



CITY OF SWEET HOME COMMUNITY HEALTH COMMITTEE AGENDA

May 28, 2025, 4:00 PM
Sweet Home City Hall, 3225 Main Street
Sweet Home, OR 97386

WIFI Passcode: guestwifi

PLEASE silence all cell phones – Anyone who wishes to speak, please sign in.

Mission Statement

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

Meeting Information

The City of Sweet Home is streaming the meeting via the Microsoft Teams platform and asks the public to consider this option. There will be opportunity for public input via the live stream. To view the meeting live, online visit <http://live.sweethomeor.gov>. If you don't have access to the internet you can call in to 971-203-2871, choose option #1 and enter the meeting ID to be logged in to the call. Meeting ID: # 275 806 320 590

Call to Order & Pledge of Allegiance

Roll Call

Approval of Minutes

- a) [2025-04-23 Community Health Committee Meeting Minutes](#)

Recognition of Visitors / Public Comment

Old Business

- a) Health Fair Update
- b) FAC Update

New Business

- a) [Samaritan Girod Birth Center](#)
- b) Rotary Presentation
- c) Physical Therapy Outreach Program
- d) MIKE Student Doctor Leadership Program

Community Partner Presentations

- a) Linn County Mental Health

Committee Business for the Good of the Order

Public & Traffic Safety

Committee Roundtable

Adjournment

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-367-8969.



Community Health Committee Meeting Minutes

April 23, 2025, 4:00 PM

Sweet Home City Hall, 3225 Main Street

Sweet Home, OR 97386

Mission Statement

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

Call to Order & Pledge of Allegiance

The meeting was called to order at 4:00 PM.

Roll Call

PRESENT

Chair Kelsey Ann Wray

Vice Chair Bob Dalton

Committee Member Larry Horton (4:06 PM)

Committee Member Wanda Jones

Committee Member Dick Knowles

Committee Member Shirley Schumacher (4:08 PM)

ABSENT

Committee Member Michael Grenz

STAFF

Cecily Hope Pretty, Deputy City Manager

Adam Leisinger, Special Projects Manager

Sean Morgan, Community Services Officer

Approval of Minutes

- a) 2025-03-19 Community Health Committee Meeting Minutes

Committee Member Knowles moved to approve the minutes of the March 19, 2025 Community Health Committee meeting. Vice Chair Dalton seconded the motion. The motion carried by the following vote:

AYE: Wray, Dalton, Jones, Knowles

NAY: None

ABSENT: Grenz, Horton, Schumacher

Recognition of Visitors / Public Comment

There were no visitors to be recognized.

Old Business

- a) Community Needs Letter

Chair Wray stated that she had been contacted by a member of the news media to discuss the need for warming and cooling shelters and the letters that the Committee distributed regarding community needs. She noted that there are many community resources that are not well-known by community members. She stated that she had received only one response to the letters and requested Committee feedback as to whether she should continue to pursue responses from the recipients.

Committee Member Horton entered at this time.

There was consensus to follow up with the letter recipients to try to get additional responses.

No action was required for this item.

b) Partner Presentations

Chair Wray asked of inviting additional community health partners to present their services. Discussion ensued regarding invitations to Linn County Mental Health, the Family Assistance and Resource Center (FAC), and other partners.

Vice Chair Dalton suggested providing the Committee's annual report and presentation to the Rotary Club.

Committee Member Horton suggested a discussion with local partners on food insecurity.

No action was required for this item.

c) Community Health Fair

Vice Chair Dalton stated he was currently reviewing the previous application and flyer. Deputy City Manager Pretty offered staff assistance with the flyer. Vice Chair Dalton stated that participant applications would be available soon. He stated that he was seeking volunteers to assist with setup for the event.

No action was required for this item.

Committee Business for the Good of the Order

Chair Wray asked that the Committee begin planning the health summit that they planned to host as part of their annual goals.

Committee Member Jones asked if the intent was to focus on a single topic. Chair Wray suggested a narrow focus on either community resources or a specific topic. Discussion ensued regarding potential topics for the summit.

Adjournment

There being no further discussion, the meeting was adjourned at 4:37 PM.

ATTEST:

Chair

City Manager – Ex Officio City Recorder

2024 hospital utilization and financial analysis

Oregon hospitals on the brink

Oregon has a proud history of innovation in health care, leading the nation in efforts to expand access to coverage, control cost growth, and tackle the upstream causes of health conditions.

