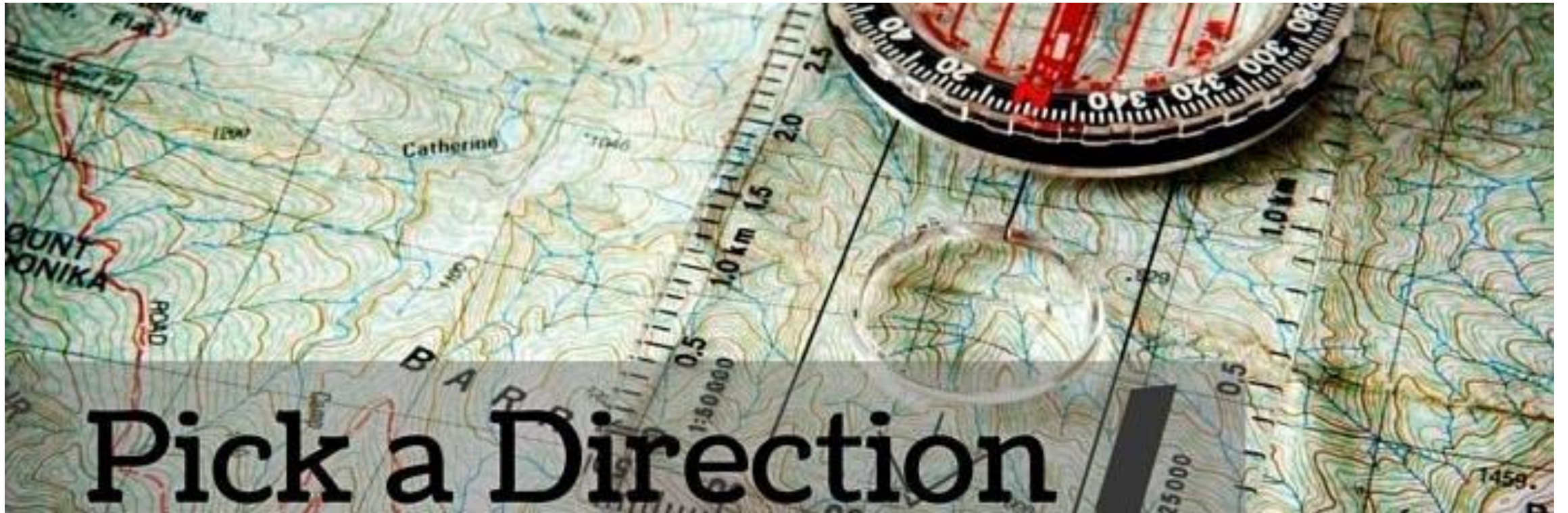


Access: Expanding Women's & Children's Hospital



Access: Expanding Women's & Children's Hospital



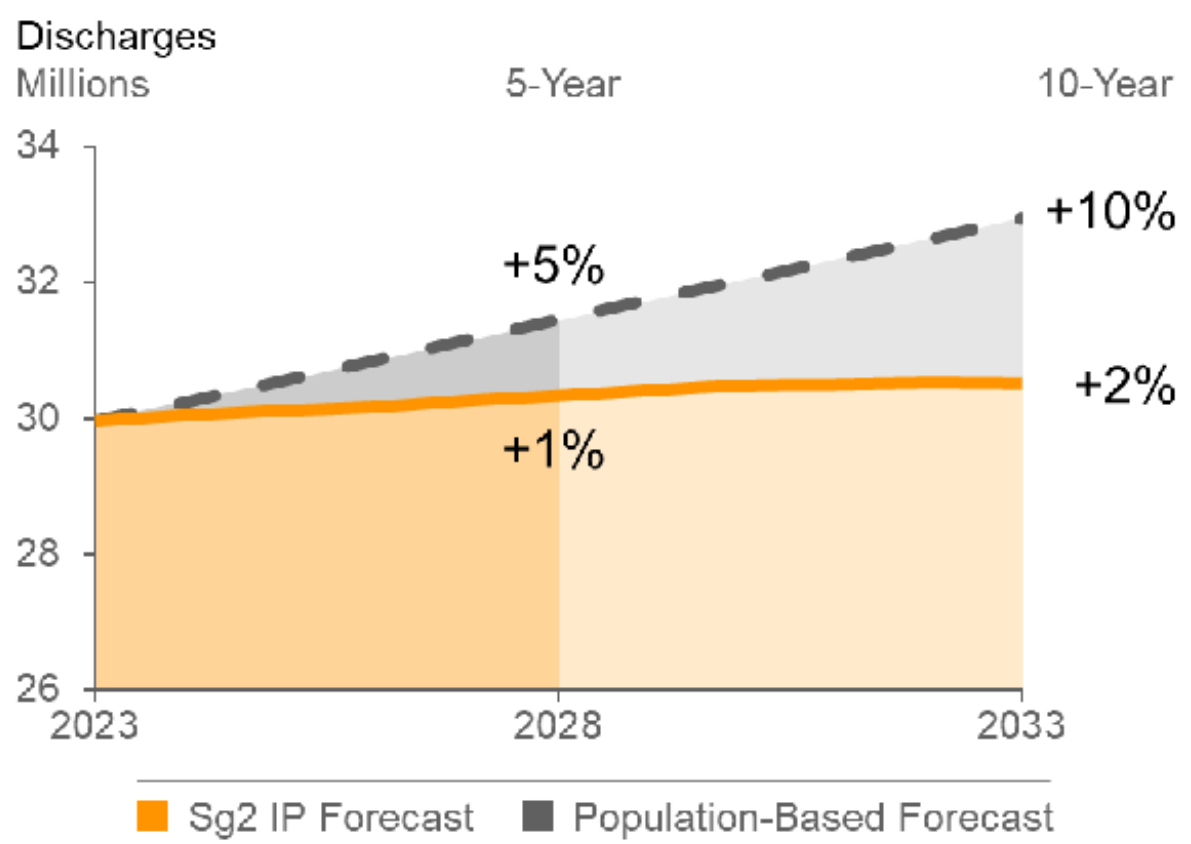


Strategic Perspectives

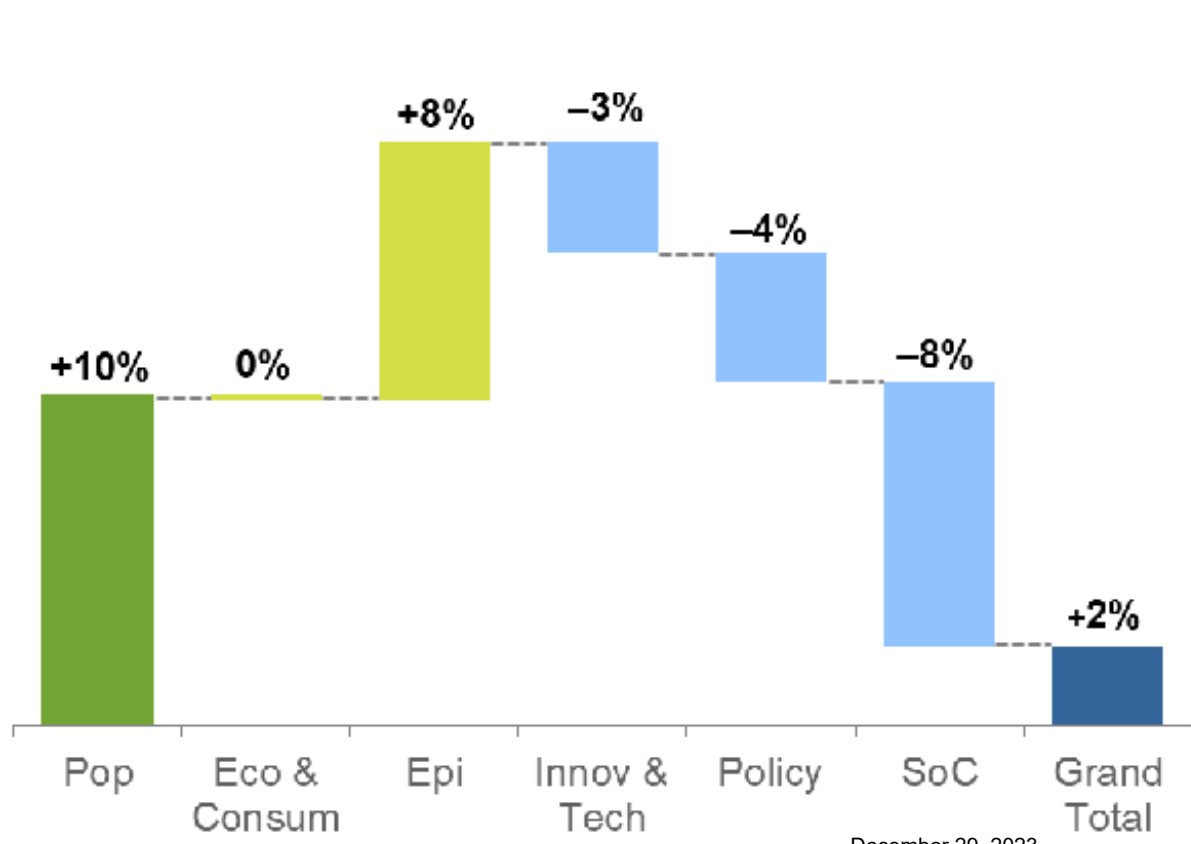


Modest Rises in Inpatient Volumes Expected Due to Rising Patient Acuity

Adult Inpatient Forecast
US Market, 2023–2033



Adult Inpatient Forecast Impact Factors
US Market, 2023–2033





