



TAHOE FOREST HOSPITAL DISTRICT

# 2022-09-22 Regular Meeting of the Board of Directors

Thursday, September 22, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for September 22, 2022 will be conducted telephonically through Zoom.

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Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

If you would like to speak on an agenda item, you can access the meeting remotely: Please use this web link: <https://tfhd.zoom.us/j/84656877444>

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Meeting Book - 2022-09-22 Regular Meeting of the Board of Directors

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21. ADJOURN



# REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, September 22, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for September 22, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

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Please use this web link: <https://tfhd.zoom.us/j/84656877444>

**Or join by phone:**

If you prefer to use your phone, you may call in using the numbers listed:

(346) 248 7799 or (301) 715 8592, Meeting ID: 846 5687 7444

Public comment will also be accepted by email to [mrochefort@tfhd.com](mailto:mrochefort@tfhd.com). Please list the item number you wish to comment on and submit your written comments 24 hours prior to the start of the meeting.

Oral public comments will be subject to the three minute time limitation (approximately 350 words). Written comments will be distributed to the board prior to the meeting but not read at the meeting.

## 1. CALL TO ORDER

## 2. ROLL CALL

## 3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

## 4. INPUT AUDIENCE

This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Clerk of the Board 24 hours prior to the meeting to allow for distribution.

## 5. CLOSED SESSION

### 5.1. Conference with Real Property Negotiator (Gov. Code § 54956.8)

*Property Parcel Numbers: 019-460-024*

*Agency Negotiator: Louis Ward*

*Negotiating Party: Marc Brown and Cathy Brown, Trustees of the Marc Brown and Cathy A.*

*Brown Revocable Trust dated October 23, 2014*

*Under Negotiation: Price & Terms of Payment*

### 5.2. Conference with Labor Negotiator (Gov. Code § 54957.6)

*Name of District Negotiator(s) to Attend Closed Session: Alex MacLennan*

*Employee Organization(s): Employees Association and Employees Association of Professionals*

- 5.3. Hearing (Health & Safety Code § 32155) ♦**  
*Subject Matter: Fourth Quarter Fiscal Year 2022 Quality Report*  
*Number of items: One (1)*
- 5.4. Approval of Closed Session Minutes ♦**  
8/25/2022 Regular Meeting
- 5.5. TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155) ♦**  
*Subject Matter: Medical Staff Credentials*

APPROXIMATELY 6:00 P.M.

- 6. DINNER BREAK**
- 7. OPEN SESSION – CALL TO ORDER**
- 8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**
- 9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

**10. 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 Chair 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.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

This is an opportunity for members of the Employee Associations 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.

**12. CONSENT CALENDAR ♦**

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

**12.1. Approval of Minutes of Meetings**

12.1.1. 08/25/2022 Regular Meeting..... ATTACHMENT

**12.2. Financial Reports**

12.2.1. Financial Report – August 2022..... ATTACHMENT

**12.3. Board Reports**

12.3.1. President & CEO Board Report..... ATTACHMENT

12.3.2. COO Board Report ..... ATTACHMENT

12.3.3. CNO Board Report ..... ATTACHMENT

12.3.4. CIO Board Report..... ATTACHMENT

12.3.5. CMO Board Report ..... ATTACHMENT

12.3.6. Provider Services Board Report..... ATTACHMENT

**12.4. Approve Resolution for Continued Remote Teleconference Meetings**

12.4.1. Resolution 2022-16 ..... ATTACHMENT

**12.5. Approve Updated Board Quality Committee Charter**

12.5.1. Board Quality Committee Charter ..... ATTACHMENT

**12.6. Approval of Conflict of Interest Code Policy**

**12.6.1. Conflict of Interest Code, ABD-06** ..... ATTACHMENT

**13. ITEMS FOR BOARD ACTION** ♦

**13.1. Fiscal Year 2021 Moss Adams Single Audit Report** ♦ ..... ATTACHMENT

The Board of Directors will review and consider approving the Fiscal Year 2021 Single Audit Report.

**13.2. Resolution 2022-17** ♦ ..... ATTACHMENT

The Board of Directors will review and consider for approval a resolution establishing revised rules and regulations for the administration of employer-employee relations.

**13.3. First Reading of Proposed Revisions to TFHD Board of Directors Bylaws** ♦ ..... ATTACHMENT

The Board of Directors will review proposed revisions to the TFHD Board of Directors Bylaws.

**14. ITEMS FOR BOARD DISCUSSION**

**14.1. Board Education**

**14.1.1. No Surprises Act** ..... ATTACHMENT

The Board of Directors will receive education on the No Surprise Act legislation.

**15. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY**

**16. BOARD COMMITTEE REPORTS**

**17. BOARD MEMBERS REPORTS/CLOSING REMARKS**

**18. CLOSED SESSION CONTINUED, IF NECESSARY**

**19. OPEN SESSION**

**20. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY**

**21. ADJOURN**

*The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is October 27, 2022 at Truckee Tahoe Airport Community Room 10356 Truckee Airport Road, Truckee, CA, 96161. A copy of the board meeting agenda is posted on the District's web site ([www.tfhd.com](http://www.tfhd.com)) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.*

\*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 telephonic 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 or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Clerk of the Board at 582-3481 at least 24 hours in advance of the meeting.



# REGULAR MEETING OF THE BOARD OF DIRECTORS **DRAFT** MINUTES

Thursday, August 25, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for August 25, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

## 1. CALL TO ORDER

Meeting was called to order at 4:00 p.m.

## 2. ROLL CALL

Board: Alyce Wong, Board Chair; Mary Brown, Vice Chair; Dale Chamblin, Treasurer; Robert (Bob) Barnett, Board Member

Staff in attendance: Harry Weis, President & Chief Executive Officer; Louis Ward, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Dr. Gary Gray, Interim Chief Medical Officer; Ted Owens, Executive Director of Governance; Martina Rochefort, Clerk of the Board

Other: David Ruderman, General Counsel

*Director Michael McGarry joined the meeting at 4:01 p.m.*

## 3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

Item 16.3. will be removed from the agenda.

General Counsel read the board into Closed Session.

## 4. INPUT AUDIENCE

No public comment was received.

Open Session recessed at 4:06 p.m.

## 5. CLOSED SESSION

### 5.1. Hearing (Health & Safety Code § 32155)

*Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Patient Complaint & Grievance Report*

*Number of items: One (1)*

Discussion was held on a privileged item.

### 5.2. Hearing (Health & Safety Code § 32155)

*Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Service Adjustments and Service Recovery Report*

*Number of items: One (1)*

Discussion was held on a privileged item.

**5.3. Hearing (Health & Safety Code § 32155)**

*Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Service Excellence Report*

*Number of items: One (1)*

Discussion was held on a privileged item.

**5.4. Approval of Closed Session Minutes**

*7/28/2022 Regular Meeting*

Discussion was held on a privileged item.

**5.5. Conference with Legal Counsel; Existing Litigation ((Gov. Code § 54956.9(d)(1))**

*The District Board finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.*

*Name of Case: Tahoe Forest Hospital District v. Modernizing Medicine, Inc. et al.*

*Names of Parties: Plaintiff Tahoe Forest Hospital District; Defendant Modernizing Medicine, Inc.*

*Case No. 22-81252-CIV-CANNON (U.S. Dist. Court, S.D. Fla.); Case No. 2:21-cv-01705-TLN-CKD (U.S. Dist. Court, E.D. Cal.); Case No. CU21-058759 (Nev. County Super. Ct.)*

Discussion was held on a privileged item.

**5.6. Liability Claim (Gov. Code § 54956.95)**

*Claimant: Shawni Coll*

*Claim Against: Tahoe Forest Hospital District*

Discussion was held on a privileged item.

**5.7. Public Employee Performance Evaluation (Gov. Code § 54957)**

*Title: President and Chief Executive Officer*

Item was moved to later in the meeting.

**5.8. TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155)**

*Subject Matter: Medical Staff Credentials*

Discussion was held on a privileged item.

**6. DINNER BREAK**

**7. OPEN SESSION – CALL TO ORDER**

Open Session reconvened at 6:00 p.m.

**8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

General Counsel noted there was no reportable action on items 5.1. through 5.3. Item 5.4. Closed Session Minutes for July 28, 2022 were approved on a 5-0 vote. There was also no reportable action



on item 5.5. and item 5.6. Item 5.7. Public Employee Performance Evaluation was moved to later in the meeting. Item 5.8. Medical Staff Credentials was approved on a 5-0 vote.

**9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

Item 16.3. will be removed from the agenda.

**10. INPUT – AUDIENCE**

No public comment was received.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

No public comment was received.

**12. ACKNOWLEDGEMENTS**

**12.1.** Second Quarter 2022 Values Recognition Winners were announced.

**13. MEDICAL STAFF EXECUTIVE COMMITTEE**

**13.1. Medical Executive Committee (MEC) Meeting Consent Agenda**

*MEC recommended the following for approval by the Board of Directors:*

*Privilege Approval, with changes:*

- NP/PA Privilege Form

*Policy Approval, with changes:*

- MNT Screening and Nutrition Assessments, DMNT-2

Discussion was held.

**ACTION:** Motion made by Director Barnett, to approve the Medical Executive Committee Meeting Consent Agenda as presented, seconded by Director Brown. Roll call vote taken.