But the health care system is buckling. Patients can't find doctors or wait months for appointments. Communities are losing health care services. Entire hospitals are at risk of shutting their doors. And federal changes to Medicaid policy could tip some hospitals over the edge.

Hospitals face financial instability that threatens Oregonians' ability to get care.

Around half of the state's hospitals are losing money on operations. More than two thirds of hospitals aren't making enough money to do things that patients expect, like updating facilities and replacing outdated equipment. Expenses have soared while payments from both private insurers and government programs have not kept pace.

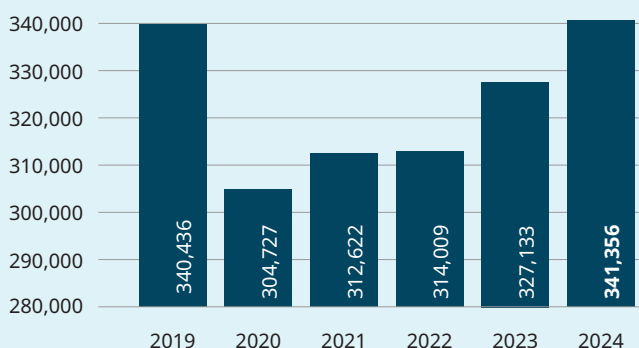
This report provides a snapshot of the financial instability of Oregon hospitals and sheds light on the causes of the growing gap between rising costs and insufficient payments. As policymakers and community leaders consider health care policy in Oregon, this data serves as a foundation for informed decision-making—and a call to action to stabilize a system under strain.

Hospital utilization increases, while losses continue

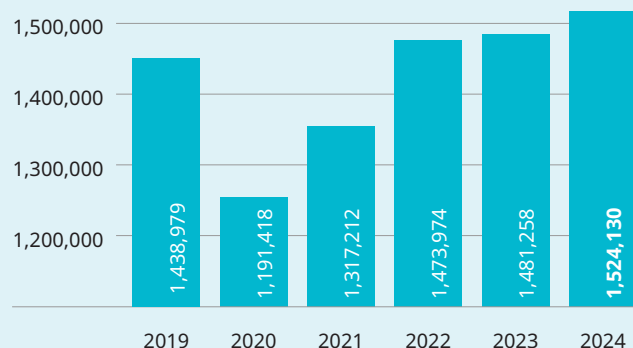
Demand for care is growing in Oregon. To take care of more patients and sicker patients with more needs, hospitals must have sufficient financial resources to add physical capacity, services, and staff. But Oregon hospitals are not getting paid enough to cover the cost of caring for patients and often cannot afford to expand services or staff. For patients, this means difficulty finding a doctor, delayed appointments and procedures, and crowded emergency departments.

Spotlight on 2024

Inpatient discharges eclipse 2019 highs¹



A record-breaking year for emergency room visits²



*"We're seeing more patients than ever before. More patients are seeking care in emergency departments. They're sicker, more complex, and they have more needs, so their visit takes longer."*³

Mary Tanski, M.D., Chair of OHSU's Department of Emergency Medicine

Oregon hospitals have experienced year-over-year losses⁴



What does this mean?

Between 2022 and 2024, Oregon hospitals lost

\$152 million

on patient care.

