

2025 Year in Review

Good Health Starts With Great Care®



OLMSTED
MEDICAL
CENTER

Our Mission

Partnering for better health and better lives.

Our Vision

Patient-centered. Community-focused. Future-oriented.

Our Core Values

Our patients are our highest priority.

Our people are the key to our success.

Our communities are our source of inspiration.

2025 Year in Review



Contents

| | |
|---|----|
| Message to Our Community | 2 |
| Patient Service Activities | 4 |
| Financial Benefit to Our Community | 5 |
| Giving Back to the Communities OMC Serves | 6 |
| Community Health Needs Assessment Report | 7 |
| Milestones and Meaningful Results | 8 |
| Quality Department Updates | 14 |
| 2025 OMC Department Chairs | 16 |
| Retired Contract Clinicians..... | 16 |
| New Contract Clinicians | 17 |
| 2025 OMC Board of Trustees..... | 18 |
| 2025 OMC Regional Foundation Board of Directors | 18 |
| 2025 OMC Senior Administrative Team | 19 |

Message to Our Community

We are pleased to present OMC's Year in Review. This report highlights our involvement in our communities as well as provides a snapshot of accomplishments for 2025.

As we look back on the past year, we are proud of the care we provided and our commitment to being patient-centered, community-focused, and future-oriented.

Since the doors opened in 1949, we have been committed to ensuring our patients are our highest priority. In 2024, we celebrated 75 years of providing exceptional care in southeastern Minnesota, and Olmsted Medical Center continues to partner and walk alongside our patients to help them live their healthiest lives. We believe that every patient has a right to be healthy and deserves to be treated with respect, and we are always striving to improve the patient experience.

We are committed to being part of the communities we serve and believe they are our source of inspiration. We continually show our commitment through the contribution of staff time and talent, in-kind resources, and financial assistance. During 2025, OMC's community investment advisory council approved financial support of over \$200,000 for 134 local and regional organizations throughout southeastern Minnesota.

We are committed to being future-oriented. As an organization, we are always learning and looking for ways to improve our care, offer new services, and invest in new technologies and innovations.

Improving the delivery of healthcare through technology and planning for a future expansion of services were highlights of 2025. We invite you to read more about these and other recognitions in this report.

Olmsted Medical Center (OMC) continues to advance patient-centered care through meaningful improvements in access, quality, and clinical innovation. In 2025, the introduction of robotic-assisted surgery expanded precision and surgical capacity, contributing to significant growth in overall surgical volumes and the addition of new procedures such as nephrectomy. Patients benefited from expanded specialty services—including neurology, pain management, and cardiology—as well as enhanced care models like psychiatric telehealth and remote patient monitoring. Investments in diagnostic technology, including a new CT scanner and expanded imaging services, improved access and efficiency. Preventive care and whole-person health also remained a priority, with strong performance in immunizations, chronic disease management, and nutrition programs that measurably improved patient outcomes.

We are patient-centered.

OMC's commitment to the community is reflected in its continued expansion of services, partnerships, and programs that address both medical and social needs. Growth in Owatonna and our Rochester Northwest Clinic has brought a wide range of services closer to home, from primary care and urgent care to specialty services and advanced imaging. Community-based initiatives such as the Harvesting Health and Food as Medicine programs helped reduce food insecurity while improving health behaviors and outcomes for hundreds of individuals. Expanded mental health services, including new providers and innovative treatment options, are increasing access to care for patients of all ages. Partnerships with local organizations and first responders, along with inclusive offerings like drive-thru and sensory-friendly vaccination clinics, demonstrate OMC's focus on meeting people where they are.

We are community-focused.

OMC is building for the future through strategic investments in technology, workforce development, and operational transformation. Achieving Most Wired Level 7 recognition highlights the organization's leadership in leveraging technology to improve care delivery, supported by systemwide upgrades, digital tools, and enhanced patient engagement platforms. Workforce initiatives including new care models, training programs, and provider recruitment are strengthening teams and supporting long-term sustainability. Population health efforts continue to drive measurable impact, generating record shared savings while improving preventive care and care coordination. At the same time, thoughtful planning around facility growth, service line expansion, and care delivery models ensures that OMC is well-positioned to meet evolving healthcare needs. Through innovation and continuous improvement, OMC is shaping a stronger, more connected future for the patients and communities it serves.

We are future-oriented.

OMC is grateful for the support of our patients, community partners, benefactors, and staff. We are committed to continuing to provide our patients with the exceptional, personalized care they have come to expect.



