



2023-05-17 Regular Meeting of the Truckee Surgery Center Board of Managers

Wednesday, May 17, 2023 at 12:15 p.m.

Tahoe Forest Hospital - Human Resources Conference Room

10024 Pine Avenue, Truckee, CA 96161



2023-05-17 Regular Meeting of the Truckee Surgery Center Board of Managers

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No related materials.

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11. ADJOURN



TRUCKEE SURGERY CENTER REGULAR MEETING OF THE BOARD OF MANAGERS

AGENDA

Wednesday, May 17, 2023 at 12:15 p.m.
Human Resources Conference Room – Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

2. ROLL CALL

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

4. INPUT – AUDIENCE

This is an opportunity for members of the public to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES ♦

5.1. 03/08/2023 Regular Meeting ATTACHMENT

5.2. 04/03/2023 Special Meeting ATTACHMENT

6. ITEMS FOR BOARD ACTION ♦

6.1. Amended and Restated Operating Agreement of Truckee Surgery Center, LLC ♦ ATTACHMENT

Truckee Surgery Center Board of Managers will review proposed changes to the Amended and Restated Operating Agreement of Truckee Surgery Center, LLC.

6.2. Policies with Changes ♦

Truckee Surgery Center Board of Managers will review the following policies with proposed changes:

6.2.1. Emergency Operations Plan (EOC-1902) ATTACHMENT

6.2.2. Quality Assessment & Performance Improvement - QAPI Plan (QA-2002) ATTACHMENT

6.2.3. Credentialing & Privileging Licensed Independent Practitioners (MS-1903) ATTACHMENT

6.3. High Blood Pressure Discharge Instructions ♦ ATTACHMENT

Truckee Surgery Center Board of Managers will review and consider approval of discharge instructions explaining blood pressure.

7. ITEMS FOR BOARD DISCUSSION

7.1. Financial Reports

Truckee Surgery Center Board of Managers will review the following financial reports:

7.1.1. Q3 FY23 Financial Statement..... ATTACHMENT

7.1.2. Surgical Notes Dashboard..... ATTACHMENT

7.2. Coding Review Report

Truckee Surgery Center Board of Managers will review the First Quarter 2023 Coding Review Report.

7.3. Facility/Equipment Update

Truckee Surgery Center Board of Managers will receive an update on facility and equipment needs.

8. CLOSED SESSION

8.1. Approval of Closed Session Minutes ◆

03/08/2023

8.2. Hearing (Health & Safety Code § 32155)

*Subject Matter: ACHC Deficiency Assessment Report
Number of items: One (1)*

8.3. Hearing (Health & Safety Code § 32155) ◆

*Subject Matter: First Quarter 2023 Infection Control Data Summary
Number of items: Five (5)*

8.4. Hearing (Health & Safety Code § 32155) ◆

*Subject Matter: First Quarter 2023 Quality Assurance Performance Improvement Data
Number of items: Nine (9)*

8.5. Hearing (Health & Safety Code § 32155) ◆

Subject Matter: Medical Staff Credentials Report

9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

10. ITEMS FOR NEXT MEETING

11. ADJOURN

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



TRUCKEE SURGERY CENTER REGULAR MEETING OF THE BOARD OF MANAGERS

DRAFT MINUTES

Wednesday, March 8, 2023 at 12:00 p.m.
Human Resources Conference Room – Tahoe Forest Hospital
10024 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 12:00 p.m.

2. ROLL CALL

Board of Managers: Harry Weis, Louis Ward, Crystal Felix, Dr. Jeffrey Dodd

Staff in attendance: Courtney Leslie, Truckee Surgery Center Administrator; Jan Iida, Chief Nursing Officer; Karla Weeks, Administrative Director of Surgical Services

Via phone: Heidi Fedorchak

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT – AUDIENCE

No public comment was received.

5. APPROVAL OF MINUTES OF: 12/05/2022

ACTION: Motion made by Dr. Jeffrey Dodd, to approve Truckee Surgery Center Board of Manager meeting minutes of December 5, 2022 as presented, seconded by Louis Ward.

AYES: Dodd, Felix, Ward, Weis

Abstention: None

NAYS: None

Absent: None

6. ITEMS FOR BOARD ACTION

6.1. New Policy Review

Truckee Surgery Center Board of Managers reviewed the following new policies:

6.1.1. Patient Capacity-Competency (GOV-2204)

This is a new policy for Truckee Surgery Center (TSC).

Motion will be made to include all policies.

6.2. Policies with Significant Changes

Truckee Surgery Center Board of Managers reviewed the following policies that have significant changes:

6.2.1. Fire Safety in the Perioperative Setting (EOC-1911)

6.2.2. Reporting Test Results (LAB-1906)

Reporting Test Results (LAB-1906) policy has been edited to drop COVID testing requirement.

CFO asked if there is any desire to include risk statements in TSC policies. Courtney Leslie, TSC Administrator, noted the staff is not trained in writing risk statements and will follow up with Janet Van Gelder.

ACTION: Motion made by Dr. Jeffrey Dodd, to approve items 6.1.1., 6.2.1. and 6.2.2. as presented, seconded by Louis Ward.

AYES: Dodd, Felix, Ward, Weis

Abstention: None

NAYS: None

Absent: None

7. ITEMS FOR BOARD DISCUSSION

7.1. Financial Reports

Truckee Surgery Center Board of Managers reviewed the following financial reports:

7.1.1. Q2 FY23 Financial Statement

TSC Administrator reviewed the second quarter financials.

TSC needs to bring in more cases and revenue. Purchased services, including Optum and Chancellor, are over budget. Preventative maintenance has been high due to HVAC issues and repairs.

Anthem continues to be difficult to work with. Anthem would not agree to a one-year agreement.

CFO noted a draw was done last week.

7.1.2. Surgical Notes Dashboard

TSC Administrator reviewed the month end dashboard provided by the new billing company.

There is an issue with 60+ day. TSC believes there are a handful of cases that were mailed to Medbridge.

Case volumes dropped off significantly in January as expected. Currently at 65 days in Accounts Receivable. Days to bill is currently at seven.

COO asked about the cases for May. The gross charges were high. Discussion was held about orthopedic physician assistants bringing in additional cases.

Pediatric dentistry is bringing on an additional dentist which should increase their case volume.

7.2. Semi-Annual Contracted Services Review

Truckee Surgery Center Board of Managers conducted a semi-annual review of contracted services.

EHIM and IIS Benefits scored low and not meeting expectations. The services will be cancelled once the old Blue Shield plan is reinstated. TSC continued to have issues with linen services.

Water delivery also score low. Dylan Crosby has since corrected the delivery issue.

7.3. Facility/Equipment Update

Truckee Surgery Center Board of Managers received an update on facility and equipment needs.

Air Handling Unit above patient restroom has been installed.

Operating Room 2 air handler was repaired. An environmental hygienist was scheduled to investigate air quality.

The generator failed on January 31, 2023 which caused all cases to be canceled on February 1, 2023. It was a transfer switch issue and has been repaired.

TSC has ongoing high temperature issues related to CAMCO's chiller not being run properly. When TSC calls for cooling, it sends 75 degree heat. TSC is awaiting an update from the District's Facilities department and CAMCO. Patients and families complain of high temperatures in the lobby.

TSC continues to experience issues with equipment unreliability. The towers are very outdated and becoming obsolete. Recently, three of six scopes were out for repair. Repairs are expensive and the equipment quality is poor. Physicians have become more vocal about the poor image quality the system provides.

The accreditation window is open. TSC expects the surveyors to arrive any day.

7.4. Staffing Update

Truckee Surgery Center Board of Managers received an update on staffing.

Hayley Riggins has accepted the part time housekeeping/patient care tach position. She started beginning of January.

Open Session recessed at 12:22 p.m.

8. CLOSED SESSION

8.1. Approval of Closed Session Minutes

12/05/2022

Discussion was held on a privileged item.

8.2. Hearing (Health & Safety Code § 32155)

Subject Matter: Nerve Block Audit Report

Number of items: One (1)

Discussion was held on a privileged item.

8.3. Hearing (Health & Safety Code § 32155)

Subject Matter: 2022 Performance Improvement Project

Number of items: One (1)

Discussion was held on a privileged item.

8.4. Hearing (Health & Safety Code § 32155)

Subject Matter: Fourth Quarter 2022 Infection Control Data Summary

Number of items: Five (5)

Discussion was held on a privileged item.

8.5. Hearing (Health & Safety Code § 32155)

*Subject Matter: Fourth Quarter 2022 Ambulatory Surgery Center Association (ASCA)
Clinical Benchmarking Survey*

Number of items: One (1)

Discussion was held on a privileged item.

8.6. Hearing (Health & Safety Code § 32155)

Subject Matter: Fourth Quarter 2022 Quality Assurance Performance Improvement Data

Number of items: Six (6)

Discussion was held on a privileged item.

8.7. Hearing (Health & Safety Code § 32155)

Subject Matter: 2022 Culture of Safety Survey

Number of items: One (1)

Discussion was held on a privileged item.

8.8. Hearing (Health & Safety Code § 32155)

Subject Matter: 2022 Annual Quality Report

Number of items: One (1)

Discussion was held on a privileged item.

8.9. Hearing (Health & Safety Code § 32155)

Subject Matter: 2023 Utility Risk Assessment

Number of items: One (1)

Discussion was held on a privileged item.

8.10. Hearing (Health & Safety Code § 32155)

Subject Matter: 2022-2023 Hazard and Vulnerability Assessments

Number of items: Two (2)

Discussion was held on a privileged item.

8.11. Hearing (Health & Safety Code § 32155)

Subject Matter: Medical Staff Credentials Report

Discussion was held on a privileged item.

Open Session reconvened at 12:42 p.m.

9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

Items 8.1. and 8.11. were approved on a 4-0 vote. There was no reportable action on items 8.2. through 8.10.

10. ITEMS FOR NEXT MEETING

-linen services and alternatives

11. ADJOURN

Meeting adjourned at 12:44 p.m.

DRAFT



TRUCKEE SURGERY CENTER SPECIAL MEETING OF THE BOARD OF MANAGERS

DRAFT MINUTES

Monday, April 3, 2023 at 12:00 p.m.

Human Resources Conference Room – Tahoe Forest Hospital
10024 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 12:00 p.m.

2. ROLL CALL

Board of Managers: Harry Weis, Louis Ward, Dr. Jeffrey Dodd

Staff in attendance: Courtney Leslie & Heidi Fedorchak of Truckee Surgery Center; Sarah Jackson, Executive Assistant

Absent: Crystal (Betts) Felix

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

No changes were made to the agenda.

4. ITEMS FOR BOARD ACTION

4.1. Policies to be Retired

Truckee Surgery Center Board of Managers reviewed the following policies to be retired:

4.1.1. COVID-19 Screening of Patients- Employees and Vendors (IC-2002)

Discussion was held.

ACTION: Motion made by Dr. Jeffrey Dodd, to retire COVID-19 Screening of Patients- Employees and Vendors (IC-2002) policy as presented, seconded by Louis Ward.

AYES: Dodd, Ward, Weis

Abstention: None

NAYS: None

Absent: Felix

4.2. Policies with Significant Changes

Truckee Surgery Center Board of Managers reviewed the following policies that have significant changes:

4.2.1. Isolation Precautions (IC-1915)

Discussion was held.

ACTION: Motion made by Dr. Jeffrey Dodd, to approve Isolation Precautions (IC-1915) policy as presented, seconded by Louis Ward.

AYES: Dodd, Ward, Weis

Abstention: None
NAYS: None
Absent: Felix

5. ADJOURN

Meeting adjourned at 12:01 p.m.

DRAFT

**AMENDED AND RESTATED
OPERATING AGREEMENT**

OF

TRUCKEE SURGERY CENTER, LLC

**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
TRUCKEE SURGERY CENTER, LLC**

This Amended And Restated Operating Agreement (this “**Agreement**”) of Truckee Surgery Center, LLC, a California limited liability company (the “**Company**”), is entered into as of June 3, 2019 (the “**Effective Date**”), by and among the Company and Tahoe Forest Hospital District, a California local health care district (the “**District**”).

RECITALS

A. On January 12, 2010 (the “**Formation Date**”), Articles of Organization for the Company were filed with the California Secretary of State. Truckee Surgery Center, Inc. (the “**Corporation**”) were the Members of the Company as of the Formation Date and the District later gained majority share purchased through Truckee Surgery Center, LLC.

B. On or about December 15, 2010, the Corporation adopted the prior Operating Agreement of the Company (the “**Prior Operating Agreement**”).

C. Effective October 25, 2018, the District purchased all of the Membership Interests of the Corporation in the Company, and became the sole Member of the Company.

D. District, as a general partner is currently in the process of selling a 1% ownership interest to Dr. Jeff Dodd.

D. Section 15.13 of the Prior Operating Agreement provides that the Prior Operating Agreement may be amended by Members holding at least two-thirds (2/3’s) of the issued and outstanding Units of the Company.

E. The District holds one hundred percent (100%) of the outstanding Units of the Company.

NOW, THEREFORE, the District by this Agreement wishes to set forth this Amended and Restated Operating Agreement for the Company under the laws of the State of California upon the terms and subject to the conditions of this Agreement

**ARTICLE I
DEFINITIONS**

When used in this Agreement, the following terms shall have the meanings set forth below:

“**Act**” means the California Beverly-Killea Limited Liability Company Act, as amended from time to time.

“**Adjusted Capital Account**” shall mean, with respect to any Member, such Member’s Capital Account, adjusted as follows:

(a) credit to such Capital Account any Capital Contributions that the Member is unconditionally obligated to make and any amounts that a Member is deemed obligated to contribute pursuant to the penultimate sentence of both Regulations Section 1.704-2(g)(1) and Regulations Section 1.704-2(i)(5); and

(b) debit to such Capital Account the items described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

“**Affiliate**” of a specified Person shall mean a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified. As used in this definition, the term “**control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such specified Person, whether through ownership of voting securities, by contract or otherwise.

“**Agreement**” means this Operating Agreement, as amended from time to time.

“**Ambulatory Surgical Center**” shall mean any clinic or health facility (as defined under Section 1200 or 1250 of the California Health and Safety Code, respectively) owned by the Company and operated for the primary purpose of performing surgery on an outpatient basis and either: (i) operating under a license from the California Department of Health Services or the California Department of Public Health (or any successor agency); or (ii) lawfully operating without a license.

“**Articles**” means the Articles of Organization filed with the California Secretary of State on January 12, 2010, as amended or restated from time to time.

“**Available Cash Flow**” means all cash funds of the Company in excess of such amounts that the Board, in its reasonable discretion, determines are appropriate to hold in reserve, in light of the Company’s debts and other obligations coming due and its contemplated capital investment and replacement, but not, in any event, in an amount in excess of ninety (90) days cash on hand (with “**days cash on hand**” as of any time meaning the quotient obtained by dividing the Company’s cash and cash equivalents as of such time by the Company’s “average daily expenses,” with “**average daily expenses**” being the quotient obtained by dividing (a) the Company’s aggregate operating expenses for the fiscal year most recently, as reflected on the Company’s accrual method financial statements for such year, by (b) the number of days in such year).

“**Board**” shall have the meaning given to such term in Section 10.1 hereof.

“**Capital Account**” means, with respect to any Member, the account maintained by the Company for such Member in accordance with Section 7.6 of this Agreement.

“**Capital Contribution**” means, in respect of any Member, all money and other property contributed by such Member to the capital of the Company.

“**Code**” means the Internal Revenue Code of 1986, as amended, or any corresponding provisions of succeeding law in effect at such time.

“**Company**” shall have the meaning given to such term in the opening paragraph of this Agreement.

“**Company Minimum Gain**” shall have the meaning given to the term “partnership minimum gain” in Section 1.704-2(d) of the Regulations, treating the Company as a partnership.

“**Facility**” shall mean, collectively, all properties, tangible and intangible, collectively comprising the Ambulatory Surgical Center operated by the Company at 10770 Donner Pass Road, Suite 201, Truckee, California, 96161, and any other Ambulatory Surgical Center that the Company may operate in the future.

“**Fiscal Year**” shall have the meaning given to such term in Section 14.3.

“**Manager**” shall have the meaning given to such term in Section 10.1.

“**Material Breach**” shall have the meaning given to such term in Section 11.3.

“**Member**” means the District and each other Person admitted to the Company as a “member,” as that term is defined in the Act. “**Members**” refers to all such Persons, collectively.

“**Member Minimum Gain**” shall have the meaning give to the term “partner nonrecourse debt minimum gain” in Section 1.704-2(i) of the Regulations, treating the Company as a partnership and a Member as a partner.

“**Member Nonrecourse Deductions**” shall have the meaning given to the term “partner nonrecourse deductions” in Regulations Section 1.704-2(i), treating the Company as a partnership and a Member as a partner.

“**Nonrecourse Deductions**” shall have the meaning given to such term by Section 1.704-2(b)(1) of the Regulations, treating the Company as a partnership.

“**Person**” means an individual, trust, estate, corporation, partnership, limited partnership, limited liability company, unincorporated association, governmental unit or other entity or association.

“**Physician**” shall a person licensed under California law as a physician and surgeon or otherwise lawfully able to perform the services of a licensed physician and surgeon in California.

“**Profits**” and “**Losses**” means, for each Fiscal Year, an amount equal to the Company’s taxable income or loss for such Fiscal Year, determined in accordance with Code Section 703(a) (but, for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be aggregated each year into a single amount of taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be subtracted from such taxable income or loss;

(c) If there is a:

(1) distribution of Company property (other than money) to a Member,
or

(2) a contribution to the capital of the Company by a new or existing Member or there is a distribution of Company property to a Member in consideration for the issuance or redemption of a Unit or Units, other than a de minimis amount in either case;

then, to the extent and in the manner reasonably determined by the Board, the Company shall restate the value of each and every item of Company property on the books and records of the Company to equal the fair market value thereof as of such date, and the unrealized gain or loss that would have been realized had the property been sold at fair market value in a taxable transaction shall be allocated among the Members as though there had been a taxable transaction and otherwise in accordance with Section 1.704-1(b)(2)(iv)(e) and (f) of the Treasury Regulations;

(d) If the book value of any item of Company property differs from the Company’s adjusted tax basis in such item of property, whether as a result of the contribution of property, a revaluation of the Company property pursuant to Paragraphs (c) or (d) of this definition of “Profits” and “Losses” or otherwise, items of income, gain, loss, depreciation, and other deductions respecting such item of property shall be calculated for purposes of determining Profits or Losses with respect to the Book Value of such property in a manner consistent with Section 1.704-1(b)(2)(iv)(g) of the Treasury Regulations; and

(e) Any items which are specially allocated pursuant to Section 9.3 hereof shall not be taken into account in computing Profits or Losses.

“**Regulations**” means the income tax regulations promulgated under the Code and codified at Title 26 of the Code of Federal Regulations, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“**Supermajority Approval**” shall mean, with respect to any matter to come before the Board for decision, the approval of not less than two-thirds (2/3’s) of the Managers then in office.

“**Territory**” means and includes the Counties of Placer and Nevada in the State of California and the County of Washoe in the State of Nevada, and any other county in which the Company owns and operates an Ambulatory Surgical Center.

“**Unit**” shall have the meaning given to such term in ARTICLE VI.

ARTICLE II ORGANIZATION

21 Formation and Purpose of Agreement. The Company was formed by the filing of its Articles in the office of the California Secretary of State. The Company and its sole Member hereby enter into this Agreement for the purpose of replacing the Prior Operating Agreement with this Agreement. As of the Effective Date, the Prior Operating Agreement is terminated, is replaced in its entirety by this Agreement, and has no further force or effect. In consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the rights and obligations of the parties and the administration and termination of the Company shall be governed by this Agreement, the Articles and the Act. To the extent that any provision of this Agreement is inconsistent with the Articles, the Articles shall control, and, to the extent that any provision of this Agreement is inconsistent with the Act, but not the Articles, the provisions of this Agreement shall control to the extent permitted by the Act.

22 Name. The name of the Company is “Truckee Surgery Center, LLC.” The business of the Company shall be conducted under that name or such other name as the Board may determine in accordance with ARTICLE X.

ARTICLE III PRINCIPAL PLACE OF BUSINESS

3.1 Principal Place of Business. The principal place of business of the Company is located at 10770 Donner Pass Road, Suite 201, Truckee, California, or at such other place as the Board may from time to time designate pursuant to ARTICLE X.

3.2 Agent for Service of Process. The Board shall designate an individual or other legally qualified person to serve as agent for service of process for the Company, to serve at the pleasure of the Board, provided that there always shall be one person who has been so designated.

ARTICLE IV BUSINESS

41 Business. The Company is organized and shall be operated for the purpose of owning and lawfully operating the Facility as a Medicare-certified and/or accredited ambulatory surgery center that principally performs musculoskeletal surgery and related anesthesia services, all consistent with the purposes of the District of furthering the health care of the community. For this purpose, the Facility shall be deemed to principally perform musculoskeletal surgery and related anesthesia services during a given period of time if 80% or more of the procedures performed at the Facility during such period consist of any combination of orthopedic surgery, spinal surgery, hand surgery, podiatric surgery or anesthesia or pain management procedures. However, notwithstanding the foregoing statement of purposes, the Company, in fulfilling such purposes, may engage in, undertake and perform any and all acts and do all things that a limited liability company organized under the Act may lawfully engage consistent with this Agreement and the Articles. Any references herein to any Ambulatory Surgery Center other than the Facility

is not intended, and shall not be construed, to indicate or imply any an intent on the part of the parties hereto to acquire, develop or otherwise own another Ambulatory Surgery Center.

42 Compliance With Laws. The Members shall cause the Company and all of their relationships and dealings with the Company at all times to comply, to the extent applicable, with all laws, including, without limitation, all laws governing the ownership of interests in the Company by its Members, the operations and activities of public agencies of the State of California, the so-called Anti-Kickback Statute and the so-called Stark Act. If legal counsel to the Company determines, or if a Member, based on the advice of its legal counsel, determines either that the Company, or any aspect of its operations or activities, fails to comply with law or causes any Member to fail to comply with law, then any Member may provide notice of the same to all Members, and the Members thereupon shall in good faith-meet and confer and use commercially reasonable best efforts to find and implement a mutually satisfactory remedy to such noncompliance. If, after good faith efforts, the Members are unable to find a mutually satisfactory remedy to such noncompliance, any Member (the “**Electing Member**”) may, by notice to the other Members, elect to cause the Company to redeem the Units then held by the Electing Member pursuant to the procedures specified in Section 11.3(a), provided, that the non-Electing Members, by vote of a majority of the Units outstanding other than the Units then held by the Electing Member, may thereupon elect to dissolve the Company pursuant to ARTICLE XII hereof, rather than redeem the Units of the. Electing Member. An election to cause the dissolution of the Company shall be effective only if notice to such effect is given to all Members within sixty (60) days of the Electing Member’s notice of election to cause the redemption of its Units.

ARTICLE V TERM

The Company’s existence commenced on the date of the filing of the Articles and shall continue indefinitely until liquidated and dissolved pursuant to ARTICLE XII of this Agreement.

ARTICLE VI MEMBERSHIP INTERESTS; UNITS

The interest of a Member: (i) in the Profits and Losses of the Company; (ii) in distributions of Company money and other property (except upon liquidation); and (iii) in exercising voting rights shall be represented by units (“**Units**”), all as provided in greater detail below. There shall be no fixed number of Units, and the Board may issue additional Units from time to time.

ARTICLE VII CAPITAL CONTRIBUTIONS: CAPITAL ACCOUNTS; ADDITIONAL MEMBERS

71 Member Capital Contributions and Ownership. Each Member’s Capital Contribution, Ownership of Units and percentage interest in the Company are set forth in Exhibit A attached hereto, which Exhibit A shall be revised to reflect any additional Members and any additional Capital Contributions made by Members.

72 Additional Capital Contributions; Additional Members. Subject to Section 10.1(e) hereof, in the event that the Board determines at any time (or from time to time)

that the Company requires additional funds for or in respect of its business or to pay any of its obligations, expenses, costs, liabilities or expenditures, then the Board may, in its discretion:

(i) approve additional Capital Contributions by the Members (evidenced by the issuance of additional Units, issued at their then fair market value, as established by the Board), (ii) authorize and direct the Company to borrow all or part of such additional funds; or (iii) authorize and direct the Company to sell additional Units at the fair market value thereof to such Person or Persons as the Board reasonably may determine, and admit such Persons as Members of the Company. If any Member fails to contribute its pro rata share of any such additional funds pursuant to clause (i) of this Section 7.2 (a “**Non-Contributing Member**”), each Member who has made its additional contribution shall be offered a pro rata opportunity to either:

(a) Make the additional contribution that the Non-Contributing Member failed to make and to be issued Units for such additional contribution as aforesaid;

(b) Make a loan to the Company in such amount, repayable with interest on the outstanding principal balance accruing monthly at the annual interest rate of two percentage points (2%) in excess of the Prime Rate shown in the Money Rates Section of the Wall Street Journal on the first business date of the month in which such loan is made, which loan shall be repayable prior to any distribution made with respect to Units, but only when and as the Company has Available Cash Flow therefor, provided that any such loan, if not previously repaid, shall be repaid not later than sixty (60) months from the date advanced; or

(c) Any combination of (a) and (b).

The Board may offer the opportunity to Members to make additional Capital Contributions and/or loans pursuant to the immediately preceding sentence until it has raised additional funds equal to the amount that all Non-Contributing Members failed to contribute.

73 Limited Liability. A Member shall not be bound by, or personally liable for, the expenses, liabilities or obligations of the Company, except as provided in the Act or as otherwise provided by applicable law. Notwithstanding the foregoing, in the event that a Member guarantees the Company’s obligations under a loan or other agreement, the Member would be liable under the guaranty according to its terms.

74 Withdrawal of Capital Contributions. No Member shall have the right to withdraw or reduce its Capital Contribution. No Member shall have the right to demand or receive property other than cash in return for its Capital Contribution, and no Member shall have priority over any other Member, either as to the return of Capital Contributions or as to allocations of Profits, Losses, or distributions, except as expressly provided otherwise in this Agreement.

75 Creation and Maintenance of Capital Account. The Company shall establish and maintain a Capital Account for each Member for the full term of the Company, which Capital Account shall be increased by such Member’s Capital Contribution and allocations of Profits and items thereof to such Member and decreased by distributions and allocations of Losses and items thereof to such Member and otherwise maintained in accordance with the capital account maintenance rules of Regulations Section 1.704-1(b)(2)(iv). In the event the Board determines that the manner in which the Capital Accounts have been maintained fails to comply with the

standards of the Regulations Section 1.704-1(b), the Board may make such modifications as the Board determines are necessary to cause the Capital Accounts to be consistent with the standards of the Regulations. In the event a Member transfers an interest in the Company in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor Member to the extent it relates to the transferred interest.

7.6 No Assessments; No Negative Capital Account Make-up. No Members shall be obligated to make any additional Capital Contributions or loans to the Company. Notwithstanding any other provision in this Agreement or any inference from any provision in this Agreement, no Member shall have an obligation to the Company, to the other Members or to third parties to restore a negative Capital Account balance during the existence of the Company or upon the dissolution or termination of the Company.

ARTICLE VIII EXPENSES OF THE COMPANY

8.1 Transactions With Members and Affiliates. Subject to Section 10.1(e)(ix), the Company may contract and otherwise transact business with Members and Affiliates of Members.

ARTICLE IX ALLOCATION OF PROFITS AND LOSSES; CASH DISTRIBUTIONS

9.1 Profits. After giving effect to the special allocations set forth in Section 9.3 for each Fiscal Year, Profits for any Fiscal Year shall be allocated as follows:

(a) First, to and among the Members in proportion to and to the extent of the amount equal to the excess, if any, of: (i) the cumulative Losses allocated to each such Member's (or such Member's predecessor in interest) pursuant to Section 9.2 for all prior Fiscal Years; over (ii) the cumulative Profits allocated to each such Member (or such Member's predecessor in interest) pursuant to this Section (a) for all prior Fiscal Years.

(b) Second, to and among the Members in proportion to the number of Units held by each.

9.2 Losses. After giving effect to the special allocations set forth in Section 9.3 for each Fiscal Year, Losses for any Fiscal Year shall be allocated as follows:

(a) First, to the extent that each Member has a positive Adjusted Capital Account balance, to and among the Members in proportion to the number of Units held by each:

(b) Second, to the extent that any Member has a positive Adjusted Capital Account balances, to and among such of the Members with a positive Adjusted Capital Account balance, to the extent thereof, in proportion to the number of Units held by each such Member; and

(c) Then, to and among all Members in proportion to the number of Units held by each.