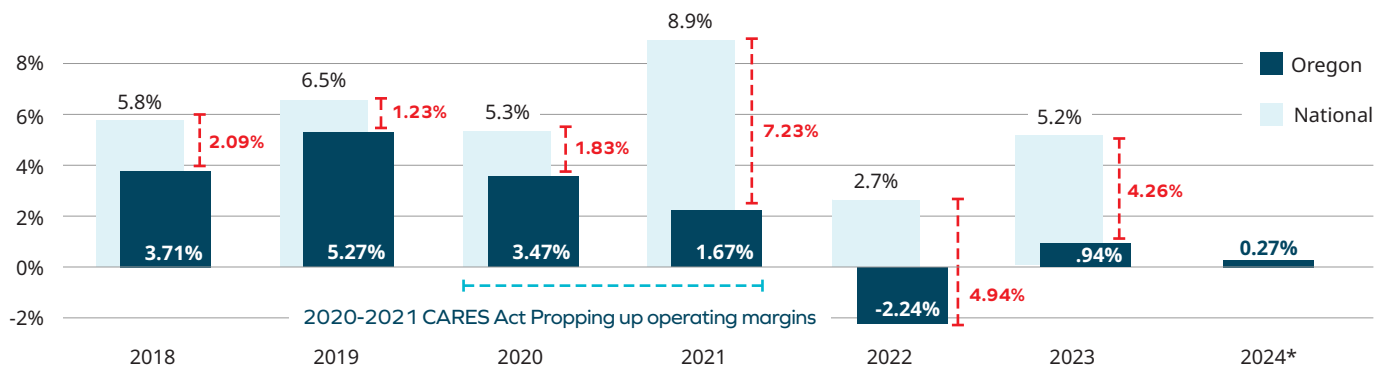


Oregon hospitals' operating margins consistently lag national average

Hospitals must have positive operating margins (the difference between what it costs to provide care and what hospitals receive in payment) to pay staff, maintain facilities, and add or expand services their patients need.

Oregon hospitals' aggregate operating margin over time consistently lags the national average. This means that Oregon hospitals have less money to invest in services, make necessary capital improvements, and replace equipment than their peers nationally. Something unique is happening in Oregon that is putting patient services at risk.

National perspective: Oregon hospitals doing worse than their peers⁵



According to KFF, “positive but relatively modest margins of less than 5%...may signal financial challenges for hospitals.”⁶ In 2024, more than 70% of Oregon hospitals had margins that may signal financial challenges.

In 2024, Oregon hospitals struggled to make ends meet⁷

45%
of hospitals had
negative margins

26%
of hospitals had modest
margins of 0-5%**

29%
of hospitals had 5%+ margins

“It is not sustainable to have 70% of the hospitals in our state operating with negative or negligible margins. Oregon must start bending this curve or we will see a cascade of service closures, hospital consolidations, or hospital closures. Oregon already has the second fewest hospital beds per capita. We can’t afford to lose these beds.”

Becky Hultberg, president and CEO, Hospital Association of Oregon

*2024 national data was not available at the time of publication; **All hospitals in this category had less than 3% margins.

Negative operating environment in Oregon leads to job losses and hospital instability

Not-for-profit hospitals exist to benefit the community, by providing patient care to people today and for generations to come. When hospitals lose money, it jeopardizes their ability to sustain their operations so they can take care of the next generation. In response to these conditions, hospitals have taken a variety of steps to meet the community's needs today and to protect their ability to meet them in the future.

In 2024, hospitals

✗ Cut jobs⁸

In 2024, Oregon hospitals cut more than 800 jobs to stem financial losses.

✗ Sought partnerships⁹

To stabilize their operations, hospitals have sought out new partnerships.

✗ Reduced services¹⁰

or divested themselves from services. Some hospitals have eliminated clinics or services or sold off portions of their business.

Reality on the ground:

"We didn't have a functioning mammogram program for more than a year because we couldn't afford to purchase a new machine, and we had a growing list of women who needed that annual screening.

Like a lot of critical access hospitals, funds are tight. That means that it's difficult to keep up with major investments, like new equipment, that our hospital needs to serve patients. With cancer being the leading cause of death in our community, preventive screenings are essential.

*So, we fundraised. **After hosting two golf tournaments, securing three major grants, and a generous donation from the estate of a community member, we were able to afford this essential equipment.** The new machine has been up and running for three weeks and we've already completed 70 mammograms, with an estimated 500 to be completed this year."*

Kaley Sweet, President,
Lower Umpqua Hospital Foundation
Reedsport, Oregon





Why are Oregon hospitals struggling?



Hospitals' costs to provide care are rising steeply



Payments to hospitals do not cover their cost of providing care



Discharge delays are impacting patients and the hospitals that serve them



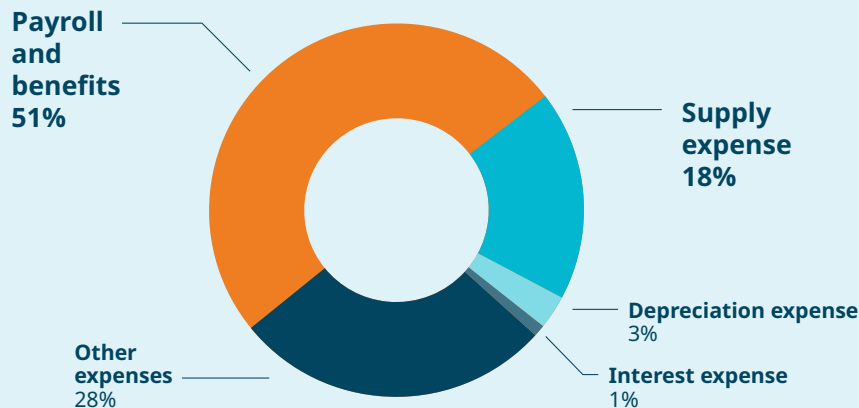
Oregon's regulatory environment is complex and costly



Hospitals' costs to provide care are rising steeply

Together, payroll, benefits, and supply expenses make up 70% of Oregon hospitals' costs. Since 2020, payroll and supply costs have increased more than 40%, far outpacing inflation.