James Hoffmann, DO
President

James Hoffmann, D.O.



Tim W. Weir, FACHE
Chief Executive Officer

Tim Weir

Patient Services Activities – 2025

| | |
|-------------------------------------|---------------|
| Total Patients Served | 86,815 |
| Clinician Visits | 381,674 |
| Hospital Patient Days | 7,285 |
| Hospital Admissions | 2,800 |
| Births | 917 |
| Surgical Procedures | 5,331 |
| Emergency Department Visits | 25,605 |
| Rehabilitation Therapy Procedures | 89,743 |
| MRI Procedures | 3,699 |
| CT Procedures | 11,421 |
| Laboratory Procedures | 547,281 |
| Number of Physicians and Clinicians | 297 |
| Number of Employees | 1,526 |
| Number of FTEs | 1,170 |
| Average Years of Service | 8.1 years |
| Employee Turnover Rate | 16.92% |
| Total Net Operating Revenue | \$320,112,388 |
| Total Operating Expenses | \$319,393,325 |

Fiscal Year 2025

Financial Benefit to Our Community

| | |
|---|----------------------|
| Community Benefit Contributions | |
| Total Operating Expenses | \$319,393,325 |
| Charity Care Allowances Measured at Cost | \$1,444,956 |
| Estimated costs in excess of payments for treating Medicaid patients | \$28,972,079 |
| Medical Assistance Surcharge | \$1,297,453 |
| Minnesota Care Tax | \$4,139,161 |
| Financial Contributions | \$219,037 |
| Total Costs of Community Benefits (as defined by CHA/VHA guidelines) | \$36,072,685 |
| Estimated costs in excess of payments for treating Medicare patients | \$51,993,425 |
| Bad Debt Expense | \$11,589,496 |
| Taxes and Fees | \$1,490,259 |
| Sub Total | \$65,073,180 |
| Total Value of Community Contributions | \$101,145,865 |
| Percentage of Operating Expenses | 31.67% |

Fiscal Year 2025



Giving Back to the Communities OMC Serves

As a 501(c)3 non-profit organization, OMC actively supports southeastern Minnesota's health and wellness efforts through the contribution of staff time/talent, in-kind resources, and financial assistance. In 2025, our community contributions made up 31.67% of our annual operating expenses (\$319,393,325) supporting our commitment to be an active, contributing partner in the communities we serve.

Another way OMC actively supports community health is through its partnership with Olmsted County Public Health Services, Mayo Clinic, and other community-service organizations as we work together to implement the action plan based on our collaborative Community Health Needs Assessment (CHNA). You'll find more details about our CHNA-related activity on page 8.

OMC's community investment advisory council approved direct financial support for 134 local and regional organizations delivering education, civic, health and wellness, human service, arts and culture, and youth/fitness and safety programs throughout southeastern Minnesota. Our support for those community organizations remains consistent with the way our employees continued to reach out to their own communities by volunteering.

Community Health Needs Assessment Progress

The Community Health Needs Assessment process is about improving the health and wellbeing of residents in Olmsted County. Every three years the community conducts a health needs assessment to determine Olmsted County's leading health priorities, formulate a plan to address the needs, and publish an annual progress report. Olmsted County Public Health, Mayo Clinic, and Olmsted Medical Center engage with diverse partners across our community to lead this process.

While Olmsted County Public Health Services (OCPHS) long has conducted regular assessments of health indicators in order to inform its operational priorities, the 2010 Affordable Care Act established a federal requirement that hospitals also conduct a community-based health needs assessment (CHNA) and related action plan once every three years.

To arrive at a true community-based health needs assessment, Olmsted Medical Center collaborated with OCPHS and Mayo Clinic. These organizations have a long history of cooperation and collaboration with each other, as well as with other community partners, in addressing local health issues. During 2022, the joint CHNA and related action plan identified three top community health needs: mental health, drug use, and access to care.

Required under the federal CHNA mandate is annual documentation of progress toward addressing those community health priorities and collaboration with our community partners. OMC continues to coordinate the efforts of all of the involved health providers and agencies in their work on the major community health priorities as determined by the health needs assessment. A key goal will be to integrate mental health, medical care, and social services for those individuals who have multiple chronic medical and mental health problems and who are frequent and high-cost visitors to emergency departments, hospitals, and clinics. OMC has developed an action plan specific to our patient base to address these same priorities. While there are some aspects of the community priorities that are beyond the scope of OMC's mission and resources, OMC participates in many community-wide efforts to try and address those issues. OMC's documented progress on the community health needs focus areas is available online at www.olmmed.org/about/community-involvement/.