See what's coming up next from Becker's

Record number of patients leaving EDs without complete care

Mackenzie Bean ([Twitter](#)) - yesterday

Record number of patients leaving EDs without complete care

Patients waiting
in ER for
Inpatient Bed

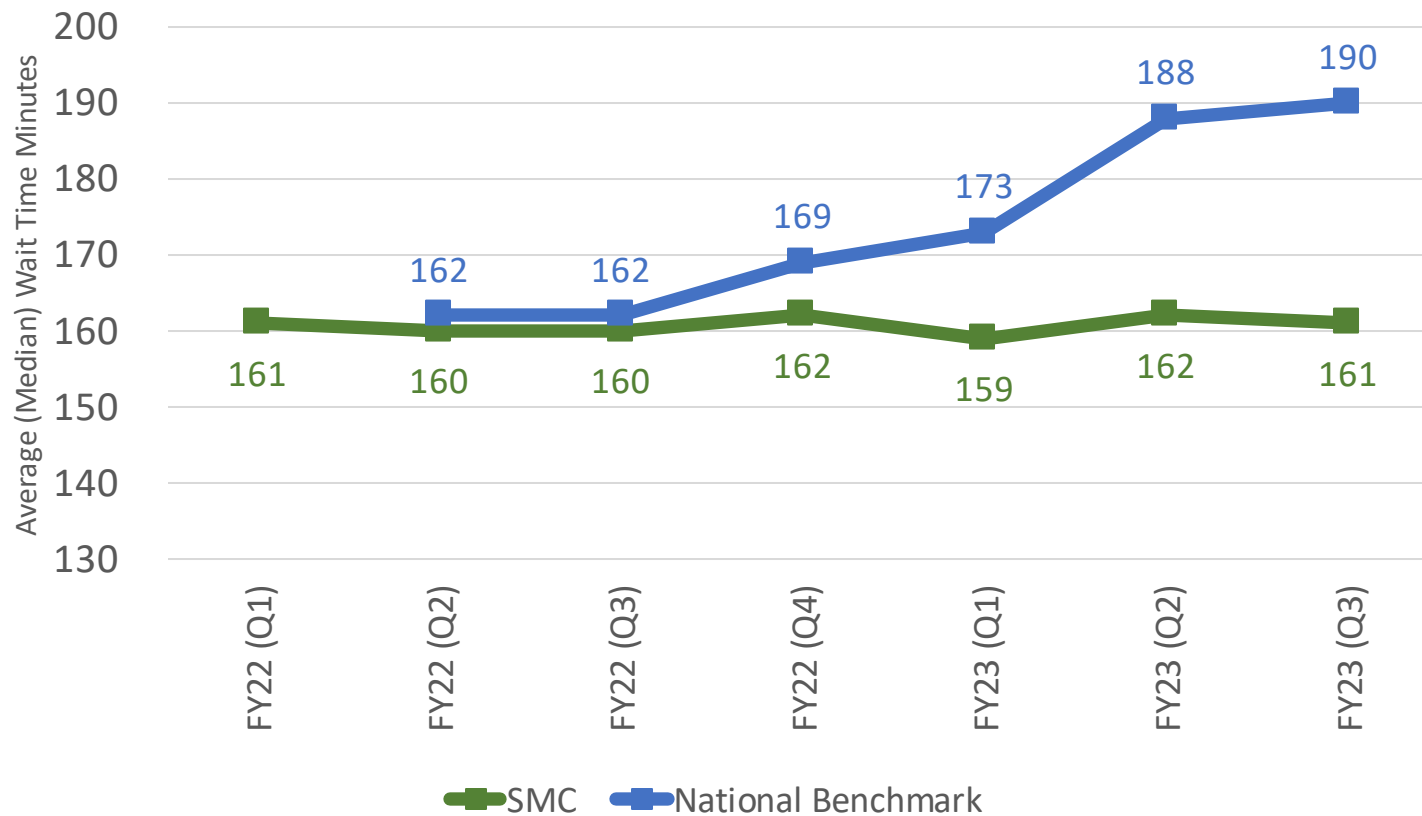
Record number
of patients
leaving EDs
without
complete care

The overall length of stay for ED patients was 199 minutes in 2022, up from 182 minutes in 2018, according to the report.