93 Special Allocations. Prior to the determination or allocation of Profits or Losses in any Fiscal Year, items of income, gain, loss, expense and deduction shall be allocated to and between the Members as set forth below, to the extent applicable:

(a) Nonrecourse Deductions shall be allocated to and among the Members in proportion to the number of Units held by each.

(b) Member Nonrecourse Deductions shall be allocated to those Members who bear the economic risk of loss with respect to the liability to which such items are attributable in accordance with Section 1.704-2(i) of the Regulations.

(c) If there is a net decrease in Company Minimum Gain in any fiscal year, determined in accordance with Section 1.704-2(f) and related provisions of the Regulations, Members shall be allocated items of income or gain in the amount and in the proportions specified in such Section 1.704-2(1) and related provisions.

(d) If there is a net decrease in Member Minimum Gain in any fiscal year, each Member having a share of such Member Minimum Gain shall be allocated items of income or gain in the amount and in the proportions specified in Section 1.704-2(0)(5) of the Regulations.

(e) If a Member unexpectedly receives an adjustment, allocation, or distribution described in Paragraph (4), (5) or (6) of Section 1.704-1(b)(2)(ii)(d) of the Regulations that creates or increases a deficit balance in such Member's Adjusted Capital Account (determined after first tentatively applying Section 9.2 as though this Section (e) were not applicable), then, to the extent that there are then other Members with positive Adjusted Capital Account balances, the Member with the deficit Adjusted Capital Account balance shall be allocated items of income or gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate such excess deficit as quickly as possible, but without creating or increasing a deficit Adjusted Capital Account balance for any other Member. In the event there is an allocation of income or gain to a Member pursuant to this Section (e) in any fiscal year, then in subsequent years, to the extent possible without once again causing the application of this Section (e), income or gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such years) shall be allocated to other Members so that the net amount of Profits, Losses and other items of income, gain, loss and expense allocated to each Member equals, to the extent possible, the amounts thereof that would have been allocated to each Member pursuant to the provisions of this ARTICLE IX without regard to this Section (e).

94 Tax Allocations: Code Section 704(c). Except as is otherwise provided in this Section 9.4, the taxable income or loss of the Company for any taxable year, together with each item of income, gain, loss, deduction, or credit that is separately stated for income tax purposes, shall be allocated to and among the Members in the same proportions that Profits or Losses are allocated for such year, increased or decreased by items of income, gain, loss, or expense that are separately allocated pursuant to Section 9.3 of this Agreement. Notwithstanding the foregoing, in the event Company property is reflected in the Members' Capital Accounts at a value that differs from the Company's adjusted tax basis for the property, whether as a result of the contribution of property, a revaluation of Company property or otherwise, items of gain, loss, and expense derived

from the property for purposes of determining taxable income or loss shall be allocated to and among the Members for tax purposes in a manner consistent with the requirements of Section 704(c) Code and the Regulations thereunder, notwithstanding any other provision of this Agreement. Unless the Members otherwise agree, the Company shall use the method identified as the “traditional method” in the Treasury Regulations for complying with the principles of Section 704(c) of the Code,

95 Distributions of Available Cash Flow. Subject to ARTICLE VIII, the Company shall distribute any Available Cash Flow, as determined by the Board in its reasonable discretion, to the Members as follows:

(a) The Company shall distribute Available Cash Flow to and among the Members in proportion to the number of Units held by each at the time of distribution; provided, that if the Company sells its assets in exchange, in whole or in part, for an obligation to pay in the future, the Company shall distribute Available Cash Flow attributable to payments of principal and interest on any such note to and among the Members in proportion to the number of Units held by each at the time of the sale giving rise to such note. To the extent commercially reasonable, the Board shall cause distributions to be made pursuant to this Section (a) on a monthly basis.

(b) Notwithstanding the foregoing, except to the extent that the Company would be rendered unable to pay its obligations as they come due, the Company shall distribute cash to each Member quarterly, but not later than at such times that federal individual estimated income tax payments are due and payable, in an amount equal to one-fourth (1/4) of forty percent (40%) of the Board’s estimate of such Member’s allocable share of Company Profits for the Fiscal Year with respect to which paid. If the Board’s estimate of a Member’s allocable share of Company Profits changes from one distribution to the next, the amount distributed to the Member pursuant to this clause (b) shall be adjusted, upwards or downwards as appropriate, to offset any overages or shortfalls in prior distributions resulting from such changed estimates. The amount of any distributions otherwise required hereunder shall be offset by any distributions made pursuant to clause (a) of this Section 9.5 in the same quarter.

ARTICLE X MANAGEMENT OF THE COMPANY

10.1 Managing Board. The Managing Board exercises oversight for all ASC activities. The Managing Board assumes full legal responsibility for the determining, implementing, and monitoring policies governing the ASC’s total operation. The Managing Board has oversight and accountability for the quality assessment and performance improvement program, ensures that the facility policies and procedures are administered so as to provide quality healthcare in a safe environment, responsibility of medical staff matters including credentialing and peer review, authority over contracts, and develops and maintains a disaster preparedness plan.

(a) Except as otherwise expressly set forth herein, the business and affairs of the Company shall be managed and all Company powers shall be exercised by or under the direction of a “**Board of Managers**” (each member of such Board of Managers, a “**Manager**” and all Managers collectively, the “**Board**”), which, as a body, shall have the authority of a “**manager**,” as that term is defined in the Act.

(b) The Board shall consist of three (3) Managers. The Managers shall be as set forth on Exhibit B hereto. Subsequent Managers shall be elected by the Members.

(c) If the District is the only Member, the selection, term and removal of Managers shall be governed by this Section (c):

(i) The District shall appoint the Managers.

(ii) Each Manager shall serve for an indefinite term.

(iii) A Manager may resign at any time by notice to the other Managers. A notice of resignation shall be immediately effective, or shall take effect at such later time as may be specified in the notice of resignation.

(iv) The District may at any time remove any Manager. A notice of removal shall be immediately effective, or shall take effect at such later time as may be specified in the notice of removal.

(v) In the event of a vacancy in the office of a Manager, whether due to removal, resignation, death or other cause, the District may appoint a Manager to succeed to the office of such Manager.

(d) If there are Members other than or in addition to the District, the selection, term and removal of Managers shall be governed by the provisions of this Section 10.1:

(i) The Members shall elect the Managers by cumulative voting, whereby: (A) each Member shall have a number of votes equal to the product of the number of Units held by the Member multiplied by seven (7); (B) a Member may combine and cast votes for Board nominees in any way the Member determines to be appropriate (including the casting of fractional votes); and (C) the three (3) nominees receiving the highest numbers of votes shall be the Managers.

(ii) Each Manager shall serve an indefinite term commencing immediately following his or her election as Manager and continuing until his or her resignation, death or the election of his or her successor. There shall be no limit as to the length of time a person may serve as Manager or as to the number of times a person may be elected or re-elected as Manager.

(iii) A Manager may resign at any time by notice to such effect to the other Managers. A notice of resignation shall be immediately effective, or shall take effect at such later time as may be specified in the notice of resignation.

(iv) Any Member having voting power sufficient to elect at least one Manager in an election in which three (3) Managers are to be elected may call an election for Managers, by notice to the Chair and the other Members. Within three (3) business days of the receipt of a notice of resignation or a call for election, the Chair shall schedule an election for Managers by notice to the Members (provided that if the Chair has resigned, the Member holding the largest number of Units shall schedule the election and shall simultaneously with notice thereof appoint a person to serve as Secretary of Elections, who shall thereupon carry out all acts otherwise to be performed by the Chair relative to the election until a Chair is appointed). The election shall be scheduled to take place not less than seven (7) nor more than fifteen (15) business days after the notice of resignation or call for election. At any election of Managers, the Members shall elect or re-elect three (3) Managers. Within five (5) business days of receipt of the notice of election, each Member having sufficient voting power to elect at least one (1) Manager shall submit to the

Chair a slate of nominees equal in number to the number of Managers that the Member has the power to elect. No later than two (2) days prior to the election, the Chair shall distribute a written ballot to each Member containing the names of all nominees duly submitted. The written ballot shall contain: (A) a space next to each nominee's name where a Member can enter the number of votes the Member desires to vote for a Member; and (B) a certification to be signed by the Member voting (or the Chief Executive Officer of a Member other than an individual) certifying that the votes reflected on the ballot are in fact the votes of the Member.

(e) The Board shall meet at least quarterly. At any meeting at which a quorum is present, the vote of a majority of the Managers present and voting shall constitute the act and decision of the Board, provided, that the Board may approve the following matters only by Supermajority Approval:

(i) A sale of all or substantially all of the assets of the Company, including the filing of any petition or amended petition in bankruptcy (or state law insolvency proceeding) having as its objective the liquidation of the Company;

(ii) A merger or consolidation of the Company;

(iii) Close or relocate any Ambulatory Surgical Clinic or open a new Ambulatory Surgical Clinic or other location at which health care services are rendered;

(iv) Change the purposes of the Company to include the conduct of any business or activity other than the conduct of an Ambulatory Surgical Clinic;

(v) Call for additional Capital Contributions, but only if the dollar amount of the call, when added to the dollar amount of all calls for additional Capital Contributions in the prior twelve (12) months, exceeds One Hundred Thousand Dollars (\$100,000);

(vi) Approve the transfer of Units, issue new Units 'or admit a new Member;

(vii) Dissolve the Company;

(viii) Enter into any transaction with a Member, Manager or Affiliate of either, or with any officer of any Member, Manager or Affiliate of either, including the payment of any compensation or perquisite or other economic benefit of any kind whatsoever, directly or indirectly, provided, that Supermajority Approval shall not be required for: (A) any loan, sale or other transaction otherwise expressly provided for or permitted herein without Supermajority Approval; or (B) the reimbursement of expenses reasonably incurred by a Member, Manager or Affiliate of either, or officer of a Member, Manager or Affiliate of either, in the conduct of Company business, so long as pursuant to rules and procedures adopted with Supermajority Approval; and

(ix) Pay any compensation or perquisite or other economic benefit of any kind whatsoever to any officer of the Company, provided, that no Administrator appointed pursuant to Section 10.4 shall be regarded as an officer.

(f) The presence of a majority of the Managers then serving shall constitute a quorum for the transaction of business.

(g) Meetings of the Board may be called at any time by any Manager. Meetings of the Board may be held at any place within the Territory selected by the Manager calling the meeting. Notice of the time and place of meetings of the Board shall be given to each Manager pursuant to Section 15.1 at least five (5) business days prior to the time of the holding of a meeting. The Chair shall prepare and update, as necessary a Schedule of the notice addresses of all Managers and distribute copies of the same to the Managers. Notice of a meeting shall specify the general purpose of the meeting and, if any Manager present at a meeting so demands, no other business may be conducted at the meeting. Any shareholder of the Corporation and any officer of the District shall be entitled to attend meetings of the Board and, upon notice to the Chair to such effect, to receive notices of meetings of the Board given pursuant to this Section (g) and Section 15.1.

(h) The Board may meet, and any Manager may participate in a meeting, regardless of how held, by means of conference telephone or similar communications equipment, so long as all Managers participating in the meeting can hear and be heard by all other Managers participating in the meeting. Participation by means of conference telephone or similar such other equipment shall constitute attendance in person at such meeting.

(i) Except as otherwise provided in Section 10.4, concerning the appointment of Administrators, and Section 10.6, concerning the adoption of budgets, any action required or permitted to be taken at a meeting of the Board may be taken without a meeting provided that a consent or consents in writing, setting forth the action so taken, shall be signed by a majority of all Managers then in office, provided that any action that can be taken by the Board only with Supermajority Approval may be taken by written consent only if signed by Managers constituting a Supermajority Approval. Action taken by written consent under this section is effective when the requisite number of Managers have signed the consent, unless the consent expressly specifies a subsequent effective date.

10.2 Member Voting; Limitations on the Authority of Members. Except for the authority to appoint Managers and to exercise such other power and authority as are reserved to the Members by law or by this Agreement, no Member, in the capacity of a Member, shall have authority to direct, supervise or control the business and affairs of the Company, to represent the Company before third parties or to bind the Company to any contract or other commitment. Each Member shall indemnify the Company and hold it harmless from and against any and all costs, damages, claims and liabilities incurred by the Company as a result of the unauthorized action of such Member. Except as otherwise expressly provided herein whenever any matter is subject to the approval, consent or vote of the Members, the vote of a Member holding (or Members collectively holding) a majority of the issued and outstanding Units shall constitute the vote, consent or approval of the Members. A Member may exercise its voting power by written consent signed by the Member or, as to any Member that is an entity, by its chief executive officer (or person holding a comparable office). Notwithstanding the foregoing, except as otherwise set forth herein (including the rights of a non-Breaching Member or Members to cause a dissolution of the Company pursuant to the provisions of Section 11.3(b)), the Members may approve an amendment of the Articles or this Operating Agreement, or any matter that requires a Supermajority Approval

of the Board to be effective, only if approved by a Member or Members holding at least two-thirds (2/3's) of the issued and outstanding Units.

10.3 Chair, Other Officers. The Board shall designate one of the Managers to serve as Chair. The Board may, but need not, appoint one or more other officers, with such titles and with such standing or special authority as the Board may delegate (provided that an Administrator shall for no purposes hereof be deemed an officer). Any such officers other than the Chair may, but need not, be Managers. The Chair shall preside at all meetings of the Board at which he or she is present and, in the absence of a Board determination to the contrary, the Chair shall have general authority to sign agreements, instruments and other documents in the name and on behalf of the Company and to bind the Company thereto. In the event the Chair will not attend one or more meetings of the Board, the Chair shall have authority to designate another Manager to serve as vice Chair and preside at such meetings. Notwithstanding any other provision of this Agreement, the authority of the Chair and all other officers appointed by the Board shall be subject at all times to the supervision, direction and control of the Board. The Chair and all other officers appointed by the Board shall serve at the pleasure of the Board and the Board may remove and terminate the status of any officer of the Company, as such, at any time, subject to such rights, if any, of any such officer under any contract he or she may have with the Company.

10.4 Administrator. For each Ambulatory Surgical Center, the Board shall appoint an Administrator who shall be a full time employee of the Company, provided that a single individual may serve as Administrator for more than one Ambulatory Surgical Center, and provided further that the Board may only appoint an Administrator at a duly convened meeting of the Managers and only after affording each Manager present at the meeting a reasonable opportunity to express his or her views on the matter. The Administrator shall have general authority and responsibility for the day-to-day management of each Ambulatory Surgical Center as to which he or she has been appointed, subject always to the supervision, direction and control of the Board. In addition, in the event that the Board appoints one or more officers and delegates authority to one or more of such officers that overlaps or conflicts with the authority delegated to the Administrator, the Administrator's exercise of such authority shall at all times be subject to the supervision, direction and control of the officer or officers having such overlapping or conflicting authority. Day-to-day management shall include, but is not necessarily limited to:

(a) Responsibility and authority to enter into contracts on behalf of the Company unless the Company's obligations under such a contract exceeds \$10,000 in any twelve (12) month period, or is a payor contract, in which the Administrator shall not enter into such contract without Board approval (notwithstanding the foregoing, the Board hereby approves and assumes the assignment and continuation of the agreements listed on Exhibit 10.4);

(b) Subject to the Company's employment policies and procedures, the responsibility and authority to hire, train, supervise, and discharge all non-Physician employees working for the Company;

(c) Responsibility and authority to promulgate and administer surgery scheduling policies and guidelines;

(d) Such other activities as are customarily delegated to the senior executive of an ambulatory surgical center; and

(e) Regularly reporting to the Board on the performance of management responsibilities.

10.5 Quality Committee. The Board shall establish and maintain and designate the membership of (except as otherwise set forth below) a Quality Committee, which shall have general day-to-day oversight of clinical operations at the Facility (subject always to the supervision, direction and control of the Board). The members of the Quality Committee shall consist of: (i) at least two (2) surgeons each of whom shall: (A) be appointed by the Board; (B) be board certified in orthopedic surgery; and (C) maintain active staff privileges at the Facility and at the District's acute care hospital; (ii) one (1) anesthesiologist or nurse anesthetist who shall: (A) be appointed by the Board; and (B) maintain an active anesthesia practice in the Territory and active staff privileges at the Facility; (iii) one (1) member appointed by the Corporation; and (iv) one (1) member appointed by the District. A majority of the members of the Quality Committee shall constitute a quorum for the conduct of business. Meetings of the Quality Committee may be set to occur at a regular time and place established by the Committee (and such regular meetings shall require no further notice) and may also be called by any member of the Quality Committee under the same general provisions as set forth herein for calling meetings of the Board, except that such notice need not specify the purpose of the meeting. Among the committee's responsibilities shall be:

(a) Oversight of medical staff matters, including credentialing and peer review;

(b) Development and implementation of quality improvement and utilization management policies and procedures for Board approval, and implementation of such approved policies and procedures;

(c) Review and make recommendations relating to changes in services to be provided at the Facility;

(d) Advising and making recommendations to the Board on equipment needs, and specification of equipment to be purchased by the Company, subject to approved budgets;

(e) Development of scheduling policies and guidelines, including assignment of surgical blocks, for Board approval; and

(f) Regularly reporting to the Board on the performance of the committee's oversight of clinical operations.

10.6 Budgets. The Board, in consultation with the Administrator or Administrators, shall prepare and adopt an annual budget for the Company (the "**Annual Budget**") for each Fiscal Year. No later than sixty (60) days prior to the first day of the period covered by such budget, an Annual Budget for such year shall be presented to the entire Board for review, comment and approval. Notwithstanding any other provision hereof, the Board shall approve an Annual Budget only at a duly convened meeting and only after first affording each Manager present a reasonable

opportunity to express his or her views on the matter. Each Annual Budget shall cover both operating expenses and capital expenditures, and shall include, at a minimum, the following:

- (a) A projected annual income statement (accrual method) on a month-by-month basis;
- (b) A description of any proposed capital expenditures, including projected dates for commencement and completion of the foregoing;
- (c) A description of the proposed investment of any funds of the Company which are (or are expected to become) available for investment; and
- (d) A description, including the identity of the recipient (if known) and the amount and purpose of all fees and other payments proposed or expected to be paid for services rendered to the Company by third parties and which the Board anticipates will exceed \$10,000 as to any one recipient in the applicable Fiscal Year.

10.7 Tax Matters Member. The Board shall designate a Member to serve as the “**Tax Matters Member.**” Except as specifically set forth in this Section 10.7, all rights and powers delegated to the Tax Matters Member by the Code shall be exercised only after approval by the Board pursuant to Section 10.1. Without approval by the Board, the Tax Matters Member shall have the following duties and authority with respect to the Company:

- (a) Furnish the name, address, profits interest and taxpayer identification number of each Member to the IRS;
- (b) Keep each Member and Manager informed of the administrative and judicial proceedings for the adjustment of any item required to be taken into account by a Member for income tax purposes; and
- (c) Within five (5) days of receiving a notice of a Company audit by the IRS, forward a copy of such notice to each Member and each Manager.

The Company shall indemnify and reimburse the Tax Matters Member for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members and against any and all loss, liability, cost or expense, including judgments, fines, amounts paid in settlement and attorneys’ fees and expenses, incurred by the Tax Matters Member in any civil, criminal or investigative proceeding in which the Tax Matters Member is involved or threatened to be involved solely by virtue of being Tax Matters Member, except such loss, liability, cost or expense arising by virtue of the Tax Matters Member’s gross negligence, fraud, malfeasance, breach of fiduciary duty or intentional misconduct, or that is not authorized by the Board as required by this Agreement. The payment of all such expenses shall be made before any distributions are made.

10.8 Medical Director. The Corporation shall use best efforts to locate and identify a duly licensed and qualified physician to serve as Medical Director for the Company in accordance

with the form of agreement referenced in Sections 6.6 and 7.10 of the Transfer Agreement, with such changes and modifications thereto as the Board of Managers determine to be appropriate.

ARTICLE XI
TRANSFER OF UNITS IN THE COMPANY;
REDEMPTION OF UNITS

11.1 Transfer of Units. Unless allowed elsewhere in this Agreement, a Member may not sell, assign or otherwise transfer any or all of the Units owned by it or any interest in a Unit, unless each of the requirements set forth below is met, and any sale, assignment or other transfer of a Unit in violation of this Section 11.1 shall be null and void and of no force or effect, and shall not be recognized by the Company as having any effect whatsoever.

(a) The Board, with Supermajority Approval, shall have approved and consented in writing to the sale, assignment or transfer of a Unit, which consent and approval may be granted, conditioned, delayed or withheld in the Board's reasonable discretion, except that, without such consent and approval: (i) a Member may transfer Units to a Person so long as such Person is wholly owned by the transferring Member, and such Person agrees to be bound by all of the provisions of this Agreement and such additional provisions, if any, that the non-transferring Member reasonably may require in order not to result in loss of any the rights, powers and authority of the non-Transferring Member hereunder; (ii) the Corporation may distribute Units to its shareholders so long as the shareholders agree to be bound by all of the provisions of this Agreement and such additional provisions, if any, that the District reasonably may require in order not to result in loss of any rights, powers and authority of the District hereunder; and (iii) the District and the Corporation may transfer Units to each other.

(b) Notwithstanding the preceding sentence, any purported sale, assignment, or transfer of any Unit or the admission of any Person as a substituted Member that would, in the opinion of counsel to the Company, result in any of the following shall be impermissible unless approved by all the Managers:

- (i) A termination of the Company within the meaning of the Code;
- (ii) A violation of any applicable federal or state law; or
- (iii) The sale, assignment or transfer of any Unit to, or the admission of, any Person involuntarily excluded or suspended from participation in any federal or state healthcare program, such as Medicare or Medicaid.

(c) The transferring Member and its purchaser, assignee or transferee must execute and deliver to the Company such instruments of transfer and assignment with respect to such transaction as are in form and substance satisfactory to the Managers, including, without limitation, the written acceptance and adoption by such transferee of the provisions of this Agreement.

(d) Such transferee or Member must pay the Company a transfer fee which is sufficient to pay all reasonable expenses of the Company in connection with such transaction.

11.2 Substituted Members. Any purchaser, assignee or transferee of a Unit in accordance with the provisions of Section 11.1 may become a substituted Member within the meaning of the Act only if:

(a) The Board, with Supermajority Approval, has consented in writing to such Person becoming a substituted Member, which consent may be granted, conditioned, delayed or withheld in the Board's sole, absolute and arbitrary discretion;

(b) Such Person executes and delivers such agreements, instruments and other documents that the Company may deem necessary or advisable to effect the admission of such Person as a substituted Member, including, without limitation, the written acceptance and adoption by such Person of the provisions of this Agreement;

(c) Such Person pays a transfer fee to the Company which is sufficient to cover all reasonable expenses connected with the admission of such Person as a substituted Member within the meaning of the Act.

Upon satisfaction of these conditions, the Board shall take any other steps which, in the opinion of the Board, are reasonably necessary to admit such Person as a substituted Member under the Act.

11.3 Redemption of Units. A Member shall have the right to cause the Company to redeem the Units of another Member as follows:

(a) If there is a transfer or issuance of shares of the Corporation in violation of the Shareholders Agreement, as the same is being amended in accordance with the Transfer Agreement (an "**Unapproved Transfer**"), and the Corporation fails to redeem the shares acquired by the transferee in the Unapproved Transfer within sixty (60) days of the District's notice to the Corporation of the Unapproved Transfer, the District shall have the right to cause the Company to redeem a portion of the Units then held by the Corporation. The number of Units that will be subject to redemption shall be the product of (i) the ratio that the number of shares involved in the Unapproved Transfer bears to the total number of shares of the Corporation outstanding as of the date of the Unapproved Transfer, multiplied by (ii) the number of Units then held by the Corporation. For example, if 10% of the outstanding shares of the Corporation are involved in an Unapproved Transfer and the Corporation at that time owns 49 Units out of a total of 100 outstanding Units, the District shall have the right to cause a redemption of 10% of the Units held by the Corporation, or 4.9 Units. Notwithstanding the foregoing, the Corporation's failure to redeem shares acquired by a transferee in an Unapproved Transfer shall not be deemed a breach of this Agreement for purposes of Section (b). In the event of an Unapproved Transfer, the District shall exercise its rights hereunder, if at all, within sixty (60) days after the Corporation's failure to redeem the shares acquired by the transferee in the Unapproved Transfer. The redemption price of each Unit repurchased by the Corporation pursuant to this Section (a) shall be fair market value, as determined pursuant to Section (c), payable in accordance with the terms and conditions set forth in Section (c).

(b) If a Material Adverse Event (as defined below) occurs with respect to a Member (the "**Breaching Member**"), any non-Breaching Member shall have the right to cause

the Company to redeem all of the Units then held by the Breaching Member by notice given to the Breaching Member and any other Members within sixty (60) days of the date that the non-Breaching Member first becomes aware of the Material Adverse Event, provided, that if, a Member or Members holding not less than a majority of the issued and outstanding Units, without regard to any Units then held by the Breaching Member, determine, either before or within thirty (30) days after the issuance of such a notice of redemption, to dissolve the Company, then, in lieu of a redemption of Units as aforesaid, the Company shall be dissolved pursuant to Section 12.1. In the event of a redemption of Units under this Section (b), the redemption price shall be sixty percent (60%) of fair market value, as determined pursuant to Section (c), payable in accordance with the terms and conditions set forth in Section (c). Notwithstanding any other provision hereof, the occurrence of a Material Adverse Event with respect to any shareholder of the Corporation shall not, in and of itself, be deemed a Material Adverse Event as to the Corporation, provided that the involuntarily exclusion or suspension of a shareholder of the Corporation from participation in any federal or state healthcare program, such as Medicare or Medicaid, shall constitute a Material Adverse Event as to the Corporation, unless such shareholder's ownership of shares in the Corporation is entirely terminated within sixty (60) days of such involuntary exclusion or suspension. For purposes of this Section (b), a "**Material Adverse Event**" shall mean and include each of the following:

(i) Any sale, assignment or transfer (or purported sale, assignment or transfer) of Units in violation of this Agreement;

(ii) The involuntary exclusion or suspension of a Member from participation in the Medicare program;

(iii) The conviction of a felony;

(iv) A breach of this Agreement and failure to cure such breach within thirty (30) days of notice of such breach given to the Breaching Member by any non-Breaching Member, or such longer period as may reasonably be required to cure such breach, but only so long as the breach is one that may be cured and the Breaching Member promptly commences and diligently prosecutes such cure; or

(v) The filing of a petition for relief under the Bankruptcy Code that is not dismissed within ninety (90) days of filing.

(c) For purposes of this Section 11.3, fair market value shall be determined by appraisal by an appraiser or appraisers knowledgeable in the valuation of ambulatory surgical centers. The Members shall endeavor to agree upon an appraiser to determine fair market value, but in the event the Members are unable to agree upon an appraiser within thirty (30) days after a Member's notice of exercise of its rights under this Section 11.3, then any Member may, upon notice to the other Member, select an appraiser and the other Member also may, upon notice to the first Member given within thirty (30) days of the first Member's notice, select another appraiser. If one appraiser has been selected, that appraiser shall determine fair market value. If one appraiser is selected, the Company and the Members each may have separate written communications with the appraiser, provided that the party making a written communication shall provide a copy of the same to the other parties, but no party otherwise shall separately communicate with the Appraiser

without the other parties being present. If two appraisers have been selected and both make a determination of fair market value within sixty (60) days of the date of the second notice appointing an appraiser, then fair market value shall be the average of the two appraisals so long as the lower valuation is within ten percent (10%) of the higher valuation and, if not, then the two appraisers shall, as soon as practicable, appoint a third appraiser whose sole function shall be to select which of the first two appraisals most closely approximates fair market value. Each Member shall bear the fees and expense of any appraiser selected by it, and one-half of the costs and expenses of any third appraiser appointed. Payment for the redemption price of Units redeemed pursuant to this Section 11.3 shall be made as follows: twenty percent (20%) on the initial payment date (the “**Initial Payment Date**”), which shall be within ninety (90) days after determination of the Redemption Price, and the remainder in four equal installments each payable on the first and following anniversaries of the Initial Payment Date, with interest on the outstanding principal balance accruing at the Prime Rate shown in the Money Rates Section of the Wall Street Journal on the first business date of the month in which the Initial Payment Date occurs. Notwithstanding payment of the redemption price in installments as aforesaid, the effective date of redemption hereunder shall be the Initial Payment Date, with all rights, powers and interests of a • Member with respect to the Units being redeemed hereunder terminating as of the Initial Purchase Date. Notwithstanding any other provision hereof, in the event of a redemption or redemptions of Units pursuant to Sections (a) and/or (b), the Company shall have no obligation to make aggregate payments in redemption of Units in any year in excess of seven and one-half percent (7.5%) of the Company’s cash collections in such year. In any year in which redemption payments are owing to a former Member or Members, the Board shall determine if the foregoing limit is likely to apply based on the Board’s estimates of likely cash collections, and the Board shall provide for the reduction of redemption payments otherwise payable in such year so as not to exceed seven and one-half percent (7.5%) of the Board’s estimates of cash collections. If payments are so restricted in any year, payments owing to each former Member in such year shall be reduced pro rata, based on the ratio that the aggregate redemption payments otherwise owing to each former Member bears to the aggregate redemption payments owing to all such former Members. If redemption payments are so reduced in any year, the Board shall cause a determination to be made of actual cash collections in such year within thirty (30) days of year end, and if actual cash collections in such year exceed the Board’s estimate for purposes of this Section (c), the Board shall, promptly after such determination is made, cause additional payments to be made to the former Member or Members whose payments were reduced, but not more than seven and one-half percent (7.5%) of the excess of actual cash collections over the Board’s estimate, or the amount of the reductions, if less. Any reduction in payments made in a year pursuant to this Section (c) shall be deferred to the following year or years, until such amounts can be paid without exceeding seven and one-half (7.5%) of cash collections pursuant to this Section (c).