**Barnett – AYE**

**Chamblin – AYE**

**McGarry – AYE**

**Brown – AYE**

**Wong – AYE**

**14. CONSENT CALENDAR**

**14.1. Approval of Minutes of Meetings**

**14.1.1.** *Corrected* 06/23/2022 Special Meeting

**14.1.2.** 07/28/2022 Regular Meeting

**14.2. Financial Reports**

**14.2.1.** Financial Report – July 2022

**14.3. Board Reports**

**14.3.1.** President & CEO Board Report

**14.3.2.** COO Board Report

**14.3.3.** CNO Board Report

**14.3.4.** CIO Board Report

**14.4. Approve Resolution for Continued Remote Teleconference Meetings**

**14.4.1.** Resolution 2022-15

**14.5. Approve Incline Village Community Hospital Foundation Board Member**

**14.5.1. Julie Teel**

Director Chamblin pulled item 14.2.1. for additional discussion.

**ACTION: Motion made by Director Chamblin, to approve the Consent Calendar excluding item 14.2.1., seconded by Director McGarry. Roll call vote taken.**

**Barnett – AYE**

**Chamblin – AYE**

**McGarry – AYE**

**Brown – AYE**

**Wong – AYE**

**15. ITEMS FOR BOARD ACTION**

**15.1. Split Dollar Program**

Trevor Lattin of Executive Benefit Solutions reviewed the Executive Summary for a proposed voluntary Split Dollar Retirement Plan.

Public comment was received from Dr. Johanna Koch, Dr. Jeff Fountain and Jonathan Lowe.

The board would like table the discussion and bring it back to a future meeting.

**16. ITEMS FOR BOARD DISCUSSION**

*Item 16.2. was heard next.*

**16.1. Board Education**

**16.1.1. No Surprises Act**

Item was deferred to September. No discussion was held.

**16.2. Burnout Recovery Improvement**

Harry Weis, President & CEO, and Dr. Gary Gray, Interim Chief Medical Officer, reviewed follow up on Senior Leadership's actions related to burnout recovery. Discussion was held.

Public comment was received from Porscha Adams PA-C, Dr. David Ritchie, Dr. Gina Barta, Dr. Nina Winans, Dr. Thomas Semrad, Samantha Smith, PA, Dan Coll, PA, Dr. Shawni Coll, and Dr. Jeffrey Fountain. Dr. Chris Arth and Dr. Oleg Vayner provided comment via zoom chat.

**16.3. Legislative Reform Discussion**

Item was pulled from the agenda. No discussion was held.

**17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY**

Item 14.2.1. Financial Report – July 2022 was discussed. There was an error on the Chandler Investment rate. It showed as .18% and should have read 2.87%.

**ACTION: Motion made by Director Chamblin, to approve Consent Calendar item 14.2.1. Financial Report for July 2022, seconded by Director Brown. Roll call vote taken.**

**Barnett – AYE**

**Chamblin – AYE**

McGarry – AYE  
Brown – AYE  
Wong – AYE

**18. BOARD COMMITTEE REPORTS**

No discussed was held.

**19. BOARD MEMBERS REPORTS/CLOSING REMARKS**

No discussion was held.

General Counsel read the board back into Closed Session on item. 5.7. No public comment was received.

**Open Session recessed at 8:31 p.m.**

**20. CLOSED SESSION CONTINUED, IF NECESSARY**

**20.1. Public Employee Performance Evaluation (Gov. Code § 54957)**

*Title: President and Chief Executive Officer*

Discussion was held on a privileged item.

**21. OPEN SESSION**

**Open Session reconvened at 9:38 p.m.**

**22. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY**

General Counsel noted there was no reportable action on item 5.7. Public Employee Performance Evaluation.

**23. ADJOURN**

**Meeting adjourned at 9:38 p.m.**

**TAHOE FOREST HOSPITAL DISTRICT  
AUGUST 2022 FINANCIAL REPORT - PRELIMINARY  
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**Board of Directors**  
*Of Tahoe Forest Hospital District*  
**AUGUST 2022 FINANCIAL NARRATIVE – PRE-AUDIT**

The following is the financial narrative analyzing financial and statistical trends for the two months ended August 31, 2022.

**Activity Statistics**

- ❑ TFH acute patient days were 425 for the current month compared to budget of 556. This equates to an average daily census of 13.7 compared to budget of 17.9.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Emergency Department visits, Hospice visits, Surgery cases, EKG, Diagnostic Imaging, Radiation Oncology procedures, Nuclear Medicine, Cat Scans, PET CT, Respiratory Therapy, Gastroenterology cases, Tahoe City Occupational Therapy, Outpatient Physical Therapy, Physical Therapy Aquatic, Speech Therapy, and Occupational Therapy.

**Financial Indicators**

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 50.07% in the current month compared to budget of 48.82% and to last month's 43.60%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 47.02% compared to budget of 48.85% and prior year's 51.09%.
- ❑ EBIDA was \$4,259,286 (9.0%) for the current month compared to budget of \$2,929,574 (6.0%), or \$1,329,712 (3.0%) above budget. Year-to-Date EBIDA was \$2,807,243 (3.1%) compared to budget of \$5,273,000 (5.5%) or \$(2,465,757) (-2.4%) below budget.
- ❑ Net Income was \$3,878,678 for the current month compared to budget of \$2,684,618 or \$1,194,060 above budget. Year-to-Date Net Income was \$2,112,970 compared to budget of \$4,775,017 or \$(2,662,047) below budget.
- ❑ Cash Collections for the current month were \$23,502,799, which is 114% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$95,342,547 at the end of August compared to \$95,080,500 at the end of July.

**Balance Sheet**

- ❑ Working Capital is at 20.8 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 211.3 days. Working Capital cash increased a net \$3,219,000. Accounts Payable decreased \$2,298,000 and Accrued Payroll & Related Costs increased \$1,394,000. Cash Collections were above target by 14%.
- ❑ Net Patient Accounts Receivable decreased \$1,786,000 and cash collections were 114% of target. EPIC Days in A/R were 63.8 compared to 66.8 at the close of July, a 3.0 days decrease.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$386,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs and received \$562,000 due from Medicare for funds withheld in error in July.
- ❑ Total Bond Trustee 2015 decreased a net \$1,206,000 after remitting the interest and principal due on the Revenue Bonds.
- ❑ GO Bond Tax Revenue fund increased \$216,000 after receiving the final FY22 property tax revenues from Placer County.
- ❑ Accounts Payable decreased \$2,298,000 due to the timing of the final check run in August.
- ❑ Accrued Payroll & Related Costs increased \$1,394,000 due to three additional accrued payroll days in August.
- ❑ Interest Payable decreased \$333,000 after remitting the interest payment due on the 2015 Revenue Bonds.
- ❑ Estimated Settlements, Medi-Cal & Medicare decreased a net \$1,780,000. The District continues repayment of the Medicare Accelerated Payments received in FY20.
- ❑ Other Long Term Debt Net of Current Maturities decreased \$1,246,000 after remitting the principal due on the 2015 Revenue Bonds.

**Operating Revenue**

- ❑ Current month’s Total Gross Revenue was \$47,425,964 compared to budget of \$48,601,984 or \$1,176,020 below budget.
- ❑ Current month’s Gross Inpatient Revenue was \$7,016,442, compared to budget of \$9,754,022 or \$2,737,580 below budget.
- ❑ Current month’s Gross Outpatient Revenue was \$40,409,522 compared to budget of \$38,847,962 or \$1,561,560 above budget.
- ❑ Current month’s Gross Revenue Mix was 40.7% Medicare, 13.2% Medi-Cal, .0% County, 2.4% Other, and 43.7% Commercial Insurance compared to budget of 37.3% Medicare, 16.3% Medi-Cal, .0% County, 2.4% Other, and 44.0% Commercial Insurance. Last month’s mix was 39.1% Medicare, 14.3% Medi-Cal, .0% County, 2.1% Other, and 44.5% Commercial Insurance. Year-to-date Gross Revenue Mix was 40.0% Medicare, 13.7% Medi-Cal, .0% County, 2.2% Other, and 44.1% Commercial Insurance compared to budget of 37.1% Medicare, 16.3% Medi-Cal, .0% County, 2.4% Other, and 44.2% Commercial Insurance.
- ❑ Current month’s Deductions from Revenue were \$23,680,705 compared to budget of \$24,874,791 or \$1,194,086 below budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 3.38% increase in Medicare, a 3.14% decrease to Medi-Cal, County at budget, a .01% decrease in Other, and Commercial Insurance was below budget .22%, 2) Revenues were below budget 2.42%, and 3) The District received the almost \$1m withheld in error due to Noridian not implementing our PIP termination correctly.