Boarding times also increased, despite emergency department leaders' efforts to improve patient flow. Average boarding time — or the time it takes to transition a patient from the ED to beds in hospital wings, psychiatric facilities or nursing homes — jumped from 121 minutes in 2020 to 192 minutes in 2022.

Shortening boarding hours remains a top priority for emergency department leaders. Some hospitals are taking creative approaches to improve ED flow, including eliminating waiting rooms, opening discharge lounges and using machine learning models to predict patient demand.

EMERGENCY ROOM WAIT TIMES - SHANNON

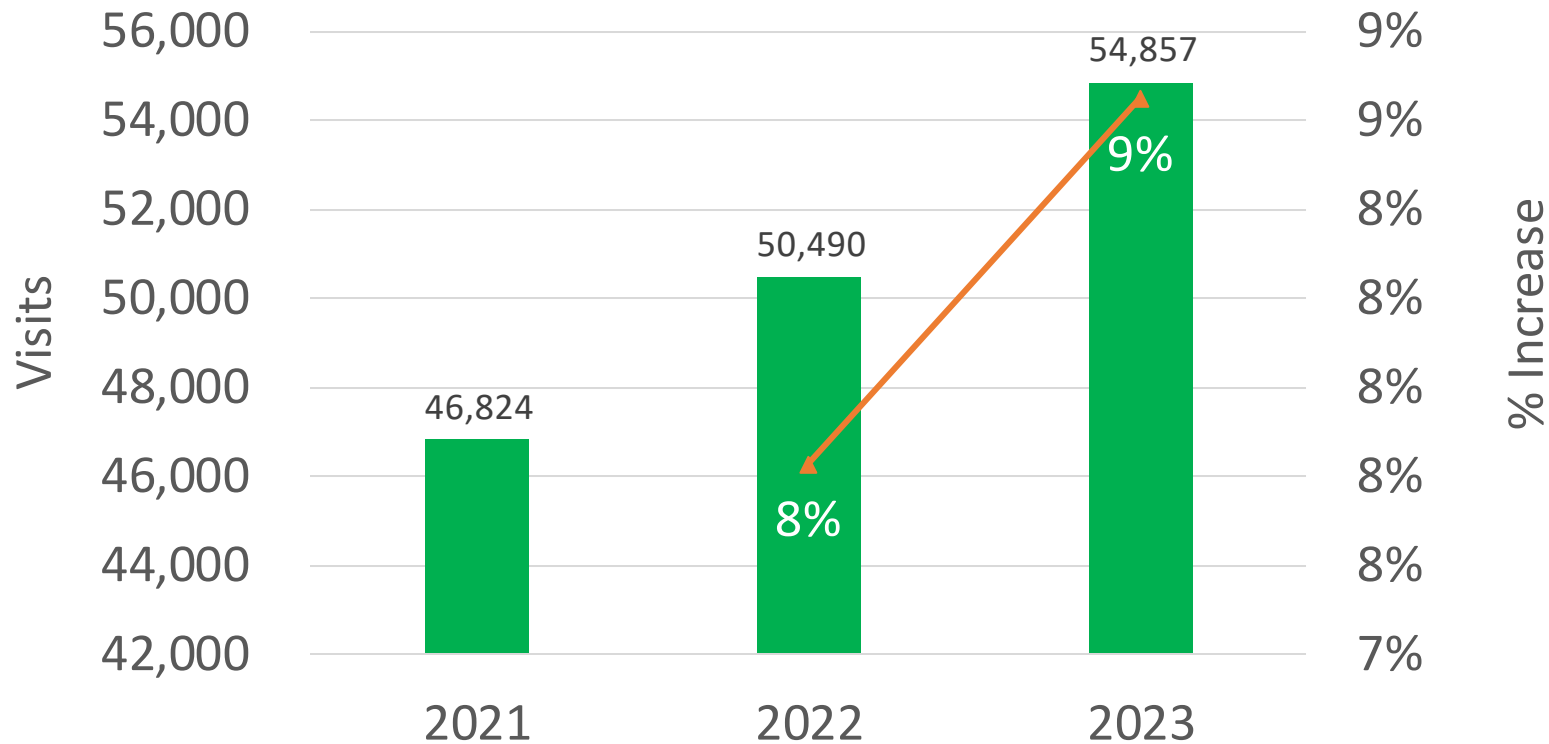


Center for Medicare & Medicaid Services Publicly Reported Data period 7/1/21 to 6/30/22:

- Median ER Wait time = **161** minutes compared to the national benchmark of **190** minutes
- Shannon was designated by the Center for Medicare & Medicaid Care Compare website as a very high volume emergency room (60,000+ patients annually)