11.4 Buyout of Jeff Dodd. Notwithstanding anything else herein to the contrary, if the legal requirements of physician ownership are no longer necessary, if the Company dissolves or closes down, or anytime upon demand of Buyer, Tahoe Forest Hospital District, a California local health care district, shall buy out Buyer’s interest in the Company for Buyer’s initial investment in the Company (\$5,000.00) plus 0.666% interest, compounded monthly (approximately 8% APR), calculated from the date of this Agreement.

ARTICLE XII
DISSOLUTION AND WINDING UP OF THE COMPANY

121 Dissolution of the Company. The Company will be dissolved upon the occurrence of any of the following events:

- (a) The sale, exchange or other transfer of all or substantially all of the assets of the Company;
- (b) The Supermajority Approval of the Board and consent of a Member or Members holding two-thirds of the outstanding Units;
- (c) The decision of a non-Electing Member or Members to dissolve the Company pursuant to Section 4.2 following an election of the Electing Member to cause a redemption of its Units;
- (d) The determination of a non-Breaching Member or Members holding a majority of the outstanding Units (without regard to Units held by a Breaching Member) pursuant to Section 11.3(b); or
- (e) The entry of a decree of judicial dissolution pursuant to Corporations Code Section 17351 or the issuance of a certificate of dissolution pursuant to Corporations Code Section 17356.

122 Winding Up of the Company. Upon the dissolution of the Company, the Board shall take full account of the Company's assets and liabilities, and the assets shall be liquidated as promptly as is consistent with obtaining the fair value thereof. Provided that each Member is given an equal and fair opportunity to bid on the purchase of Company assets, nothing herein shall be deemed to preclude the sale of any, or of all or substantially all of the assets of the Company to a Member or Members, provided that the same is consistent with obtaining the fair value thereof, or the most favorable price reasonably obtainable by the Company under the circumstances. During the dissolution and winding up of the Company, Profits and Losses shall be allocated among the Members as provided in ARTICLE IX. The proceeds from the sale or other disposition of the Company's assets shall be applied to payment of all Company debts, obligations and liabilities (or creating adequate reserves therefor), and the remaining proceeds shall be distributed to the Members in accordance with their ending positive Capital Account balances after all allocations and any other Capital Account adjustments for the Fiscal Year are made.

123 Certificate of Dissolution. Upon the dissolution and commencement of the winding up of the Company, the Board shall cause a Certificate of Dissolution to be executed on behalf of the Company and filed with the Secretary of State. After all debts, liabilities, and obligations have been paid and discharged (or adequate provision made therefore) and all of the assets have been distributed to the Members, the Board shall cause a Certificate of Cancellation to be executed on behalf of the Company and filed with the Secretary of State. The Members and the Managers, as necessary, shall execute, acknowledge and file any and all other instruments necessary or appropriate to reflect the dissolution of the Company.

ARTICLE XIII
BOOKS OF ACCOUNT, ACCOUNTING, REPORTS,
FISCAL YEAR, BANKING AND TAX ELECTION

13.1 Books of Account. The Company's books and records (including a current list of the names and addresses of all Members) and an executed copy of this Agreement, as currently in effect, shall be maintained at the principal office of the Company, and each Member shall have access thereto at all reasonable times. The books and records shall be kept by the Company using a recognized and appropriate method of accounting consistently applied as selected by the Board. The Company shall also keep adequate federal income tax records using an appropriate method of accounting applied on a consistent basis.

13.2 Financial Reports. As soon as reasonably practicable after the end of each Fiscal Year, but not later than one hundred twenty (120) days after the end of each Fiscal Year, the Board shall cause to be prepared and delivered to each Member an unaudited balance sheet of the Company as of the last day of such Fiscal Year and unaudited statements of income or loss of the Company for such year. In addition, the Company will make available to the Members as soon as is practicable unaudited quarterly summaries of its operations. All such financial statements shall be prepared on the basis of such method of accounting, consistently applied, as the Board shall determine. The Company shall also furnish to each Member not later than the last day of the month immediately preceding that in which a Member is obligated to file a federal income tax return whatever information may be necessary for such Member to file such return. The Company will also make available to each Member a copy of all state and/or local tax returns that are filed by the Company. The Company will make available to the Members any audited balance sheet of the Company, if one has been prepared.

13.3 Fiscal Year. The fiscal year of the Company shall end on such date that the Board shall determine.

13.4 Tax Election. Upon the transfer of an interest in the Company or in the event of a distribution of the Company's property, the Company may, but is not required to, elect pursuant to Code Section 754 to adjust the basis of the Company's property as allowed by Sections 734(b) and 743(b) thereof.

13.5 Tax Returns. The Board shall file or cause to be filed with the appropriate taxing federal, state and local tax authorities all returns, reports and other documentation lawfully required of the Company within the times prescribed by law (including any extensions) for such filings. Tahoe Forest Hospital District, a California local health care district, and Company shall pay for and be jointly and severally liable for Jeff Dodd's tax preparation costs incurred in conjunction with Jeff Dodd's ownership interest in the Company. Further, in the event that Jeff Dodd incurs a tax liability as a result of owning a membership interest in the Company, Tahoe Forest Hospital District and Company shall pay for and be jointly and severally liable for Jeff Dodd's tax liability resulting from Buyer's ownership interest in the Company.

ARTICLE XIV
LIABILITY AND INDEMNIFICATION

141 Liability. Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Manager, officer of the Company or Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member, Manager or officer of the Company. Except as otherwise expressly required by law, a Member shall have no liability in excess of (a) the amount of its Capital Contributions, (b) its share of any assets and undistributed Profits, (c) its obligation, if any, in writing signed by the Member to make any other payments, and (d) the amount of any distributions wrongfully or erroneously distributed to the Member.

142 Exculpation. No Member, officer of the Company or Manager shall be liable to the Company or any other Member, officer of the Company or Manager for any loss, damage or claim incurred by reason of any act or omission performed or omitted in good faith on behalf of the Company and in a manner reasonably believed by the Member, officer of the Company or Manager to be within the scope of authority conferred on the Member, officer of the Company or Manager by this Agreement, except that the foregoing shall not exclude or limit any Person's liability for willful misconduct. A Member, officer of the Company or Manager shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Member, officer or Manager reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits, losses, or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

143 Duties and Liabilities of Covered Persons.

(a) If and to the extent that, at law or in equity, a Member, officer of the Company or Manager has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Member, such Member, officer or Manager acting under this Agreement shall not be liable to the Company or to any other Member for its good faith reliance on the provisions of this Agreement.

(b) Unless otherwise expressly provided herein, (i) whenever a conflict of interest exists or arises between or among the Company, and any one or more Members, Managers or officers of the Company, or (ii) whenever this Agreement or any other agreement contemplated herein or therein provides that a Member, Manager or officer of the Company shall act in a manner that is, or provides terms that are, fair and reasonable to the Company or any Member, then the Member, Managers or officer of the Company shall resolve such conflict of interest, taking such action or providing such terms, under the principles set forth in Section 8.1 regarding contracts with Affiliates.

(c) Whenever in this Agreement a Member, Manager or officer of the Company is permitted or required to make a decision (i) in its "discretion" or under a grant of similar

authority or latitude without any further guidance, the Person shall exercise such discretion in the same manner as a reasonable business person under the same or similar circumstances, or (ii) in its “good faith” or under another express standard, the Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or other applicable law.

144 Indemnification. To the fullest extent permitted by applicable law, each Member, Manager and the officer of the Company shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Person by reason of any act or omission performed or omitted by such Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Person by this Agreement, except that no Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Person by reason of willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 14.4 shall be provided out of and to the extent of Company assets only, and no Person other than the Company shall have any personal liability on account thereof.

145 Expenses. To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Member, Manager or officer of the Company in defending any claim, demand, action, suit or proceeding (other than one brought by the Company) arising by reason of the fact that the Person is or was a Member, Manager or officer of the Company shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the covered person to repay such amount if it shall be determined that the covered person is not entitled to be indemnified as authorized in Section 14.4 hereof.

146 Indemnity of Jeff Dodd. Notwithstanding any other term herein, the Company and Tahoe Forest Hospital District, a California local health care district, shall jointly and severally hold Buyer harmless from, and protect, defend, and indemnify Jeff Dodd from any and all civil, criminal, or administrative penalties, allegations, claims, damages, or causes of action arising out of or related to Jeff Dodd’s ownership interest in the Company, including, but not limited to, those risks identified on Exhibit “B” DISCLOSURE STATEMENT attached to the Membership Interest Purchase Agreement executed between the parties.

147 Insurance. The Company may purchase and maintain insurance, to the extent and in such amounts as the Board shall, in its sole discretion, deem reasonable, on behalf of the Members, the Managers, officers of the Company and such other Persons as the Board shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement. The Managers and the Company may enter into indemnity contracts with any Persons and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under Section 14.5 hereof and containing such other procedures regarding indemnification as are appropriate.

148 Ancillary Agreements. Notwithstanding anything to the contrary herein, the terms of agreements between a Member or its Affiliate and the Company regarding the duties and

obligations to be performed under such agreements and the indemnification provided for therein shall control with respect to such duties and obligations over the terms of this Agreement, including, without limitation, the terms of this ARTICLE XVI relating to indemnification, advancement of expenses, and exculpation of Members (e.g., a Member providing management services under a Management Agreement shall be responsible to the Company without reference to the exculpation provisions of this ARTICLE XVI).

ARTICLE XV MISCELLANEOUS

151 Notices. Except as otherwise provided in this Agreement, any notice, payment, demand, request or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be duly given by the applicable party if given to the applicable party at its address or facsimile number set forth below:

If to the Company: Truckee Surgery Center, LLC
 10770 Donner Pass Road, Suite 201
 Truckee, California 96161

If to the District: Tahoe Forest Hospital District
 10121 Pine Avenue
 Truckee, California 96161
 Attn: Matt Mushet

or to such other address as the applicable party may from time to time specify by written notice to the Company; and

Any such notice shall, for all purposes, be deemed to be given and received:

(a) If given by facsimile, when the facsimile is transmitted to the party's facsimile number specified above and confirmation of complete receipt is received by the transmitting party during normal business hours on any business day or on the next business day if not confirmed during normal business hours;

(b) If by hand, when delivered;

(c) If given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received or delivery refused by the party as evidenced by a receipt from such delivery service; or

(d) If given by certified mail, return receipt requested, postage prepaid, five business days after posted with the United States Postal Service.

152 Section Captions. Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

153 Severability. Every provision of this Agreement is intended to be severable. If any term or provision of this Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

154 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company and during the period of its liquidation following any dissolution, any right to maintain any action for partition with respect to any of the assets of the Company.

155 Counterpart Execution. This Agreement may be executed in one or more counterparts all of which together shall constitute one and the same Agreement.

156 Parties in Interest. Except as otherwise provided in this Agreement, this Agreement shall be binding upon the parties hereto and their successors, heirs, devisees, assigns, legal representatives, executors and administrators.

157 Compliance with Laws. The Members agree that all business activities and operations of the Company shall conform, and shall continue to conform, with applicable provisions of law including the Ethics in Patient Referral Act, 42 U.S.C. Section 1395nn *et seq.*, and the Anti-Kickback Statute, 42 U.S.C. Section 1320a-7b(b) and any similar California statutes, rules and regulations, including, but not limited to California Business and Professions Code § 650, *et seq.* and California Welfare and Institutions Code § 14107.2.

158 Construction of Pronouns. The feminine or neuter of the words “he,” “his” and “him” used herein shall be automatically deemed to have been substituted for such words where appropriate to the particular Person, Manager or Member.

159 Integrated Agreement. This Agreement, including the Exhibits, constitutes the entire understanding and agreement among the Members in their capacity as Members with respect to the Company, and there are no agreements, understandings, restrictions, representations or warranties among the parties relating thereto other than those set forth herein or herein provided for.

15.10 Time is of the Essence. Time is of the essence to this Agreement and to each and all of its provisions.

15.11 Legal Counsel. The Company may benefit from legal services provided by legal counsel to one or more of its Members. Such benefits, no matter how direct, exclusive and intended, shall not cause any Member legal counsel to have any attorney-client relationship with the Company and shall not give rise to any obligation on behalf of the Company to pay a Member’s legal fees. The Members are each sophisticated business organizations who have agreed to this Section 15.11 out of each Member’s desire to (a) avoid the expense, inexperience, inefficiency and burden of engaging entirely separate counsel to provide legal services to the Company, and (b) maintain a relationship with their own legal counsel that is untainted by conflicts of interest, so that such counsel may advise them of their rights and duties respecting the other Members and the Company, notwithstanding that such counsel may have provided legal services that directly, exclusively and intentionally benefited the Company. Nothing herein shall prevent the Company from engaging separate and independent counsel when and as determined to be appropriate by the Board.

15.12 No Conflict. Each Member represents and warrants to the Company and to the other Member that such Member will not be in breach of any agreement, contract, decree, judgment or any other item binding such Member by reason of entering into this Agreement or fulfilling such Member's duties under this Agreement or as a Member. Each Member indemnifies and holds harmless, and will defend, the Company, each other Member, and the agents of either, from and against any cost, damage, loss or expense (including but not limited to actual attorneys' fees) arising from the inaccuracy of any of the representations and warranties set forth in this Section 15.12.

15.13 Amendment. This Agreement may be amended only by a written instrument approved by the unanimous written consent of all Members.

ARTICLE XVI DISPUTE RESOLUTION PROCESS

16.1 Overall Scope. Except as otherwise expressly provided, this ARTICLE XVI shall apply to all disputes between the Members under this Agreement, including, without limitation, any dispute as to the existence or alleged existence of a breach of this Agreement for purposes of Section 11.3 hereof.

16.2 Purpose and Interpretation. It is the Members' intent that their disputes be resolved in an efficient and timely manner, and to limit the disruption and expense involved in resolving disputes, so that they may cooperatively contribute to improving healthcare delivery and controlling health care costs. Accordingly, in interpreting and applying the provisions of this ARTICLE XVI, the Members, and any Court of competent jurisdiction shall be guided by, and endeavor to support, the Members' agreement and goal to engage in as streamlined an approach to dispute resolution as possible given the nature of the dispute between them.

16.3 Meet and Confer. In the event of any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity hereof, the Members agree to meet and confer for a period of thirty (30) days (or such longer period as is mutually agreed upon) promptly upon a written request by any Member to resolve such dispute claim or controversy. At each meet and confer meeting, each Member shall be represented by persons with authority to finally resolve the dispute. Meet and Confer discussions and all documents prepared for those discussions such as agendas, spreadsheets, chronologies and the like shall not be subject to discovery, offered as evidence or admitted in evidence in any proceeding for any purpose. It is the Members' intent that their meet and confer proceedings be frank and open, and that they be protected to at least the same degree as they would be if they were conducted through a mediator and subject to California Evidence Code Division 9, Chapter 2; as well as California Evidence Code sections 1152 and 1154. The failure to conduct a meet and confer shall not be grounds to dismiss an action initiated by any Member(s) to resolve any dispute, but it shall constitute grounds to stay the action proceedings until, in the discretion of the Court, the meet-and-confer process is complete.

16.4 Binding Arbitration. If the parties are not able to resolve their dispute, claim or controversy pursuant to the above meet and confer process within forty-five (45) days of the initial request under Section 16.3, or within a time frame mutually agreed upon by the Parties, then either

party may, by notice to such effect to the other party, submit the dispute, claim or controversy to binding arbitration before a retired judge or attorney arbitrator with at least 10 years of experience with the arbitration held in Truckee, California. The parties shall have the right to conduct discovery in accordance with the provisions of Section 2020 *et seq.* of the California Code of Civil Procedure. The arbitrator shall apply the substantive laws of the State of California applicable to contracts negotiated, executed and performed entirely within its borders. Either party shall have the right to appeal decisions of the arbitrator on questions of law to the Superior Court. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking equitable relief from a court of appropriate jurisdiction. The arbitrator may, in the Award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party.

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[Signature Page Follows]


IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.


“DISTRICT”

“COMPANY”

TAHOE FOREST HOSPITAL DISTRICT

TRUCKEE SURGERY CENTER, LLC

By: Harry Weis  07/08/2019
Print 11:49 AM EDT
Name: Harry Weis

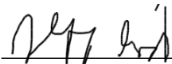

By: Harry Weis  07/08/2019
Print 11:49 AM EDT
Name: Harry Weis

Title: CEO
its authorized signatory

Title: President
its authorized signatory

“JEFF DODD”

Jeffrey Dodd, M.D.

By:   06/28/2019
Print 08:29 PM EDT
Name: Jeffrey Dodd

5798700.2

Signature Page

EXHIBIT A

**SCHEDULE OF MEMBERS, CAPITAL CONTRIBUTIONS,
UNIT OWNERSHIP, AND PERCENTAGE INTERESTS**

Name	Capital Contributions	Units	Percentage Interests
Tahoe Forest Hospital District	[Add TFHD contributions]	99	99%
Jeff Dodd		1	1%

EXHIBIT B

INITIAL MANAGERS

Harry Weis
Crystal Betts
Judy Newland

**TAHOE FOREST HOSPITAL DISTRICT
RESOLUTION NO. 2022-07**

**RESOLUTION TO UPDATE THE BOARD OF MANAGERS OF THE TRUCKEE
SURGERY CENTER, LLC**

WHEREAS, TAHOE FOREST HOSPITAL DISTRICT (" District") is a hospital district duly organized and existing under the " Local Health Care District Law" of the State of California; and

WHEREAS, DISTRICT is a Ninety-Nine Percent (99%) owner of Truckee Surgery Center , LLC (" TSC");

WHEREAS, Exhibit "B" of the Operating Agreement of TSC lists the Managers as Harry Weis, Crystal Betts, and Judy Newland;

WHEREAS, Judy Newland is retiring from District and stepping down from her Manager role with TSC;

WHEREAS, District as majority owner in TSC would like to replace the existing named Managers with the current executive positions that serve as officers for the District ;

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Tahoe Forest Hospital District elects to replace the names on Exhibit " B" of the Operating Agreement with the titles of CEO, CFO and COO of District.

PASSED AND ADOPTED at the meeting of the Tahoe Forest Hospital District Board of Directors held on the 24th day of March, 2022 by the following vote:


AYES: Barnett , Chamblin , McGarry, Brown , Wong

NOES: none


ABSENT: none

ABSTAIN: none

ATTEST:



Alyce Wong
Chair, Board of Directors
Tahoe Forest Hospital District



Martina Rochefort
Clerk of the Board
Tahoe Forest Hospital District



Origination 07/2019
Last N/A
Approved
Last Revised 04/2023
Next Review 1 year after approval

Owner Courtney Leslie:
Administrator
Department Environment of
Care
Applicabilities Truckee
Surgery
Center

Emergency Operations Plan, EOC-1902

POLICY:

Truckee Surgery Center (TSC) will establish and maintain an Emergency Operations Plan designed to manage the consequences of natural disasters and other emergencies that disrupt the Surgery Center's ability to provide care.

TSC will work closely with the Tahoe Forest Hospital (TFH) Facilities Management Department in the event of an emergency, depending on the type of incident.

PURPOSE:

To conduct business normally, it is important for TSC to have a strategy on preparation for emergencies. This plan must provide an organizational structure so that TSC can effectively prepare for both external and internal disasters that can negatively affect its environment of care.

STRUCTURE:

- A. TSC plays an important role as a provider of care to the residents of its community. TSC is ready to assist as needed in case of community emergency, and integrates its Emergency Operations Plan with community disaster plans, as appropriate, to support the community's response to disaster. TSC will train its personnel in this plan.
- B. The scope of this emergency plan, both internal and external, will determine the role of the Surgery Center and its personnel in responding to an emergency. The Surgery Center will participate in at least one emergency preparedness drill annually.
- C. The Administrator will tailor the TSC Emergency Operations Plan based on the outcomes and evaluations of the drills.
- D. This plan contains processes for preparedness, response, mitigation, and recovery in the event

of an emergency.

- E. Mitigation activities are those a health care organization undertakes in attempting to lessen the severity and impact a potential disaster or emergency may have on its operation while preparedness activities are those an organization undertakes to build capacity and identify resources that may be utilized should a disaster or emergency occur.

DEFINITIONS:

- A. *ASC*: Ambulatory Surgery Center
- B. *External Disaster*: A civil catastrophe, either man made or caused by an act of God. An external disaster may overwhelm normal facilities. This condition can occur as a result of fires and explosions, storms, civil disorders, multiple injury accidents, avalanches, among other causes
- C. *Internal Disaster*: An event such as a fire or explosion resulting in internal casualties or circumstances. If the situation requires the evacuation of patients, such evacuation will be coordinated with emergency service personnel from the fire and police agencies.
- D. *Shelter in Place*: Means that staff, patients, and visitors will remain in the facility. Sheltering can be used due to severe weather, a fire, or hazardous/hazmat materials condition in the area.
- E. *Approved Information*: Information, that is allowed to be shared, relating to a patient who is involved in a disaster, evacuation, event, or shelter in place while at Truckee Surgery Center. The patient's signed release of protected health information is to be referenced.

PROCEDURES

DISASTER PROCEDURES FOR STAFF MEMBERS

- A. It is the responsibility of the Administrator or the Nurse Manager to activate the Emergency Operations Plan. In the event of either internal or external disaster, the Administrator or Nurse Manager can initiate the Disaster Phone Tree (attached) and the Disaster Resource List (attached).
- B. The Disaster Resource List will be used to track on-duty and available staff who may need to respond to an emergency and are to be used in the event of an immediate evacuation so staff can be accounted for at the evacuation location.
- C. On arrival at to TSC, staff members will report to the Administrator and/or Nurse Manager to log in and be assigned to whatever tasks are required: in direct patient care, preparing for evacuation, or other assignment.
- D. If a regular work shift ends during the declared emergency period, all staff members will stay at their respective assignments until officially relieved by order of the Administrator or Nurse Manager.
- E. In the event that total evacuation of the clinic is necessary, the Administrator or his or her designee will assume the responsibility for evacuation. Each patient will be rated, by the Nurse Manager or his or her designee as to the type of transportation necessary:
 - 1. Ambulatory
 - 2. Ambulatory with assistance

3. Wheelchair
 4. Gurney
 5. Transfer via Ambulance
- F. All staff members will report changes of address and telephone numbers, as well as their response time to TSC, to the Administrator as soon as a change becomes effective. The Administrator will continually update the Disaster Resource List.

DISRUPTION OF SERVICES AND MANAGEMENT OF SPACE, SUPPLIES, COMMUNICATIONS, AND SECURITY:

- A. If a portion of the Surgery Center is incapable of supporting patient care but total evacuation is not required, the following procedures will be followed:
1. **Space Allocation:** Patients will be served in unaffected areas of the Surgery Center that are able to safely provide services.
 2. **Supplies:** The Administrator and/or Nurse Manager will be immediately notified of any situation that necessitates an increased level of supply items. The existing supply areas will be automatically used to provide supplies to the extent possible.
 3. **Communications:** Both the phone system and cell phones will be used to provide communications between TSC and outside agencies. If a total phone loss occurs, walkie talkies will be used to provide communication
 4. **Security:** Needs that might exceed the capability of the Surgery Center will be relayed to the local police department or contracted security service.

MANAGEMENT OF PATIENTS IN DISASTER SITUATIONS

- A. If a disaster or an emergency involves TSC or its staff members, all less-than-essential services will be temporarily modified or discontinued until the situation allows for resumption of full program ability.
- B. The Administrator and/or Nurse Manager will determine whether these less-than-essential services are to be effected and, if so, when.
- C. Staff members normally involved in provision of services determined by the Administrator and/or Nurse Manager to be less than essential will make themselves available for other duties. These duties may include helping move patients from the affected area of Surgery Center to an unaffected section. These staff members will also be responsible for providing any patient transportation devices, such as wheelchairs, gurneys, and so forth, to facilitate the movement or evacuation of patients from the TSC.
- D. All staff members will be familiar with the overall Emergency Operations Plan.
- E. Facilitation of patient movements, including admissions, transfers, and control of patient information, will be directed by the individual assigned by the Administrator or Nurse Manager. Information concerning any patient will be released only by a qualifying physician or at the direction of the Administrator or Nurse Manager.
- F. In disaster or emergency situations requiring additional physicians, those physicians will be directed by the Administrator, Nurse Manager or Medical Director.

TRAINING OF STAFF IN EMERGENCY PREPAREDNESS

- A. All TSC personnel are made familiar with the disaster, fire, and emergency plans during the orientation process, policies are reviewed upon hire and annually, and health stream modules are completed upon hire and annually.
- B. Staff will receive education on emergency preparedness, emergency equipment and supplies during orientation and on an annual basis. TSC employees will receive specific training in their individual and service roles during both internal and external disasters.
- C. The Administrator is responsible for scheduling emergency preparedness training with all facility employees. The Administrator is responsible for the content of the training to ensure that all employees know their roles as outlined in the Emergency Operations Plan. It is the responsibility of the Administrator to ensure that this training occurs annually and to obtain appropriate documentation.
- D. Training will include: Specific roles and responsibilities during emergencies, information and skills required to perform duties during emergencies, The backup communication system used during disasters and emergencies, how supplies and equipment are obtained during disasters or emergencies, emergency equipment available during an emergency, and resuscitation techniques.
 1. All staff will maintain BLS certification. RNs will also maintain ACLS and PALS certification.
 2. Whenever there is a patient present in the surgery center there will be clinical personnel present who have appropriate training and competence in the use of the emergency equipment and supplies.

EMERGENCY EQUIPMENT AND SUPPLIES

- A. Adequate emergency equipment and supplies are kept on site.
 1. A list is attached to this policy and will be updated as needed.
- B. Medical, non-medical supplies, equipment, and personal protective equipment (PPE), will be replenished via normal supply means as well as through any backup supplies maintained by the Surgery Center.
- C. Surgery Center resources and assets will be shared with TFH if needed.

EMERGENCY PREPAREDNESS DRILLS

Implementation of the Emergency Operations Plan will be conducted at least annually at TSC either in response to an emergency or as a planned drill. One internal and one external disaster will be rehearsed.

- A. The Administrator and/or Nurse Manager has the responsibility to develop the scenario and disseminate the necessary information to employees. The time and other details concerning the disaster will be controlled by the Administrator and/or Nurse Manager.
- B. Cooperation with city, county, and State agencies in large-scale drills, where available, will be ongoing and coordinated by the Administrator.
- C. Actual emergencies may be counted towards the required annual drill. All emergency preparedness drills or actual occurrences will be critiqued by the Administrator and reviewed

and evaluated at the next Medical Executive Quality Committee and Board of Managers meetings.

- D. Feedback concerning any type of drill conducted will be reviewed by leadership at the Medical Executive Quality Committee and Board of Managers for necessary action and changes to the EOP will be made based on recommendations.
- E. The Administrator will be responsible for communication of any information or recommendations about proposed changes in the emergency preparedness policy. The Administrator will ensure that proposed changes are implemented as specified.
- F. Management will, on a random basis, quiz staff members concerning the Emergency Operations Plan and their roles in any drill. This process serves as a source of feedback, which management can use for evaluation of the overall effectiveness of the program.