DESCRIPTION	August 2022 Actual	August 2022 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	9,367,172	10,025,236	658,064	
Employee Benefits	2,827,288	3,118,841	291,553	We saw decreased use of Paid Leave and Sick Leave in August.
Benefits – Workers Compensation	184,312	120,244	(64,068)	Settlement of a large claim created a negative variance in Workers Compensation.
Benefits – Medical Insurance	1,237,755	1,441,338	203,583	
Medical Professional Fees	595,432	415,780	(179,652)	Anesthesiologists who have not joined the employment model created a negative variance in Medical Professional Fees.
Other Professional Fees	208,920	292,164	83,244	Multi-Specialty Clinics performance improvement projects and Financial Analysis projects budgeted but not started in August created a positive variance in Other Professional Fees along with decreased use of legal services in Medical Staff Services.
Supplies	3,474,522	3,496,833	22,311	Drugs Sold to Patients revenues were above budget 22.61%, creating a negative variance in Pharmacy Supplies, however, this was offset by a positive variance in Patient & Other Medical Supplies due to Medical Supplies Sold to Patients revenues coming in below budget 21.94%.
Purchased Services	1,911,836	2,146,326	234,490	Outsourced Billing, Collection, and Coding services, Credit Card fees, Department Repairs, Employee Health Screenings and Wellness Bank usage, and Information Technology were below budget.
Other Expenses	1,142,158	1,031,732	(110,426)	Physician Recruitment, transfer of Construction Labor, Insurance, increases in Building Rent, and Utilities created a negative variance in Other Expenses.
Total Expenses	20,949,396	22,088,494	1,139,098	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
AUGUST 2022 PRE-AUDIT

ASSETS	Aug-22	Jul-22	Aug-21	
<b>CURRENT ASSETS</b>				
* CASH	\$ 14,159,468	\$ 10,940,890	\$ 95,583,916	1
PATIENT ACCOUNTS RECEIVABLE - NET	34,740,244	36,525,839	36,264,145	2
OTHER RECEIVABLES	9,934,971	9,081,703	8,720,384	
GO BOND RECEIVABLES	863,018	647,538	839,071	
ASSETS LIMITED OR RESTRICTED	11,611,971	9,827,688	9,765,356	
INVENTORIES	4,464,044	4,478,886	4,294,832	
PREPAID EXPENSES & DEPOSITS	3,229,555	3,097,650	3,503,546	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	15,306,343	14,920,811	11,100,346	3
<b>TOTAL CURRENT ASSETS</b>	<u>94,309,615</u>	<u>89,521,004</u>	<u>170,071,596</u>	
<b>NON CURRENT ASSETS</b>				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	49,608,697	54,608,697	74,384,201	1
* CASH INVESTMENT FUND	80,285,732	80,258,561	-	1
MUNICIPAL LEASE 2018	726,122	725,999	724,672	
TOTAL BOND TRUSTEE 2017	20,549	20,538	20,532	
TOTAL BOND TRUSTEE 2015	279,454	1,485,926	278,684	4
TOTAL BOND TRUSTEE GO BOND	5,764	5,764	5,764	
GO BOND TAX REVENUE FUND	1,012,653	796,623	702,483	5
DIAGNOSTIC IMAGING FUND	3,352	3,352	3,343	
DONOR RESTRICTED FUND	1,139,564	1,139,564	1,137,882	
WORKERS COMPENSATION FUND	41,777	1,497	16,542	
TOTAL	133,123,664	139,046,521	77,274,104	
LESS CURRENT PORTION	(11,611,971)	(9,827,688)	(9,765,356)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	<u>121,511,693</u>	<u>129,218,833</u>	<u>67,508,748</u>	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(2,290,282)	(2,105,870)	(1,721,250)	
PROPERTY HELD FOR FUTURE EXPANSION	1,694,072	1,694,072	909,072	
PROPERTY & EQUIPMENT NET	187,475,593	184,480,374	173,100,095	
GO BOND CIP, PROPERTY & EQUIPMENT NET	<u>1,795,271</u>	<u>1,791,406</u>	<u>1,807,837</u>	
TOTAL ASSETS	<u>404,495,962</u>	<u>404,599,818</u>	<u>411,676,098</u>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	303,844	307,076	342,632	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	660,160	660,160	1,387,922	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	4,797,852	4,821,557	5,082,309	
GO BOND DEFERRED FINANCING COSTS	467,937	470,258	495,787	
DEFERRED FINANCING COSTS	135,236	136,276	147,719	
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>\$ 6,365,029</u>	<u>\$ 6,395,327</u>	<u>\$ 7,456,369</u>	
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	\$ 6,863,002	\$ 9,161,359	\$ 8,427,159	6
ACCRUED PAYROLL & RELATED COSTS	20,894,631	19,500,734	26,993,482	7
INTEREST PAYABLE	175,886	509,273	184,682	8
INTEREST PAYABLE GO BOND	268,815	-	276,140	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	3,390,205	5,169,930	25,322,260	9
HEALTH INSURANCE PLAN	2,224,062	2,224,062	2,403,683	
WORKERS COMPENSATION PLAN	2,947,527	2,947,527	3,180,976	
COMPREHENSIVE LIABILITY INSURANCE PLAN	2,082,114	2,082,114	1,704,145	
CURRENT MATURITIES OF GO BOND DEBT	1,945,000	1,945,000	1,945,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	4,029,499	4,029,499	3,952,678	
<b>TOTAL CURRENT LIABILITIES</b>	<u>44,820,741</u>	<u>47,569,499</u>	<u>74,390,205</u>	
<b>NONCURRENT LIABILITIES</b>				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	21,636,806	22,882,925	25,700,060	10
GO BOND DEBT NET OF CURRENT MATURITIES	93,383,833	93,401,788	95,544,300	
DERIVATIVE INSTRUMENT LIABILITY	660,160	660,160	1,387,922	
<b>TOTAL LIABILITIES</b>	<u>160,501,540</u>	<u>164,514,372</u>	<u>197,022,487</u>	
<b>NET ASSETS</b>				
NET INVESTMENT IN CAPITAL ASSETS	249,219,887	245,341,210	220,972,099	
RESTRICTED	1,139,564	1,139,564	1,137,882	
<b>TOTAL NET POSITION</b>	<u>\$ 250,359,451</u>	<u>\$ 246,480,773</u>	<u>\$ 222,109,981</u>	

\* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF NET POSITION  
AUGUST 2022 PRE-AUDIT

1. Working Capital is at 20.8 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 211.3 days. Working Capital cash increased a net \$3,219,000. Accounts Payable decreased \$2,298,000 (See Note 6) and Accrued Payroll & Related Costs increased \$1,394,000 (See Note 7). Cash Collections were above target 14% (See Note 2) and the District transferred \$5,000,000 from its Cash Reserve Fund held with LAIF.
2. Net Patient Accounts Receivable decreased \$1,786,000. Cash collections were 114% of target. EPIC Days in A/R were 63.8 compared to 66.8 at the close of July, a 3.0 days decrease.
3. Estimated Settlements, Medi-Cal & Medicare increased a net \$386,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs and received \$562,000 due from Medicare for funds withheld in error in July.
4. Total Bond Trustee 2015 decreased a net \$1,206,000 after remitting the interest and principal due on the Revenue Bonds.
5. GO Bond Tax Revenue fund increased \$216,000 after receiving the final FY22 property tax revenues from Placer County.
6. Accounts Payable decreased \$2,298,000 due to the timing of the final check run in August.
7. Accrued Payroll & Related Costs increased \$1,394,000 due to three additional accrued payroll days in August.
8. Interest Payable decreased \$333,000 after remitting the interest payment due on the 2015 Revenue Bonds.
9. Estimated Settlements, Medi-Cal & Medicare decreased a net \$1,780,000. The District continues repayment of the Medicare Accelerated Payments received in FY20.
10. Other Long Term Debt Net of Current Maturities decreased \$1,246,000 after remitting the principal due on the 2015 Revenue Bonds.



**Tahoe Forest Hospital District  
Cash Investment  
August 31, 2022**

**WORKING CAPITAL**

US Bank	\$ 12,716,366		
US Bank/Kings Beach Thrift Store	71,443		
US Bank/Truckee Thrift Store	356,029		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,015,629</u>	0.01%	
Total			\$ 14,159,468

**BOARD DESIGNATED FUNDS**

US Bank Savings	\$ -		
Chandler Investment Fund	<u>80,285,732</u>	0.28%	
Total			\$ 80,285,732

Building Fund	\$ -		
Cash Reserve Fund	<u>49,608,697</u>	1.38%	
Local Agency Investment Fund			\$ 49,608,697

Municipal Lease 2018			\$ 726,122
Bonds Cash 2017			\$ 20,549
Bonds Cash 2015			\$ 279,454
GO Bonds Cash 2008			\$ 1,018,417

DX Imaging Education	\$ 3,352		
Workers Comp Fund - B of A	41,777		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 45,129</u>

<b>TOTAL FUNDS</b>			<b>\$ 146,143,569</b>
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**RESTRICTED FUNDS**

Gift Fund			
US Bank Money Market	\$ 8,361	0.00%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,103,893</u>	1.38%	
<b>TOTAL RESTRICTED FUNDS</b>			<b><u>\$ 1,139,564</u></b>

<b>TOTAL ALL FUNDS</b>			<b><u><u>\$ 147,283,132</u></u></b>
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TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
AUGUST 2022 PRE-AUDIT