GROWTH IN EMERGENCY ROOM VISITS

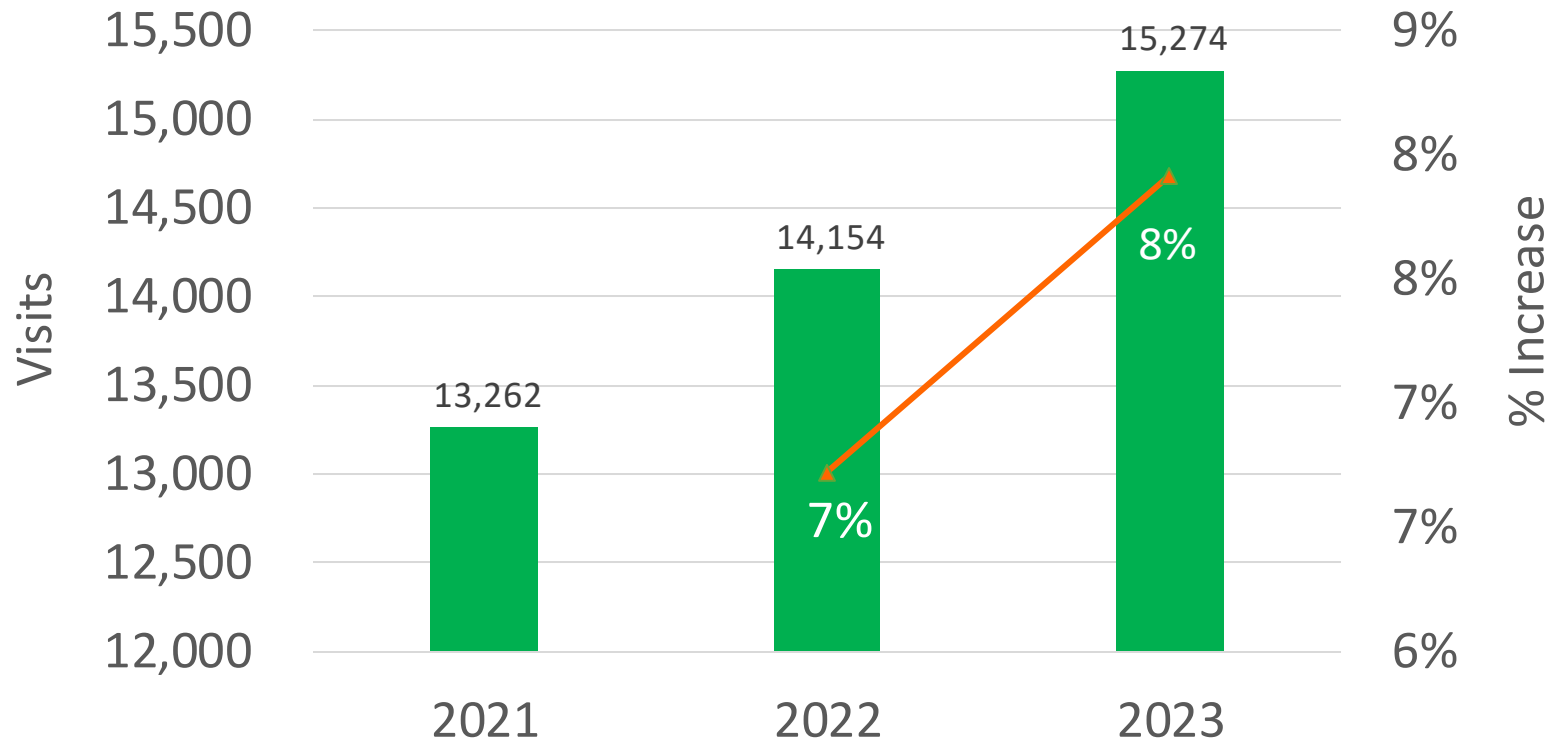
Shannon Medical Center
ER Visits: 2021/2022/2023



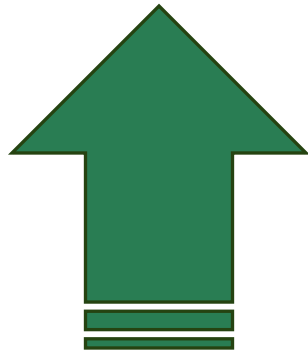
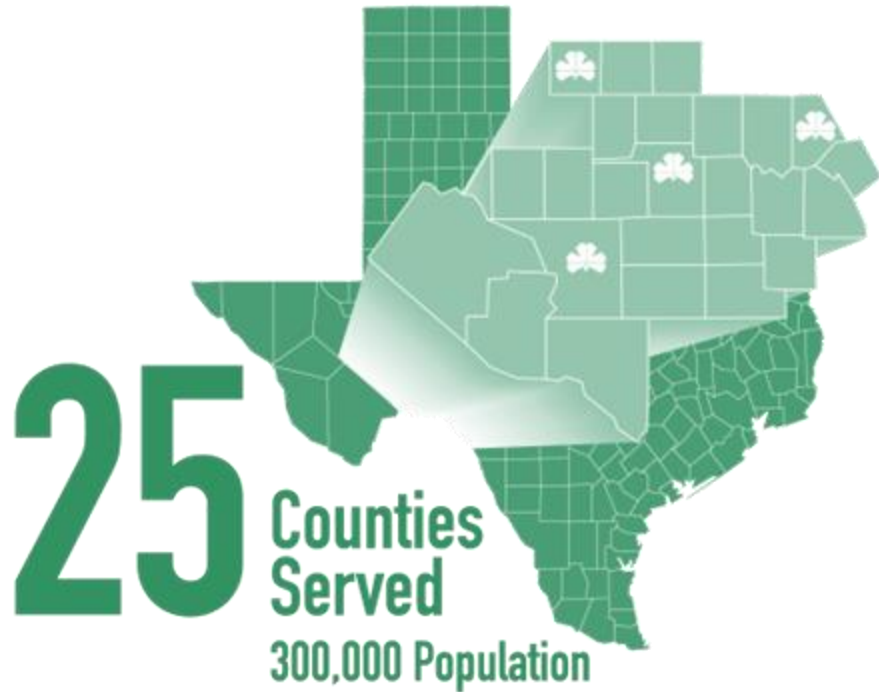
Shannon has experienced substantial growth in Emergency Room Visits each year over the last two years.

GROWTH IN SURGERIES

Shannon Medical Center
Surgical Cases: 2021/2022/2023



Shannon has experienced substantial growth in Surgeries each year over the last two years.