HAZARD VULNERABILITY ASSESSMENT & RISK ASSESSMENT

- A. A Hazard Vulnerability Analysis (HVA) is completed to assess the impact of likely emergencies.
 - 1. The HVA is used to as a basis to define our Emergency Management program to analyze mitigation, preparedness and response and recovery activities.
 - 2. The mitigation activities are designed to reduce the risk of and potential damage related to an actual emergency.
 - 3. The HVA is reviewed and updated annually to determine if the likely emergencies have changed
- B. Availability and functionality of critical emergency equipment is maintained by the TFH Facilities Management Department.
- C. The HVA is shared with local, state, and federal emergency preparedness officials annually and during a disaster or emergency situation.
- D. A Utility Risk Assessment is completed on an annual basis. The Risk Assessment is approved by the MEC and shared with TFH Facilities Management Department.

STAFF AND STAFF FAMILY SUPPORT ACTIVITIES

- A. This plan acknowledges that the staff of this organization is its greatest asset. If staff or staff family members are directly impacted by a community emergency or disaster, TSC leadership will be sensitive to this and attempt to ameliorate this. Support of impacted staff and families may include: referrals to disaster relief organizations and referrals for incident stress debriefing. The Administrator or Nurse Manager will be available to discuss any staff or family needs based on staff family impact or community emergency or disaster.

PERFORMANCE STANDARDS

- A. Performance standards for this plan will include:
 - 1. Emergency preparedness knowledge and skill for staff
 - 2. Completion of an annual emergency preparedness drill
 - 3. The level of staff participation in emergency preparedness management
 - 4. Monitoring and inspection activities

5. Emergency and incident reporting procedures that specify when and to whom reports are communicated
6. Inspection, preventive maintenance, and testing of applicable equipment
7. Use of space
8. Replenishment of supplies
9. Management of staff.

ANNUAL EVALUATION

- A. Annual evaluation of the effectiveness of the Emergency Operations Plan undertaken at TSC will include performance measures, using the previous year's reports; recommendation from the Medical Executive Quality Committee and Board of Managers; and input from TSC staff and other relevant sources of safety outcome sources. These reports will be presented to the Medical Executive Quality Committee & Board of Managers.
- B. Leadership will prioritize opportunities for improvement in this function.

COMMUNITY EMERGENCY TELEPHONE NUMBERS:

- A. American Red Cross: 916-993-7070
- B. California Emergency Management Agency: 916-845-8510
- C. California Health & Human Services: 916-654-3454
- D. Federal Bureau of Investigation: 916-481-9110
- E. Nevada County Emergency Management: 530-265-1515
- F. Law Enforcement:
 1. Truckee Police Department 530-550-2323
 2. Nevada County Sheriff Department 530-265-1471
 3. California Highway Patrol 530-563-9200
 4. Coroner 530-265-1321
- G. Fire Departments:
 1. Fire Department (local)911
 - a. Truckee Fire Protection District 530-582-7850
- H. Utilities:
 1. Electricity: Truckee Donner PUD 530-587-3896
 2. Gas: Southwest Gas 530-582-7200
 3. Sanitation Agency 530-587-2525
 4. Medical Gas: Airgas 775-358-2260
- I. Service Contractors:
 1. Computer Service (TFH IT) 530-582-3494
 2. AAA Smart Business (Burglar/Fire alarm) 530-587-6278

3. Linen Supply: Aramark 800-272-6275
- J. Ambulance Services:
 1. Truckee Fire District 530-582-7850
 2. Care Flight Truckee 530-587-8397
- K. Pharmaceutical Supplies:
 1. Tahoe Forest Outpatient Pharm 530-587-7607
 2. Tahoe Forest Inpatient Pharm 530-582-3430
- L. CAMCO Property Management: Tim Sawyer 530-308-1079
- M. Tahoe Forest Hospital
 1. Facilities Management Dept. 530-582-3510
 2. Materials Management Dept. 530-582-3520
 3. Emergency Department (Transfer Agreement) 530-582-3208
 4. CNO, Jan Iida 530-582-3544

COMMUNICATION WITHIN AND OUTSIDE OF THE SURGERY CENTER

- A. TSC understands the importance and need of communication both internally and externally in the event of an emergency.
- B. Staff notification of activation of emergency response procedures, advisories, actions, and pre-planning initiatives will be accomplished in several manners:
 1. Overhead page
 2. Disaster Phone Tree
 3. Disaster Resource List
 - a. TSC has a Disaster Resource List that contains the name, title, contact information for home, cell and work, on duty/off duty status, travel time (if available), neighborhood they reside in, and bilingual language if spoken.
 - b. The Disaster Resource List is located in the following locations:
 - i. G:/Truckee Surgery Center/EOC & Emergency Management
 - ii. The Emergency Management Binder
 - iii. The Nurse Managers schedule clipboard
 - c. The Disaster Resource list is updated every 6 months, or more frequently if needed.
 - d. Medical Staff Contact information is located on the TSC phone list.
 4. Phone Messaging
 5. Email
 6. Text Messages
 7. General Media (TV & radio)

8. Runners

- C. In addition, staff will communicate to patients, families, and visitors, at the time of the notification/activation, what the emergency procedure is as well as how it may affect/impact them and any actions needed to be taken at that time or in the future.
- D. TSC will make every effort to communicate to all external authorities and stakeholder agencies and suppliers of the existence of an emergency condition as appropriate as soon as possible.
- E. In the event that it is necessary, existing partnerships with local, state, and federal law enforcement agencies will be activated and appropriate officials notified depending on the situation.
- F. TFH Facilities Management will be contacted in the event of a non clinical emergency.
- G. The TFH Emergency Room will be notified of any potential transfers.
- H. TFH Administration will be notified of activation of emergency response procedures, advisories, actions, and pre-planning initiatives as soon as possible.
 - 1. The Public Information Officer of TFH will be notified for any communication with the media.
- I. Vendors will be contacted if needed. Vendor phone numbers can be found on the G drive and in the emergency management binder. TFH Facilities Management Department can also be contacted for phone numbers.
 - 1. G:/Truckee Surgery Center/EOC & Emergency Management/ Phone Lists

VOLUNTEERS

- A. Truckee surgery Center does not accept external volunteers.
- B. TFH Staff may assist as needed. They will properly signin/out utilizing the visitor log at the front desk.

INTERNAL SECURITY AND SAFETY OPERATIONS DURING AN EMERGENCY

- A. TSC staff is responsible for controlling access, crowds, and traffic into the Surgery Center.
- B. The Administrator will coordinate with local law enforcement agencies with regard to lock down, suspension of visitors, and restriction of of movement in an emergency depending on the type of incident.
 - 1. This could include placement of uniformed officers at entrances, controlling access via available physical and/or electrical systems, and manual controls such as key access only.
- C. TFH Facilities Management Department will be contacted for any additional security needs.

INVOKING THE 1135 WAIVER

- A. Due to the limited amount of staff please refer to the working hours of the facility. The facility can share the limited available surgical supplies if needed. The facility will not begin providing surgical services at an alternate site during internal disaster. Patients will be canceled and rescheduled to a later date, after facility services have been restored.

1. In the event that an emergency occurs, and the 1135 waiver is invoked, and we have patients we are currently caring for, those patients will be moved to an alternate location for care by our staff, in which we will be reimbursed under the 1135 waiver.
- B. Once the emergency is over, the Administrator and/or Nurse Manager will notify the staff and physicians.
- C. Evidence of damage caused by the emergency or response to the emergency will be documented through photographs or descriptive writing. An emergency action report and critique will be completed by leadership and presented at the next Medical Executive Quality Committee and Board of Manager's meeting. Any emergency supplies used will be restocked.

EXTERNAL DISASTER PROCEDURES

- A. In the event there is an external disaster event in the community all subsequent surgeries will be canceled and space made available for triage.
- B. In the event that our space was not needed, the facility will finish up the procedures in progress as quickly as possible, the patients discharged or transferred to the hospital according to their needs and the facility closed.
 1. Any staff of Truckee Surgery Center available to help in the event of disaster would report to TFH as soon as possible to provide additional support.
- C. TSC may be used to triage patients ages 18-99. TSC will only provide basic first aid to ambulatory and alert and oriented patients.
 1. TSC will not provide care to the following: injuries requiring suturing or surgery, patients with chest pain or shortness of breath, crushing injuries, and head injuries.
- D. The Administrator and/or Nurse Manager will be the person in charge with the following duties:
 1. Approving the implementation of the Emergency Operations Plan and evacuations
 2. Maintaining information flow throughout TSC
 3. Maintaining approved information flow to the public
 4. Maintaining approved information flow to families of people involved in the disaster
 - a. When such information pertains to a patient the patient's protected health information (PHI) release will be reviewed.
 - b. In the event that there is no release on file, one will be obtained prior to sharing information if the patient is still on the premise.
 - c. If the patient has been evacuated and/or is unable to give consent, the facility must exercise professional judgment to determine what PHI may be released.
 5. Maintaining the waiting area for patients and visitors
 6. Identifying new designated areas if needed and communicating this information to the staff.
 7. A staff list will be located at the front desk in the lobby. The staff conference room or kitchen area will be used if the waiting room has been affected by the disaster.

- E. The Administrator and/or Nurse Manager will be the person in charge with the following duties:
 - 1. Determining the extent of employees needed at the ASC.
 - 2. Maintaining and distributing a log for the Red Cross, if appropriate.
- F. If treatment areas are undamaged, they will be used as usual

EVACUATION PROCEDURE

- A. When evacuation of patients from threatened or affected areas of TSC is required, safety of lives is the primary concern. Therefore, the evacuation must be carried out as quickly and efficiently as possible.
- B. *Authority To Evacuate*
 - 1. Authority to order evacuation is vested in the Administrator or Nurse Manager.
- C. *Types of Evacuation*
 - 1. *Immediate Evacuation*
 - a. First move patients and others who are closest to the danger.
 - b. Separate an emergency area from people by a fire door.
 - c. Move medical records with patients, if possible.
 - d. In event of a fire- lead ambulatory patients to exits using the evacuation plan posted in the area.
 - e. Move non-ambulatory and helpless patients to the exit routes by means of Gurneys or wheelchairs
 - 2. *Planned Evacuation*
 - a. Planned evacuation will be initiated by the Administrator or Nurse Manager only. The Administrator, Nurse Manager, or designee will notify the modalities of services of need, extent, and time frame of the evacuation.
 - 3. All patients will be evacuated in the event of
 - a. Disruption or discontinuance of services
 - b. Power outage or other calamity that causes damage to the facility or threatens the safety and welfare of patients and staff
 - c. Natural disaster of such magnitude or threat that it endangers the safety and welfare of patients and staff members.
 - 4. Evacuation will be partial or full, depending on whether an area is uninhabitable for patient safety, requiring partial or complete closure of a modality or an area of service
- D. *Procedure for Evacuation and Discharge of Patients*
 - 1. TSC's nursing staff will prepare patients to be evacuated.

2. An individual appointed by the Administrator or Nurse Manager will notify patients' families of the location of patients and will make a list of patients evacuated to other areas or facilities. This list will be given to the Administrator or Nurse Manager.
3. The ancillary staff will provide additional help as needed.
4. Patients will be evacuated to an area of safety by whatever means are available, and provision will be made for patients' comfort and safety.
5. The intercom will be used to announce evacuation plans. If the intercom is not available, the Administrator or Nurse Manager will designate a runner to announce the evacuation.
6. An evacuation route and meeting place will be the same as that for fire (facility parking lot by generator).

E. *Visitors*

1. Visitors should leave the premises when an evacuation is ordered.
2. If visitors can't safely leave the premises on their own when an evacuation is ordered, a staff member will be assigned to escort visitors to the designated staging area using the safest and most direct route possible.

F. *Evacuation Areas*

1. The parking lot near the generator will be the designated evacuation area except that in inclement weather, the Administrator or Nurse Manager will indicate a secondary evacuation area.
2. Dr. Leslie Joseph's office or TFH Center for Sports and Performance may be used as an alternative area in inclement weather.

- G. The fire evacuation route as designated by maps posted throughout the building will be followed.

SHELTER-IN-PLACE

- A. Shelter-in-Place might result from a fire, severe weather, or hazardous materials incident and is the preferred decision over evacuation unless the circumstances of the incident make this option unsafe.
1. If necessary, initiate lock down procedures, seal the facility (i.e. sealing vents, doors, and windows with tape or plastic) and shut down the HVAC to outside airflow.
 2. Supplies will not be able to enter the building.
 - a. The Administrator and/or Nurse Manager will inventory and conserve resources that may run low if not replenished.
 - i. Food/Water
 - a. There is an emergency kit located in the staff kitchen/breakroom that includes items such as: food, water, walkie talkies, and emergency blankets.
 - ii. Pharmaceuticals

- iii. Medical supplies/equipment
 - iv. Linens
 - v. Personal Protective Equipment
3. Initiate and maintain internal communication through signage and other means.
 4. Establish a patient management plan.
 - a. Identify the current census,
 - b. Cancel elective admissions and procedures
 5. Establish a work force plan, including a plan to address staff needs for the expected duration of the shelter-in-place
The Administrator and/or Nurse Manager are to determine, in collaboration with the response agency, when shelter-in-place can be terminated.
 6. Identify issues that need to be addressed to return to normal business operations, including notification of local authorities, of the termination of shelter-in-place.

POSSIBLE EMERGENCY SITUATIONS

BIOTERRORISM ATTACK

DEFINITIONS:

- A. Terrorism – A violent act or an act dangerous to human life, an act in violation of the laws of the United States, an act intended to intimidate or coerce a government of the civilian population in regards to the furtherance of political or social objectives.
- B. Weapons of Mass Destruction – Any destructive device including all that are explosive or incendiary, a poisonous gas, bomb, grenade, rocket or missile, any weapon involving a disease organism, any weapon designed to release radiation at levels harmful to human life.
- C. Bioterrorism – The intentional use of biological agents as weapons to kill or injure humans, animals or plants. Biological toxins are organisms that cause disease or disrupt physiological activity. Biological agents may be used as liquid droplets, aerosols, or dry powders.

PROCEDURE:

- A. Recommendations for Any Suspected or Real Bioterrorism Event:
 1. Healthcare facilities may be the initial site of recognition and response to bioterrorism events. If a bioterrorism exposure/event is suspected, Truckee Surgery Center's Plan should be activated including notification of the Infection Control Nurse, Nurse Manager, Medical Director, and Administrator.
 2. The Medical Director, Administrator, Nurse Manager and Infection Control Nurse will determine and organize immediate response and will coordinate/conduct appropriate internal and external notification, including notification to the TFH Infection Control RN. Any exposed patients presenting to TSC should be taken to the nearest Emergency Room. The ER attending Physician will be the primary triage doctor and the ER charge nurse will designate a nurse to act as the primary triage

nurse.

B. In the event of a bioterrorism attack:

1. All patients with suspected or confirmed bioterrorism-related illnesses, should be managed utilizing Standard Precautions.

2. STANDARD PRECAUTIONS

- a. Standard Precautions, as defined by the Centers for Disease Control and Prevention (CDC), are designed to reduce the risk of transmission of most disease causing microorganisms in any type of health care setting regardless of the patient's presumed or diagnosed infectious status. With the exception of smallpox, viral hemorrhagic fevers, and pneumonic plague, most infectious diseases caused by bioterrorism agents are rarely, if ever, transmitted from person-to-person. Standard Precautions should be integrated into all healthcare worker/patient care interactions that include contact with:

- i. Blood
- ii. Non-intact skin
- iii. Body fluids regardless of the presence or absence of visible blood (urine, feces, vomitus, wound and lesion drainage, pulmonary secretions including nasal and salivary secretions and tears)
- iv. Skin soiled with visible blood or other body fluids
- v. Mucous membranes
- vi. Bioterrorism Agents – Diseases Requiring Standard Precautions Only
 - a. Bacillus anthracis – Anthrax (See contact Precautions)
 - b. Brucellae species – Brucellosis
 - c. Clostridium Botulinum - Botulism
 - d. Coxiella burnetii - Q fever
 - e. Francisella tularensis – Tularemia (See Contact Precautions) California Hospital Bioterrorism Response Planning Guide

3. CONTACT PRECAUTIONS

- a. Place patients in an available bed on any nursing unit. Patients with similar syndromes may also be cohorted (grouped) in semi-private or multiple-bed rooms. Special ventilation is not required. Consider placing patients who consistently soil the immediate environment with visible blood or body fluids (e.g., incontinence, wound drainage not contained by a dressing or poor hygienic habits) in a private room.
- b. **Visitors**

- i. Limit visitors to immediate family members and significant others. Instruct visitors to wash their hands before and after patient contact and before leaving the patient's room.

c. Personal Protective Equipment (PPE)

i. Gloves

- a. Wear disposable gloves when contact with visible blood and body fluids is anticipated. Gloves should also be worn when touching environmental surfaces and patient care articles visibly soiled with blood or body fluids. Gloves should be put on just prior to performing a patient care task that involves contact with blood or body fluids and removed immediately, without touching non-contaminated surfaces, when the task is complete. When performing multiple procedures on the same patient, gloves should be changed after contact with blood and body fluids that contain high concentrations of microorganisms (e.g., feces, wound drainage or oropharyngeal secretions) and before contact with a clean body site such as non-intact skin and vascular access sites.

ii. Facial Protection

- a. Wear disposable, fluid-resistant masks and eye shields (goggles with side-shields) or a face shield if the patient is coughing or when performing patient care tasks likely to generate splashing or spraying of blood and body fluids onto the mucous membranes of the face.

iii. Gowns

- a. Wear disposable, fluid-repelling gowns to protect skin and clothing when performing procedures likely to generate splashing or spraying of blood and body fluids. Plastic aprons may be worn for procedures likely to soil clothing but are unlikely to generate splashing or spraying of blood or body fluids (e.g., cleaning incontinent patients). The material composition of the gown should be appropriate to the amount of fluid penetration likely to be encountered. Remove soiled gowns after patient contact. Reusable cloth gowns may be used for patient contacts, if splashing or spraying of blood and body fluids is unlikely. Disposable or reusable gowns should be worn once and then discarded.

d. Handwashing

- i. Wash hands with soap (antimicrobial or non-antimicrobial) and water after protected (gloved) and unprotected (ungloved) contact with visible blood, body fluids (secretions, excretions [urine and feces], wound drainage and skin visibly soiled with blood and body fluids). Wash hands before leaving the immediate vicinity of patient contact (patient room, cubicle, or bathroom). After handwashing, avoid touching the patient and surfaces or items in the immediate vicinity of the patient (bedpans, bed rails, and bedside tables). Decontaminate hands with an alcohol or quaternary ammonium-based ("quat") product after contact with invisible soil (protected or unprotected hands have not been in contact with visible blood or body fluids) and after prolonged contact with the clean, dry intact skin of the patient (lifting, turning, ambulating).

e. Laboratory Specimens

- i. Transport specimens to the laboratory according to facility procedure. Laboratory personnel should adhere to the chain of custody protocols developed by CDHS and the FBI.

f. Patient Care Equipment

- i. Equipment such as bedpans, urinals, and emesis basins should be cleaned in a manner that prevents splashing and spraying of blood and body fluids onto the healthcare worker's clothing, skin and mucous membrane. Reusable equipment that requires cleaning and disinfection or sterilization should be sent to sterile processing in covered containers for reprocessing. Disposable equipment not intended for reuse should be discarded.

g. Housekeeping

- i. Clean environmental surfaces daily, when visibly soiled with blood and body fluids, and after the patient is discharged from the room with an Environmental Protection Agency (EPA) registered disinfectant.

h. Soiled Linen

- i. Place soiled linen in leak-proof bags and seal. Call for immediate pick up from contracted linen service.

i. CONTACT PRECAUTIONS

- i. Cutaneous anthrax and tularemia can be transmitted to healthcare workers by contact with the infected patient's wound or lesion drainage. In addition to Standard Precautions, Contact Precautions should be followed.

ii. Patient Placement

- a. Place patients with open draining lesions in a private room, if available. Patients with the same diagnosis

may be cohorted (grouped) in semi-private rooms. When a private room or cohorting is not achievable, separate infected patients at least three (3) feet away from non-infected patients.

iii. **Visitors**

- a. Limit visitors to immediate family members or significant others. Instruct visitors to wash their hands their hands before and after patient contact and before leaving the patient's room.

4. HANDLING OF SUSPICIOUS PACKAGES OR ENVELOPES

- a. If a package or envelope appears suspicious, DO NOT OPEN IT.
- b. Do not shake or empty the contents of any suspicious package or envelope.
- c. Do not carry the package or envelope, show it to others or allow others to examine it.
- d. Put the package or envelope in a biohazard bag, on a stable surface; do not sniff, touch, taste, or look closely at it or at any contents which may have spilled.
- e. Alert others in the area about the suspicious package or envelope. Leave the area, close any doors, and take action to prevent others from entering the area. If possible, shut off the ventilation system.
- f. WASH hands with soap and water to prevent spreading potentially infectious material to face or skin.
- g. Seek additional instructions for exposed or potentially exposed persons.
- h. Notify the Administrator and/or Nurse Manager immediately (Centers for Disease Control and Prevention, 2001).

CODE BLUE

A. Code Blue in the **Operating Room:**

1. The circulating nurse or any available person overhead pages by dialing 2348 and announcing "Code Blue, OR ____". This is an important first step, as it alerts everyone in the facility to respond immediately.
2. Anesthesia acts as code director. If no anesthesia provider is in attendance, the surgeon is the code director.
3. Any BLS certified staff member may begin CPR.
4. Scrub nurse maintains sterile field, and assists surgeon with closing and dressing the patient.
5. Recovery nurse brings crash cart, and assists rest of team with additional needs.
6. Circulator acts as medication nurse, assists with defibrillator, assists anesthesia as

necessary.

7. The Administrator or designee directs outside activity, calls 9-911, arranges lab courier, calls for assistance as needed, communicates with family, makes transfer arrangements if necessary.
8. Ancillary staff gathers and delivers necessary supplies, per type of code.

B. Code Blue in the Recovery Room:

1. Recovery room nurse or any available person overhead pages by dialing 2348 and announcing "Code Blue Recovery Room".
2. Nurse in attendance begins CPR.
3. Pre-op or second post-op nurse brings crash cart to bedside. Assists with CPR, medications, and defibrillation setup.
4. Any available anesthesia provider or MD responds to code, code is directed by anesthesia if present, otherwise most appropriate M.D. in attendance.
5. OR nurse responds if available.
6. The Administrator or designee directs outside activity, calls 9-911, arranges lab courier, calls for assistance as needed, communicates with family, makes transfer arrangements if necessary.
7. Ancillary staff acts as scribe and gathers/delivers necessary supplies, per type of code.

C. All patients undergoing resuscitative measures at Truckee Surgery Center will be transported to TFH for further evaluation and treatment. All paperwork that has been with the patient since admission will be photocopied and attached to the transfer order to remain with the patient/ EMS staff. The nurse or physician caring for the patient at TSC will call report directly to the ER nurse receiving the patient at TFH. The nurse caring for the patient will document all calls made and care given on the patient care record at TSC.

D. If a patient has been transferred to the hospital for any reason, the Administrator and/or Nurse Manager will follow up with the hospital to obtain follow-up paperwork/documentation. The patient's record will also be pulled to be used in the peer review process.

FIRES

A. For fires at **Truckee Surgery Center**, actions should proceed in the following order:

1. RESCUE - remove patients or personnel from immediate danger.
2. ALARM - activate the fire alarm by using the fire pull or by calling 911.
3. CONTAIN - contain the fire to keep it from spreading: close doors, turn off oxygen if possible, etc.
4. EXTINGUISH - if possible, without placing yourself or others in danger, attempt to extinguish the fire.

All personnel must know the locations of the fire extinguishers and pull alarms.

B. For fires in the Operating Rooms:

1. Remove all persons from immediate danger
2. Pull the nearest fire pull or call 911
3. Close all doors and move people accordingly
4. If the fire is manageable, use a fire extinguisher, in the following manner:
 - a. *Pull* the pin on the fire extinguisher
 - b. *Aim* the nozzle towards the fire
 - c. *Squeeze* the handle to dispense fire retardant
 - d. *Sweep* - spray the fire retardant in a sweeping motion
 - e. Check with the Nurse Manager for additional assignments/duties
 - f. If evacuation is necessary, stable patients can be moved to another part of the building or to the outside (weather permitting), unstable patients will need to be transferred via ambulance to TFH for further care

BOMB THREAT

- A. A bomb threat against the facility requires an immediate, informed response. Time is of the essence in protecting the patients committed to our care. Adherence to the following procedures will help avert possible injury to persons or damage to the facility.
- B. The Administrator or Nurse Manager will coordinate the bomb threat response procedures.
- C. Should a suspected device be found, the decision to evacuate must be resolved through consultation between the police department and surgery centers leadership to balance the risk of a potential explosion versus the risk of moving patients.
- D. At no time should the staff try to touch a bomb or a suspected bomb.

PROCEDURE:

- A. Receiving Threats
 1. Police records indicate that a telephone warning is the most common way of receiving bomb threats.
 2. ***If you receive a bomb threat by phone:***
 - a. – IMMEDIATELY UTILIZE THE BOMB THREAT LOG SHEET –
 - b. Remain calm. Do not hang up.
 - c. Take note of the callers exact words. Pay close attention to the caller's voice and any background noise. Try to prolong the conversation and get as much information as possible.
 - d. Attempt to ascertain when the bomb will detonate, where the device is located, what it looks like, and why it was placed in this location.
 - e. When the call is over, immediately notify the Administrator or Nurse Manager and give them the completed Bomb Threat Checklist.

3. ***If you receive a written threat:***
 - a. Gather all materials as evidence, including any envelopes or containers.
 - b. Avoid further handling to prevent the contamination of evidence.
 - c. Notify the Administrator or Nurse Manager immediately.

4. ***If a suspicious letter/package is received by mail:***
 - a. Do not accept unsolicited packages. If any doubts exist about the package, treat it as a suspicious package.
 - b. Mail bombs have been contained in letters, books, and parcels of varying sizes, shapes, and colors. When examining suspicious packages, look for the following characteristics of a letter bomb.
 - i. No return address
 - ii. Restrictive markings such as Confidential, Personal, Private etc.
 - iii. Endorses with "Fragile – Handle with Care" or "Rush – Do Not Delay."
 - iv. Excessive postage
 - v. Misspelled words
 - vi. Incorrect titles or names
 - c. If you have a suspicious package
 - i. Do not handle the item.
 - ii. Do not open, smell or taste the article.
 - iii. Isolate the mailing and secure the immediate area.

5. ***Evaluate the Threat***

- a. The Administrator or Nurse Manager will evaluate the threat utilizing the categories outlined in the policy [Code Yellow, EOC-1901](#)
 - i. If it is determined that a Code Yellow Alerting & Notification should be initiated
 - a. The Administrator or Nurse Manager will call 9-911
 - b. Should a search of the facility be warranted, the Administrator or Nurse Manager will dial 2348 and page overhead "Code Yellow"
- b. Search Procedures
 - i. After a bomb threat is received, the Administrator or Nurse Manager may divide the building into sections and organize search teams to cover specific areas.
 - ii. A search, if required, needs to be done by people familiar with what does and does not belong in their work areas.
 - a. The Administrator and/or Nurse Manager should

designate specific search assignments based upon availability of current staffing.

- i. Generally, teams composed of a Law Enforcement/Bomb Disposal Unit and, if necessary, a designated staff members from the Surgery Center will assist in conducting the search.
- ii. The removal or disarming of a bomb must be left to the professionals in explosive disposal.
- b. The objective is to search for and report suspicious objects only.
- c. Emphasis should be given to areas open to public access.
- d. Those areas locked and unavailable to the public should be searched last.
- e. Do not leave your work area to search other areas or evacuate unless told to do so.
- iii. The Administrator and/or Nurse Manager will coordinate activities with the Police and/or fire personnel and keep the rest of TSC staff informed of all events.
- iv. If a suspicious device is located
 - a. Do not touch it.
 - b. Note the location, description and proximity to utilities, gas lines, water pipes, and electrical panels.
 - c. Do not allow media to use satellite dish for transmitting or reporting purposes as this is a possible source of detonation.
 - d. Remove flammable material from the suspected area.
 - e. Isolate the object by closing doors. Keep everyone away from window areas.
 - f. Evacuate to a distance of at least 300 feet from the suspected item.
 - g. Ensure Law Enforcement has been notified.
 - h. Once Law Enforcement arrives, they are in charge; all staff will follow their instructions.

c. Evacuation

- i. An evacuation decision should be made only if an actual device has been located or substantiated through clear and reliable information.