Milestones and Meaningful Results

Our reputation as southeastern Minnesota's premier hometown healthcare provider continues to grow. We regularly earn recognition from the Minnesota Department of Health for our ongoing efforts in support of the state's patient safety initiatives.

OMC again is pleased to share its performance and activities in the following important categories in 2025.

Technology and Digital Transformation

- Rolled out the Da Vinci Robotic Surgical System (Rosie), completing 202 robotic surgeries from April through December.
- Transitioned Minnesota Department of Health's Newborn Screening Program to an electronic process, improving timeliness and efficiency.
- Implemented psychiatric telehealth, expanding access in the Emergency department and inpatient units.
- Upgraded the organization to Windows 11, strengthening security and modernizing infrastructure.
- Achieved Most Wired Level 7 designation by College of Healthcare Information Management Executives (CHIME) for both inpatient and ambulatory care—the organization's first time at this level.
- Continued enhancements to the digital patient experience, including eCheck-in kiosks, online scheduling, and text-based appointment outreach.



Quality, Safety, and Clinical Excellence

- Initiated the Collaborative Learning for Postpartum Hemorrhage quality improvement project with Minnesota Perinatal Quality Collaborative (MPQC).
- Earned the UCare “A Salute to Excellence!” award for overall performance in quality of care.
- Demonstrated strong performance in American Medical Group Association’s (AMGA) Rise to Immunize campaign, exceeding collaborative benchmarks across multiple vaccine categories.
- Enhanced patient relations staffing model, increasing access to patient advocates and improving responsiveness.

Surgical, Specialty, and Orthopedic Services

- Completed 5,357 surgical cases, an increase of 504 surgeries year-over-year.
- Opened another operating room, expanding surgical capacity.
- Recruited two urologists and successfully performed OMC's first nephrectomy.
- Continued expansion of Mohs surgery, significantly increasing procedural volumes.
- Added new specialty providers across Neurology, Pain Management, and Sports Medicine, expanding services and procedures.
- Introduced new pain management procedures previously unavailable at OMC.

continued on next page

Milestones and Meaningful Results (continued)

Workforce Development and Wellbeing

- Launched a Bridge Program for new registered nurse (RN) hires, supporting skill development by transitioning Emergency department nurses through Medical-Surgical (Med Surg).
- Implemented a nocturnist model on Med Surg through Compass to improve patient care coverage and provider support.
- Continued cross-training of staff and development of lower-cost clinical assistant roles.
- Strengthened leadership through dyad models, focusing on patient outcomes and provider productivity.

Expansion and Facility Growth

- Continued momentum on the Owatonna Clinic and ambulatory surgery center (ASC) project, alongside ongoing provider recruitment (orthopedic surgeon, obstetrician/gynecologist, primary care).
- Completed the Rochester Northwest Clinic expansion, adding Neurology and Nephrology and expanding multiple service lines.
- Completed the Rochester Southeast Clinic laboratory remodel, the first since 1969.
- Expanded footprint at Greenview location, planning for Ear, Nose, and Throat (ENT) and Audiology, and expanded Ophthalmology services at Rochester Southeast Clinic.

Primary and Specialty Care

- Achieved strong growth in primary care volumes, supporting downstream service utilization.
- Successfully recruited numerous physicians and advanced practice clinicians, with many starting in 2025.
- Improved care delivery through eCheck-in adoption and workflow efficiencies.
- Expanded specialty services including Dermatology, Neurology, Cardiology, and Pain Management.
- Increased Cardiology performance initiatives, including a Heart Failure Performance Excellence Team and new patient registry.

Sports Medicine and Athletic Performance

- Added a Sports Medicine/Physiatry provider, generating over 600 visits within months of starting.
- Expanded tactical strength training partnerships with police, fire, and sheriff departments.
- Enhanced programming within Athletic Performance, focusing on increased utilization and service offerings.

Pharmacy and Pain Management

- Expanded pain management services, including hiring new providers and introducing advanced procedures.
- Identified cost-saving opportunities in Medication-Assisted Treatment (MAT) Clinic drug screening, transitioning to a more cost-effective testing model with projected annual savings exceeding \$500,000.