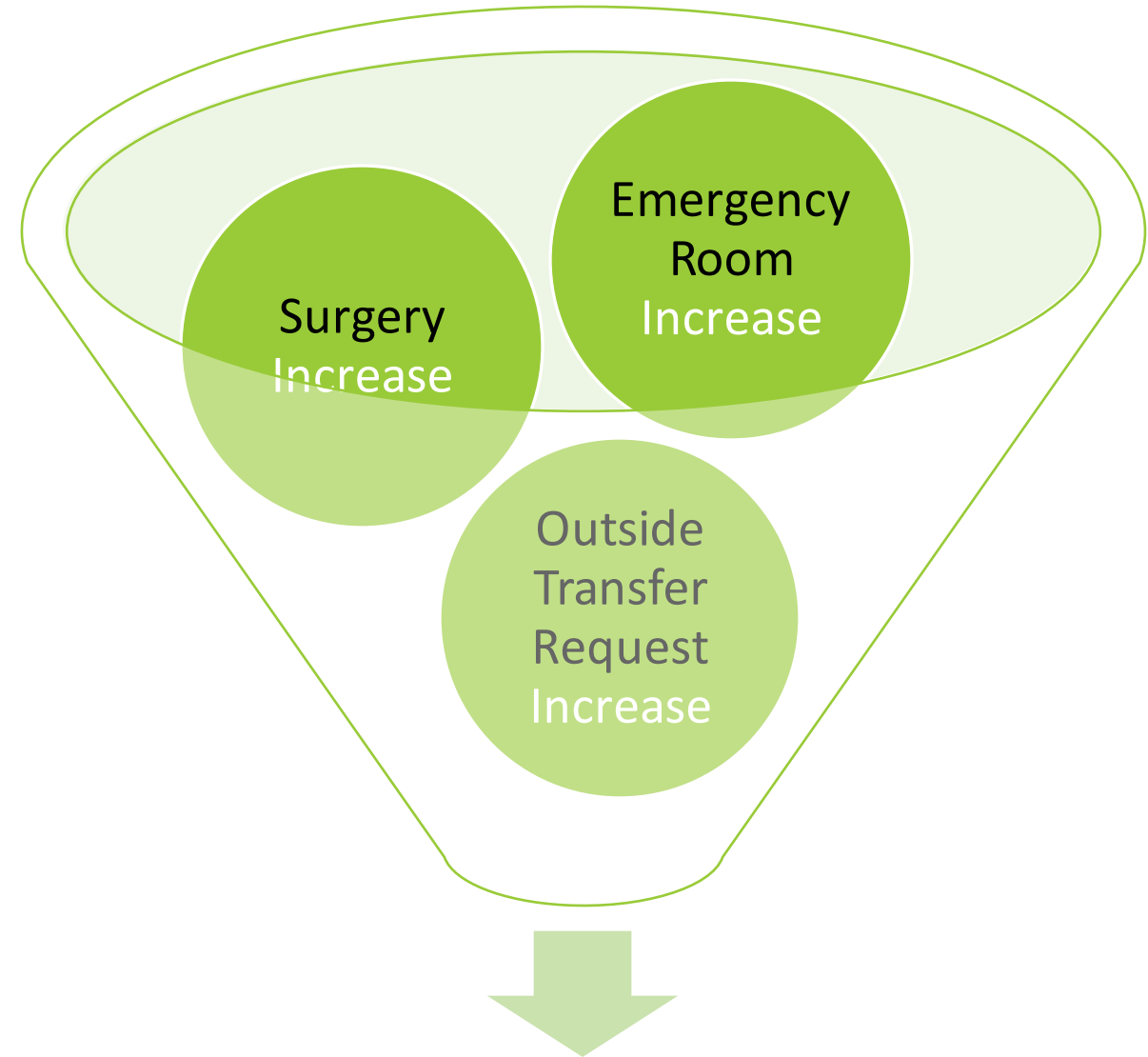
Transfer Requests

Shannon has experienced substantial growth in outside transfer requests

- Average Monthly Transfer Requests 136
- Average Monthly Transfer Requests 197
- Increase of 62
- **45% increase**

Wave of increase

- Emergency Room
- Surgeries
- Outside Transfer Requests



Creates Capacity Issues

A large, horizontal red brushstroke graphic with a textured, paint-like appearance. The stroke is centered and serves as a background for the main text.

COMING SOON

The future is coming... Next Steps



Downtown Map



Access: Expanding Beds





Access: South Outpatient Nuclear Medicine & Outpatient CT



Access: Adding a Canon 3T MRI at the South Campus



Access: South 3rd Floor Inpatient Hospice Unit “New Service”



