

# CASE STUDY

## Muni News

### MULTI-YEAR WARNING

By harnessing the power of data collection, Natural Language Processing (NLP) and other AI techniques, you can glean insights into emerging issues with municipal obligors (and associated muni bonds at the CUSIP level). Our AI-driven content enables businesses to make sense of the overabundance of news and other unstructured data sources in real-time.

**CASE IN POINT - Palomar Health**, based in Escondido, CA, experienced credit rating downgrades from both Moody's and Fitch in December 2024. Fitch went on to downgrade them a second time a few months later in March 2025. For BondWave [Muni News](#) users monitoring this obligor, these developments came as no surprise. Over the past few years, our platform identified and highlighted several key risk indicators—including persistent staffing shortages, increased competition, a significant data breach, and ongoing financial distress. These events served as early warning signs, underscoring the value of proactive monitoring of your investment portfolio.

BondWave surveils all U.S. muni obligors and provides early warnings on material changes. You can use our AI platform to monitor and analyze hundreds of thousands of articles a day, simplifying research processes from 10 hours down to as little as 10 minutes. And that research is made more fruitful by revealing trends and educated predictions.

**WHY BONDWAVE?** With 150+ years of combined experience across our team and a suite of solutions that continuously evolve to keep pace with the ever-changing fixed income landscape, we help our clients solve problems, make informed investment decisions, efficiently manage their fixed income business, and grow their assets.

How much can you save clients by knowing emerging issues weeks earlier?  
Learn more or request trial access at <https://bondwave.com/contact-us/>

**Months before the Palomar Health downgrade, BondWave Muni News users knew there was going to be trouble**

#### Timeline of events

DATE	ARTICLE HEADLINES	EVENT
04/12/23	Palomar Health launches \$100,000 nurse incentive and recruitment program	Staff Shortages
07/31/23	Palomar Health says it's not worried about new Kaiser hospital opening next month in San Marcos	Competition from Kaiser
11/04/23	Palomar Health Board Member Sues Palomar Health on First Amendment Grounds	Lawsuit
11/15/23	Palomar Health to explore big management changes	Management Changes Needed
12/08/23	Palomar Health CEO Promised Big Financial Gains But Fell Short	Poor 2023 Performance
02/26/24	San Diego's Palomar Health placed on Moody's review for downgrade	Review for Downgrade
02/29/24	North County Report: Palomar Health Is Making Big Management Moves	Outside Management Firm Enlisted
04/05/24	Palomar Health closing behavioral health unit in Poway	Shutting Down Unit
05/13/24	Palomar Health Announces Cyber Attack, Raising Patient Concerns of Possible Data Breach	Data Breach
06/13/24	Escondido Dem Club Dumps Palomar Health Board Members Amid Fear of Privatization	Loss of Support
09/27/24	Palomar Health, Graybill split following cybersecurity event: 9 things to know	Loss of Service Agreement
11/25/24	Signs of financial distress visible at Palomar Health	Financial Distress
12/02/24	PALOMAR HEALTH: Moody's Cuts Revenue Rating to B2, Placed on Review	<b>Moody's Downgrade</b>
12/19/24	Fitch Downgrades Palomar Health's (CA) IDR to 'B' and GO's to 'BBB-'; Ratings on Neg Watch	<b>Fitch Downgrade</b>
03/19/25	Palomar Health's Fitch rating falls further into junk	<b>Fitch 2nd Downgrade</b>