CURRENT MONTH				YEAR TO DATE				PRIOR YTD AUGUST 2021
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	
<b>OPERATING REVENUE</b>								
\$ 47,425,964	\$ 48,601,984	\$ (1,176,020)	-2.4%	\$ 89,765,261	\$ 95,319,095	\$ (5,553,834)	-5.8%	1 \$ 83,255,012
Total Gross Revenue								
Gross Revenues - Inpatient								
\$ 3,079,418	\$ 4,574,529	\$ (1,495,111)	-32.7%	\$ 6,694,057	\$ 8,215,702	\$ (1,521,645)	-18.5%	\$ 7,037,421
3,937,024	5,179,493	(1,242,469)	-24.0%	7,914,160	9,843,230	(1,929,070)	-19.6%	8,190,091
7,016,442	9,754,022	(2,737,580)	-28.1%	14,608,217	18,058,932	(3,450,715)	-19.1%	15,227,512
Total Gross Revenue - Inpatient								
40,409,522	38,847,962	1,561,560	4.0%	75,157,044	77,260,163	(2,103,119)	-2.7%	68,027,500
40,409,522	38,847,962	1,561,560	4.0%	75,157,044	77,260,163	(2,103,119)	-2.7%	68,027,500
Total Gross Revenue - Outpatient								
Deductions from Revenue:								
21,994,535	22,261,609	267,074	1.2%	45,105,621	43,622,298	(1,483,323)	-3.4%	2 37,968,732
-	-	-	0.0%	-	-	-	0.0%	2 -
1,135,100	1,723,128	588,029	34.1%	1,582,266	3,384,970	1,802,704	53.3%	2 2,953,367
-	-	-	0.0%	-	-	-	0.0%	2 -
551,071	890,054	338,983	38.1%	872,174	1,747,810	875,636	50.1%	2 (200,877)
-	-	-	0.0%	-	-	-	0.0%	2 -
23,680,705	24,874,791	1,194,086	4.8%	47,560,062	48,755,078	1,195,016	2.5%	40,721,222
96,953	108,312	11,359	10.5%	189,669	216,826	27,157	12.5%	180,131
1,366,470	1,182,563	183,907	15.6%	2,485,937	2,465,304	20,633	0.8%	3 2,054,978
25,208,682	25,018,068	190,614	0.8%	44,880,806	49,246,147	(4,365,341)	-8.9%	44,768,899
TOTAL OPERATING REVENUE								
<b>OPERATING EXPENSES</b>								
9,367,172	10,025,236	658,064	6.6%	18,455,116	19,962,962	1,507,846	7.6%	4 14,972,283
2,827,288	3,118,841	291,553	9.3%	6,822,883	6,195,751	(627,132)	-10.1%	4 4,802,329
184,312	120,244	(64,068)	-53.3%	272,069	240,488	(31,581)	-13.1%	4 172,782
1,237,755	1,441,338	203,583	14.1%	2,557,081	2,882,676	325,595	11.3%	4 2,931,962
595,432	415,780	(179,652)	-43.2%	1,034,387	847,388	(186,999)	-22.1%	5 2,480,140
208,920	292,164	83,244	28.5%	466,505	584,328	117,823	20.2%	5 362,586
3,474,522	3,496,833	22,311	0.6%	6,336,687	6,857,230	520,543	7.6%	6 5,296,857
1,911,836	2,146,326	234,490	10.9%	3,857,570	4,332,322	474,752	11.0%	7 3,573,834
1,142,158	1,031,732	(110,426)	-10.7%	2,271,265	2,070,002	(201,263)	-9.7%	8 1,858,734
20,949,396	22,088,494	1,139,098	5.2%	42,073,563	43,973,147	1,899,584	4.3%	36,451,507
TOTAL OPERATING EXPENSE								
<b>4,259,286</b>	<b>2,929,574</b>	<b>1,329,712</b>	<b>45.4%</b>	<b>2,807,243</b>	<b>5,273,000</b>	<b>(2,465,757)</b>	<b>-46.8%</b>	<b>8,317,392</b>
<b>NET OPERATING REVENUE (EXPENSE) EBIDA</b>								
<b>NON-OPERATING REVENUE/(EXPENSE)</b>								
697,637	686,278	11,359	1.7%	1,399,510	1,372,354	27,156	2.0%	9 1,371,840
431,509	431,509	(0)	0.0%	863,018	863,018	(0)	0.0%	839,071
104,951	60,234	44,717	74.2%	180,579	120,459	60,120	49.9%	10 74,495
-	-	-	0.0%	-	-	-	0.0%	-
134,587	145,807	(11,220)	-7.7%	147,030	291,614	(144,584)	-49.6%	11 98,477
(184,411)	(30,000)	(154,411)	-514.7%	(214,411)	(60,000)	(154,411)	-257.4%	12 (60,356)
7,027	25,000	(17,973)	71.9%	81,341	50,000	31,341	-62.7%	13 -
-	-	-	0.0%	-	-	-	0.0%	14 800
-	-	-	0.0%	-	-	-	0.0%	14 -
-	-	-	100.0%	-	-	-	100.0%	15 101,692
(1,201,183)	(1,201,183)	(0)	0.0%	(2,402,366)	(2,402,366)	(0)	0.0%	16 (2,328,096)
(93,840)	(93,786)	(54)	-0.1%	(187,878)	(188,107)	229	0.1%	17 (209,617)
(276,885)	(268,815)	(8,070)	-3.0%	(561,095)	(544,955)	(16,140)	-3.0%	(574,166)
(380,608)	(244,956)	(135,652)	-55.4%	(694,272)	(497,983)	(196,289)	-39.4%	(685,860)
TOTAL NON-OPERATING REVENUE/(EXPENSE)								
<b>\$ 3,878,678</b>	<b>\$ 2,684,618</b>	<b>\$ 1,194,060</b>	<b>44.5%</b>	<b>\$ 2,112,970</b>	<b>\$ 4,775,017</b>	<b>\$ (2,662,047)</b>	<b>-55.7%</b>	<b>\$ 7,631,532</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>								
<b>NET POSITION - BEGINNING OF YEAR</b>				<b>248,246,481</b>				
<b>NET POSITION - AS OF AUGUST 31, 2022</b>				<b>\$ 250,359,451</b>				
<b>9.0%</b>	<b>6.0%</b>	<b>3.0%</b>		<b>3.1%</b>	<b>5.5%</b>	<b>-2.4%</b>		<b>10.0%</b>
<b>RETURN ON GROSS REVENUE EBIDA</b>								

**TAHOE FOREST HOSPITAL DISTRICT**  
**NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**AUGUST 2022 PRE-AUDIT**

		<b>Variance from Budget</b>	
		<b>Fav / &lt;Unfav&gt;</b>	
		<b>AUG 2022</b>	<b>YTD 2023</b>
<b>1) Gross Revenues</b>			
Acute Patient Days were below budget 23.56% or 131 days. Swing Bed days were below budget 88.52% or 54 days. Inpatient Ancillary Revenues were below budget 23.98% due to the decrease in Patient Days.	Gross Revenue -- Inpatient	\$ (2,737,580)	\$ (3,450,715)
	Gross Revenue -- Outpatient	1,561,560	(2,103,119)
	Gross Revenue -- Total	\$ (1,176,020)	\$ (5,553,834)
Outpatient volumes were above budget in the following departments: Emergency Department visits, Hospice visits, Surgery cases, EKG, Diagnostic Imaging, Radiation Oncology procedures, Nuclear Medicine, Cat Scans, PET CT, Respiratory Therapy, Gastroenterology cases, Tahoe City Occupational Therapy, Outpatient Physical Therapy, Physical Therapy Aquatic, Speech Therapy, and Occupational Therapy.			
<b>2) Total Deductions from Revenue</b>			
The payor mix for August shows a 3.38% increase to Medicare, a 3.14% decrease to Medi-Cal, .01% decrease to Other, County at budget, and a .22% decrease to Commercial when compared to budget. We saw a positive variance in contractals due to revenues coming in below budget 2.40% and the District was refunded the PIP Claim Offset funds withheld in error in July.	Contractual Allowances	\$ 267,074	\$ (1,483,323)
	Managed Care	-	-
	Charity Care	588,029	1,802,703
	Charity Care - Catastrophic	-	-
	Bad Debt	338,983	875,635
	Prior Period Settlements	-	-
	Total	\$ 1,194,086	\$ 1,195,016
<b>3) Other Operating Revenue</b>			
Retail Pharmacy revenues were above budget 19.52%.	Retail Pharmacy	77,155	(23,996)
	Hospice Thrift Stores	11,118	32,343
	The Center (non-therapy)	5,906	145
Thrift Store revenues were above budget 11.60%.	IVCH ER Physician Guarantee	7,975	(37,404)
	Children's Center	2,000	(688)
IVCH ER Physician Guarantee is tied to collections, coming in above budget.	Miscellaneous	79,752	50,233
	Oncology Drug Replacement	-	-
North Tahoe Anesthesia collections exceeded budget, creating a positive variance in Miscellaneous.	Grants	-	-
	Total	\$ 183,907	\$ 20,633
<b>4) Salaries and Wages</b>			
	Total	\$ 658,064	\$ 1,507,846
<b>Employee Benefits</b>			
We saw decreased use of Paid Leave and Sick Leave in August, creating a positive variance in PL/SL.	PL/SL	\$ 277,368	\$ (542,820)
	Nonproductive	9,616	(51,195)
	Pension/Deferred Comp	(5,000)	(15,000)
	Standby	(9,826)	(18,059)
	Other	19,396	(58)
	Total	\$ 291,553	\$ (627,132)
<b>Employee Benefits - Workers Compensation</b>			
Settlement of a large claim created a negative variance in Workers Compensation.	Total	\$ (64,068)	\$ (31,581)
<b>Employee Benefits - Medical Insurance</b>			
	Total	\$ 203,583	\$ 325,595
<b>5) Professional Fees</b>			
Anesthesiologists who have not joined the employment model created a negative variance in Miscellaneous. This is also creating a portion of the positive variance in Salaries and Wages.	Miscellaneous	\$ (128,673)	\$ (174,061)
	TFH Locums	(16,213)	(13,752)
	Oncology	928	(711)
	The Center	-	-
Hospitalists Locums coverage created a negative variance in TFH Locums.	Corporate Compliance	-	-
	Home Health/Hospice	-	-
MSC Neurology and MSC General Surgery Locums coverage created a negative variance in Multi-Specialty Clinics.	Truckee Surgery Center	-	-
	Patient Accounting/Admitting	-	-
	Respiratory Therapy	-	-
Positive variance in Medical Staff Services is due to decreased use of legal services.	IVCH ER Physicians	(5,153)	2,508
	Administration	(5,300)	2,555
	Human Resources	4,477	2,941
Clinical Operations Improvement projects have not kicked off, creating a positive variance in Multi-Specialty Clinics Administration.	Multi-Specialty Clinics	(27,131)	5,610
	Managed Care	4,016	7,882
	Marketing	18,740	8,207
Financial analysis projects came in below budget, creating a positive variance in Financial Administration.	Information Technology	6,950	12,015
	Medical Staff Services	20,550	23,000
	Multi-Specialty Clinics Administration	15,118	23,514
	Financial Administration	15,283	31,117
	Total	\$ (96,409)	\$ (69,175)
<b>6) Supplies</b>			
Drugs Sold to Patients revenues were above budget 22.61%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	\$ (178,557)	\$ (38,694)
	Office Supplies	3,768	1,178
	Other Non-Medical Supplies	(23,428)	3,822
	Minor Equipment	873	13,475
Medical Supplies Sold to Patients revenues were below budget 21.94%, creating a positive variance in Patient & Other Medical Supplies.	Food	124	19,550
	Patient & Other Medical Supplies	219,531	521,212
	Total	\$ 22,311	\$ 520,543