Access: South Expansion of Woundcare & Hyperbarics



Access: South Expansion of Infusion Services

DR. MICHAEL WOOD

CHIEF MEDICAL OFFICER



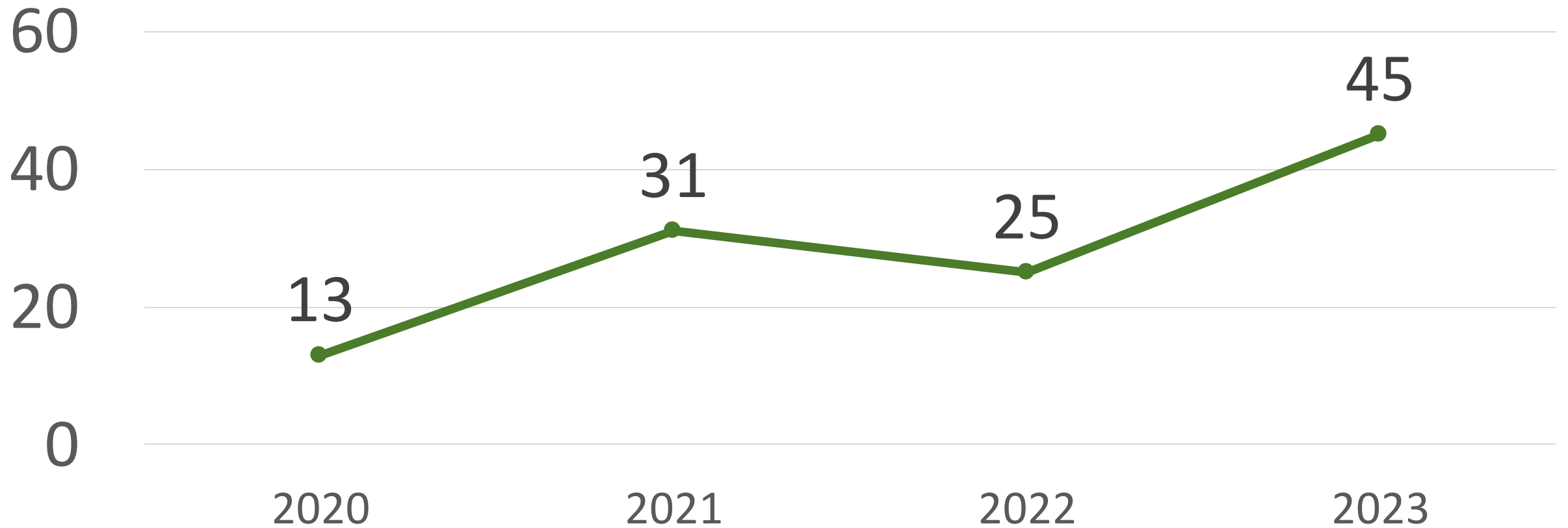
ACHIEVEMENT & SUCCESSES

ACCESS

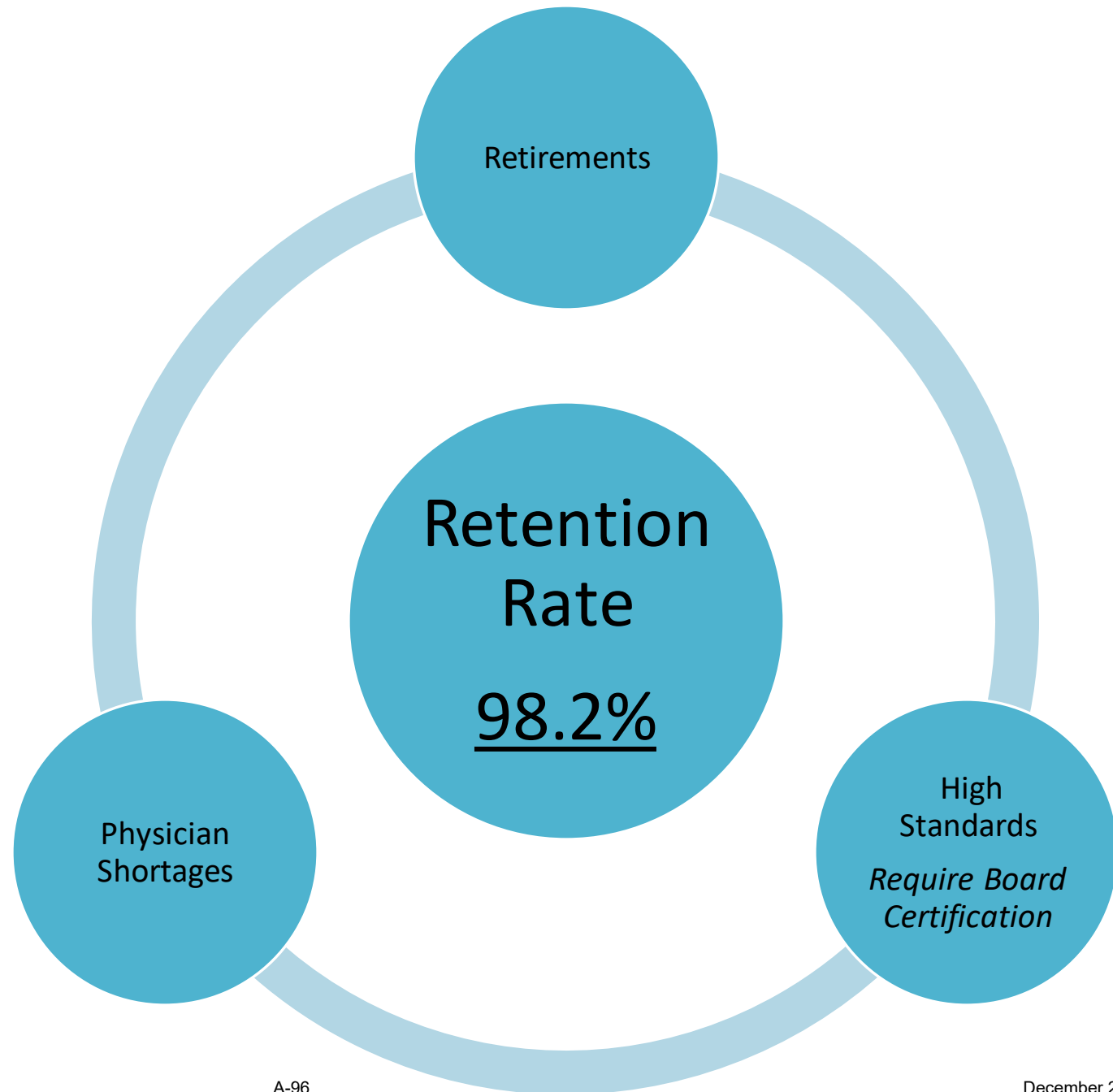


Physicians & Advanced Practice Professionals

NEW PROVIDERS SIGNED



RETENTION
RATE IS
HIGH!!!



20

Access: Physicians recruited in last 12 months

25

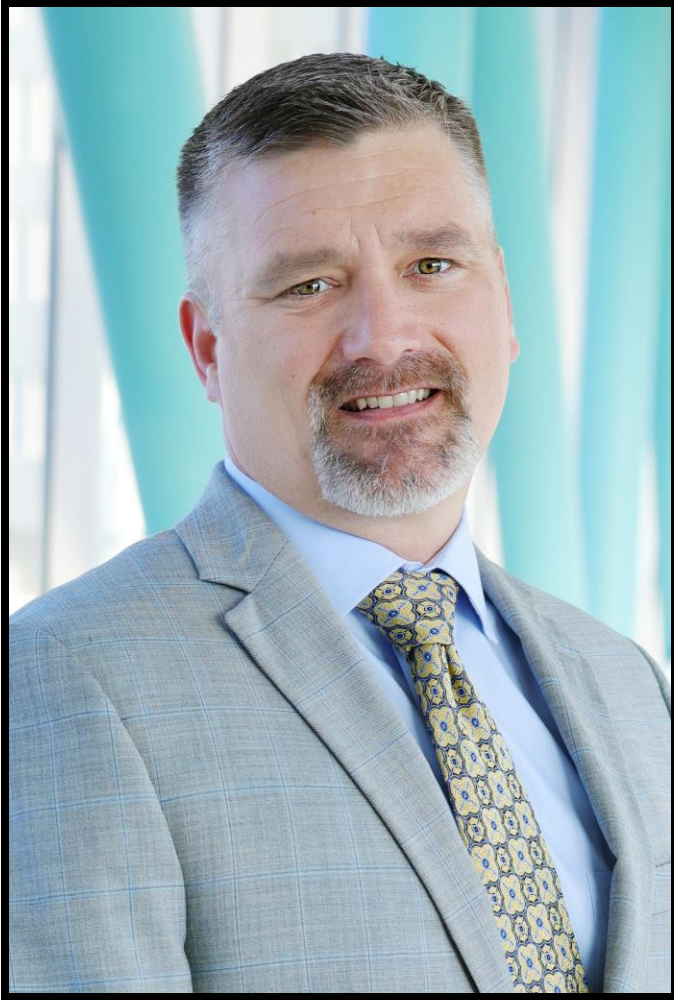
Access: Advanced Practice Professionals recruited in last 12 months