Payroll and benefits are more than half of Oregon hospitals' expenses (2021-2024)¹¹



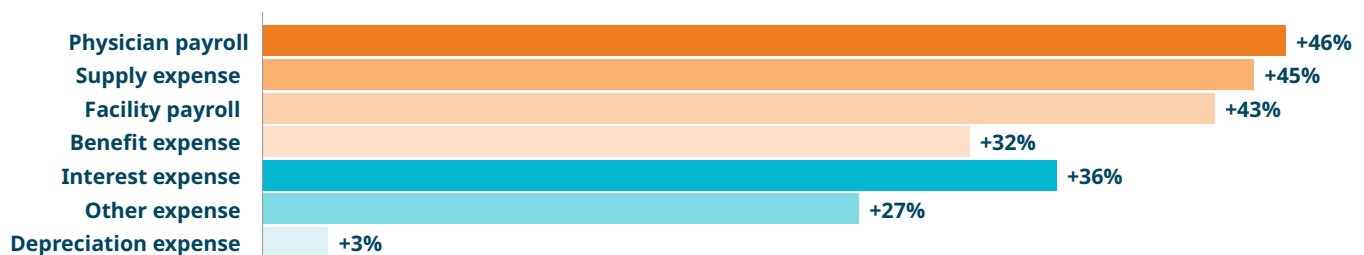
Adjusted for cost of living,

Oregon
nurses have
the highest
hourly
wage in the
nation¹²

*"The core issue is that we have experienced dramatic inflation of our expenses to deliver care. Our supply expenses, pharmaceutical expenses and labor expenses continue to climb higher. **On the revenue side, 75% of our reimbursement comes from governmental payers (Medicare and Medicaid) and we have seen minimal revenue increases.** With expenses far outpacing revenues, the math simply does not work. With this unstable health care environment, it is becoming harder for small, rural independent health care systems to survive."*

Doug Boysen, president and CEO, Samaritan Health Services

Cost increases aren't slowing down (percent change since Q1 2020)¹³



Payments to hospitals do not cover the cost of providing care

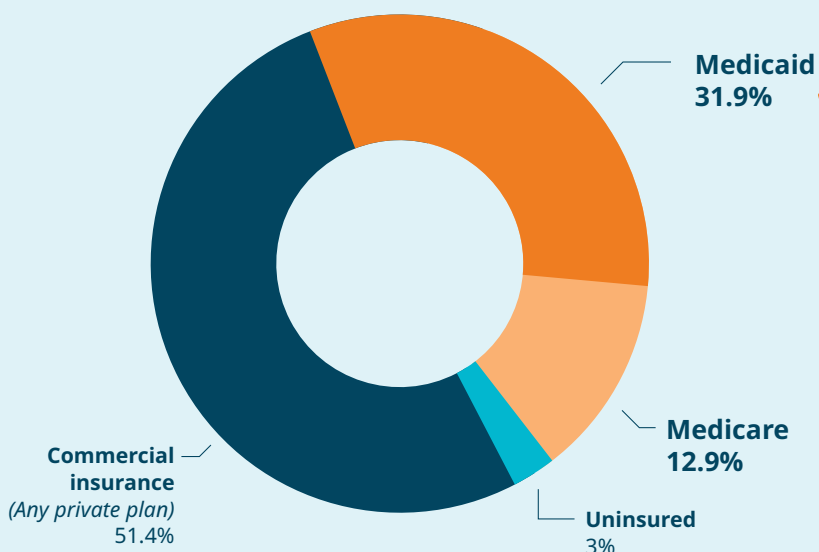
Medicare and Medicaid (also known as the Oregon Health Plan) do not pay hospitals what it costs to provide care. This is significant when considering the high number of people covered by these programs.

Medicaid, for example, covers one in three people in Oregon, including more than half of all children. Nationally, this program covers less than 20% of the population.¹⁴ Oregon has made choices to expand access and provide coverage, but when this coverage is provided by Medicaid, or shifts people from commercial insurance to Medicaid, it deepens the financial challenges of hospitals.