**TAHOE FOREST HOSPITAL DISTRICT**  
**NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**AUGUST 2022 PRE-AUDIT**

		<u>Variance from Budget</u>	
		<u>Fav / &lt;Unfav&gt;</u>	
		<u>AUG 2022</u>	<u>YTD 2023</u>
<b>7) <u>Purchased Services</u></b>	Miscellaneous	\$ (31,016)	\$ (38,714)
Credit card fees created a negative variance in Miscellaneous.	The Center	(4,033)	(2,067)
	Home Health/Hospice	57	(621)
Budgeted Department Repairs came in below budget across most departments in the District, creating a positive variance in this category.	Community Development	2,500	2,500
	Pharmacy IP	2,287	2,906
	Laboratory	94	3,929
Employee Health screenings and Wellness Bank usage came in below budget, creating a positive variance in Human Resources.	Diagnostic Imaging Services - All	15,091	20,117
	Multi-Specialty Clinics	17,918	20,408
	Medical Records	8,189	36,048
Outsourced billing and collection services came in below budget, creating a positive variance in Patient Accounting.	Department Repairs	20,138	51,768
	Human Resources	25,037	64,274
	Patient Accounting	100,022	123,760
The migration of communications to a Cloud solution and the Disaster Recovery and Business Continuance projects did not launch in August, creating a positive variance in Information Technology.	Information Technology	78,206	190,444
	<b>Total</b>	<b>\$ 234,490</b>	<b>\$ 474,752</b>
<b>8) <u>Other Expenses</u></b>	Miscellaneous	\$ (59,013)	\$ (147,379)
Physician Recruitment and transfers of Construction Labor to Construction in Progress came in above budget, creating a negative variance in Miscellaneous.	Insurance	(32,371)	(51,726)
	Marketing	1,874	(35,513)
Insurance renewals for the FY22/23 year came in higher than originally communicated. This is creating a negative variance in Insurance which will continue through the fiscal year.	Other Building Rent	(9,493)	(20,731)
	Multi-Specialty Clinics Bldg. Rent	(10,698)	(18,251)
We saw higher than anticipated rent increases after budget completion, creating a negative variance in Other Building Rent and Multi-Specialty Clinics Building Rent.	Equipment Rent	(10,827)	(7,252)
	Dues and Subscriptions	(15,496)	(6,648)
Oxygen tank rentals created a negative variance in Equipment Rent.	Multi-Specialty Clinics Equip Rent	(3,927)	(6,481)
	Physician Services	-	-
We saw budget overages in Dues and Subscriptions in Diagnostic Imaging, Information Systems, Administration, Governing Board, Occupational Health, and MSC Orthopedics.	Human Resources Recruitment	(432)	5,152
	Utilities	(14,758)	6,351
Electricity and Telephone costs were above budget, creating a negative variance in Utilities.	Outside Training & Travel	44,718	81,216
	<b>Total</b>	<b>\$ (110,426)</b>	<b>\$ (201,263)</b>
<b>9) <u>District and County Taxes</u></b>	Total	<b>\$ 11,359</b>	<b>\$ 27,156</b>
<b>10) <u>Interest Income</u></b>	Total	<b>\$ 44,717</b>	<b>\$ 60,120</b>
<b>11) <u>Donations</u></b>	IVCH	\$ (62,159)	\$ (120,749)
	Operational	50,939	(23,835)
	<b>Total</b>	<b>\$ (11,220)</b>	<b>\$ (144,584)</b>
<b>12) <u>Gain/(Loss) on Joint Investment</u></b>	Total	<b>\$ (154,411)</b>	<b>\$ (54,411)</b>
The District trued up its losses in Truckee Surgery Center, LLC, creating a negative variance against budget.			
<b>13) <u>Gain/(Loss) on Market Investments</u></b>	Total	<b>\$ (17,973)</b>	<b>\$ 31,341</b>
The District booked the value of gains in its earned income with Chandler Investments.			
<b>14) <u>Gain/(Loss) on Sale or Disposal of Assets</u></b>	Total	<b>\$ -</b>	<b>\$ -</b>
<b>15) <u>COVID-19 Emergency Funding</u></b>	Total	<b>\$ -</b>	<b>\$ -</b>
<b>16) <u>Depreciation Expense</u></b>	Total	<b>\$ -</b>	<b>\$ -</b>
<b>17) <u>Interest Expense</u></b>	Total	<b>\$ (54)</b>	<b>\$ 229</b>

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
AUGUST 2022 PRE-AUDIT

CURRENT MONTH				YEAR TO DATE					PRIOR YTD AUG 2021		
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%			
				<b>OPERATING REVENUE</b>							
\$ 3,547,399	\$ 2,757,340	\$ 790,059	28.7%	Total Gross Revenue	\$ 6,686,404	\$ 6,100,152	\$ 586,252	9.6%	1	\$ 5,775,741	
				<b>Gross Revenues - Inpatient</b>							
\$ 9,552	\$ -	\$ 9,552	0.0%	Daily Hospital Service	\$ 9,552	\$ 4,104	\$ 5,448	132.7%		\$ -	
5,276	1,828	3,448	188.6%	Ancillary Service - Inpatient	4,803	4,179	624	14.9%		3,744	
14,828	1,828	13,000	711.2%	Total Gross Revenue - Inpatient	14,355	8,283	6,072	73.3%	1	3,744	
3,532,571	2,755,512	777,059	28.2%	Gross Revenue - Outpatient	6,672,049	6,091,869	580,180	9.5%		5,771,997	
3,532,571	2,755,512	777,059	28.2%	Total Gross Revenue - Outpatient	6,672,049	6,091,869	580,180	9.5%	1	5,771,997	
				<b>Deductions from Revenue:</b>							
1,224,444	1,236,640	12,196	1.0%	Contractual Allowances	2,727,269	2,733,755	6,486	0.2%	2	1,825,246	
147,126	118,566	(28,560)	-24.1%	Charity Care	162,343	262,307	99,964	38.1%	2	273,114	
-	-	-	0.0%	Charity Care - Catastrophic Events	-	-	-	0.0%	2	-	
62,190	55,147	(7,043)	-12.8%	Bad Debt	64,993	122,003	57,010	46.7%	2	(56,488)	
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2	-	
1,433,760	1,410,353	(23,407)	-1.7%	Total Deductions from Revenue	2,954,604	3,118,065	163,461	5.2%	2	2,041,872	
75,365	68,373	6,992	10.2%	Other Operating Revenue	127,226	166,364	(39,138)	-23.5%	3	129,394	
2,189,004	1,415,360	773,644	54.7%	<b>TOTAL OPERATING REVENUE</b>	3,859,025	3,148,451	710,574	22.6%		3,863,263	
				<b>OPERATING EXPENSES</b>							
595,761	633,027	37,266	5.9%	Salaries and Wages	1,202,874	1,322,950	120,076	9.1%	4	912,526	
171,065	193,644	22,579	11.7%	Benefits	426,873	397,923	(28,950)	-7.3%	4	312,360	
921	5,313	4,392	82.7%	Benefits Workers Compensation	1,348	10,626	9,278	87.3%	4	5,595	
78,494	91,405	12,911	14.1%	Benefits Medical Insurance	162,161	182,810	20,649	11.3%	4	163,818	
156,555	152,152	(4,403)	-2.9%	Medical Professional Fees	302,385	305,643	3,259	1.1%	5	478,550	
2,006	2,327	321	13.8%	Other Professional Fees	4,013	4,654	642	13.8%	5	4,763	
76,508	69,309	(7,199)	-10.4%	Supplies	131,496	151,570	20,074	13.2%	6	116,273	
47,613	67,722	20,109	29.7%	Purchased Services	139,283	149,990	10,707	7.1%	7	144,215	
119,904	109,528	(10,376)	-9.5%	Other	240,509	221,941	(18,568)	-8.4%	8	207,001	
1,248,827	1,324,427	75,600	5.7%	<b>TOTAL OPERATING EXPENSE</b>	2,610,942	2,748,107	137,165	5.0%		2,345,101	
<b>940,177</b>	<b>90,933</b>	<b>849,244</b>	<b>933.9%</b>	<b>NET OPERATING REV(EXP) EBIDA</b>	<b>1,248,083</b>	<b>400,344</b>	<b>847,739</b>	<b>211.8%</b>		<b>1,518,162</b>	
				<b>NON-OPERATING REVENUE/(EXPENSE)</b>							
-	62,159	(62,159)	-100.0%	Donations-IVCH	3,568	124,317	(120,749)	-97.1%	9	-	
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10	-	
-	-	-	100.0%	COVID-19 Emergency Funding	-	-	-	100.0%	11	-	
(77,026)	(77,026)	-	0.0%	Depreciation	(154,052)	(154,052)	-	0.0%	12	(150,868)	
(77,026)	(14,867)	(62,159)	-418.1%	<b>TOTAL NON-OPERATING REVENUE/(EXP)</b>	(150,484)	(29,735)	(120,749)	-406.1%		(150,868)	
<b>\$ 863,151</b>	<b>\$ 76,066</b>	<b>\$ 787,085</b>	<b>1034.7%</b>	<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 1,097,599</b>	<b>\$ 370,609</b>	<b>\$ 726,990</b>	<b>196.2%</b>		<b>\$ 1,367,294</b>	
<b>26.5%</b>	<b>3.3%</b>	<b>23.2%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>18.7%</b>	<b>6.6%</b>	<b>12.1%</b>			<b>26.3%</b>	