- ii. The decision to evacuate should be made through Unified Command consisting of the surgery center's leadership and the Police Department.
- iii. The building will be evacuated according to the established evacuation procedure unless otherwise directed
 - a. Give a brief explanation, then evacuate ambulatory patients and visitors first.
 - b. Surgeons will close surgery sites as quickly as possible and non-ambulatory patients will be evacuated via wheelchair and gurney.
 - c. A designated staff member will keep a log of all personnel, visitors and patients present in the building.
- d. Explosion
 - i. If an explosion occurs, initiate Internal Triage.
 - ii. Treat injured victims in an area away from the blast site. Transfer patients as needed to the hospital.
 - iii. Support Law Enforcement as requested
- e. All Clear
 - i. When it has been determined that there is no evidence of a device in the facility, or the suspected device has been rendered safe, the Administrator or Nurse Manager call 2348 and page overhead, "Code Yellow, All Clear".
 - ii. All personnel will return to their normal duties.

EARTHQUAKE

- A. The actual movement of the ground in an earthquake is seldom the direct cause of death or injury. Most casualties result from falling objects and debris because the shocks can shake, damage, or demolish and cause great damage. Earthquakes usually strike without warning. In most cases, the shock occurs and is ended in seconds, which precludes any personal protective action during the tremor. If the seismic action is a prolonged shaking and rolling, it is prudent to take protective measures such as taking cover in a doorway or under a table. If there is time, people should cover their heads and shoulders and try to protect themselves from falling objects or shattered glass. The scope of this procedure covers response to all types of earthquakes.
- B. Injuries are commonly caused by:
 - 1. Partial building collapse; collapsing walls; falling ceiling plaster, light fixtures, and pictures
 - 2. Flying glass from broken windows and mirrors

3. Overturned bookcases, fixtures, and other furniture and equipment
4. Fires, broken gas lines, and similar causes, with danger aggravated by the lack of water due to broken mains
5. Fallen power lines
6. Drastic human actions resulting from panic

C. Immediate response measures for all personnel:

1. On detection of shock, remain in place.
2. Remain calm. Think through the consequences of any action. Try to calm and reassure others.
3. If indoors, watch for falling plaster, light fixtures, and other objects. Watch out for high storage areas, shelves, and tall equipment that might slide or topple. Stay away from windows and mirrors. If in danger, get under a table, desk, or gurney, in a corner away from windows, or in a strong doorway. Encourage others to follow your example. Usually, it is best not to run outdoors.
4. After the initial shock has ended, and a reasonable interval has passed with no further shock, survey immediate surroundings to determine injuries and damage. Do not attempt to move seriously injured persons unless they are in immediate danger of further injury.
5. If telephones are operating, call the Administrator and/or Nurse Manager, if they are not on site, to report the condition of patients and estimated damage in your area.
6. If you are in the area of damage and are not seriously injured, your first responsibility is to the patients in your vicinity. If possible, reassure them and attempt to calm those who may be hysterical or panic stricken. If there are obvious injuries from falling objects, shattered glass, or patients or personnel trapped under debris, you must request assistance and perform first aid within your capability where possible until medical personnel arrive to assist in treatment or rescue.
7. Check for fire or fire hazards from broken electrical lines or short circuits, and follow the fire response procedures if a fire is discovered or can reasonably be expected.
8. Do not attempt to lead or assist any patients to leave the Surgery Center until you are directed to do so by the Administrator or Nurse Manager. If TSC has not been made unsafe by the earthquake, it is advisable to encourage patients to stay inside until they have arranged safe transportation home or have determined the conditions of the roadways.
9. Make sure all patients wear shoes in areas near debris and glass. Immediately clean up spilled medications, drugs, and other potentially harmful materials. If the water is turned off, emergency water can be obtained; assess bottled water inventory. Check to see that sewage lines are intact before permitting flushing of toilets. Check closets and storage shelf areas. Open closet and cupboard doors carefully, and watch for objects falling from shelves.
10. Be prepared for additional aftershocks. Although most of these are smaller than the main shock, some may be large enough to cause additional damage.

D. Responsibilities:

1. Administrator:

- a. Initiate the phone tree as necessary
- b. THE PHONE TREE = The Administrator notifies all of the following:
 - i. *TFHD CNO*
 - ii. *Medical Director*
 - iii. *Anesthesia Director*
 - iv. *Medical Staff*
 - v. *Nurse Manager*→ who notifies all staff, reps & vendors
- c. After receiving damage assessment reports from all modalities and services, determine the advisability of partial or complete evacuation of the Surgery Center.
- d. If evacuation is deemed advisable, determine the condition of exit areas and avoid those that are obstructed or otherwise hazardous. Follow the posted signs for nearest exit from current location.
- e. Conduct an immediate check of all communications systems including the telephones and overhead paging. Initiate actions to restore service or use other communication resources, including cellular telephones, walkie talkies, or messengers.
- f. Direct implementation of evacuation procedures outlined in the Emergency Operations Plan.
- g. Ensure that all local emergency service authorities are informed of the degree of damage and extent of injuries sustained by the site, its patients, and personnel.

2. Nurse Manager:

- a. Establish transport teams to assist in transport of patients within the ASC as required.
- b. Provide for emergency messenger service.
- c. Establish casualty information, and instruct the Administrator or designee about information to be released to media and concerned individuals.
- d. Establish an injured patients list, and indicate where each patient is located for incoming medical personnel.
- e. Have any physicians at the clinic activate major and minor treatment areas and provide examination and treatment to patients and personnel as required. Be aware that, depending on the magnitude of the earthquake, physicians may be called to serve in other healthcare clinics or organizations in the area.
- f. Assign an individual to establish and maintain a master list of patients and

treatment.

- g. Request additional professional assistance, as needed, through the local emergency medical services network.
 - h. Instruct the front desk to direct incoming employees or members of the public to appropriate areas.
 - i. Ascertain the need for emergency generator capacity. If it is determined that temporary emergency power is needed for essential staff functions, refer to the Emergency Electrical Power policy.
- E. Ensure that the Administrator and/or Nurse Manager check utility lines and appliances for damage. Only the Administrator or Nurse Manager, or a representative of the power company, may shut off any valves or circuits. If gas leaks exist, the Administrator or Nurse Manager will shut off the main gas valve. If there is damage to wiring, the Administrator or Nurse Manager will shut off electrical power. The Administrator/Safety Officer will report damage to the appropriate utility companies and follow their instructions. No one should use matches, lighters, or open flame appliances until it is determined that no gas leaks exist. Electrical switches or appliances should not be operated if gas leaks are suspected; sparks can ignite gas from broken lines.

SNOW AND ICE REMOVAL

To create safe entry and exit to the facility, snow and ice removal and melting will be ensured by the following preventive procedure:

- A. A walk-around of the facility will be conducted to identify specific challenges for snow removal.
- B. An average first snowfall date can be ascertained by contacting the local weather service.
- C. The following provisions will be stored at the Surgery Center before the anticipated date: Adequate manual equipment, snow shovels, ice scrapers, brooms, and sand. Enough ice-melt for at least two storms, adequate walk-off mats, interior and exterior.
- D. The snow and ice removal contractor is responsible for any damage to facility grounds during snow and ice removal activities.
- E. Reminders of ice and snow safety will be distributed to staff before the projected first snowfall date.
- F. The ice and snow removal contractor is:
 - 1. CAMCO
 - 2. Telephone number: 530-587-3355

BLIZZARD/EXTREME SNOWFALL

Severe winter weather producing prolonged exposure to extreme cold and blizzards with blowing snow may put TSC staff and patients at risk; therefore, Truckee Surgery Center employees/staff are required to become familiar with this blizzard response procedure and be prepared to take appropriate action.

DEFINITIONS:

- A. Winter Storm Watch - Be alert, severe weather is likely
- B. Winter Storm Warning - Severe winter weather is expected
- C. Blizzard Warning - Severe winter weather with sustained winds or frequent gusts to 35 mph or greater and considerable falling or blowing snow (reducing visibility to less than one quarter mile) are expected to prevail for a period of 3 hours or longer. Deep drifts and life threatening wind chill result.
- D. Traveler Advisory - Severe winter conditions may make driving difficult and dangerous
- E. Wind Chill - A calculation of how cold it feels outside when the effects of temperature and wind speed are combined. A strong wind combined with a temperature of just below freezing can have the same effect as a still air temperature about 35 degrees colder.
- F. Frostbite - A severe reaction to cold exposure that can permanently damage its victims. Symptoms include loss of feeling and white or pale appearance to fingers, toes, or nose and earlobes.
- G. Hypothermia - A condition occurring when body temperature drops below 90 degrees Fahrenheit. Symptoms include uncontrollable shivering, slow speech, memory lapses, frequent stumbling, drowsiness and exhaustion.

PROCEDURE:

A. ADMINISTRATOR AND NURSE MANAGER CHECKLIST

1. When informed of a Winter Storm Warning, Blizzard Warning, or Traveler's Advisory, The Administrator or Nurse Manager shall initiate notification procedures as appropriate.
2. Immediately inform employees to take appropriate measures.
3. Listen to NOAA Weather Radio and local radio and television stations for weather information.
4. Provide for early release or extended staff or employees as appropriate while providing optimal patient care.
5. Provide food, water, blankets, flashlights with extra batteries and other emergency supplies for employees who become stranded at the facility.
6. Provide sleeping accommodations for employees who become stranded at the facility.
7. Ensure back-up power source passes checklist and has adequate fuel (see weekly generator checks)
8. Arrange for snow and ice removal from parking lots with contractor unless already completed.

B. STAFF RESPONSE CHECKLIST

1. Staff will:
 - a. Listen for weather warnings

- b. Use only approved portable space heaters
 - c. Follow utility failure procedures if there is a disruption or failure of electrical power
2. If outside:
- a. Dress warmly in layers to prevent perspiration and chill. Keep dry. (Mittens are warmer than gloves.)
 - b. Cover mouth to protect lungs from extremely cold air
 - c. Avoid exertion (cold weather puts extra strain on the heart)
 - d. Watch for signs of frostbite and hypothermia
 - e. First Aid response:
 - i. If frostbite or hypothermia is suspected, begin warming the person slowly. Warm the person's trunk (mid-body) first. Arms and legs should be warmed last because stimulation of the limbs can drive cold blood toward the heart and lead to heart failure. Put the person in dry clothing and wrap their entire body in a blanket.
 - ii. Never give frostbite or hypothermia victims something with caffeine in it (i.e. coffee or tea) or alcohol. Caffeine, a stimulant, can cause the heart to beat faster and hasten the effects the cold has on the body. Alcohol, a depressant, can slow the heart and also hasten the ill effects of cold body temperatures.
 - f. Recovery:
 - i. After blizzards, heavy snows or extreme cold:
 - a. Notify Leadership of any injuries
 - b. Notify Leadership of any facility damage
 - c. Resume normal schedule
 - d. Before driving, check road status, ensure car has at least 1/2 tank of fuel

AVALANCHE

Truckee Surgery Center shall participate in the response of patients in the event of an avalanche. Staff shall be encouraged to be prepared at their homes to protect themselves, their families and their property.

A. STAFF RESPONSE CHECKLIST:

1. Off duty staff:

a. *Before intense storms:*

- i. Become familiar with the land around you
- ii. Learn whether avalanches and debris flows have occurred in

your area by contacting local officials, state geological surveys or departments of natural resources.

- iii. Watch the patterns of storm drainage on slopes near your home, and especially the places where runoff coverages, increasing flow over snow covered slopes. Watch the hillsides around your home for any signs of snow movement, such as small avalanches or debris flows, or progressively tilting trees.
- iv. Watching small changes could alert you to the potential of a greater avalanche threat.

b. *During intense storms:*

- i. Stay alert and awake. Many debris/snow-flow fatalities occur when people are sleeping.
- ii. Listen to NOAA Weather Radio or portable, battery-powered radio or television for warnings of intense snowfall. (Be aware that intense, short bursts of snow may be particularly dangerous, especially after longer periods of snowfall and cold weather.)
- iii. If you are in areas susceptible to avalanches and debris flows, consider leaving if it is safe to do so. (Remember that driving during an intense storm can be hazardous.)
- iv. If you remain at home, move to a second story if possible. Staying out of the path of the avalanche or debris flow saves lives.
- v. Listen for any unusual sounds that might indicate moving debris, such as trees cracking or boulders knocking together.
- vi. Be especially alert when driving. Embankments along roadways are particularly susceptible to avalanches.
- vii. Watch the road for heavy snow, fallen rocks and trees, and other indications of possible debris flows.

c. *If you suspect imminent avalanche danger:*

- i. Contact your local fire, police or public works department. Local officials are the best persons to assess potential danger.
- ii. Inform affected neighbors. Your neighbors may not be aware of potential hazards. Advising them of a potential threat may help save lives. Help neighbors who may need assistance to evacuate.
- iii. Evacuate. Getting out of the path of an avalanche or debris flow is your best protection.

d. *During an avalanche:*

- i. Quickly move out of the path of the avalanche or debris flow. Moving away from the path of the flow to a stable area will

reduce your risk.

- ii. If escape is not possible, move your arms rapidly to try and stay afloat in the snow and do whatever possible to protect the rest of your body from injury.

e. *After an avalanche:*

- i. Stay away from the slide area. There may be danger of additional slides.
- ii. Check for injured or trapped persons near the slide, without entering the direct slide area. Direct rescuers to their locations.
- iii. Help a neighbor who may require special assistance - infants, toddlers, elderly people, and people with disabilities. Elderly people and people with disabilities may require additional assistance. People who care for them or who have large families may need additional assistance in emergency situations.
- iv. Listen to local radio or television stations for the latest emergency information.
- v. Look for and report broken utility lines to appropriate authorities. Reporting potential hazards will get utilities turned off as quickly as possible, preventing further hazard and injury.
- vi. Check the building and surrounding land for damage. Damage may help you assess the safety of the area.

2. On duty staff:

- a. In the event of an avalanche, the phone tree will be initiated by the Administrator, or his/her designee, to call in all available medical/professional personnel for assistance.
 - i. THE PHONE TREE = The Administrator notifies all of the following:
 - a. *TFHD CNO*
 - b. *Medical Director*
 - c. *Anesthesia Director*
 - d. *Medical Staff*
 - e. *Nurse Manager*→ who notifies all staff, reps & vendors
- b. Truckee Surgery Center (TSC) will provide all available staff to TFH for additional assistance.
- c. If necessary, elective cases scheduled for the day at the TSC will be postponed in order to provide staff for the avalanche emergency.
- d. In the event that more beds than are available at TFH are needed, TSC will open the facility to those in need.

- e. Supplies and pharmaceuticals will be distributed as necessary and re-ordered as soon as possible.
- f. As soon as possible, the patients triaged at TSC will be transported to TFH (when space becomes available) or to Reno for further care.
- g. The receptionist will make sure all emergency calls are passed to the Administrator.
- h. The Administrator and Nurse Manager will delegate duties to available staff, as required.
- i. Once all patients have been safely transported to other facilities, available staff from Truckee Surgery Center will offer their assistance to TFH.
- j. When the patients have been properly cared for, TSC can return to its schedule.

3. Utility Systems:

- a. The Administrator or designee will ensure that the utility systems at the facility have not been interrupted.
- b. If at any time, during an external avalanche, the facilities power or water supply is interrupted, the Emergency Quick Reference Guide will be used to determine the appropriate response.
- c. The Administrator will be notified of any utility systems failures/interruptions.

WILDFIRE

During the warmer months, there is a likelihood of wildfire which may put TSC staff and patients at risk. Therefore, all Truckee Surgery Center employees/staff are required to become familiar with this wildfire response procedure and to be prepared to take appropriate action.

A wildfire in the Tahoe Basin and surrounding areas may be extremely dangerous. As seen in years past, the Tahoe Basin is subjected to many wildfires based on dry seasons and wet seasons causing growth in the forest around us. The threat of a wildfire can cause the community to shut down, and as a major medical provider for the area, leave the residents and visitors without medical care they may need.

A. ADMINISTRATOR & NURSE MANAGER CHECKLIST:

1. When informed of a wildfire in the Tahoe Basin or surrounding area:
 - a. Initiate notification procedures as appropriate using the phone tree.
 - b. THE PHONE TREE = The Administrator notifies all of the following:
 - i. *TFHD CNO*
 - ii. *Medical Director*
 - iii. *Anesthesia Director*
 - iv. *Medical Staff*
 - v. *Nurse Manager*→ who notifies all staff, reps & vendors

- c. If wildfire is close, activate Emergency Response in anticipation of potential evacuation.
- d. Immediately inform employees to take appropriate measures to prepare patients for evacuation and transport.
- e. Prepare to make overhead announcements as necessary.

B. STAFF RESPONSE:

1. To prepare for wildfires:

- a. Listen to local radio and television stations for information.
- b. Prepare for potential patients needing assistance with breathing problems, smoke inhalation, eye issues, traumatic injuries, burns and medication issues (when there is overflow from TFH).
- c. Close all windows to the building.
- d. Finish any surgical cases in progress as expediently and safely as possible and do not proceed with any further scheduled cases.
- e. Standby to evacuate, if instructed by the Administrator or Nurse Manager.

2. For employees coming to, or leaving, work:

- a. Wear protective clothing, sturdy shoes, cotton or woolen clothing, long pants, long sleeve shirts, eye protection, and a handkerchief to protect your face.
- b. Choose a route away from fire hazards.
- c. Use caution and exercise good judgment when re-entering a burned wildfire area.
- d. Avoid damaged or fallen power poles or lines and downed wires. Immediately report electrical damage to authorities.
- e. Be careful around burned trees and power poles. They may have lost stability due to fire damage. If a power pole should fall next to you, DO NOT RUN OUT OF THE AREA. To avoid being shocked, you must shuffle your feet on the ground without lifting them up off the ground. This will reduce the chance of electrocution.

C. ALL CLEAR:

- 1. When wildfire evacuation is not required and facility is no longer at imminent risk of danger, the Administrator or Nurse Manager will call off the Emergency Response and assist with resume normal operations as required.

PANDEMIC- LOCALIZED AND WIDESPREAD

- A. Truckee Surgery Center will participate with the TFH incident command center in the event of a pandemic.
 - 1. The need for additional PPE and supplies will be evaluated.

2. Closure of the facility will be determined through the Incident Command and TSC Leadership.
- B. State and Federal guidelines and mandates will be adhered to.
1. The Administrator and Nurse Manager will monitor guidelines and make any required changes immediately.
- C. Policies and Procedures will be implemented as necessary.

ESSENTIAL EQUIPMENT OR SERVICE/UTILITY FAILURE

- A. In the event of essential equipment or service failure, TSC Leadership will take action to restore the system as soon as possible. If required the TFH Facilities Management Department will be contacted for assistance

ELECTRICAL POWER FAILURE UNPLANNED

- A. In case of normal electrical power failure, the emergency generator will provide power, in less than ten seconds.
- B. If the facilities electrical power supply is compromised or unavailable the Administrator and/or Nurse Manager will determine whether the Surgery Center should remain open or should close. If it appears that electrical power will be resumed in a short time, patients and staff may be advised to wait.
- C. If the Administrator and/or Nurse Manager determine that the power will not be resumed before the end of the business day, they may close the Surgery Center. In such a case, patients will be rescheduled.
- D. If the Administrator and/or Nurse Manager determines that it is appropriate for the Surgery Center to remain open or open for staff, but not patients, emergency lighting and power is supplied by the emergency backup generator maintained by Cashman Equipment telephone # 775-332-2588. This temporary electrical power will be used to accomplish only essential business functions.
- E. The Administrator or Nurse Manager will contact TFH Facilities Management to notify them of the power outage and request assistance if needed.
- F. If assistance is required TFH will send the Engineer on duty to the facility. The Engineer will:
1. Check for generator operation during a power outage.
 2. Check for transfer switch operation.
 - a. If there is no transfer and power is still off, manually transfer the switches.
 3. For emergency problems with the generator see the building maintenance contact list.
 4. Walk through the facility to check equipment operation in the order of importance (i.e., life and safety first, air conditioning equipment last).
 5. Call TDPUD (See Community Emergency phone list) and try to find out if the problem

is in their equipment or internal malfunctioning.

- a. If it is theirs, try to get an estimated time of repair.
 - b. If it is ours, determine if outside help is needed.
 - c. If outside help or rental generator is needed see building maintenance contact list.
6. Determine whether extra fuel will be needed for extended generator operation.
- a. If additional fuel is required see building maintenance contact list.
- G. If a power outage occurs during patient care, the surgeon will finish the surgical case in progress using backup power and no new surgeries will be performed until power has been restored.

ELECTRICAL POWER FAILURE PLANNED (PSOM)

- A. Truckee Donner PUD distributes electrical power received from NV Energy from their Reno sub-station to TSC.
- B. High winds can cause trees or debris to damage electric lines and cause wildfires. As a result, NV Energy may need to turn off power during severe weather. NV Energy refers to these power shut off events as Public Safety outage Management (PSOM) events.
- C. 48-24 hour notification will be provided before the power shut off event is activated.
- D. If the PSOM is scheduled to occur during business hours, surgeries will be rescheduled and staff may be called off. The Administrator and Nurse Manager will determine the need to reschedule cases and cancel staff assignments.

OXYGEN SUPPLY FAILURE

- A. In the event of a failure in the system that supplies oxygen to the surgery center, prompt action will be taken by TSC leadership to restore the system to operating condition as soon as possible. If required the TFH Facilities Management Department will be contacted for assistance.
- B. If appropriate, advise staff to utilize portable oxygen tanks until repairs are made.
- C. TFH or the Vendor will assess the problem: Determine estimated repair time, and notify the Administrator and/or Nurse Manager.
- D. Initiate repairs utilizing TFH maintenance personnel and outside agencies as needed.
 1. Backup cylinders and regulators are located in the Med Gas Storage Room.
- E. Call medical gas supplier (See building maintenance contact list) for additional oxygen tanks that may be needed.
 1. Full oxygen tanks can be used from the reserve supply if failure is in the switching units.

NATURAL GAS FAILURE

- A. In the event of a disruption of the natural gas supply, prompt action will be taken by TSC leadership to restore the system to operating condition as soon as possible. If required the

TFH Facilities Management Department will be contacted for assistance.

1. Call gas company (See building maintenance contact list).
 - a. Try to find out if the problem is in their lines or in our equipment.
 - b. Try to get an estimate of repair time, and keep in close contact with them.
2. Advise staff and leadership of the problem and how long repairs will take.
 - a. The Surgery Center and Apartment would be affected by the lose of domestic hot water.
 - b. Equipment affected: hot water is required for the sterilizers in Sterile Processing. Natural gas is required for the boilers that provide heating to the facility and the appliances and heating in the apartment.
3. Initiate repairs, if needed, utilizing TFH Facilities Management personnel and outside agencies, if required.
 - a. If necessary, call for fuel service (See building maintenance contact list) for service, assistance, and parts.

FIRE SPRINKLER WATER LOSS

- A. In the event of loss of water to fire protection system, ultimate measures must be taken to prevent possible loss of life and/or property until repairs are made. If required the TFH Facilities Management Department will be contacted for assistance.
 1. Notification and cooperation with the Fire Department is essential.
- B. Contact the TFH Facilities Management Department to determine if the Vendor needs to be contacted.
- C. Contact TDPUD, if it seems to be an external problem.
 1. Try to get an estimate of the time needed for repairs.
- D. If it is an internal problem, TFH or the vendor will assess the situation to determine actual repair time and advise the Administrator of their findings.
- E. Contact the Truckee Fire Protection District for possible standby fire protection until repairs can be made.
- F. If it is an internal problem, initiate repairs utilizing TFH Facilities Management staff or outside contractors as needed. See building maintenance contact list.
- G. Notify Fire Department when repairs are completed.
- H. A fire watch must be conducted should the sprinkler system be out of service for more than 10 hours in a 24-hour period.

FAILURE OF NURSE CALL SYSTEM

- A. In the event of a failure of the nurse call system, action will be taken by TSC leadership to repair the system as soon as possible. If required the TFH Facilities Management or IT Department may be contacted for assistance.
- B. The vendor, TFH facilities staff, or TFH It staff will assess the problem and determine actual

- estimated repair time and advise the Administrator and/or Nurse Manager of the situation.
- C. Initiate the repairs with the vendor as soon as possible.
 - D. Departments involved will keep up vigilance in the affected areas to ensure patient needs are met.
 - 1. utilize bells, gongs, or similar devices of notification.

FAILURE OF MEDICAL AIR SYSTEM

- A. In the event of failure of the medical air system, swift action will be taken by TSC Leadership to ensure that an adequate supply of medical air is reestablished as soon as possible. If required the TFH Facilities Management Department will be contacted for assistance.
- B. A failure in this system would interrupt the supply of medical air to areas that use it in delivery of patient care.
- C. The vendor or TFH facilities staff will assess the problem and determine repair time and advise the Administrator and/or Nurse Manager of the situation.
- D. Initiate repairs using TFH Facilities Management personnel and outside contractors as required
 - 1. If necessary, call emergency repair vendor (see building maintenance contact list) for assistance in repair or for rental replacement unit.
 - 2. If line repair is necessary, secure the particular zone, purge the zone with nitrogen, and certify the system prior to restarting the equipment.

FAILURE OF MEDICAL VACUUM SYSTEM

- A. In the event of the failure of the medical vacuum system, swift action will be taken by TSC leadership to restore the system to operating condition as soon as possible. If required the TFH Facilities Management Department will be contacted for assistance.
- B. A failure in this system would interrupt the supply of vacuum to the operating rooms, preop, and recovery and negatively impact routine patient care.
- C. TFH Facilities Management and/or the Vendor will assess the problem, determine actual estimated repair time, and advise affected departments.
- D. Facilities Management will initiate repairs and will use outside agencies as, and if, needed.
- E. Portable suction machines will be used until repairs can be made.
 - 1. Additional portable rental units, if necessary, will be obtained through TFH Materials Management Department.
 - 2. The TFH Facilities Management Department may obtain rental or replacement equipment or repair assistance from emergency vendor.
 - 3. Anesthesia cases will not take place until the vacuum system has been repaired.

EMERGENCY WATER SUPPLY

- A. In case of normal water supply interruption, TSC Leadership will take all necessary steps to obtain and provide emergency water as needed.

- B. If TSC's drinking water supply is contaminated or unavailable the Administrator or Nurse Manager will determine whether TSC should remain open.
- C. Emergency water should be available at all times.
 - 1. Potable water is stored and secured in the womens locker room.
 - 2. If additional bottled water is required TFH Materials Management will be contacted at 530-582-3510. If they are unable to provide additional water leadership will designate a staff member to go to Safeway, Savemart, Riteaid, or CVS to purchase more.
- D. Upon water interruption, the Administrator will contact TFH Facilities management and alert staff of the need to conserve water.
- E. If problem is internal due to main line failure:
 - 1. Call TDPUD to advise normal water supply interruption since they may be able to provide portable water.
- F. In case of major disaster, with water supply failure:
 - 1. Human waste disposal:
 - a. Non-potable water, if available, can be used to flush toilets. Portable restrooms can be used to reduce the amount of water needed for flushing toilets (i.e. patients use non-potable water, staff us portable restrooms).
- G. Upon restoration of normal water supply, TFH Facilities Managment will assist the hospital in taking water samples for analysis for potability to an outside agency e.g. TTSA, Cranmer or Sierra Environmental Monitoring.
 - 1. As this analysis can take up to 24 hours, continue using alternative sources of potable water.

MAJOR SEWER LINE FAILURE

- A. In case of main or branch sewerage line failure, action shall be taken to restore sewage disposal capabilities as soon as possible.
- B. If a sewer problem occurs, the TFH Facilities Management Department should be called, and a response time determined immediately.
- C. Human waste disposal:
 - 1. Obtain plastic liners to place in toilets or bedside commodes and/or bed pans for patient collection of urine, stool and other wastes. Instruct staff and patients not to flush toilets.
 - a. Kitty litter can be used to help absorb liquid.
 - b. Place large plastic containers with lids (garbage size) in dirty utilities areas identified as hazardous waste.
 - c. Waste can be transported to Porta Potties for disposal.
 - 2. If required, Porta Potties can be used by staff and visitors until the issue is resolved.
- D. TFH Facilities Management will assess the situation.

1. If TFH Facilities Management is unavailable refer to building maintenance contact list.
2. TFH Facilities Management will coordinate delivery of Porta Potties until the issue can be resolved.

FAILURE OF FIRE ALARM SYSTEM

- A. A fire watch must be conducted should the fire alarm system in whole or in part, be out of service for more than 4 hours in a 24 hour period.
 1. Personnel will be designated to perform a continuous fire inspection of the Surgery Center.
 2. The Administrator will contact the local fire department at the beginning and end of the fire watch.
 3. This inspection will need to be logged and documentation then kept in the Emergency Management binder.
 4. The continuous fire inspection is a visual inspection of all affected areas of the Surgery Center including unoccupied areas to ensure that a fire has not gone undetected.