*"We are receiving bare-bones reimbursement for the care we provide. **We once enjoyed a healthy commercial insurance payer mix, and now nearly 85% of our patients are government payers.** While the cost of care and labor has increased in the last 15 years or so, reimbursement has not kept up. We collect fewer dollars in payment for every \$100 charged than we used to collect. We're doing everything we can to secure a strong and sustainable future for Bay Area Hospital."*

Statement to the community, Bay Area Hospital, Nov. 13, 2024¹⁵

Health insurance coverage by type (2023)¹⁶



Why this matters

Medicaid is the largest insurer in the state and **only pays hospitals 56 cents for every dollar spent caring for its members¹⁷**

Medicare pays only **82 cents on the dollar.¹⁸**

Discharge delays are impacting patients and the hospitals that serve them

Oregon has the second lowest number of hospital beds per capita in the nation.¹⁹

With so few beds, Oregon's health care system can't withstand fluctuations in demand. Importantly, when there are delays transitioning a patient from the hospital to the next appropriate level of care, it can cause a cascade of effects impacting patients, their health, and the financial stability of hospitals serving them. It also means that there is no room or staff available for other patients who need care.

The reasons for discharge delays are complex, but they include insurance issues, the lack of an available skilled nursing home bed or community placement, and challenges with housing or the availability of services to support someone at home.

"Every single day in our hospital we have at least 20 of these patients in our health system, taking up beds in the hospital, that don't really need to be there simply because of hurdles in place that make it impossible for us to discharge them to a more appropriate care setting."²⁰

Daniel Davis, Senior Director of Patient Flow, St. Charles Health System

The cost of delay

In 2024, Apprise Health Insights began tracking avoidable days—that is, "extra days patients spend in hospitals (acute care settings) relative to national averages due to clinical or discharge related delays."²¹ Often insurance does not pay hospitals for caring for patients when they are in the hospital longer than is clinically necessary.

In 2024:

**patients spent 81,124
avoidable days²²**

in Oregon hospitals.

Oregon hospitals lost

more than \$324.7 million²³

due to discharge delays.

Oregon's regulatory environment is complex and costly, diverting scarce resources away from patient care

Oregon hospitals must comply with a complex web of federal, state and local regulations. This requires dedicated staff time, technological supports, and other "costs of compliance." These costs compete for scarce resources, often coming at the expense of patient care, even if the regulation has no direct patient benefit.

Nationally, administrative costs account for more than

40% of total expenses

hospitals incur in delivering care to patients.²⁴

In Oregon, the state has created more than

2,000 rules

specific to acute care inpatient hospitals.²⁵

In recent years, the state of Oregon has created or expanded a number of programs, oversights, and regulations that make our state's regulatory environment even more expensive and complex, such as the Health Care Market Oversight program, hospital staffing law, financial assistance law, and Cost Growth Target program.

"Oregon has made legitimate choices about how we finance and regulate health care. At times, however, it feels like decisions are made without any concern for the cost of implementation."

Hospitals must be able to sustain their operations, and the crushing impact of the state's regulatory environment is making that increasingly difficult, if not impossible. The state needs a coherent and patient-centered vision for health care and a regulatory framework that supports that vision."

Becky Hultberg, president and CEO, Hospital Association of Oregon



Endnotes

¹ Apprise Health Insights, 2025

² Apprise Health Insights, 2025

³ [OHSU News, OHSU roundtable: Understanding, addressing Oregon's hospital capacity crisis](#), March 14, 2025

⁴ Apprise Health Insights, 2025

⁵ Oregon data: Apprise Health Insights, 2025

National data: [KFF, Hospital Margins Rebounded in 2023, But Rural Hospitals and Those With High Medicaid Shares Were Struggling More Than Others](#), Dec. 18, 2024

⁶ [KFF, Hospital Margins Rebounded in 2023, But Rural Hospitals and Those With High Medicaid Shares Were Struggling More Than Others](#), Dec. 18, 2024

⁷ Apprise Health Insights, 2025

⁸ Multiple sources, including [OHSU to cut more than 500 jobs \(June 7, 2024\)](#); [Asante Oregon system lays off 3% of staff \(Feb. 12, 2024\)](#)—cuts 200 jobs; [Samaritan Health Services lowers executive pay, reduces workforce \(Sept. 16, 2024\)](#)—cuts 80 jobs; [CHI Mercy: Restructuring eliminates 18 positions at CHI Mercy Health, Centennial Medical Group](#); [Oregon hospital plans layoffs amid RCM outsourcing](#) (April 23, 2024)—Bay Area Hospital cuts 27 jobs