Active Aging and Social Services

- Expanded mental health services, including new psychiatry providers and child psychologists.
- Advanced plans to add transcranial magnetic stimulation (TMS) for depression treatment.
- Developed the (Program to Encourage Active, Rewarding Lives for Seniors) PEARLS program for older adults experiencing depression.
- Increased access to Guiding Partners to Solutions (GPS) social workers and Active Aging services.
- Implemented Edinburgh postpartum depression screening education for new mothers.
- Created stress-reduction care packages tied to social determinants of health screening.

Community Health and Access to Care

- Expanded virtual care access, including use during Acute Care wait times.
- Vaccinated over 1,300 patients through drive-thru clinics, improving access and convenience.
- Continued sensory-friendly vaccination clinics, supporting inclusive care delivery.
- Enhanced clinician education on virtual care delivery best practices.

Milestones and Meaningful Results (continued)

Nutrition, Food Access, and Preventive Health

- Delivered the Harvesting Health Program in partnership with Southeast Minnesota Food Rescue and Redistribution (SEMNFR):
 - Served 190 households (511 individuals) with 2,518 food boxes
 - Reported strong outcomes in nutrition, healthy behaviors, and reduced food insecurity
- Completed Food as Medicine Program, providing nearly 80 food boxes to patients in need.
- Demonstrated measurable improvements in BMI and A1C among participants.

Ancillary Services (Radiology, Lab, and Diagnostics)

Radiology

- Added advanced imaging capabilities in Owatonna, expanding access beyond Rochester.
- Increased CT volume by ~200 scans per month following new scanner implementation.
- Expanded radiology coverage with on-site and remote radiologists across time zones.
- Transitioned to new mammography equipment (Hologic).

Laboratory

- Expanded lab services in Owatonna, supporting future ASC operations.
- Continued investment in lab and pathology equipment, reducing reliance on external labs and improving turnaround times.
- Initiated planning for future lab and pathology expansion.



Owatonna Market Growth and Performance

- Continued strong growth and service expansion in Owatonna, with active service lines including Family Medicine, Urgent Care, Obstetrics and Gynecology, Psychiatry, Pain Management, Cardiology, Laboratory, Radiology, and Rehabilitation Services.
- Delivered substantial patient volumes across services, demonstrating community demand and access expansion.
- Advanced strategic hiring and service line development to support long-term regional growth.

As we look ahead, our mission remains the same: partnering for better health and better lives as we expand access, enhance patient care, and support our staff. Investments in technology, research, and workforce development will ensure we continue to meet the evolving needs of our community – just as we have for over 75 years.

Together, we honor our history and embrace the future of healthcare.



Quality Department Updates

Olmsted Medical Center received a 4-star Overall Hospital Rating from the Centers for Medicare and Medicaid Services (CMS) for quality of care. CMS assigns star ratings to over 4,500 United States hospitals based on quality in seven areas: mortality, safety of care, readmission, patient experience, effectiveness of care, timeliness of care, and efficient use of medical imaging. The star ratings come from a survey called the HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems) survey. This random sample survey asks recently discharged patients about their hospital care experience based on various measures. Star ratings have been developed for all of the HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems) measures. These are then combined into the overall star rating.

Overall star rating



Patient survey rating



The overall star rating is based on how well a hospital performs across different areas of quality, such as treating heart attacks and pneumonia, readmission rates, and safety of care.

The patient survey rating measures patients' experiences of their hospital care. Recently discharged patients were asked about important topics like how well nurses and doctors communicated, how responsive hospital staff were to their needs, and the cleanliness and quietness of the hospital environment.

- Patients who reported that their nurses always communicated well:
OMC = 80% (national avg = 80%, MN avg = 83%)
- Patients who reported that their doctors always communicated well:
OMC = 78% (national avg = 80%, MN avg = 83%)
- Patients who reported that the staff always explained about medicines before giving it to them:
OMC = 64% (national avg = 62%, MN avg = 65%)
- Patients who reported that their room and bathroom were always clean:
OMC = 81% (national avg = 74%, MN avg = 76%)
- Patients who reported that the area around their room was always quiet at night:
OMC = 61% (national avg = 60%, MN avg = 68%)
- Patients who reported that yes, they were given information about what to do during their recovery at home:
OMC = 88% (national avg = 87%, MN avg = 89%)
- Patients who gave their hospital a rating of 9 or 10 on a scale from 0 (lowest) to 10 (highest):
OMC = 81% (national avg = 72%, MN avg = 77%)
- Patients who reported yes, they would definitely recommend the hospital:
OMC = 80% (national avg = 71%, MN avg = 75%)
- Average time patients spent in the emergency department before being discharged:
OMC = 124 minutes
(national average = 170 minutes, MN average = 133 minutes)