RELATED POLICIES:

[Code Red, EOC-2205, Code Yellow, EOC-1901, Code Orange, EOC-2204, Code Gray, EOC-2201, Code Purple, EOC-2206, Code Silver, EOC-2203, Code Blue/Code White Protocol, NS-1905, Fire Drills, EOC-1909, Fire Safety & Staff Response, EOC-1910, Fire Safety-Oxygen Enriched Atmosphere in the Operating Room, EOC-1911, Fire Watch, EOC-1913, Handling Hazardous Chemicals, EOC-1916, Alternate Life Safety Measures, EOC-1922,](#)

REFERENCES:

1. APIC Bioterrorism Task Force and CDC Hospital Infections Program Bioterrorism Working Group. (1999, April 13). Bioterrorism Readiness Plan: A Template for Healthcare Facilities. Retrieved March 24, 2011, from Centers for Disease Control and Prevention: <http://www.cdc.gov/ncidod/dhqp/pdf/bt/13apr99apic-cdbioterrorism.pdf>
2. Centers for Disease Control and Prevention. (2001, October 26). Update: Investigation of Bioterrorism-Related
3. Anthrax and Interim Guidelines for Exposure Management and Antimicrobial Therapy. Morbidity and Mortality
4. Weekly Report , 50(42), 909-919. Retrieved March 24, 2011, from Centers for Disease Control and Prevention: <http://www.cdc.gov/mmwr/PDF/wk/mm5042.pdf>
5. ACHC Standard 07.00.01
6. ACHC Standard 15.02.02

Attachments

[Bomb Threat Checklist](#)

[Disaster phone tree](#)

[Disaster Resource List](#)

[Emergency equipment](#)

[Emergency Quick Reference Guide](#)

Approval Signatures

Step Description	Approver	Date
	Courtney Leslie: Administrator	Pending
	Heidi Fedorchak: Nurse Manager	04/2023



Origination 04/2020
Last N/A
Approved
Last Revised 04/2023
Next Review 1 year after approval

Owner Heidi Fedorchak:
Nurse Manager
Department Quality and Patient Safety
Applicabilities Truckee Surgery Center

Quality Assessment & Performance Improvement (QAPI) Plan, QA-2002

PURPOSE:

- A. To provide a framework for promoting and sustaining performance improvement at Truckee Surgery Center (TSC), in order to improve the quality of care and enhance organizational performance. The goals are to pro-actively reduce risk to our patients by eliminating or reducing factors that contribute to unanticipated adverse events and/or outcomes and provide high quality care and services to ensure a safe care experience for our patients and customers. This will be accomplished through the support and involvement of the Truckee Surgery Center Medical Executive Quality Committee (MEQC), Board of Managers, Medical Director, Leadership, Medical Staff, Employees, and Tahoe Forest Hospital District's (TFHD) Quality/Infection Control Department leaders, in an environment that fosters collaboration and mutual respect. This collaborative approach supports innovation, data management, performance improvement, proactive risk assessment, commitment to customer satisfaction, and High Reliability tenets to promote and improve awareness of patient safety.
- B. To utilize the Plan-Do-Check-Act (PDCA) Cycle or other established Quality Assurance and Performance Improvement (QAPI) methodology as the standard in our QAPI Program, in order to enhance patient safety and quality of care, and deliver cost effective services.
- C. To use an ongoing, data-driven system-wide QAPI Plan that will serve TSC and its patients long into the future.

PROGRAM SCOPE:

- A. The program is system-wide. It focuses on high risk, high frequency and/or known problem-prone and safety issues first. It includes but is not limited to the following:
 - 1. Governance Issues

2. Surgical and Medical Services
3. Anesthesia Services
4. Pharmaceutical Services
5. Nursing Services
6. Environment & Safety
7. Medical Records
8. Medical Staff Performance, clinical and other
9. Allied Health Practitioners Performance, clinical and other
10. Laboratory & Radiological Services
11. Radiation Safety
12. Infection Control
13. Patients' Rights
14. Contracted Services
15. Regulatory Compliance

B. The program includes, but is not limited to, an ongoing program that demonstrates measurable improvement in patient health outcomes, and improves patient safety by using quality indicators or performance measures associated with improved health outcomes and by the identification and reduction of medical errors.

C. At Truckee Surgery Center:

1. Designated quality indicators for each of the above service areas will be measured and analyzed.
2. Adverse patient events of all types will be measured, analyzed, and the lessons learned will be established as quality indicators (QI) and will be measured, analyzed, and tracked.
3. Infections and parameters (indicators) for infection control will be established, measured, analyzed, and tracked over time.
4. Other indicators of the care and services furnished in TSC will be established, measured, analyzed, and tracked as above.

PROGRAM DATA:

- A. TSC's QAPI Program incorporates quality indicator data, including patient care and other relevant data regarding services furnished at TSC. The goal is 100% compliance with each identified quality metric. TSC uses the data collected to:
1. Monitor the effectiveness and safety of services and quality of care.
 2. Identify opportunities that could lead to improvements and changes in its patient care.
- B. Data includes:

1. Procedures Provided at TSC:
 - a. Surgical/invasive and manipulative procedures
 - b. Pain management procedures
2. Radiological Services:
 - a. Radiation safety screening results
 - i. Badge reports
 - b. Radiation equipment monitoring
 - i. Phantom tests/Jug tests
 - ii. Physicist checks
 - iii. Lead shield integrity
 - iv. Quarterly fluoroscopy monitoring
3. Infection Control:
 - a. Hand hygiene surveillance
 - b. Safe Injection Practices
 - c. Infection control monthly walk-throughs
 - d. Sterile processing surveillance
 - e. Environmental rounds
 - f. Monitoring of immediate use sterilization
 - g. Surgical Site Infections (SSI's)
 - h. Timing of prophylactic antibiotic administration
4. Adverse Events:
 - a. Unplanned hospital transfer/admission
 - b. Adverse events including wrong site, side, patient, or implant
 - c. Medical errors including medication, surgical, and diagnostic errors; equipment failures,
5. Pharmacy:
 - a. Medication therapy
 - b. Medication errors
 - c. Adverse drug reactions
 - d. Formulary
 - e. Quarterly chart reviews
6. Environment of care:
 - a. Fire & Disaster Preparedness
 - b. Monitoring of temperature and humidity in OR's, preop/PACU, SPD and

- sterile storage
 - c. Refrigerator(s) temperature monitoring
 - d. Blanket warmer temperature monitoring
 - e. Fluid warmer temperature monitoring
 - f. Cleaning logs
7. Medical Staff:
- a. Credentialing
 - b. Peer Review
8. Nursing Services:
- a. Nursing chart review
 - b. Annual competencies
 - c. Safe surgery checklist
9. Patient Safety & Care:
- a. Resuscitation and critical incidents, including debriefings
 - b. Clinical record reviews, surgery and pain
 - c. Patient unexpected complications monitoring
 - d. Tracking of delayed surgical start times and extended PACU stays
 - e. Patient Satisfaction Survey surveillance
 - f. Complaints and grievances

PERFORMANCE IMPROVEMENT INITIATIVES:

- A. TSC has prioritized its Performance Improvement initiatives with the goals of meeting and exceeding the national benchmark standards of the Ambulatory Surgery Center Organization (ASCA) and the California state benchmark standards of the California Ambulatory Surgery Association (CASA).
- B. TSC's designated initiatives were also prioritized with the intention of survey readiness, and compliance with federal and state regulations, to result in the successful accreditation survey.
- C. The 2023 Performance Improvement priorities identified include:
 - 1. Exceed national benchmark standard of reported surgical site infections (SSIs)
 - a. Utilize the PDCA method to obtain, measure, analyze, and track prior data, with the goal of promoting and guiding new and continued policies and procedures in the prevention of infections.
 - b. Continue to implement and monitor infection control and quality indicators.
 - 2. Focus on promoting patient safety and best-practice, particularly with the administration of medication

- a. Collaborate with and continually educate TSC's nursing and medical staff on maintaining the 8 rights of medication administration
 3. Encourage and maintain patient safety in the area of procedural time-outs and preparation by upholding regulatory and policy standards
 4. Continued focus on quality and patient/employee safety during the pandemic, following CDC, State, and County Health guidelines, and utilizing the following strategies:
 - a. Strengthen the system and environment
 - b. Support patient, family, and community engagement and empowerment
 - c. Improve clinical care
 - d. Prevent harm
 5. Ongoing survey readiness and compliance with federal and state regulations
 6. Sustain a culture of safety, transparency, accountability, and system improvement
- D. TSC's priority QAPI activities will:
1. Focus on high risk, high volume, and problem-prone issues,
 2. Consider incidence, prevalence, and severity of any noted problem areas,
 3. Place our healthcare outcomes, patient safety and the overall quality of our care as high priority.
- E. Decisions to improve TSC's processes are based on the following:
1. TSC's mission and goals
 2. A change in the facility's Scope of Services
 3. An undesirable change occurs, such as an Adverse or Unanticipated Patient Care Outcome, Sentinel Event or Near Miss
 4. An issue defined and/or determined by the Performance Improvement process
 5. It is part of an important function as defined by a regulatory health care body such as the Department of Health Services, Medicare, an accrediting agency such ACHC or is an accepted community health care standard.
- F. Our program will track all known adverse patient events, and a Root Cause Analysis (RCA) will be performed for each event. The initial plan will use cause and effect diagrams and flow diagrams for the RCA. As the plan progresses, other formats will be explored and when the long-term plan is developed other RCA methodology could be developed.
- G. Truckee Surgery Center will utilize baseline data and aggregated data to determine the following quality of care goals:
1. Improving existing processes
 2. Developing new processes
 3. Development of action plans for improvement
 4. New goals for improvements of past processes that have not been maintained

5. Comparisons with internal and external quality benchmarks
 6. Determining whether Risk Management/Patient Safety issues are being addressed and evaluated appropriately
- H. The lessons learned from any RCA will be used to design Performance Improvement (PI). The PI methodology will utilize the Deming Cycle of PDCA to test and refine our implementation of improvement.
- I. Improved performance derived by these PI activities will be monitored over time utilizing repeated PDCA analysis to ensure that our improved performance will be sustained over time.
- J. Periodically (at least annually) the medical staff and nursing staff at TSC will be provided specific QAPI training about PI methodology and TSC's evolving improvement strategies derived for our QAPI program. The goal is to ensure that all staff is familiar with these strategies.
- K. Recent focus of our QAPI Program has been placed on opportunities for improvement including the following:
1. Radiological Services:
 - a. Radiation Safety Screening is performed by an outside vendor. The exposure time is validated and a report is provided quarterly. The Radiation Safety Officer audits and reviews the reports for any outliers and reports any issues to the Nurse Manager and/or Administrator. The facility works cooperatively with the Radiology department of TFHD who provides additional review as needed and documents any findings.
 - b. Phantom/Jug Tests are performed weekly by the Radiology department of TFHD. These results are input into a formula to determine outliers; any abnormal results are reported to the Nurse Manager and/or Administrator and documented in the fluoroscopy binder.
 - c. TSC's contracted physicist provides an annual check of all radiological equipment in the facility for safety and effectiveness. A report is produced and is reviewed by the MEQC, Board of Managers, and TSC's Administrator and Nurse Manager. Abnormal findings are reported to the Radiology Director of TFHD for resolution.
 - d. Lead Shield Integrity is evaluated annually by the Radiology department of TFHD. Results are reported to the MEQC, Board of Managers, and TSC's Administrator and Nurse Manager.
 2. Infection Control:
 - a. Unannounced hand hygiene and infection control walk through surveillances are performed monthly by the QAPI/IP Coordinator using the audit tools.
 - b. The Sterile Processor will perform monthly audits of all Immediate Use Sterilization and will provide a report on this information to the QAPI/IP Coordinator.
 - c. Surgical Site Infection data is obtained from the physicians via a monthly memorandum/physician letter. The reports are provided to the Nurse

Manager and/or QAPI/IP Coordinator and reported to the MEQC and Board of Managers.

3. Adverse Events:

- a. Hospital Transfers/Admissions are documented on Occurrence/Notification Reports by the attending staff and provided to the QAPI/IP Coordinator, Nurse Manager, and the Administrator for immediate review.
- b. Adverse Events are documented on an Occurrence/Notification Report by the attending staff and provided to the QAPI/IP Coordinator, Nurse Manager, and the Administrator for immediate review.

4. Pharmacy:

- a. Medication Errors are documented on an Occurrence/Notification Report by the attending staff and provided to the QAPI/IP Coordinator and Nurse Manager for immediate review.
- b. Adverse Drug Reactions are documented on an Occurrence/Notification Report by the attending staff and provided to the QAPI/IP Coordinator and Nurse Manager for immediate review.
- c. A formulary has been created by the nursing staff in cooperation with the contracted Pharmacist. The formulary will be updated as necessary and reviewed and approved by the MEQC and Board of Managers annually.

5. Environment of Care:

- a. The Emergency Operations Plan including the Fire and Disaster Preparedness Plans are reviewed with the facility staff, Medical staff, MEQC and Board of Managers. All drills including quarterly Fire Drills and annual Disaster Preparedness Drills will be performed with written evaluation including areas for improvement. Changes to the Emergency Operations Plan will be implemented based on recommendations from the drill or actual event evaluations. All evaluations will be reported to the MEQC and Governing Board and all staff and physicians will be educated on changes to the plan.
- b. Temperature and Humidity logs are maintained by the nursing staff. Any values outside of acceptable parameters will be reported to the Nurse Manager and/or Administrator immediately for documentation and corrective action.

6. Medical Staff:

- a. Credentialing will be performed biennially per facility policy and Medical Staff Bylaws. The credential file will be reviewed by the Medical Director and then reviewed and approved by the MEQC & Board of Managers.
- b. Peer Review will be performed quarterly by all practitioners at the facility. Peer review will be performed per facility policy.
- c. Medical chart reviews will be performed on 100% of patient cases by the QAPI/IP Coordinator or designee. Any discrepancies or fall-outs from

surgeons and/or anesthesiologists, unless deemed necessary for immediate action, will be reviewed, summarized, and reported at the MEQC and Board of Managers quarterly meetings.

7. Nursing Services:

- a. Nursing Chart Reviews will be performed monthly by the QAPI/IP Coordinator or designee. Documentation and nursing care will be evaluated and reported to TSC staff as needed. Trends are analyzed and opportunities for improvement are discussed with staff.
 - b. Annual competencies, per facility policy, will be evaluated by the Administrator and/or Nurse Manager.
- L. A Safe Surgery Checklist is performed by the medical and/or nursing staff prior to each surgery to ensure that all personnel are introduced, confirmation of the correct patient is made, allergies discussed, procedure confirmed, the site is marked, and the patient is positioned correctly. There is confirmation that the surgeon and anesthesiologists needs for equipment are met and readily available, that pre-op antibiotics have been administered within 60 minutes prior to surgical cut time, a fire risk assessment is complete, and that fluoroscopy badges are worn by all personnel (when applicable). At the conclusion of the surgery, there is verbal communication of **correct counts**, **name of the procedure**, and **specimen label(s)** (when applicable), and the physician and anesthesiologist are then asked to state any recovery or equipment concerns. This checklist becomes a permanent part of the patient's record.

CLINICAL PRACTICE GUIDELINES:

- A. A Clinical Practice Guideline (CPG) is used to design or to improve process(es) that evaluate/treat specific diagnosis, condition, symptoms, or procedure. Clinical practice guidelines help practitioners and patients make decisions about preventing, diagnosing, treating, and managing selected conditions. These guidelines can also be used in designing clinical processes or in checking the design of existing processes. TSC identifies criteria that guide the selection and implementation of clinical practice guidelines which are consistent with its mission and priorities.
- B. The following steps will be completed in the development of clinical practice guidelines:
 1. The MEQC and TSC leadership will discuss the most likely processes, procedures or diagnoses to be reviewed based on TSC's Scope of Services and approved procedure list. A high volume, high risk or problem prone process will be selected when needed.
 2. Clinical practice guidelines for the chosen project will be reviewed via the Internet using multiple sources. Sources of clinical practice guidelines include the Agency for Healthcare Research and Quality, the National Guideline Clearinghouse (www.ihl.org), and professional organizations in an effort to provide current Evidence Based Practice (EBP) guidelines in effect within healthcare specialties.
 3. An appropriate team will be formed to assist with the development of the CPG. The team will follow the PDCA process for development of the CPG.
 4. The CPG project may be identified by clinical staff within TSC based on risk factors

or difficult processes currently part of the healthcare delivery system.

5. Variation in practice with regards to the Clinical Practice Guideline will be tracked by the facility and significant variances and/or adverse patient outcomes will be communicated to the MEQC and Board of Managers.
6. Variations in practice from the suggested CPG parameters does not necessarily mean potential negative outcomes are imminent, but should be used to re-evaluate the parameters of the CPG in use within the facility.

ORGANIZATIONAL FRAMEWORK:

Processes cross many departmental boundaries and performance improvement requires a planned, collaborative effort between all departments, services, and external partners, including third-party payers and other physician groups. Though the responsibilities of this plan are delineated according to common groups, it is recognized that true process improvement outcomes occur only when each individual works cooperatively and collaboratively to achieve improvement.

Board Of Managers

- A. The Board of Managers has the ultimate responsibility for the quality of care and services provided at TSC. The Board of Managers assures that a planned and systematic process is in place for measuring, analyzing and improving the quality and safety of the Surgery Center activities.
- B. The Board:
 1. Delegates the authority for developing, implementing, and maintaining performance improvement activities to the Administrator, Nurse Manager, Medical Director, Anesthesia Director, Medical Staff, and employees;
 2. Recognizes that performance improvement is a continuous, never-ending process, and therefore they will provide the necessary resources to carry out this philosophy;
 3. Provides direction for the organization's improvement activities through the development of strategic initiatives;
 4. Evaluates the organization's effectiveness in improving quality through reports from Leadership, the MEQC, and Medical Staff.

Medical Executive Quality Committee (MEQC)

The MEQC is to provide oversight for TSC's QAPI Plan and set expectations of quality care, patient safety, environmental safety, and performance improvement throughout the organization. The committee will monitor the improvement of care, treatment and services to ensure that it is safe, timely, effective, efficient, equitable, and patient-centered. They will oversee and be accountable for the organization's participation and performance in national quality measurement efforts, accreditation programs, and subsequent quality improvement activities. The committee will assure the development and implementation of ongoing education focusing on service and performance excellence, risk-reduction/safety enhancement, and healthcare outcomes.

- A. The MEQC provides effective mechanisms to monitor, assess, and evaluate the quality and appropriateness of patient care and the medical performance of all individuals with delineated clinical privileges. These mechanisms function under the purview of the Medical Staff Peer Review Process. Consistent with this process, performance improvement opportunities are addressed, and important problems in patient care or safety are identified and resolved.
- B. The MEQC delegates the oversight authority for performance improvement activity monitoring, assessment, and evaluation of patient care services provided through TSC to the QAPI/IC Coordinator and leadership team. QAPI reports are provided quarterly to assess TSC's plan.

Medical Staff

- A. The Medical Staff is expected to participate and support performance improvement activities.
- B. The Medical Staff provides effective mechanisms to monitor, assess, and evaluate the quality and appropriateness of patient care and the clinical performance of all individuals with delineated clinical privileges. These mechanisms are under the purview of the Medical Staff Peer Review Process. Consistent with this process, performance improvement opportunities are addressed, and important problems in patient care or safety are identified and resolved.

Quality Assurance/Performance Improvement/ Infection Prevention Coordinator (QAPI/IP)

The QAPI/IP Coordinator creates a vision and direction for clinical quality and patient safety throughout TSC. The QAPI/IP Coordinator, in conjunction with the Administrator, Nurse Manager, Medical Director, Medical Staff, and TSC employees, directs and coordinates quality, patient safety, and performance improvement initiatives to enhance the quality of care provided to TSC patients. The QAPI/IP Coordinator communicates patient safety, best practices, and process improvement activities to the Administrator, Nurse Manager, Medical Director, Medical Staff, TSC staff, and engages them in improvement activities.

TSC Employees

- A. The role of the individual employee is critical to the success of a performance improvement initiative. Quality is everyone's responsibility and each employee is charged with practicing and supporting TSC's plan.
- B. Employees are expected to do the following:
 1. Contribute to improvement efforts, including reporting Sentinel/Adverse Event/Error or Unanticipated Outcomes, to produce positive outcomes for the patient and their families.
 2. Make suggestions/recommendations for opportunities of improvement or for a cross-functional team; including risk reduction recommendations and suggestions for improving patient safety, by contacting the QAPI/IP Coordinator, Nurse Manager and/or the Administrator. All employees must feel empowered to report, correct, and prevent problems.

BENCHMARKING:

Measurement is the foundation of all Performance Improvement activities. Measurement involves the collection of data and forms the basis for determining the level of performance of existing processes and functions within TSC, and the outcomes resulting from these processes and functions.

A. INTERNAL BENCHMARKING:

1. The measurement system includes data on:
 - a. Outcomes both directly and indirectly related to patient care
 - b. A comprehensive set of Quality Indicators, including not limited to, the ASC Division Quality Indicators which track both the quality and quantity of those designated patient care areas
 - c. Risk Management issues and occurrences, inclusive of Sentinel/Adverse Events
 - d. Patient satisfaction surveys and patient complaints/grievances
 - e. Human Resource and staff learning needs identified
 - f. The Environment of Care safety - Fire and Disaster plans

B. EXTERNAL BENCHMARKING:

1. External benchmarking for other patient care issues and activities may include, but is not limited to:
 - a. American Society of Anesthesiologists
 - b. American College of Surgeons
 - c. American Academy of Orthopedic Surgeons
 - d. National Association of Orthopedic Nurses
 - e. American Association of Peri anesthesia Nurses
 - f. Associate of Perioperative Nurses, etc.
 - g. Clinical Practice Guidelines, published at a National Guideline Clearinghouse
 - h. Center for Disease Control
 - i. Association for Professionals in Infection Control (APIC)
 - j. Recognized practice guidelines relevant to a community standard of care

PERFORMANCE IMPROVEMENT:

Education

- A. Training and education are essential to promote a culture of quality within TSC. All employees and Medical Staff receive education about performance improvement upon initial orientation. Employees and Medical Staff receive additional annual training on various topics related to

performance improvement.

- B. The QAPI/IP Coordinator, Nurse Manager and/or Administrator will provide education to all staff members on the QAPI Plan and their role in performance improvement activities.

Priorities

- A. The QAPI program is an ongoing, data driven program that demonstrates measurable improvement in patient health outcomes, improves patient safety by using quality indicators or performance improvement measures associated with improved health outcomes, and by the identification and reduction of medical errors.
- B. Improvement activities must be data driven, outcome based, and updated annually. Careful planning, testing of solutions and measuring how a solution affects the process will lead to sustained improvement or process redesign. Improvement priorities are based on the mission, vision, and strategic plan for TSC. During planning, the following are given consideration:
 - 1. Processes that are high risk, high volume, or problem prone areas with a focus on the incidence, prevalence, and severity of problems in those areas
 - 2. Processes that affect health outcomes, patient safety, and quality of care
 - 3. Processes related to patient advocacy and the perfect care experience
 - 4. Processes related to the National Quality Forum (NQF) Endorsed Set of Safe Practices
 - 5. Processes related to patient flow
 - 6. Processes associated with Near Miss, Sentinel/Adverse Event/Error or Unanticipated Outcome
- C. Because TSC is sensitive to the ever changing needs of its facility, priorities may be changed or re-prioritized due to:
 - 1. Identified needs from data collection and analysis
 - 2. Unanticipated adverse occurrences affecting patients
 - 3. Processes identified as error prone or high risk regarding patient safety
 - 4. Processes identified by proactive risk assessment
 - 5. Changing regulatory requirements
 - 6. Significant needs of patients and/or staff
 - 7. Changes in the environment of care
 - 8. Changes in the community
 - 9. Identified process improvements from emergency drills or actual events

Project

- A. The Performance Improvement (PI) Projects at TSC reflect the scope and complexity of the facility's services and operations, and are based off of noted areas for improvement from practice.

B. The Deming Cycle:

1. TSC uses the Plan-Do-Check-Act (PDCA) Cycle to evaluate, plan, design, and implement processes to improve within the surgery center.
2. PLAN:
 - a. Project Start-Up
 - i. Decide the focus of improvement or issue to be improved
 - ii. Confirm the aim of the project
 - b. Current Situation - identify and collect baseline data
 - i. Confirm that problem exists with data
 - ii. Analyze your current process
 - iii. Develop a measurable goal for the project
 - c. Perform Cause Analysis
 - i. Evaluate the following:
 - a. Resources
 - b. Equipment
 - c. People
 - d. Methods
3. DO:
 - a. Develop and implement solutions
 - i. Perform a pilot/trial run on a small scale or time frame
 - ii. New solutions may require that the DO step is repeated
4. CHECK:
 - a. Analyze the effect of solutions implemented
 - i. Compare with baseline data and goal of the project
 - ii. Has improvement been gained?
 - iii. Has the goal been met?
 - iv. Standardize the successful solutions
 - b. Adopt, adapt for alternative solutions
 - i. Repeat the DO and CHECK processes for failed solutions
5. ACT:
 - a. Standardization
 - i. Fully implement the solutions by defining the new process and the methods for communicating, training and maintaining the goal of the project

- b. Future Plans
 - i. Evaluate what was learned from the project
 - ii. Continue the project if the goal was not met
 - iii. Develop new solutions and checks as needed
- C. SMART Projects are mini PI Projects which TSC conducts on an as needed basis, determined by quality indicator data that is obtained. These projects help facilitate quick interventions and necessary procedural changes.

AGGREGATION AND ANALYSIS OF DATA:

- A. In addition to the Program Data listed above, the following clinical and administrative data is aggregated and analyzed to support patient care and operations:
 - 1. Quality Measures delineated in clinical contracts will be reviewed annually
 - 2. Summaries of performance improvement actions and actions to reduce risks to patients
 - 3. Pharmacy transactions as required by law and to control and account for all drugs
 - 4. Information about hazards and safety practices used to identify safety management issues to be addressed by TSC
 - 5. Reports of required reporting to federal and state authorities
 - 6. Performance measures of processes and outcomes, including measures outlined in clinical contracts
- B. This data is reviewed regularly by the MEQC and Board of Managers with a goal of 100% compliance. The review focuses on any identified outlier and the plan of correction.
- C. TSC believes that excellent data management and analysis are essential to an effective performance improvement initiative. Statistical tools are used to analyze and display data, and are in compliance with the TFHD plan. All performance improvement teams and activities must be data driven and outcome based. The analysis includes comparing data within TSC, within TFHD, with other comparable organizations, with published regulatory standards, and best practices. Data is aggregated and analyzed within a time frame appropriate to the process or area of study. Data will also be analyzed to identify system changes which will help improve patient safety and promote an excellent care experience.
- D. The data used to monitor the effectiveness and safety of services and quality of care. The data analysis identifies opportunities for process improvement and changes in patient care processes. Adverse patient events are analyzed to identify the cause, implement process improvement and preventative strategies, and ensure that improvements are sustained over time.
- E. Data is analyzed in many ways including:
 - 1. Using appropriate performance improvement problem solving tools
 - 2. Making internal comparisons of the performance of processes and outcomes over time

3. Comparing performance data about the processes with information from up-to-date sources
 4. Comparing performance data about the processes and outcomes to other hospitals and reference databases
- F. Intensive analysis is completed for:
1. Levels of performance, patterns or trends that vary significantly and undesirably from what was expected
 2. Significant and undesirable performance variations from recognized standards
 3. A sentinel event that has occurred (see policy Sentinel/Adverse Event/Error or Unanticipated Outcome, QA-2001)
 4. Variations which have occurred in the performance of processes that affect patient safety
 5. Hazardous conditions which would place patients at risk
 6. The occurrence of an undesirable variation which changes priorities
- G. The following events will automatically result in intense analysis:
1. Significant adverse drug reactions
 2. Significant medication errors
 3. All major discrepancies between preoperative and postoperative diagnosis
 4. Adverse events or patterns related to the use of sedation or anesthesia
 5. Hazardous conditions that significantly increase the likelihood of a serious adverse outcome
 6. Staffing effectiveness issues
 7. Deaths associated with a hospital acquired infection
 8. Core measure data, that over two or more consecutive quarters for the same measure, identify TSC as a negative outlier

REPORTING:

- A. Results of the outcomes of performance improvement and patient safety activities identified through data collection and analysis, performed by medical staff, ancillary, and nursing services will be reported to the MEQC and Board of Managers quarterly.
- B. TSC also recognizes the importance of collaborating with state agencies to improve patient outcomes and reduce risks to patients by participating in external quality reporting initiatives.