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
AUGUST 2022 PRE-AUDIT**

		<u>Variance from Budget</u>	
		<u>Fav&lt;Unfav&gt;</u>	
		<u>AUG 2022</u>	<u>YTD 2023</u>
<b>1) <u>Gross Revenues</u></b>			
Acute Patient Days were above budget by 2 at 2 and Observation Days were below budget by 1 at 0.	Gross Revenue -- Inpatient	\$ 13,000	\$ 6,072
	Gross Revenue -- Outpatient	777,060	580,180
		<u>\$ 790,059</u>	<u>\$ 586,252</u>
Outpatient volumes were above budget in Diagnostic Imaging, Ultrasound, Cat Scans, Oncology Drugs Sold to Patients, Physical Therapy and Speech Therapy.			
<b>2) <u>Total Deductions from Revenue</u></b>			
We saw a shift in our payor mix with a 5.31% increase in Medicare, a 2.08% decrease in Medicaid, a 2.37% decrease in Commercial insurance, a .85% decrease in Other, and County was at budget.	Contractual Allowances	\$ 12,196	\$ 6,486
Contractual Allowances were below budget due to the shift in Payor Mix from Medicaid to Medicare along with a transfer to Charity Care and Bad Debt.	Charity Care	(28,560)	99,964
	Charity Care-Catastrophic Event	-	-
	Bad Debt	(7,043)	57,010
	Prior Period Settlement	-	-
	Total	<u>\$ (23,407)</u>	<u>\$ 163,461</u>
<b>3) <u>Other Operating Revenue</u></b>			
IVCH ER Physician Guarantee is tied to collections, coming in above budget in August.	IVCH ER Physician Guarantee	\$ 7,975	\$ (37,404)
	Miscellaneous	(983)	(1,734)
	Total	<u>\$ 6,992</u>	<u>\$ (39,138)</u>
<b>4) <u>Salaries and Wages</u></b>			
	Total	<u>\$ 37,266</u>	<u>\$ 120,076</u>
<b><u>Employee Benefits</u></b>			
	PL/SL	\$ 21,638	\$ (36,849)
	Pension/Deferred Comp	-	-
	Standby	(4,241)	(7,458)
	Other	(148)	(864)
	Nonproductive	5,331	16,221
	Total	<u>\$ 22,579</u>	<u>\$ (28,950)</u>
<b><u>Employee Benefits - Workers Compensation</u></b>			
	Total	<u>\$ 4,392</u>	<u>\$ 9,278</u>
<b><u>Employee Benefits - Medical Insurance</u></b>			
	Total	<u>\$ 12,911</u>	<u>\$ 20,649</u>
<b>5) <u>Professional Fees</u></b>			
Shift overages due to extended patient care created a negative variance in IVCH ER Physicians.	Administration	\$ -	\$ -
	Miscellaneous	-	-
	Multi-Specialty Clinics	321	642
	Foundation	750	750
	IVCH ER Physicians	(5,153)	2,508
	Total	<u>\$ (4,082)</u>	<u>\$ 3,900</u>
<b>6) <u>Supplies</u></b>			
Non-Patient Chargeable supplies exceeded budget, creating a negative variance in Patient & Other Medical Supplies.	Patient & Other Medical Supplies	\$ (4,871)	\$ (1,653)
	Office Supplies	(329)	(62)
	Non-Medical Supplies	(1,073)	32
	Food	106	403
	Minor Equipment	1,519	5,452
Oncology Drugs Sold to Patients revenues were over budget 121.42%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	(2,551)	15,903
	Total	<u>\$ (7,199)</u>	<u>\$ 20,074</u>

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
AUGUST 2022 PRE-AUDIT**

		<u>Variance from Budget</u>	
		<u>Fav&lt;Unfav&gt;</u>	
		<u>AUG 2022</u>	<u>YTD 2023</u>
<b>7) <u>Purchased Services</u></b>	Foundation	\$ 2,013	\$ (15,851)
Maintenance needs in Diagnostic Imaging and Engineering created a negative variance in Department Repairs.	Diagnostic Imaging Services - All	(1,414)	(1,419)
	Pharmacy	(837)	(237)
	Department Repairs	(2,499)	(77)
Positive variance in Laboratory related to an over accrual of estimated outsourced lab services in July along with a shift in lab tests being resulted at the TFH Lab versus being sent out to a third party vendor.	Surgical Services	-	-
	Multi-Specialty Clinics	265	393
	Miscellaneous	281	492
	EVS/Laundry	738	1,477
	Engineering/Plant/Communications	1,943	5,231
	Laboratory	19,617	20,699
	<b>Total</b>	<u>\$ 20,109</u>	<u>\$ 10,707</u>
<b>8) <u>Other Expenses</u></b>	Miscellaneous	\$ (6,944)	\$ (12,397)
Transfer of Laboratory Labor costs to IVCH for resulting tests at the TFH Lab created a negative variance in Miscellaneous.	Other Building Rent	(3,820)	(7,740)
	Utilities	(2,650)	(6,037)
	Equipment Rent	(1,753)	(2,877)
Rent increases after budget completion created a negative variance in Other Building Rent.	Multi-Specialty Clinics Bldg. Rent	-	-
	Physician Services	-	-
	Insurance	(751)	98
We saw negative variances in Electricity and Telephone, bringing Utilities in above budget.	Marketing	226	1,355
	Dues and Subscriptions	1,499	1,474
	Outside Training & Travel	3,817	7,556
	<b>Total</b>	<u>\$ (10,376)</u>	<u>\$ (18,568)</u>
<b>9) <u>Donations</u></b>	<b>Total</b>	<u>\$ (62,159)</u>	<u>\$ (120,749)</u>
<b>10) <u>Gain/(Loss) on Sale</u></b>	<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>
<b>11) <u>COVID-19 Emergency Funding</u></b>	<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>
<b>12) <u>Depreciation Expense</u></b>	<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	PRE-AUDIT FYE 2022		BUDGET FYE 2023	PROJECTED FYE 2023	ACTUAL AUG 2022	BUDGET AUG 2022	DIFFERENCE	PROJECTED 1ST QTR	PROJECTED 2ND QTR	BUDGET 3RD QTR	BUDGET 4TH QTR
Net Operating Rev/(Exp) - EBIDA	37,289,496		25,383,789	22,918,030	\$ 4,259,286	\$ 2,929,575	\$ 1,329,711	\$ 5,644,853	\$ 6,265,032	\$ 6,728,165	\$ 4,279,979
Interest Income	385,321		690,032	704,384	25,787	25,000	787	154,352	183,654	183,697	182,681
Property Tax Revenue	8,969,604		9,747,000	9,687,559	319,622	394,000	(74,378)	508,559	-	5,039,000	4,140,000
Donations	2,145,345		1,305,071	1,124,509	8,685	108,756	(100,071)	145,706	326,268	326,268	326,268
Emergency Funds	(1,092,739)		-	-	-	-	-	-	-	-	-
Debt Service Payments	(4,957,925)		(5,007,753)	(5,043,827)	(461,380)	(353,188)	(108,191)	(1,757,481)	(1,059,565)	(1,167,215)	(1,059,565)
Property Purchase Agreement	(812,500)		(811,927)	(811,927)	(67,661)	(67,661)	-	(202,982)	(202,982)	(202,982)	(202,982)
2018 Municipal Lease	(1,714,321)		(1,717,326)	(1,717,326)	(143,111)	(143,111)	-	(429,332)	(429,332)	(429,332)	(429,332)
Copier	(58,608)		(63,840)	(63,952)	(5,270)	(5,320)	50	(16,072)	(15,960)	(15,960)	(15,960)
2017 VR Demand Bond	(727,326)		(769,491)	(805,453)	(108,241)	-	(108,241)	(697,803)	-	(107,650)	-
2015 Revenue Bond	(1,645,170)		(1,645,169)	(1,645,169)	(137,097)	(137,097)	(0)	(411,292)	(411,292)	(411,292)	(411,292)
Physician Recruitment	(226,668)		(1,126,666)	(989,999)	(30,000)	(83,333)	53,333	(113,333)	(346,666)	(280,000)	(250,000)
Investment in Capital											
Equipment	(3,721,451)		(3,400,652)	(3,400,652)	(312,679)	(687,316)	374,636	(1,146,616)	(1,177,961)	(559,575)	(516,500)
IT/EMR/Business Systems	(16,287)		(1,833,753)	(1,833,753)	(50,092)	(180,628)	130,536	(266,934)	(496,936)	(423,513)	(646,370)
Building Projects/Properties	(22,004,760)		(41,773,780)	(41,773,780)	(3,836,456)	(4,239,249)	402,793	(9,380,707)	(11,464,793)	(11,217,200)	(9,711,080)
Change in Accounts Receivable	(1,173,232)	N1	(2,928,806)	2,303,138	1,785,595	(890,368)	2,675,963	2,375,759	653,587	(1,663,774)	937,566
Change in Settlement Accounts	(18,332,877)	N2	398,920	(5,230,774)	(2,165,258)	(833,083)	(1,332,175)	(7,766,964)	(4,925,270)	6,658,730	802,730
Change in Other Assets	(2,691,420)	N3	(1,850,000)	(1,092,878)	(59,513)	(500,000)	440,487	(492,878)	(400,000)	50,000	(250,000)
Change in Other Liabilities	(2,409,166)	N4	(3,700,000)	(7,418,516)	(1,237,847)	2,150,000	(3,387,847)	(3,218,516)	(6,050,000)	3,050,000	(1,200,000)
Change in Cash Balance	(7,836,759)		(24,096,598)	(30,046,558)	(1,754,249)	(2,159,835)	405,585	(15,314,198)	(18,492,650)	6,724,582	(2,964,292)
Beginning Unrestricted Cash	161,643,342		153,806,583	153,806,583	145,808,147	145,808,147	-	153,806,583	138,492,385	119,999,734	126,724,317
Ending Unrestricted Cash	153,806,583		129,709,985	123,760,025	144,053,897	143,648,312	405,585	138,492,385	119,999,734	126,724,317	123,760,025
Operating Cash	153,806,583		129,709,985	123,760,025	144,053,897	143,648,312	405,585	138,492,385	119,999,734	126,724,317	123,760,025
Expense Per Day	637,955		732,143	726,938	681,636	712,278	(30,642)	701,337	714,005	723,942	726,938
Days Cash On Hand	241		177	170	211	202	10	197	168	175	170