⁹ [Oregon Health Authority, HCMO Transactions and Reviews](#)

¹⁰ Multiple sources, including [Providence to spin off its in home health care with for-profit venture](#) (Oct. 22, 2024), [Adventist Health Tillamook Announces Clinic Closures in Sheridan, Welches and Lincoln City](#) (March 2024), [Legacy Medical Group announces closure of Woodburn clinic](#) (Oct. 22, 2024)

¹¹ Apprise Health Insights, 2025

¹² [Becker's Hospital Review, RN pay by state, adjusted for cost of living](#), April 2, 2025

¹³ Apprise Health Insights, 2025

¹⁴ [US Census Bureau, Health Insurance Coverage in the United States: 2023 Current Population Reports, Issued September 2024, page 3 Figure 1](#)

¹⁵ [Bay Area Hospital, Statement to the community, Nov. 13, 2024](#)

¹⁶ Oregon Health Authority, Primary Coverage by Insurance Type (2024)

¹⁷ Apprise Health Insights, 2025

¹⁸ [American Hospital Association, Medicare Reimbursement Hits Historic Low](#), Jan. 10 2024

¹⁹ [KFF, Hospital Beds per 1,000 Population by Ownership Type \(2022\)](#)

²⁰ Oregon legislature: Senate Health Care Committee, Testimony in support of SB 296 (discharge delays), Feb. 11, 2025

²¹ Advisory Board, Data Primer: Avoidable Hospital Days

²² Apprise Health Insights, 2025

²³ [KFF, State health facts: Hospital Adjusted Expenses per Inpatient Day](#), Oregon, 2022 data

²⁴ [American Hospital Association, Skyrocketing Hospital Administrative Costs, Burdensome Commercial Insurer Policies Impacting Patient Care](#), September 2024

²⁵ Oregon Association of Hospitals & Health Systems/Pacific University, Cost Burden: Evaluating the Financial Impact of Oregon State Regulatory Compliance on Oregon Hospitals and Health Systems Report, published 2019





An Open Letter to Our Colleagues, Leaders & Community

May 23, 2025

As I wrap up my first week as CEO of Samaritan Health Services, I want to take a moment to speak directly and plainly. There's been a lot of talk this week — some of it based on incomplete information. So let me be clear about what's happening, why it matters and how we're moving forward.

Health care in Oregon is in a tough spot. According to the Hospital Association of Oregon, half the health systems in our state are operating at a loss. That's not sustainable. Reimbursement from government payers is shrinking, even as more people rely on those programs. At the same time, the health challenges our patients face are more complex than ever.

Costs are rising — driven by inflation, staffing shortages and new regulations. It's a simple but brutal equation: expenses are up, and revenue is down.

All across our industry, we're being asked to do more with less — see more patients, provide more services, stretch farther. And while those of us in health care will always do our best to serve, no system or caregiver can keep stretching indefinitely without strain.

Samaritan is not immune. We've stepped up time and again to meet growing needs — expanding access, adding services, recruiting specialists and stepping in when other community providers have needed support. And we've been open about the financial pressure we're under.

But what hasn't changed is why we're here: to serve. As a nonprofit rooted in this region for more than a century, our mission is simple and unwavering: Building healthier communities together.

That work continues — and in many ways, it's just beginning. Across our system, teams of clinicians and leaders are asking hard questions and thinking boldly about what a strong, sustainable Samaritan should look like in the future. This isn't about quick fixes or sudden changes. No decisions have been made, and no changes to services are being implemented. In addition, no timeframe has been set to develop a plan or implement changes. The ideas we're exploring still need to be tested, shared, improved and aligned with what our community needs — not just this summer, but for the long term.

This is a pivotal moment. Health care is changing. If we want Samaritan to be here for the next 100 years, we must adapt. And we can't do that alone.

To our legislators: We need your partnership to ensure fair reimbursement and investment in the systems that keep our communities healthy.

To the media: Help us tell the full and accurate story of what health care in Oregon is really facing.



To our community: Stand with us. Your support allows us to keep showing up when you need us most.

And to our employees: You are the heart of Samaritan. We are committed to supporting you, so you can keep doing the work you were called to do.

Building healthier communities is not a slogan — it's a shared responsibility. Let's move forward together.

With appreciation,
Marty Cahill President & CEO
Samaritan Health Services