CONFIDENTIALITY AND CONFLICT OF INTEREST:

All communication and documentation regarding performance improvement activities will be maintained in a confidential manner. Any information collected by any TSC employee or Medical Staff in order to

evaluate the quality of patient care, is to be held in the strictest confidence, and is to be carefully safeguarded against unauthorized disclosure.

Access to peer review information is limited to review by the Medical Staff and its designated committees and is confidential and privileged. No member of the Medical Staff shall participate in the review process of any case in which he/she was professionally involved unless specifically requested to participate in the review. All information related to performance improvement activities performed in accordance with this plan is confidential and are protected by disclosure and discover-ability through California Evidence Code 1156 and 1157.

ANNUAL ASSESSMENT:

The evaluation includes a review of patient care and patient related services, infection control, medication administration, medical care, and the Medical Staff.

The purpose of the evaluation is to determine whether the utilization of services is appropriate, policies are followed, and needed changes are identified. The findings of the evaluation and corrective actions, if necessary, are reviewed. The QAPI program evaluates the quality and appropriateness of diagnoses, treatments furnished, and treatment outcomes.

An annual report summarizing the improvement activities and the assessment will be submitted to the Medical Staff, MEQC and Board of Managers.

Related Policies/Forms:

Infection Control Plan, IC 1914

Occurrence/Notification Reports, QA-1903

Risk Management, QA-1905

Sentinel Event/Error or Unanticipated Outcome, QA-2001

References:

ACHC, the Joint Commission, CMS COPs, HCQC NRS/NAC

Approval Signatures

Step Description	Approver	Date
	Heidi Fedorchak: Nurse Manager	Pending
	Courtney Leslie: Administrator	Pending



Origination 07/2019
Last Approved N/A
Last Revised 04/2023
Next Review 1 year after approval

Owner Courtney Leslie:
Administrator
Department Medical Staff
Applicabilities Truckee
Surgery
Center

Credentialing & Privileging Licensed Independent Practitioners, MS-1903

PURPOSE:

To establish mechanisms for gathering relevant data that will serve as a basis for decisions regarding credentialing and privileging of licensed independent practitioners who provide patient care services at Truckee Surgery Center. This policy applies to all medical staff members as well as Allied Health Professionals (i.e., Advanced Practice Nurses and Physician Assistants) credentialed and privileged through the Medical Staff process.

POLICY:

- A. It is the policy of Truckee Surgery Center to assure that licensed independent practitioners meet the minimum credentials, privileging and performance standards. Credentialing is performed jointly for all physicians, podiatrists, and dentists prior to appointment to the Truckee Surgery Center Medical Staff. Credentialing and Privileges is performed jointly for all Allied Health Professionals prior to approval by the Board of Managers. Members of the Medical Staff may be granted delineated clinical privileges as specified in the Medical Staff Bylaws for the facility. Members of the Medical Staff shall hold an M.D. or D.O. degree and unrestricted license to practice medicine issued by the Medical Board of CA or the Osteopathic Medical Board of CA. Allied Health Professionals are not members of the Medical Staff.
- B. The providers attest that all information submitted for credentialing and privileging process is accurate, and agree to report immediately any change in status of the information maintained in the Credentials file. If any submitted items differ from documentation disclosed through the verification process, the Medical Director may consult with the provider to resolve any discrepancies. All time sensitive documents for any applicant or re-application must be no more than 180 days from the date of the providers attestation at the time of the Credentialing review. In the event that time sensitive documents are found to be out of compliance with

regulatory guidelines, those documents will be re-verified prior to review by the Medical Executive Quality Committee and the Board of Managers.

- C. All applications for appointment, reappointment, and requests for clinical privileges, will be evaluated based on current licensure, education, training or experience, current competence, and ability to perform the clinical privileges as requested.
- D. Once the applicant is approved, they are to be notified and given a copy of the letter of approval of privileges signed by a member of the Board of Managers, their delineation of clinical privileges, the Medical Staff Bylaws, the Medical Staff Rules and Regulations, and summaries of other applicable policies relating to clinical practice in the organization, if any.

PROCEDURE:

A. New Applicants

1. Individuals requesting to be credentialed and privileged will be provided with the credentialing packet by the TSC Administrator as well as a cover letter explaining the paperwork and requirements for processing the request. Contents of the packet include:

- a. Instructions
- b. Identifying Information
- c. Practice Information
- d. Pre-Medical Information
- e. Medical/Professional Education
- f. Internship/PGYI
- g. Residencies/Fellowships
- h. Medical License/Registration
- i. Professional Liability
- j. All other State Medical Licenses
- k. Board Certification
- l. Other Certifications
- m. Current Hospital and Other Institutional Affiliations
- n. Peer References
- o. Work History
- p. Attestation Questionnaire
- q. Information Release and Acknowledgement
- r. Background Screening application/link

2. In order for a practitioner to be credentialed and privileged, he/she must submit a completed application form along with other documents requested in the application packet. The application must be completed in its entirety.

B. Reappointments

1. Reappointment to the Medical Staff and requesting clinical privileges shall occur every two years per the Bylaws of Truckee Surgery Center.
2. Applications will be sent to providers five (5) months prior to their appointment expiration date and shall be mailed or delivered to the member. At least 90 days prior to the expiration date, each Medical Staff member shall submit to TSC's Administrator the completed application form for renewal of appointment to the staff, and for renewal or modification of clinical privileges.
3. The practitioner shall be required to submit an attestation for completion of continuing education activity for the previous two years, clinical privilege request form, complete information for peer reference and any other documentation/information requested. All reappointment applications will also include an Attestation Questionnaire as outlined in Section A of this policy.
4. In addition to the required paperwork, peer review performed at the facility and all quality assurance data gathered on the individual practitioner will be utilized to determine eligibility for re-appointment.
5. If the provider fails to submit a completed application packet by the date stated on written notice he/she shall be deemed to have voluntarily resigned his/her Medical Staff membership.

C. Timeliness of Information

1. Any of the following information found to be beyond 180 days of the signed authorization at the time the file is presented to Medical Executive Quality Committee or Board of Managers will be re-verified prior to review by that Committee:
 - a. All online verifications
 - i. Medical License
 - ii. DEA (Drug Enforcement Agency)
 - iii. NPDB (National Practitioners Data Bank)
 - iv. OIG (Office of Inspector General)
 - b. Malpractice insurance coverage and claims history
 - c. Answers to attestation questions
 - d. Signature and date on authorization to release form
 - e. Current hospital affiliations

D. Request for Additional Privileges

1. Any provider may request additional privileges at any time. These requests are handled as follows:
 - a. The provider must complete the appropriate privileging form and supply supporting documentation regarding training or experience, as required.
 - b. The following must be verified
 - i. MBC (Medical Board of California)
 - ii. NPDB
 - iii. OIG
 - iv. DEA, if applicable
 - c. The privilege request form and supportive documentation are sent to the Medical Director and then the Medical Executive Quality Committee for review and recommendation to the Board of Managers. If the Medical Executive Quality Committee is disinclined to make a favorable recommendation for these privileges, the Medical Director or designee shall relay this information to the Board of Managers and then in writing to the practitioner indicating his or her concerns.
 - d. The evaluation and approval for additional privileges is forwarded to the Medical Executive Quality Committee and Board of Managers.

E. Changes of Status, Resignations, and Retirement

1. A status change may be initiated by the Medical Director or Medical Executive Quality Committee to assure that the member meets the qualifications for medical staff membership under his or her membership category. In addition, the provider may request a change in status at any time. All requests must be in writing.

F. Provider Rights to Amend Application and Receive Updates

1. Providers have the right to correct erroneous information obtained throughout the credentialing process. If any submitted items differ substantially from documentation disclosed through the verification process, the provider will be asked via written request (email or certified letter) to resolve this discrepancy and will be expected to do so within 10 business days of the request. Any and all corrections should be submitted in writing to TSC's Administrator for adequate review of current documentation. Any instance of the provision of information containing misrepresentations or omissions is forwarded to the Medical Executive Quality Committee for review and action. The provider will be notified of any actions following review by the Board of Managers.
2. Providers are allowed access to their own credentials files.

3. Providers have the right to contact the Administrator at any time regarding the status of their application for appointment or reappointment. All such requests will be responded to within a reasonable period of time, not to exceed four work days.

G. Procedure

1. Processing and Verification

- a. When the application for appointment or reappointment is returned, a review for completeness is performed by the Administrator. If additional information is required, or if questions are left blank, the applicant is contacted and informed that processing will not begin until the application is entirely complete. The applicant is responsible for providing the information to satisfy the process. Failure to submit the requested information within 10 days shall be considered a withdrawal of the application.

2. All information gathered on the application will be verified by the primary source. Primary source may include verbal verifications which require a dated, signed note in the credentialing file stating who at the primary source verified the item, and the date and time of verification. In addition, queries will be made to the National Practitioners Data Bank (“NPDB”) and the Medical Board of California (“MBC”) regarding any adverse actions against the practitioner. If any verification received has adverse actions, the practitioner will be promptly contacted and will be expected to provide an explanation in writing for any of these issues. Sources used for verifications include:

- a. California Professional License/Professional Licenses from Other States

- i. Current California State professional licensure must be obtained by direct confirmation from the appropriate licensing board either on-line, or by phone. Boards used for verification:

- a. State of California Medical and Professional Board- this verification confirms successful graduation from medical school and completion of at least one year of post graduate residency training.

- b. Other State Medical and Professional Boards for active professional licenses.

- b. DEA Certification

- i. An on-line NTIS query is required for primary source verification. All Truckee Surgery Center providers must have a valid DEA certificate, including all schedules, with a California address. For Advance Practice Professionals, DEA requirements are based on scope of service. Providers with an expired DEA, limited

schedules or out of state address will have their privileges suspended until evidence of a valid DEA is provided to the Administrator.

- ii. A practitioner with an out-of-state address on their DEA may be credentialed pending the change of address or additional request for a DEA in the state of California.

c. Fluoroscopy Certificate

- i. Required for all radiologists and non-radiologists who will be using fluoroscopy equipment in the operating rooms or other procedure areas. Radiography Certificate is not accepted as a Fluoroscopy Certificate.

d. Verification of Hospital Affiliations and Work History

- i. Written or verbal verification of five (5) years of clinical work history from hospitals or other health care organization affiliations is required. Verification of clinical privileges in good standing at the hospital designated by the practitioner as the primary admitting facility should be confirmed in writing or verbally and include the date of appointment, scope of privileges, restrictions, and recommendations.
- ii. Any gaps in work history of 90 days or more will require written clarification from the provider.
- iii. If verification of an affiliation is not obtained after two requests the provider is contacted regarding the delay, including a phone call to the facility, this should be noted in the file. If verification can't be obtained due to extraordinary circumstances this needs to be documented in file and noted for the Medical Executive Quality Committee and the Board of Managers. The file may then move through the evaluation process without this piece of documentation.

e. Verification of Graduation from Medical/Professional School and Completion of Residencies and Fellowships

- i. Verification of medical/professional school graduation and completion of residency and fellowship training may be obtained from the institution(s) where the training was completed, and/or an agency that is deemed a primary source of verification, (such as the American Medical Association (AMA) Physician Master file or American Osteopathic Association (AOA) Physician Database) or state licensing agency, if the state verifies.

(Medical Board of California performs primary source verification of medical education and training).

- ii. Foreign Medical Graduates from schools of medicine other than those in the United States and Canada must present evidence of certification by the Education Commission for Foreign Medical Graduates (ECFMG) or successful completion of a fifth pathway, or, successful passing of the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS).

f. Board Certification

- i. Board Certification is verified, through querying the ABMS on-line database (CertiFACTS), or by a letter directly from the certification board. Verification of Board Certification confirms successful completion of an approved residency program in the practitioner's specialty. Board certification is verified at time of initial appointment and also for each reappointment in order to verify current status and re-certifications.

g. Current, Adequate Malpractice Insurance

- i. Professional Liability Insurance coverage and amounts of coverage provided must be confirmed directly with the carrier. A copy of the policy should be included in the providers file. The provider must hold a minimum amount of coverage that covers requested privileges.

h. Professional Liability Claims History

- i. Verification of claims history for five years on new appointments and two years for reappointments must be obtained from the current and/or previous carriers. The NPDB query may be used as evidence of settlement and judgment history.

i. Privileging Criteria

- i. Each applicant is expected to meet the criteria related to the privileges they are requesting on the privilege form.

j. National Practitioners Data Bank

- i. The NPDB must be queried for all new appointments, biennially for reappointments and at time of the request for additional privileges. Adverse information will be addressed on an as needed basis.

k. Professional References

- i. Two professional references are requested for new applicants and two are required for packets to be complete; one peer reference for reappointments is required. These references are in respect to the privileges requested and must be from individuals who have recently worked with the applicant, have directly observed his/her professional performance over a reasonable period of time, and who can and will provide reliable information regarding current clinical ability, health status, ethical character, and ability to work with others. If the applicant has recently completed a residency or fellowship within the past two years, a reference from the program director should be requested. Any adverse comments will be brought before the Medical Executive Quality Committee and Board of Managers.

I. Reappointment Performance Improvement Data

- i. In addition to verifying the credentials, a provider's quality file is compiled for the evaluation process. Information from the following areas may be included for consideration. Information is gathered on an ongoing basis to which the practitioner is applying. All data is then assembled and reviewed at the time of reappointment.
 - a. Patient
 - b. Medical Knowledge
 - c. Professionalism
 - d. System Based Practice
 - e. Interpersonal
 - f. Practice Based Medicine

m. Health Screening

- i. All providers are required to comply with all health screening policies set forth by regulatory standards as well as medical staff policies and procedures.

n. Background Screen

- i. All initial appointment are required to go through a criminal background screen. This may be sent to the applicant electronically.

Effective: July 2011, Revised: September 29, 2011, October 2011, August 2013, July 2019

Approval Signatures

Step Description	Approver	Date
	Heidi Fedorchak: Nurse Manager	Pending
	Courtney Leslie: Administrator	Pending

COPY



SURGERY CENTER

10770 Donner Pass Rd. Suite 201
Truckee, CA 96161
(530) 550-2940

HIGH BLOOD PRESSURE & WHAT TO WATCH FOR

Blood Pressure, Explained:

- Blood pressure is the pressure of blood pushing against the walls of your arteries. Arteries carry blood from your heart to other parts of your body.
- Your blood pressure normally rises and falls throughout the day. It is very dynamic and can be affected by many different things, such as (*but not limited to*) age, diet, smoking, activity levels, medications, stress/anxiety, weight, genetics, etc.
- Blood pressure is measured using two numbers:
 - The first number, or systolic blood pressure, measures the pressure in your arteries when your heart beats.
 - The second number, or diastolic blood pressure, measures the pressure in your arteries when your heart rests between beats
- **A normal blood pressure level is less than 120/80 mmHg.**

High Blood Pressure, Explained:

- High blood pressure, also called *hypertension*, is blood pressure that is higher than normal. Having blood pressure measures that are consistently above normal may result in a diagnosis of hypertension.
- **The higher your blood pressure is, the more risk you have for other health problems, such as kidney damage, heart disease, heart attack, and stroke.**
- There are various high blood pressure guidelines that health care professionals follow, so it is important to talk with your own physician in determining a diagnosis of hypertension or not.
 - Some health care professionals diagnose patients with hypertension if their blood pressure is consistently 140/90 mmHg or higher, while others diagnose patients with consistent blood pressures of 130/80 mmHg or higher.

Signs & Symptoms of High Blood Pressure:

- **There are usually none!**
- High blood pressure, most commonly, has no warnings signs or symptoms, and many people do not know they have it. Because of this, it has been termed the “silent killer.” Measuring your blood pressure regularly is the only way to know whether you have high blood pressure.

Causes of High Blood Pressure:

- High blood pressure usually develops over time. It can happen because of unhealthy lifestyle choices, such as not getting enough regular physical activity. Certain health conditions, such as diabetes, sleep apnea, and having obesity, can also increase the risk of developing high blood pressure.

Preventing or Managing High Blood Pressure:

- Many people with high blood pressure can lower it into a healthy range or keep their numbers in a healthy range by making lifestyle changes. Talk with your health care professional about:
 - Getting at least 150 minutes of physical activity each week (about 30 minutes a day, 5 days a week)

- Not smoking or using tobacco products
- Eating a healthy diet, including limiting sodium (salt) and alcohol
- Keeping a healthy weight
- Managing stress
- Managing your blood sugars, if you are a diabetic
- Sometimes, even people with the healthiest diets and lifestyles still struggle with high blood pressure, as genetics alone can play a major role in the predisposition of high blood pressure.
- Sometimes, medication(s) may be prescribed to help manage your blood pressure.
- Talk with your health care professional right away if you think you have high blood pressure, or if you've been told you have high blood pressure but do not have it under control.

Medications

- You have not received any anti-hypertensive medication(s) during this visit
- You received the following medication(s) during your visit:

Follow Up Care

- Follow up with your primary care physician as soon as you possibly can. You may take this form to your appointment. Your blood pressure(s), while in our facility, were measured as follows:

Hypertensive Crisis:

- A hypertensive crisis is when blood pressure rises quickly and severely with readings of 180/120 or greater.
- There are two types of hypertensive crises – both require immediate attention, as early evaluation of organ function is critical to determine an appropriate course of action.
 - **Hypertensive Urgency:** if your blood pressure is **180/120 or greater, and you have no symptoms**, wait about five minutes and try again. If the second reading is just as high, this is considered a hypertensive urgency and you should notify your health care professional. You may need to add or adjust medications, but rarely is hospitalization required.
 - **Hypertensive Emergency:** if your blood pressure reading is **180/120 or greater and you are experiencing other symptoms** such as chest pain, shortness of breath, back pain, numbness/tingling, weakness, change in vision or balance, difficulty speaking, then this would be considered a hypertensive emergency. **DO NOT WAIT** to see if your pressure comes down on its own. **Call 911.**

References:

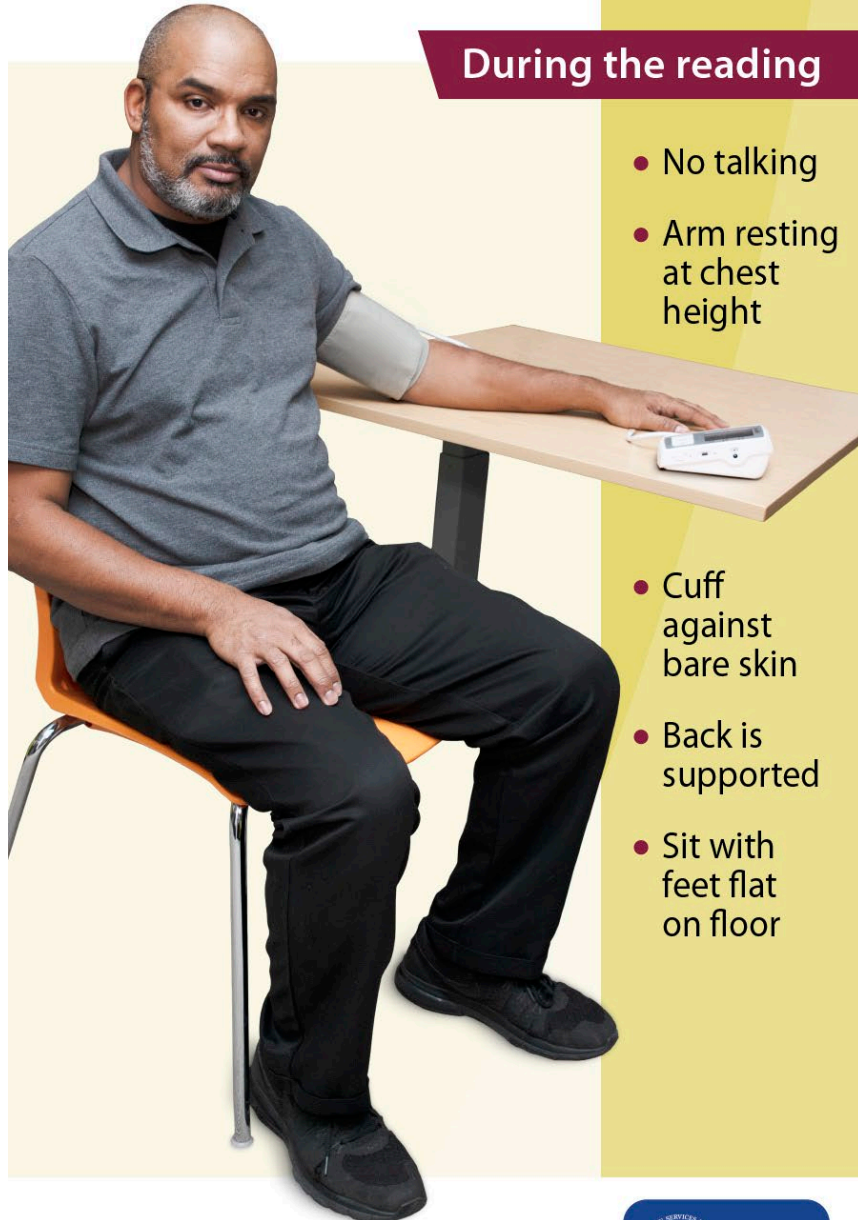
- **High Blood Pressure Symptoms and Causes.** *Centers for Disease Control and Prevention.* <https://www.cdc.gov/bloodpressure/about.htm>
- **Know Your Risk for High Blood Pressure.** *Centers for Disease Control and Prevention.* https://www.cdc.gov/bloodpressure/risk_factors.htm
- **The Correct Way to Measure Blood Pressure.** *Centers for Disease Control and Prevention.* <https://www.cdc.gov/bloodpressure/measure.htm>
- **Hypertensive Crisis: When You Should Call 911 for High Blood Pressure.** *American Heart Association.* <https://www.heart.org/en/health-topics/high-blood-pressure/understanding-blood-pressure-readings/hypertensive-crisis-when-you-should-call-911-for-high-blood-pressure>

The Correct Way to **Measure Blood Pressure**

Before your reading

- No food or drink for 30 minutes
- Empty your bladder

During the reading



- No talking
- Arm resting at chest height
- Cuff against bare skin
- Back is supported
- Sit with feet flat on floor

Visit [cdc.gov/bloodpressure](https://www.cdc.gov/bloodpressure) for tips and resources.



Truckee Surgery Center
AR Summary - Apr 2023

AR Rollforward	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Avg/TTL
Beg A/R Balance	\$ 355,963	\$ 521,516	\$ 424,536	\$ 331,557	\$ 303,604	\$ 248,299	\$ 254,758	\$ 293,007	\$ 258,900	\$ 243,859	\$ 257,040	\$ 307,776	
Gross Charges	\$ 1,841,903	\$ 555,276	\$ 406,318	\$ 633,871	\$ 619,113	\$ 763,567	\$ 764,559	\$ 700,661	\$ 712,350	\$ 760,574	\$ 893,551	\$ 1,011,772	\$ 805,293
Payments	\$ (167,898)	\$ (166,945)	\$ (155,842)	\$ (116,157)	\$ (133,143)	\$ (136,176)	\$ (93,760)	\$ (136,440)	\$ (142,387)	\$ (81,322)	\$ (120,011)	\$ (129,035)	\$ (131,593)
Contractual Adj	\$ (1,502,316)	\$ (460,335)	\$ (323,251)	\$ (538,558)	\$ (551,766)	\$ (619,362)	\$ (643,476)	\$ (574,466)	\$ (566,452)	\$ (652,450)	\$ (745,521)	\$ (846,004)	\$ (668,665)
Other Adj	\$ (6,136)	\$ (25,278)	\$ (10,682)	\$ (11,249)	\$ 10,512	\$ 21	\$ (9,303)	\$ (10,413)	\$ 11,924	\$ (4,576)	\$ (27,267)	\$ 3,570	\$ (6,573)
Refund	\$ -	\$ 303	\$ -	\$ 4,140	\$ -	\$ (1,364)	\$ 20,230	\$ -	\$ -	\$ -	\$ 48,167	\$ 560	\$ 6,003
Bad Debt	\$ -	\$ -	\$ (9,523)	\$ -	\$ -	\$ (226)	\$ -	\$ (13,449)	\$ (30,475)	\$ (9,045)	\$ 1,817	\$ 253	\$ (5,054)
End A/R Bal	\$ 521,516	\$ 424,536	\$ 331,557	\$ 303,604	\$ 248,299	\$ 254,758	\$ 293,007	\$ 258,900	\$ 243,859	\$ 257,040	\$ 307,776	\$ 348,891	

Statistics	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Avg/TTL
Cash Goal	-	\$ 135,453	\$ 108,628	\$ 81,686	\$ 88,688	\$ 79,924	\$ 100,000	\$ 134,177	\$ 117,088	\$ 104,367	\$ 139,340	\$ 140,936	
Achieved %	0%	123%	143%	142%	150%	170%	94%	102%	122%	78%	86%	92%	36
Case Volume	43	28	17	33	25	45	49	42	29	27	37	52	
Gross Rev per Case	\$ 42,835	\$ 19,831	\$ 23,901	\$ 19,208	\$ 24,765	\$ 16,968	\$ 15,603	\$ 16,682	\$ 24,564	\$ 28,169	\$ 24,150	\$ 19,457	\$ 23,011
Est. Net Rev	\$ 135,453	\$ 81,803	\$ 81,569	\$ 95,806	\$ 64,042	\$ 144,690	\$ 123,663	\$ 126,195	\$ 145,898	\$ 108,124	\$ 148,030	\$ 165,768	\$ 118,420
Est. Net Rev per Case	\$ 3,150	\$ 2,922	\$ 4,798	\$ 2,903	\$ 2,562	\$ 3,215	\$ 2,524	\$ 3,005	\$ 5,031	\$ 4,005	\$ 4,001	\$ 3,188	\$ 3,442
Debit AR	\$ 553,341	\$ 477,006	\$ 395,522	\$ 380,518	\$ 317,403	\$ 370,759	\$ 388,083	\$ 354,262	\$ 338,105	\$ 355,875	\$ 358,661	\$ 410,999	\$ 391,711
Credit AR	\$ (31,826)	\$ (52,469)	\$ (63,964)	\$ (76,914)	\$ (69,104)	\$ (116,001)	\$ (95,076)	\$ (95,362)	\$ (94,246)	\$ (98,835)	\$ (50,885)	\$ (62,107)	\$ (75,566)
AR Days	-	-	101	107	94	76	80	60	56	62	70	75	65
Days to Bill	10	8	8	6	8	6	8	8	7	10	8	7	8

AR by Fin Class	0-30	31-60	61-90	91-120	121-150	151-180	181+	Credits	Total	% of Total
CONTRACTED	\$ 135,415	\$ 45,669	\$ 23,791	\$ 15,044	\$ 5,120	\$ 7,372	\$ 92,512	\$ (59,382)	\$ 265,542	76%
NON CONTRACTED	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314	\$ -	\$ 314	0%
SELF PAY	\$ 8,064	\$ 11,450	\$ 14,008	\$ 2,977	\$ 2,349	\$ 2,457	\$ 28,285	\$ (2,725)	\$ 66,855	19%
WORK COMP	\$ 911	\$ -	\$ -	\$ 15,259	\$ -	\$ -	\$ -	\$ -	\$ 16,170	5%
Total A/R	\$ 144,390	\$ 57,119	\$ 37,799	\$ 33,281	\$ 7,469	\$ 9,829	\$ 121,111	\$ (62,107)	\$ 348,891	100%
% of Total / Over 90	41%	16%	11%	10%	2%	3%	35%	-18%	100%	49%

\$>90	%>90
\$ 120,049	37%
\$ 314	100%
\$ 36,068	52%
\$ 15,259	94%
\$ 171,691	42%

Prior Month Balance	\$ 88,444	\$ 78,183	\$ 45,927	\$ 7,085	\$ 13,629	\$ 28,850	\$ 96,542	\$ (50,885)	\$ 307,776	100%
% Total Prior Balance / Over 90	29%	25%	15%	2%	4%	9%	31%	-17%	100%	47%

Change from Prior Mth	\$ 55,946	\$ (21,064)	\$ (8,128)	\$ 26,196	\$ (6,160)	\$ (19,021)	\$ 24,570	\$ (11,222)	\$ 41,116
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Truckee Surgery Center
Surgeon Data - Apr 2023