Footnotes:

N1 - Change in Accounts Receivable reflects the 30 day delay in collections.

N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.

N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.





## Board Informational Report

**By: Harry Weis**  
President and CEO

**DATE: September 19, 2022**

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Our overall health system volumes appear to be lower after two months in our new fiscal year versus the same two months last year. I estimate we are about 1% below the prior year in overall volume change year to date.

We are also about 500 provider office visits year to date below the same two months last fiscal year as well. Patient experience and access remains a very high priority for our health system.

We experienced a net loss in July and anticipate while August will be profitable, we will still be behind our year to date Net Income budget target.

After the first 11 weeks of this fiscal year, we are seeing a shortfall in top line gross patient revenues of about \$617,000 per week. This underperformance is showing slight improvement as the month of September matures, but September is still underperforming as well.

Our medical staff continues to grow. Over the last seven years, we have grown from 115 active and courtesy medical staff team members to 164, the highest number in our history. We have two new primary care physicians who have joined us in recent weeks, a new urologist and we believe we will have two more primary care physicians joining us late this calendar year.

For any patient who needs access to a provider, please call 530-582-6205. We are working hard to increase the speed of access for patients to see our providers.

It is estimated by 2030, there could be a physician shortage of up to 120,000 physicians across the entire United States.

It is also estimated by 2030 that US healthcare may need another 1,200,000 registered nurses.

We at Tahoe Forest Health System (TFHS) are feeling the very high annual inflation expense growth of labor, benefits, and other expenses to operate a quality healthcare system, coupled with very low inflation revenue increases from our payors for healthcare.

Our maximum price increase is 5% when inflation is at least twice that. We are hearing some businesses are seeing high insurance price increases, approximately in the 13% range, when payors are only paying us up to a 5% increase. This large gap between what health insurance companies charge in annual premium increases versus what they pay hospitals and physicians continues and has existed for more than 30 years.

We are very grateful our turnover rate for non-physicians and for physicians, PAs, and NPs is extremely low versus any hospitals in an 80 mile radius. Our team has and is working hard over the past seven years to create this positive outcome in the tough external world.

We continue to make many positive changes every year, for our entire team, because we listen, as we desire to retain where possible, a material positive margin in how we treat our team versus other health systems in the region.

We have been listening carefully to our team and will continue to listen to our team on improvements we can make to our working environment and other topics that are supportive of long-term sustainability.

We have almost no “temporary traveler” team members here. Again, we are the only health system in a large geographic area around us that has been able to recruit and retain staff much better, which allows us to avoid the disruption and extra work burden on our team from many “traveler” staff working here.

We continue to look nationwide for a full time experienced physician leader to serve as our next Chief Medical Officer. We do have two candidates coming in over the next few weeks and are hopeful we can rapidly fill this important foundational position.

One of many very foundational improvements we are making that illustrates we continue to listen to our team each year, is to add a new Physician/Administration Partnership Council. This new council will review and act on a large variety of important topics involving but not limited to Quality, Patient Experience, Burnout, Business operational improvements and other changes which are needed to assure we are a vibrant and sustainable organization for the long term. We must not sacrifice long-term sustainability due to short-term actions.

We have health systems in our region who are having to reduce or remove clinical programs, reduce staff, lower pay and benefits and cut other expenses just to return to sustainability. These tough improvement changes are ongoing and will likely take many months.

Because of the growing very tough variables hitting several of our neighboring health systems, we believe this new reality is causing a greater desire for patient immigration to see our providers and health system.

I will be speaking with all area healthcare CEOs over the next few weeks to learn what is going well or what is causing new struggles for their healthcare system.

It is quite clear our region and country is experiencing a recession with two quarters of negative GDP growth and an inverted yield curve on short-term interest rates versus longer term interest rates. We must carefully monitor all variables over the next several months and years, as we will likely see some of the most profound changes in healthcare and possibly in other industries in the next two to seven years than have been seen in the past 45 years.

Some of the largest financial and transportation companies in the world are forecasting something tougher than just a recession in the months and years ahead.

We continue to monitor state and federal law proposed changes as there some really concerning actions being contemplated, which can really harm quality, sustainable healthcare.



## Board COO Report

**By: Louis Ward**  
Chief Operating Officer

**DATE: September, 2022**

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**Service: Deliver Outstanding Patient & Family Experience**  
*Optimize the health care delivery system and efficiencies*

- **Retail Pharmacy**

The Tahoe Forest Retail Pharmacy continues to experience growth in new patients served and growth in established patients refills. We are delighted to be the region's pharmacy of choice. This growth has come with challenges as we do need to ensure we can provide a great patient experience each and every time. We continue to work with Pharmacy leadership to support an efficient and customer friendly experience. Small changes will be made to the interior of the Pharmacy in an effort to improve workflow, which will aid in quicker prescription pick up times. Along with a focus on workflow, leadership is also working to improve the financial performance of the pharmacy. The pharmacy will look forward to working with a local consultant on areas of opportunity.

**Quality: Provide excellent patient focused quality care**  
*Identify and promote best practice and evidence-based medicine*

- **Flu Season**

Flu Season is upon us. It runs October through April, and the CDC recommends everyone over 6 months old receive an annual flu shot. The Tahoe Forest Health System will provide many opportunities to the community to get a convenient flu shot close to home. Beginning in late September, flu shots will be available 7 days a week at the Tahoe Forest Pharmacy and available on Tuesdays from September 20<sup>th</sup> through December 27<sup>th</sup> at the Tahoe Forest Pediatrics Clinic. Incline Village Community Hospital will hold drive thru flu vaccination clinics on Mondays and Thursdays between October 3<sup>rd</sup> and November 3<sup>rd</sup>.

**People: Strengthen a highly-engaged culture that inspires teamwork & joy**  
*Exemplify a culture based on the foundation of our values*

- **Nevada Hospital Association annual meeting**

This month Incline Village Community Hospital Administration attended the Nevada Hospital Association Annual Meeting located in Incline Village. The event was a wonderful opportunity to listen to amazing speakers and engage with colleagues from other hospitals throughout the state of Nevada. As a special presentation, one of our very own volunteers, Nan Healy, was presented with the Nevada Hospital Volunteer of the Year award! It was amazing to watch her receive her award surrounded by her family and our IVCH staff. Nan has dedicated over 16,000 hours of service to IVCH with her volunteer efforts. It was so wonderful to see her efforts recognized.

## **Service: Deliver Outstanding Patient & Family Experience**

*Implement an enterprise-wide master plan*

### ○ **Incline Village Community Hospital Parking Lot**

The much-needed Incline Village new parking lot is now open! Employees were encouraged to begin parking in the new lot located directly behind the hospital beginning on September 12, making room for patients in the parking lot at the front of the hospital. As part of the new parking lot project we will also be creating a new ADA space at the front of the hospital near the entrance doors, this will complete by October 7. We will also re-stripe the parking lot on October 5. This parking lot will aid in a multitude of ways, and be a real patient satisfier as they will now be able to find accessible parking any time.