45

Access: Total Providers recruited in last 12 months



New Physicians Signed



Charles Cecil, MD
Urology



Chris Christodoulou, MD
Allergy/Immunology



Nicole Dacy, MD
Dermatology



Ahmad El Samra, MD
Neonatology



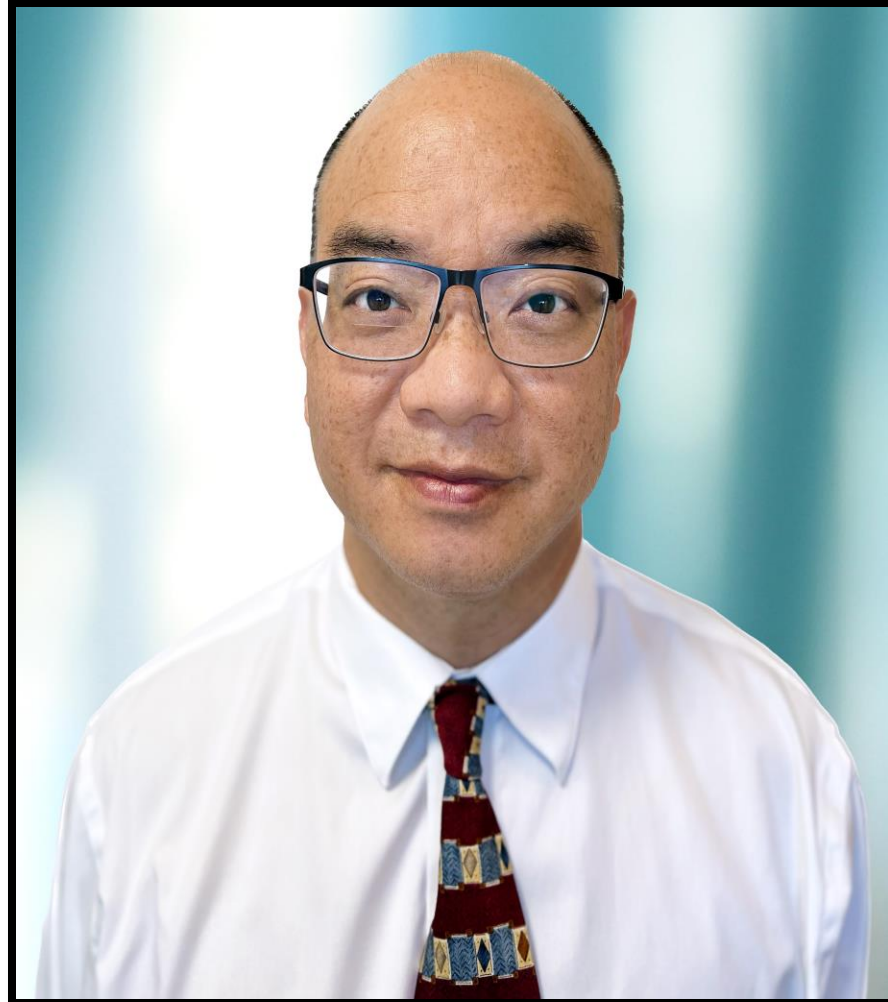
Edward Icaza, MD
Neurology



Jordan Jamerson, MD
Dermatology



Somtochukwu Nwokoye, MD
Hospitalist



Paul Ou, MD
Family Practice Residency



Javier Presser, MD
Hospitalist



Anthony Soldano, MD
Pathology



Francisco Tamayo, MD
Pulmonology



Richard Van De Graaf, MD
General Surgery



Paige Williams, MD
Emergency Medicine

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10 most-recruited physician specialties

Alexis Kayser (Email) - Thursday, May 11th, 2023

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A-106

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10 most- recruited physician specialties

These 10
specialties
are the
most
heavily
recruited,
per
Physicians
Thrive:

Gastroenterologists

Radiologists

Rheumatologists

Hematologist/oncologists

Urologists

Cardiologists

Pulmonary care/critical care

Psychiatrists

OB-GYNs

Neurologists

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5 ways private practice may change 10 years from now

Riz Hatton - Thursday, May 4th, 2023



For better or for worse, private practice as we know it is changing.

Eric Anderson, MD, co-founder and owner of Advanced Pain Institute of Texas in Lewisville, recently connected with *Becker's* to discuss what private practice could look like 10 years from now.

Dr. Eric Anderson: It's likely that private medical practice will continue to evolve in response to a

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Featured Learning Opportunities

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Here are a few potential changes we might see in the next 10 years:

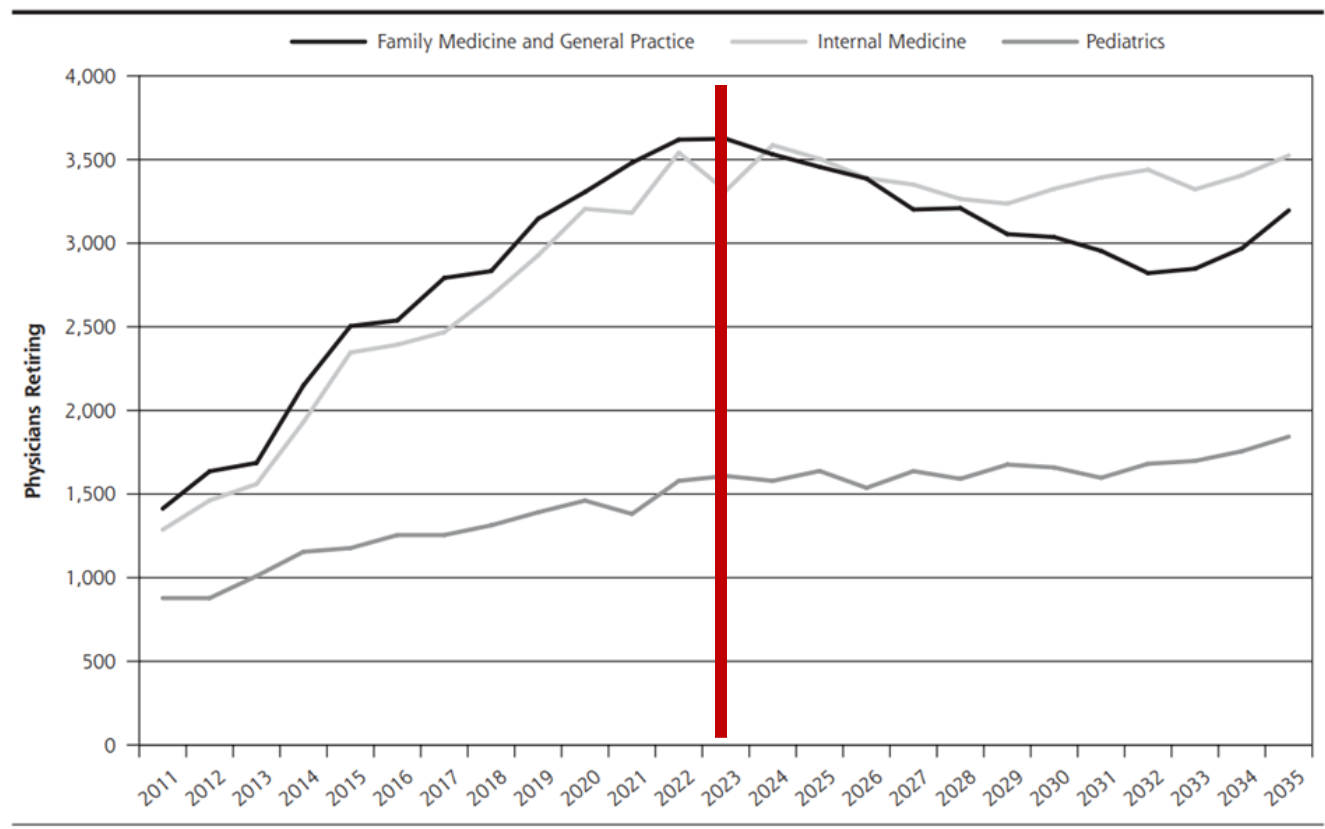
Increase in use and utility of advanced practice providers. Regardless of whether or not you are for or against utilizing nurse practitioners or physician assistants in healthcare, the facts of the matter are there is a continued physician shortage that is worsening. This, coupled with the continued downward trend of the physician fee schedule, creates an environment where advanced practice providers are or become a central part of the healthcare model in this country.