Case Volume	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	TTM	YTD	%Ttl
ALPERT, RICKI A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BANN, TENILLE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CONDON, DAVID	-	-	-	-	1	1	2	8	6	1	-	-	5	1	1.2%
DODD, JEFFREY S	10	9	6	7	7	12	10	12	6	8	13	7	103	34	24.1%
GANNONG, ALISON	4	-	-	-	2	9	2	12	5	-	-	6	16	27	12.6%
GUSTAFSSON, MATTHEW H	4	-	-	-	2	-	-	2	-	-	-	2	3	5	3.0%
HAEDER, PAUL R	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
HAGEN, JONATHAN T	11	10	4	9	7	10	16	10	6	7	6	11	107	30	25.1%
JERNICK, MICHAEL	3	4	2	4	4	2	8	1	3	4	1	6	42	14	9.8%
LUSCOMB, THOMAS A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RINGNES, ANDREW P	11	2	5	13	4	11	10	9	9	6	9	9	98	33	23.0%
SAAREMETS, ALAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TAYLOR, PETER J	-	3	-	-	-	-	1	-	-	-	-	-	-	-	0.0%
Total	43	28	17	33	25	45	49	42	29	27	37	52	427	145	100.0%

Net Revenue (Cases in Month)	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%Ttl	Cases	Net Rev Per Case
ALPERT, RICKI A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0	\$ -
BANN, TENILLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0	\$ -
CONDON, DAVID	\$ -	\$ -	\$ -	\$ -	\$ 1,460	\$ 3,011	\$ 3,616	\$ 11,994	\$ 16,848	\$ 2,150	\$ 1,000	\$ -	\$ 9,088	0.7%	5	\$ 1,818
DODD, JEFFREY S	\$ 30,427	\$ 34,726	\$ 16,499	\$ 28,290	\$ 17,040	\$ 34,974	\$ 24,703	\$ 11,994	\$ 16,848	\$ 2,150	\$ 52,222	\$ 35,447	\$ 307,320	24.3%	103	\$ 2,984
GANNONG, ALISON	\$ 3,306	\$ -	\$ -	\$ -	\$ -	\$ 5,440	\$ 1,970	\$ 9,952	\$ 4,832	\$ -	\$ 7,570	\$ 14,424	\$ 47,593	3.8%	54	\$ 880
GUSTAFSSON, MATTHEW H	\$ 4,894	\$ -	\$ -	\$ -	\$ 2,310	\$ -	\$ -	\$ 2,310	\$ -	\$ -	\$ 4,132	\$ 6,825	\$ 20,471	1.6%	13	\$ 1,575
HAEDER, PAUL R	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0	\$ -
HAGEN, JONATHAN T	\$ 41,411	\$ 17,490	\$ -	\$ 21,301	\$ 21,541	\$ 35,006	\$ 42,843	\$ 40,006	\$ 50,891	\$ 4,140	\$ 26,904	\$ 37,285	\$ 338,820	26.8%	107	\$ 3,167
JERNICK, MICHAEL	\$ 14,312	\$ 19,254	\$ 2,963	\$ 16,586	\$ 11,216	\$ 7,834	\$ 25,781	\$ 2,823	\$ 5,330	\$ 1,214	\$ 1,155	\$ 16,728	\$ 125,195	9.9%	42	\$ 2,981
LUSCOMB, THOMAS A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0	\$ -
RINGNES, ANDREW P	\$ 41,103	\$ 5,252	\$ 46,863	\$ 29,629	\$ 10,475	\$ 58,426	\$ 19,992	\$ 17,569	\$ 56,505	\$ 2,648	\$ 45,357	\$ 57,343	\$ 391,162	30.9%	98	\$ 3,991
SAAREMETS, ALAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0	\$ -
TAYLOR, PETER J	\$ -	\$ 5,081	\$ -	\$ -	\$ -	\$ -	\$ 4,758	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ 10,139	0.8%	5	\$ 2,028
Total	\$ 135,453	\$ 81,803	\$ 81,569	\$ 95,806	\$ 64,042	\$ 144,690	\$ 123,663	\$ 84,653	\$ 136,407	\$ 11,452	\$ 137,341	\$ 168,052	\$ 1,264,932	100.0%	427	\$ 2,962

Payments by Date of Service	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%Ttl
CONDON, DAVID	\$ -	\$ -	\$ -	\$ -	\$ 1,460	\$ 3,041	\$ 3,616	\$ 13,624	\$ 12,871	\$ 2,075	\$ -	\$ -	\$ 10,192	1.0%
DODD, JEFFREY S	\$ 32,291	\$ 35,134	\$ 16,310	\$ 25,175	\$ 14,700	\$ 28,483	\$ 23,235	\$ 13,624	\$ 12,871	\$ 13,873	\$ 26,609	\$ 7,895	\$ 250,200	23.8%
GANNONG, ALISON	\$ 2,433	\$ -	\$ -	\$ -	\$ -	\$ 5,879	\$ 793	\$ 14,302	\$ 3,539	\$ -	\$ 13,438	\$ 3,001	\$ 43,384	4.1%
GUSTAFSSON, MATTHEW H	\$ 4,386	\$ -	\$ -	\$ -	\$ 1,531	\$ -	\$ -	\$ 780	\$ -	\$ -	\$ 1,459	\$ 531	\$ 8,687	0.8%
HAGEN, JONATHAN T	\$ 35,609	\$ 18,967	\$ 13,835	\$ 13,159	\$ 16,892	\$ 29,404	\$ 44,589	\$ 37,998	\$ 24,871	\$ 20,555	\$ 18,390	\$ 4,058	\$ 278,326	26.5%
JERNICK, MICHAEL	\$ 7,966	\$ 17,418	\$ 3,297	\$ 14,009	\$ 8,630	\$ 7,354	\$ 52,545	\$ 6,013	\$ 5,331	\$ 30,483	\$ 1,155	\$ 3,395	\$ 157,595	15.0%
RINGNES, ANDREW P	\$ 40,252	\$ 5,252	\$ 49,703	\$ 25,813	\$ 10,153	\$ 48,586	\$ 17,902	\$ 18,846	\$ 33,916	\$ 14,417	\$ 27,580	\$ 2,636	\$ 295,055	28.1%
TAYLOR, PETER J	\$ -	\$ 5,081	\$ -	\$ -	\$ -	\$ -	\$ 1,549	\$ -	\$ -	\$ 1,460	\$ -	\$ -	\$ 8,090	0.8%
Total	\$ 122,937	\$ 81,851	\$ 83,145	\$ 78,155	\$ 53,364	\$ 122,747	\$ 144,229	\$ 91,562	\$ 80,528	\$ 82,862	\$ 88,632	\$ 21,514	\$ 1,051,528	100.0%

HST AR	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%Ttl
CONDON, DAVID	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
DODD, JEFFREY S	\$ (656)	\$ 1,462	\$ -	\$ -	\$ 2,190	\$ 2,250	\$ 716	\$ 408	\$ 6,154	\$ 8,837	\$ 25,615	\$ 27,552	\$ 74,527	22.8%
GANNONG, ALISON	\$ 873	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,178	\$ (4,298)	\$ 1,068	\$ -	\$ (5,852)	\$ 11,423	\$ 4,992	1.3%
GUSTAFSSON, MATTHEW H	\$ 368	\$ -	\$ -	\$ -	\$ 924	\$ -	\$ -	\$ 1,675	\$ -	\$ -	\$ 2,542	\$ 6,294	\$ 11,802	3.6%
HAGEN, JONATHAN T	\$ 2,551	\$ (1,410)	\$ 149	\$ 6,703	\$ 3,605	\$ 5,452	\$ 2,495	\$ 2,320	\$ 18,086	\$ 21,156	\$ 7,658	\$ 33,227	\$ 101,992	31.2%

Name	Payments By Billing Period												Total	%TI
	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23		
JERNICK, MICHAEL	\$ 6,013	\$ 2,004	\$ -	\$ 2,577	\$ 1,085	\$ 331	\$ 8,366	\$ 1,138	\$ 259	\$ 2,237	\$ -	\$ 11,053	\$ 35,064	10.7%
RINGNES, ANDREW P	\$ 2,240	\$ -	\$ (3,145)	\$ 3,696	\$ -	\$ 11,547	\$ 737	\$ 1,580	\$ 3,569	\$ 3,390	\$ 17,801	\$ 54,708	\$ 96,121	29.4%
TAYLOR, PETER J	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,209	1.0%
Total	\$ 11,388	\$ 2,057	\$ (2,996)	\$ 12,975	\$ 7,804	\$ 19,580	\$ 16,700	\$ 2,823	\$ 29,136	\$ 35,622	\$ 47,763	\$ 144,256	\$ 327,108	100.0%
ALPERT, RICKI A	\$ 327	\$ -	\$ -	\$ -	\$ (1,217)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (889)	-0.1%
BANN, TENILLE	\$ 811	\$ -	\$ 765	\$ -	\$ -	\$ -	\$ (363)	\$ (568)	\$ 521	\$ 1,000	\$ 749	\$ 1,075	\$ 14,864	0.0%
CONDON, DAVID	\$ 470	\$ 1,801	\$ 2,230	\$ -	\$ 882	\$ -	\$ 3,032	\$ 3,104	\$ 23,860	\$ 6,084	\$ 24,725	\$ 36,237	\$ 348,317	22.1%
DODD, JEFFREY S	\$ 22,415	\$ 36,448	\$ 21,017	\$ 30,105	\$ 30,219	\$ 70,460	\$ 27,436	\$ 19,310	\$ 6,623	\$ 9,342	\$ 1,750	\$ 16,280	\$ 59,061	3.7%
GANONG, ALISON	\$ 4,403	\$ 8,340	\$ 508	\$ 1,159	\$ 2,081	\$ 1,302	\$ 2,303	\$ -	\$ -	\$ 589	\$ 2,156	\$ 614	\$ 10,940	0.7%
GUSTAFSSON, MATTHEW H	\$ 1,862	\$ 2,180	\$ 640	\$ -	\$ 991	\$ 280	\$ 1,628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 803	0.1%
HAEDER, PAUL R	\$ 95	\$ 50	\$ 266	\$ -	\$ -	\$ 292	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.1%
HAGEN, JONATHAN T	\$ 75,710	\$ 41,881	\$ 28,593	\$ 23,604	\$ 25,757	\$ 23,174	\$ 26,276	\$ 42,227	\$ 40,550	\$ 26,037	\$ 39,663	\$ 13,651	\$ 407,124	25.8%
JERNICK, MICHAEL	\$ 21,475	\$ 20,232	\$ 24,052	\$ 6,298	\$ 48,029	\$ 19,544	\$ 5,393	\$ 18,913	\$ 38,350	\$ 4,199	\$ 32,245	\$ 12,993	\$ 251,724	15.9%
LAN, JIE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (324)	\$ -	\$ -	\$ -	\$ (324)	0.0%
LUSCOMB, THOMAS A	\$ 7,029	\$ 3,260	\$ -	\$ -	\$ -	\$ -	\$ (608)	\$ (608)	\$ -	\$ -	\$ -	\$ (811)	\$ 8,261	0.5%
RINGNES, ANDREW P	\$ 30,787	\$ 51,887	\$ 76,040	\$ 52,508	\$ 26,806	\$ 21,123	\$ 28,563	\$ 49,092	\$ 31,259	\$ 33,771	\$ 16,738	\$ 48,995	\$ 467,569	29.6%
SAAREMETS, ALAR	\$ 1,209	\$ -	\$ -	\$ -	\$ (406)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 803	0.1%
Salas, Michael	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 825	\$ -	\$ 825	0.1%
TAYLOR, PETER J	\$ 1,305	\$ 868	\$ 1,730	\$ 2,483	\$ -	\$ -	\$ -	\$ -	\$ 1,549	\$ 300	\$ 1,160	\$ -	\$ 9,395	0.6%
Total	\$ 167,898	\$ 166,945	\$ 155,842	\$ 116,157	\$ 133,143	\$ 136,176	\$ 93,760	\$ 136,440	\$ 142,387	\$ 81,322	\$ 120,011	\$ 129,035	\$ 1,579,117	100.0%

Tuckee Surgery Center
Financial Class Data - Apr 2023

Case Volume	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	TTM	YTD	%TR
CONTRACTED	40	27	17	32	24	45	49	42	26	27	37	51	417	141	97.2%
SELF PAY	1	1	-	-	1	-	-	-	2	-	-	-	5	2	1.4%
WORKERS COMP	2	-	-	1	-	-	-	-	1	-	-	1	5	2	1.4%
Total	43	28	17	33	25	45	49	42	29	27	37	52	427	145	100%

Net Revenue (Cases in Month)

Name	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%TR	Cases	Net Rev Per Case
CONTRACTED	\$ 124,819	\$ 70,708	\$ 81,569	\$ 94,329	\$ 61,298	\$ 144,690	\$ 123,663	\$ 84,653	\$ 94,762	\$ 11,452	\$ 137,341	\$ 167,141	\$ 1,196,426	94.6%	141	\$ 8,485
SELF PAY	\$ 1,165	\$ 11,095	\$ -	\$ -	\$ 2,743	\$ -	\$ -	\$ -	\$ 26,386	\$ -	\$ -	\$ -	\$ 41,889	3.3%	2	\$ 20,695
WORKERS COMP	\$ 9,469	\$ -	\$ -	\$ 1,477	\$ -	\$ -	\$ -	\$ -	\$ 15,259	\$ -	\$ -	\$ 911	\$ 27,116	2.1%	2	\$ 13,558
Total	\$ 135,453	\$ 81,803	\$ 81,569	\$ 95,806	\$ 64,042	\$ 144,690	\$ 123,663	\$ 84,653	\$ 136,407	\$ 11,452	\$ 137,341	\$ 168,052	\$ 1,264,932	100%	145	\$ 8,724

Payments by Date of Service

Name	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%TR
CONTRACTED	\$ 106,581	\$ 70,756	\$ 83,145	\$ 76,855	\$ 50,621	\$ 122,747	\$ 144,229	\$ 91,562	\$ 62,059	\$ 82,862	\$ 88,632	\$ 21,514	\$ 1,001,663	95.2%
SELF PAY	\$ 880	\$ 11,095	\$ -	\$ -	\$ 2,743	\$ -	\$ -	\$ -	\$ 18,470	\$ -	\$ -	\$ -	\$ 33,188	3.2%
WORK COMP	\$ 15,476	\$ -	\$ -	\$ 1,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,776	0.0%
Total	\$ 122,937	\$ 81,851	\$ 83,145	\$ 78,155	\$ 53,364	\$ 122,747	\$ 144,229	\$ 91,562	\$ 80,528	\$ 82,862	\$ 88,632	\$ 21,514	\$ 1,051,528	100.0%

HST AR

Name	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%TR
CONTRACTED	\$ 11,388	\$ 2,057	\$ (2,996)	\$ 12,975	\$ 7,804	\$ 19,580	\$ 16,700	\$ 2,823	\$ 13,877	\$ 35,622	\$ 47,763	\$ 143,346	\$ 310,937	95.1%
SELF PAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
WORK COMP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,259	\$ -	\$ -	\$ 911	\$ 16,170	4.9%
WORKERS COMP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Total	\$ 11,388	\$ 2,057	\$ (2,996)	\$ 12,975	\$ 7,804	\$ 19,580	\$ 16,700	\$ 2,823	\$ 29,136	\$ 35,622	\$ 47,763	\$ 144,256	\$ 327,108	100.0%

Payments by Billing Period

Name	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Total	%TR
CONTRACTED	\$ 135,127	\$ 124,814	\$ 149,176	\$ 94,652	\$ 119,285	\$ 112,103	\$ 77,990	\$ 128,726	\$ 115,628	\$ 52,265	\$ 101,456	\$ 107,919	\$ 1,319,061	83.5%
SELF PAY	\$ 32,771	\$ 42,131	\$ 6,568	\$ 15,194	\$ 13,708	\$ 19,920	\$ 15,890	\$ 7,401	\$ 26,446	\$ 22,142	\$ 18,384	\$ 20,885	\$ 241,379	15.3%
WORKERS COMP	\$ -	\$ -	\$ -	\$ 6,311	\$ -	\$ 4,154	\$ -	\$ -	\$ -	\$ 6,311	\$ -	\$ -	\$ 16,776	1.1%
MEDICARE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313	\$ -	\$ -	\$ 231	\$ 545	0.0%
NON CONTRACTED	\$ -	\$ -	\$ 98	\$ -	\$ 171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171	\$ -	\$ 1,357	0.1%
Total	\$ 167,898	\$ 166,945	\$ 155,842	\$ 116,157	\$ 133,143	\$ 136,176	\$ 93,760	\$ 136,440	\$ 142,387	\$ 81,322	\$ 120,011	\$ 129,035	\$ 1,579,117	100.0%

Truckee Surgery Center, LLC

Balance Sheet

March 31, 2023

ASSETS		
Current Assets		
Checking/Savings		
US Bank		31,170.73
Bank of the West		5,355.05
Petty Cash		413.07
Total Checking/Savings		<u>36,938.85</u>
Accounts Receivable		
Accounts Receivable		
	Allowance for Doubtful Accounts	(77,233.34)
	Accounts Receivable - Other	307,775.80
Total Accounts Receivable		<u>230,542.46</u>
Total Accounts Receivable		<u>230,542.46</u>
Other Current Assets		
Prepaid Expense		
	Preventative Maint	2,349.79
	Worker's Comp	1,197.00
	Prepaid Expense - Other	6,257.09
Total Prepaid Expense		<u>9,803.88</u>
Total Other Current Assets		<u>9,803.88</u>
Total Current Assets		<u>277,285.19</u>
Fixed Assets		
Computer/Office Equipment		7,051.91
Furniture & Fixtures		14,087.00
Instruments		27,805.38
Leasehold Improvements		1,017,519.04
Machinery & Equipment		314,425.06
Surgical & Medical Equipment		231,098.69
Accumulated Depreciation		(676,539.52)
Goodwill		3,914,333.00
Accumulated Amortization		(3,196,705.69)
Total Fixed Assets		<u>1,653,074.87</u>
Other Assets		
Rent Deposit		20,256.00
Total Other Assets		<u>20,256.00</u>
TOTAL ASSETS		<u><u>1,950,616.06</u></u>

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable

1,349,098.97

Total Accounts Payable

1,349,098.97

Credit Cards

BankCard

3,894.43

Total Credit Cards

3,894.43

Other Current Liabilities

	US Bank Equipment Lease	2,302.24
	Due to TFH	1,593,849.21
	Franchise Tax Payable	(4,100.00)
	Billing Fee Accrued	(134,591.55)
	Compensated Absenses	45,467.32
	Payroll Liabilities	12,640.96
	Total Other Current Liabilities	<u>1,515,568.18</u>
	Total Current Liabilities	<u>2,868,561.58</u>
Total Liabilities		2,868,561.58
Equity		
	Tahoe Forest Hospital	
	Tahoe Forest Hospital Equity	<u>2,986,307.79</u>
	Total Tahoe Forest Hospital	2,986,307.79
	Truckee Surgery Center Inc	
	Truckee Surgery Cntr Inc Equity	<u>604,650.70</u>
	Total Truckee Surgery Center Inc	604,650.70
	Retained Earnings	(3,432,700.99)
	Net Income	<u>(1,076,203.02)</u>
	Total Equity	<u>(917,945.52)</u>
TOTAL LIABILITIES & EQUITY		<u><u>1,950,616.06</u></u>

Truckee Surgery Center, LLC
Statement of Revenue and Expense
For The Nine Months Ended March 31, 2023

	Actual	Budget	Variance
Ordinary Income/Expense			
Income			
Patient Revenue			
Private Pay	739.00	30,000.00	(29,261.00)
Comm'l & Gov't Payors (Net Collections)	894,081.32	1,558,500.00	(664,418.68)
Total Patient Revenue	894,820.32	1,588,500.00	(693,679.68)
Refunds			
Patient & Insurance Refund	(59,283.45)	(8,250.00)	(51,033.45)
Total Refunds	(59,283.45)	(8,250.00)	(51,033.45)
Total Income	835,536.87	1,580,250.00	(744,713.13)
Gross Profit	835,536.87	1,580,250.00	(744,713.13)
Expense			
Service Fee	1,562.98	-	(1,562.98)
Purchased Services	93,191.43	31,500.00	(61,691.43)
Bad Debt	59,104.29	85,717.50	26,613.21
Collection Agency Reimbursement	2,381.50	450.00	(1,931.50)
General Office			
Dues and Subscriptions	22,820.73	18,000.00	(4,820.73)
Office Supplies	7,657.55	4,500.00	(3,157.55)
Postage and Delivery	781.62	1,950.00	1,168.38
Printing and Reproduction	-	67.50	67.50
Total General Office	31,259.90	24,517.50	(6,742.40)
Liability Gen'l, Prof Insurance	(2,140.82)	4,078.90	6,219.72
Licenses and Permits	1,892.00	750.00	(1,142.00)
Linen	30,378.23	42,680.39	12,302.16
Medical Supplies Total			
Gas Medical	11,682.91	13,322.15	1,639.24
Implants	105,792.44	197,496.57	91,704.13
Instrument Expense	100.74	6,750.00	6,649.26
Medical Supplies	147,069.15	38,769.11	(108,300.04)
Pharmacy	34,113.85	37,565.54	3,451.69
Patient Nutrition	1,524.08	1,515.87	(8.21)
Total Medical Supplies Total	300,283.17	295,419.24	(4,863.93)
Other Expenses			
Bank Charges	571.56	450.00	(121.56)
Educational	2,417.77	2,700.00	282.23
Equipment Rental/Lease	32,026.00	-	(32,026.00)
Interest Expense	376.55	170.25	(206.30)
Meals, Travel & Entertainment	2,382.86	450.00	(1,932.86)
Merchant Fees	2,914.34	2,700.00	(214.34)
Total Other Expenses	40,689.08	6,470.25	(34,218.83)
Payroll Expenses			
Health Insurance Total			
Health	85,165.45	67,500.00	(17,665.45)
Dental	4,643.36	4,500.00	(143.36)
Vision	748.46	675.00	(73.46)
Total Health Insurance Total	90,557.27	72,675.00	(17,882.27)
Employee Benefit	2,591.49	1,800.00	(791.49)
Payroll Taxes	111,827.18	46,514.43	(65,312.75)

Retirement Contribution	11,572.16	5,400.00	(0,172.10)
Service Fee	-	300.00	300.00
Wages	615,840.59	509,850.00	(105,990.59)
Work Comp	2,952.00	4,226.51	1,274.51
Payroll Expenses - Other	4,306.41	2,400.00	(1,906.41)
Total Payroll Expenses	839,647.10	643,165.94	(196,481.16)
Professional Fees			
Consulting	1,600.00	1,500.00	(100.00)
Pension Fees	3,137.00	1,237.50	(1,899.50)
Transcription Services	4,097.18	3,630.29	(466.89)
Total Professional Fees	8,834.18	6,367.79	(2,466.39)
Rent & CAM	130,600.56	131,028.17	427.61
Repairs			
Instrument Refurbishing	1,537.50	1,350.00	(187.50)
Instrument Repairs	-	4,350.00	4,350.00
Maintenance-Preventative	66,096.26	16,200.00	(49,896.26)
Total Repairs	67,633.76	21,900.00	(45,733.76)
Taxes			
Property	20,373.11	21,000.00	626.89
State	6,800.00	6,000.00	(800.00)
Taxes - Other	-	1,800.00	1,800.00
Total Taxes	27,173.11	28,800.00	1,626.89
Utilities			
Alarm Monitor	723.87	675.00	(48.87)
Cable	540.93	558.00	17.07
Gas and Electric	34,646.97	30,359.25	(4,287.72)
Medical Waste	(68.06)	-	68.06
Telephone	4,486.41	4,500.00	13.59
Total Utilities	40,330.12	36,092.25	(4,237.87)
Depreciation Expense	43,208.04	25,200.00	(18,008.04)
Total Expense	1,716,028.63	1,384,137.93	(331,890.70)
Net Ordinary Income	(880,491.76)	196,112.07	(1,076,603.83)
Other Income/Expense			
Other Income			
Other Income	5.35	-	5.35
Total Other Income	5.35	-	5.35
Other Expense			
Amortization Expense	195,716.61	195,716.61	-
Total Other Expense	195,716.61	195,716.61	-
Net Other Income	(195,711.26)	(195,716.61)	5.35
Net Income	(1,076,203.02)	395.46	(1,076,598.48)

Coding Review Report

Facility Name: Truckee Surgery Center
Facility Number: 1580

Coder Name: Surgical Notes
Manager: Kris Brown, RHIT, CPC, CPMA, CASCC

Coding Reviewed by: Kris Brown, RHIT, CPC, CPMA, CASCC
Auditing Period: Q1 2023

CPT-4 CODES		MODIFIERS		ICD-10 DX CODES		HCPCS CODES	
# OF CODES POSSIBLE	20	# OF MODIFIERS POSSIBLE	16	# OF CODES POSSIBLE	31	# OF CODES POSSIBLE	5
# OF ERRORS	1	# OF ERRORS	0	# OF ERRORS	1	# OF ERRORS	0
ACCURACY RATE	95.00%	ACCURACY RATE	100.00%	ACCURACY RATE	96.77%	ACCURACY RATE	100.00%
ERROR RATE	5.00%	ERROR RATE	0.00%	ERROR RATE	3.23%	ERROR RATE	0.00%
OVERALL # OF CODES POSSIBLE	72	TOTAL MEDICAL RECORDS REVIEWED	15	PROBABLE UNDERPAID % RATE	6.25%	PROBABLE OVERPAID % RATE	0.00%
OVERALL # OF ERRORS	2	# OF PROBABLE CPT CODES UNDERPAID	1	PROBABLE OTHER ERROR % RATE	0.00%		
OVERALL ACCURACY RATE	97.22%	# OF PROBABLE CPT CODES OVERPAID	0				
OVERALL ERROR RATE	2.78%	# OF PROBABLE CPT CODES OTHER ERROR	0				

Patient Name	Account Number	Date of Service	Insurance	Coder CPT-4	Coder Modifier	Unit	Auditor CPT-4	Auditor Modifier	Down Coded/ Missed Code	Up Coded	Other Error	Modifier Error	Coder DX ICD-10	Auditor DX ICD-10	ICD-10 DX Error	Coder HCPCS II	Auditor HCPCS II	HCPCS Error	Auditor Remarks:
	1580/5131	01/04/2023	MEDICARE	25000	LT	1	25000	LT					M65.4	M65.4					
	1580/6486	01/06/2023	MEDICARE	64493	RT	1	64493	RT					M47.816	M47.816					
	1580/5870	12/20/2022	BLUE CROSS	20680		1	20680						T84.84XA	T84.84XA					
													G89.18	G89.18					
	1580/6858	01/24/2023	BLUE CROSS	29806	RT	1	29806	RT					S43.491A	S43.491A		C1713	C1713		
							29999		X				M25.311	M25.311					29999 is reported for the arthroscopic remplissage per AHA Coding Clinic 2016 Q4
													M75.81	S42.291A	X				Hill Sachs lesion is a fracture of the proximal humerus. Index fracture>hill-sachs.
	1580/6874	01/31/2023	CASH NOT INSURANCE	23515	LT	1	23515	LT					S42.022A	S42.022A		C1713	C1713		
	1580/6879	02/07/2023	MEDICARE	64721	LT	1	64721	LT					G56.02	G56.02					
	1580/6887	02/07/2023	MEDICARE	29881	LT	1	29881	LT					S83.272A	S83.272A					
	1580/6881	02/07/2023	BLUE CROSS	59820		1	59820						M94.8X6	M94.8X6					
	1580/6875	02/14/2023	MEDICARE	26055	F7	1	26055	F7					O02.1	O02.1					
	1580/6872	02/15/2023	WORKERS' COMPENSATION	29827	RT	1	29827	RT					M75.121	M75.121		C1713	C1713		
				29826	RT	1	29826	RT					M24.111	M24.111					
													M65.811	M65.811					
													M67.813	M67.813					
													M25.811	M25.811					
	1580/6902	02/21/2023	BLUE CROSS	29888	RT	1	29888	RT					S83.511A	S83.511A		C1713	C1713		
				29882	RT	1	29882	RT					S83.411A	S83.411A					
				29999		1	29999						M94.261	M94.261					
						1							S83.251A	S83.251A					
													S76.111A	S76.111A					
	1580/6882	03/01/2023	UNITED HEALTHCARE	29877	RT	1	29877	RT					M23.8X1	M23.8X1					
	1580/6895	03/08/2023	BLUE CROSS	64721	RT	1	64721	RT					G56.01	G56.01					
	1580/6907	03/14/2023	WORKERS' COMPENSATION	29873	RT	1	29873	RT					M22.2X1	M22.2X1					
													M17.11	M17.11					
													M65.9	M65.9					
													M23.41	M23.41					
	1580/6925	03/29/2023	CIGNA	29806	RT	1	29806	RT					S43.491A	S43.491A		C1713	C1713		
													M25.311	M25.311					