2025 OMC Department Chairs

Mark Wilbur, MD

Chairperson

Tamara Alexandrov, MD

Musculoskeletal

Natalie Braun, MD

BirthCenter and Obstetrics and Gynecology

Vidhan Chandra, MD

Surgery Specialties

Jeffrey Gursky, MD

Psychiatry and Psychology

Maral Kenderian, MD

Primary Care and Specialty Services

David Lowe, MD

Medical Subspecialties

Katie McKenzie, MD

Family Medicine - Branch Clinics

John Renelt, MD

Emergency Medicine

Melissa Richards, MD

Hospital and Surgical Services

Volha Rudnik, MD

Pediatrics

Hugh Smith, MD

Radiology

Hugh Smith, MD

Laboratory and Pathology

Amanda Thoendel, MD

Adult Primary Care - Rochester

Robert (Mac) Wrenn, MD

Anesthesiology

Retired Contract Clinicians

Srdan Babovic, MD

Plastic Surgery

Lindy Hankel, MD

Family Medicine

Kathryn Lombardo, MD

Psychiatry

New Contract Clinicians

Ahmad Al-Anii, MD

Family Medicine

Matthew Beeson, MD

Family Medicine

Ryan Birkland, DO

Pain Management

Jacob Carolan, MD

Neurology

Taylor Christian, MD

Emergency Medicine

Jennifer Clement, MD

Family Medicine

Hillary Fitzgerald, MD

Active Aging Services

Heidi Gaston, DO

OB GYN

Lilianne Gloe, PhD, LP

Psychiatry and Psychology

John Halerz, MD

Family Medicine

Noal Hart, MD

Radiology

Maheen Hashmi, OD

Optometry

Matthew Hupy, MD

Ophthalmology

Anees Khan, MD

Sleep Medicine

Steven Mahnke, MD

Emergency Medicine

Jay Myers, MD

Emergency Medicine

Blake Novy, MD

Psychiatry and Psychology

Elizabeth Olive, MD

Urology

Alexandr Pinkhasov, MD

Urology

Colin Rock, MD

Pain Management

Arthur Simon, MD

Family Medicine

Marissa Swanson, PhD, LP

Psychiatry and Psychology

Eric Twohey, MD

Sports Medicine

Shirley Zardoost, DO

Family Medicine

2025 Olmsted Medical Center Board of Trustees

James Hoffmann, DO

President

Tim W. Weir, FACHE

Chief Executive Officer

Pam Bishop

Public Trustee

Cassie Harrington

Public Trustee

Maral Kenderian, MD

Clinic Trustee

Keith Kleis, DO

Clinic Trustee

Mike Malugani

Public Trustee - Chair

Justin McNeilus

Public Trustee

Carole Nistler, MD

Public Trustee

Don Supalla

Public Trustee

Amanda Thoendel, MD

Clinic Trustee

Michael Tuohy

Public Trustee - Vice Chair

Corenia Walz

Public Trustee

Mark Wilbur, MD

Chief Medical Officer

2025 OMC Regional Foundation Board of Directors

Tyler Coleman

Sterling State Bank

Dan Christianson

F & M Community Bank

James Hoffmann, DO

Olmsted Medical Center

Denise Kelly

Community Volunteer

Mike Malugani

CohnReznick

David Oeth

Community Volunteer

Lilia Ponton, MD

Olmsted Medical Center

Dharani Ramamoorthy

Xylo Technologies

Marie Zabel Stelling

Peoples State Bank

Stacey Vanden Heuvel

OMC Regional Foundation

Tim W. Weir, FACHE

Olmsted Medical Center

2025 OMC Senior Administrative Team



James Hoffmann, DO
President



Tim W. Weir, FACHE
Chief Executive Officer



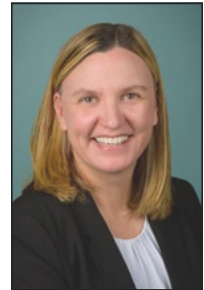
Mark Wilbur, MD
Chief Medical Officer



Robert Cunningham
Chief Operating Officer



Kevin Higgins
Chief Financial Officer



Wendy Scheckel
Chief Information Officer



Katie Snow
Chief Nursing Officer



Stacey Vanden Heuvel
Vice President, Marketing
and Philanthropy



OLMSTED
MEDICAL
CENTER

210 Ninth Street SE, Rochester, MN
www.olmstedmedicalcenter.org