STRATEGIC PERSPECTIVES

INDUSTRY TRENDS INCREASE THE URGENCY

Primary Care Physicians Retirements

Figure 1. Annual projected number of retiring physicians, by specialty type (2011-2035).



* Includes physicians trained in medicine-pediatrics.



SHANNON



Access: Received Family Practice Residency
Certification



Addition of Texas A&M Residency Program



Access: Started Board Certified Neonatal Program

In the first five months since the neonatologist started, 11 families have been able to receive care locally instead of being transferred out of town





Access: Started Psychology Service Line

DR. DOUG SCHULTZ

CHIEF MEDICAL OFFICER



ACHIEVEMENT & SUCCESSES

QUALITY



MAYO CLINIC CARE NETWORK

Quality: Joined the Mayo Clinic Care Network



The graphic features a dark blue rectangular area with a white dotted pattern. The text 'A-GAME' is prominently displayed at the top, with 'A' in green and 'GAME' in white. Below it, the phrase 'in quality and patient safety.' is written in white. At the bottom left of this area, the word 'LEAPFROG' is written in white, accompanied by a small white icon of a frog. To the right of the blue area, there are two large, light green geometric shapes: a triangle pointing upwards and a triangle pointing downwards, both partially overlapping the blue area's right edge.

A-GAME
in quality and
patient safety.
LEAPFROG

Quality: Achieved Leapfrog A



Quality: AHA Awards



Achieved Robotics Center of Excellence Certification



THE AWARD RECOGNIZES SHANNON'S COMMITMENT AND SUCCESS IN IMPLEMENTING A HIGHER STANDARD OF CARE FOR HEART ATTACK PATIENTS AND SIGNIFIES THAT SHANNON

Quality: Platinum Performance Achievement



Quality: Started a Food Pharmacy Pilot



Quality: Instituted a Transitions of Care Pharmacy Program



Center for Improvement

CIHQ

in Healthcare Quality

Quality:
Successful
CIHQ survey!!!



ACHIEVEMENT & SUCCESSES

SERVICE



Our Why..





Great Community Hospitals

2023

BECKER'S
HEALTHCARE

Shannon named Great Community Hospital in
2023 by Becker's Healthcare



Service: Started Hospital Downtown Free Valet Services



Service: Added enclosed golf carts for patients, families, and staff

OUR
SHANNON
WAY



Be A
Good
Human

Reference	Description
Attachment 1c	Shannon Responses to Hearing Comments

Shannon has addressed the items presented in the public comments in the response below. In addition, this response will be shared on www.CareforSanAngelo.com.

Private, Non-profit status

As a locally owned, private non-profit healthcare system, Shannon completes annual Community Benefit reporting and completes the American Hospital Association (AHA) Annual Hospital Survey. In fiscal year 2023, Shannon provided \$67.3 million in charity care to the patients of our region. This compares to approximately \$33 million in 2020, which includes \$3 million from San Angelo Community Medical Center and \$30 million provided by Shannon. This financial contribution would be a burden to the taxpayers of Tom Green County if Tom Green County had a hospital tax. Through the support of The Shannon Trust, Shannon is able to maintain its commitment to patients without a hospital tax. The Shannon Trust is instrumental in providing funding to expand access, technology and modernization of facilities.

Staffing

As of the date of acquisition date in 2020, the total workforce combined between both entities was 3,709. As of September 30, 2023, there are a total of 4,204 employees across the Shannon system.

Staffing shortages are not unique to Shannon and the Shannon leadership continuously works to develop programming and benefits to meet the needs of the Shannon workforce. Additionally, short term travelers are contracted to help fill open positions and offset staffing needs.

To further support recruiting efforts and address staffing needs, Shannon offers a tuition assistance program that will annually invest dollars to support future healthcare professionals. This program is available to local/regional students for these identified clinical professions. As of September 30, 2023, nine have graduated or completed their education program, and 51 are active in the program.

Standards of Care

Through the integration of the providers at the South Campus, Shannon is now working with more than 350 physicians and advanced practice professionals. Maintaining standard of care across the organization includes the existing credentialing requirement of board certification of providers. Prior to the acquisition, Shannon and San Angelo Community Medical Center both had these expectations in their by-laws for many years. Only about 10 of the 350 total providers did not meet this qualification at the time of acquisition. Shannon Leadership worked directly with these individuals to allow adequate time to work towards meeting this standard and to achieve board certification.

Shannon has been CIHQ (Center for Improvement in Healthcare Quality) accredited since 2014. CIHQ is an accredited provider approved by CMS to deem acute care hospitals as meeting Medicare Conditions of Participation.

Shannon has leveraged Healthcare Consulting through the Mayo Clinical Care Network to gain insight and recommendations related to specific processes, such as discharge process, primary care framework, provider onboarding and many others. This opportunity provides best practice information and additional support as new processes or existing opportunities arise.

Access to Care

An internal team of leaders currently reviews access data on a monthly basis. This team is reviewing timeliness of new patients getting into specialty departments based on specified metrics. Based on the data reviewed, strategies are developed related to recruitment and staffing needs by specialty. One current strategy is accessing the options to augment physician access in specific specialty areas through virtual health. In addition, the development of patient navigators continues to expand to further support patients and their continuity of care. The patient navigators also connect patients to discuss plans for treatment options and provide further support for patient care needs.

There is a feature as part of the electronic medical record system known as On My Way that is utilized in the Shannon Urgent Care centers to communicate with patients so they can register and wait elsewhere as well as received updates regarding their place in line and arrival times.