## **Service: Deliver Outstanding Patient & Family Experience**

*Implement an enterprise-wide master plan*

Report provided by Dylan Crosby, Director Facilities and Construction Management

### **Active Projects:**

**Project:** Tahoe Forest Nurse Call Replacement

**Background:** In 2018, TFH completed phase 1 of the Nurse Call replacement system, which included Med Surg, ICU and Briner Imaging. This project, phase 2, will replace the remainder of the antiquated systems and condense the nurse calls at TFHD to a single more reliable system.

**Summary of Work:** Remove and replace existing Nurse Call Systems in Ambulatory Surgery, Emergency, Diagnostic Imaging, Respiratory and Extended Care Center Departments.

**Update Summary:** Project has been complete. Staff are working through HCAI Closeout.

**Start of Construction:** March 2022

**Estimated Completion:** July 2022

**Project:** Incline Sterile Processing Remodel & Exterior Shop Remodel

**Background:** Incline Village Community Hospital Sterile Processing Department (“IVCH SPD”) – In preparation to offer endoscopy procedures at IVCH, this service is in need of reconfiguration and equipment upgrades to process the future instruments.

IVCH Exterior Shop Remodel “IVCH-Shop” - The exterior storage shop at IVCH is in disrepair and is not readily used due to its condition. This project is to renovate and upgrade the exterior shop to utilize for storage and relocate Engineer outside of the Hospital to provide space for patient care services.

The projects were bid together to provide economies of scale.

**Summary of Work:** IVCH-SPD: Create a temporary decontamination room to allow for continuity of operations during the construction timeline. Once completed, renovate the existing decontamination room and add the additional utilities needed to support the new equipment.

IVCH-Shop: Renovate shop to provide improved utility and storage as well as space to move engineering outside of the Hospital.

**Update Summary:** Shop: Completed. Sterile Processing: Project is awaiting equipment for installation, 98% complete.

**Start of Construction:** August 2021

**Estimated Completion:** July 2022

**Project:** Underground Storage and Day Tank Replacement.

**Background:** The existing Diesel underground storage is 30 years old in need of replacement. Staff analyzed if an above ground tank would be suitable, due to site constrained it was determined that a replacement underground tank would best serve the hospital.

**Summary of Work:** Removal of the existing Underground storage tank, day tank and day tank structure (not compliant). Excavate and install a new 15,000-gallon underground tank in the ambulance bay. A new day tank will be installed in the 500 KW generator room.

**Update Summary:** The New tank has been set. Piping, connectivity and backfill are underway.

**Start of Construction:** May 2022

**Estimated Completion:** December 2022

**Project:** Medical Office Building Renovation

**Background:** Outpatient clinical services are in need of additional space to meet the healthcare need of the community. To provide efficient, flexible space staff intend to renovate the entire second floor of the Medical office building and create a single use suite that can be utilized for primary care and specialty services. MOB suite 360 is also planned to be renovated to utilize the additional space that has since become available.

**Summary of Work:** Relocate Occupation Health, Out Patient Lab and Primary Care services in suite 360. Demo all suites. Construct new use-flexible outpatient OSHPD 3 spaces for outpatient clinical services. Include the remodel of suite 340 to create a continuous primary care suite on both the 2<sup>nd</sup> and 3<sup>rd</sup> floors of the MOB, all RHCs.

**Update Summary:** Project is proceeding on schedule above ceiling work is wrapping up. Staff are working on CDPH application submittals and staff & stock plans. Occupancy of the 2<sup>nd</sup> floor is scheduled for late November. The Suite 340 has been approved, scope of work is scheduled to start early December.

**Start of Construction:** March 2022

**Estimated Completion:** June 2022

**Project:** MRI Replacement

**Background:** The existing MRI mechanical equipment is at end of life and the existing MRI itself does not provide the function needed to provide the necessary quality of care.

**Summary of Work:** Renovate the existing MRI suite to provide for two changing rooms and a gurney hold area. Order and install new 3T Siemens MRI.

**Update Summary:** Temporary MRI has been installed and in use. The old MRI has been removed preparation for the new MRI is underway. During demolition three conflicts were found: Sewer line, CMU wall and 2; gas line. All three of these existing conditions have required minor design changes which are currently into HCAI for approve. All issues have been resolved and construction is again pursuing. Impact was expected to be 60 days, actual is 45 days. The next phase is reconstruction of firewall between MRI and ASD. Staff are assessing the impact of the unforeseen conditions. Seimens has experienced delays in manufacturing; staff are working to resolve the issue.

**Start of Construction:** April 2022

**Estimated Completion:** December 2022

**Project:** Incline Village Community Hospital Site Improvements

**Background:** Demand for parking at Incline Village Community Hospital has exceeded its capacity.

**Summary of Work:** In the Tahoe Basin the Truckee Regional Planning Agency, "TRPA" regulates the amount of disturbed land each individual parcel can have, Incline is at its capacity. Partnered with JKAE staff have planned a transfer of development rights as the first step in increasing the available parking onsite.

**Update Summary:** The project is ahead of schedule. The rear parking lot is scheduled to complete late September. The following phase will be the addition of two ADA stalls off the ambulance pull through.

**Start of Construction:** Summer 2022

**Estimated Completion:** Winter 2022

## **Projects in Planning:**

**Project:** Tahoe Forest Hospital Seismic Improvement

**Background:** In 2012, Tahoe Forest Hospital completed an expansive seismic improvement job to extend the allowance of acute care service in many of the Hospital buildings up to and beyond the 2030 deadline determined by Senate Bill 1953. This project is Phase one of three in a compliance plan to meet the full 2030 deadline.

**Summary of Work:** Upgrade four buildings (the 1978, 1990, 1993 and Med Gas) to Non-Structural Performance Category "NPC" 4 status. Renovate the Diagnostic Imaging reception, waiting room and X-Ray to increase capacity and receive new equipment. Renovate Emergency Department beds 8-15 to provide addition patient privacy. Renovate Emergency Department beds 4-7 to private rooms. Aesthetic upgrades of the 1978 and 1990 buildings including but not limited to flooring, ceilings, signage and painting.

1978 Building – Diagnostic Imaging, portions of Emergency Department

1990 Building – Portions of the Surgical Department

1993 Building – Portions of the Dietary Department

Med Gas Building – Primary Med Gas distribution building.

**Update Summary** Design Development is under review. The Seismic submittal for the 1978 building has been resubmitted to HCAI. The other 7 HCAI permits have been approved. Staff are planning the start of the 1990 building(Surgery/ASD) in November.

**Start of Construction:** Winter 2022

**Estimated Completion:** Winter 2025

**Project:** Incline Village Community Hospital X-Ray and CT Replacement

**Background:** Incline Village Community Hospital has been provided a grant opportunity to support the replacement of the X-Ray and CT at the Hospital. Various components of the X-Ray are end of service and end of support. The CT is approaching end of service. The new CT will be replaced with a new 128 slice machine, existing 16 slices.

**Summary of Work:** Provide temporary accommodations to ensure hospital can provide X-Ray and CT services during the project. Replace X-Ray and CT equipment and modify space for code compliance and improved staff and patient workflow.

**Update Summary:** Schematic Design is near complete. Temporary CT plan has been approved by North Lake Tahoe Fire. Contract to conclude design is under negotiation.

**Start of Construction:** Fall 2022

**Estimated Completion:** Spring 2023

**Project:** Levon Parking Structure

**Background:** Demand for parking Tahoe Forest Hospital has far exceeded its capacity. This project is to create a staff parking structure to meet the current and future needs of staff and importantly provide accessible parking for our patients.

**Summary of Work:** Project intent is to concurrently work on this project thru the entitlements effort on the Tahoe Forest Master Plan effort. This project being dependent on the Master Plan approval. This project will provide upwards of 225 parking stalls and various biking parking opportunities to support the parking need of the Tahoe Forest campus. The use intent is for this structure to service staff being located off Levon Ave, the Hospital service corridor.

**Update Summary:** Staff are working with the design builder on programming and deliverables for the Town of Truckee Development Permit. Schematic Design is 95% completed. Staff plan have submitted a predevelopment permit to the Town of Truckee and are working on coordinating with Town Staff.

**Start of Construction:** Spring 2023

**Estimated Completion:** Winter 2023

**Project:** Lake Street Housing

**Background:** On-Call housing and On-Boarding housing are critical to district operations and recruitment of talented employees.

**Summary of Work:** Demolish 10151 & 10145 Lake Ave to create 2 new duplex houses to be utilized for recruitment and retention. As well as create 10 new studio apartments to support the Hospitals On Boarding needs.

**Update Summary:** Project is on hold until the Master Plan progresses further.

**Start of Construction:** Summer 2023

**Estimated Completion:** Spring 2024

**Project:** Martis Outlook Plastics

**Background:** Staff have focused on providing health care services in the Eastern portion of Truckee. Property was acquired in 2021 at the Martis Outlook Building to realize this goal.

**Summary of Work:** Demo interiors of existing suite to build out new clinic space.

**Update Summary:** Staff submitted plans to the Town 7/22/22. A zoning clearance has been requested by Town Staff, this was submitted 9/13/22.

**Start of Construction:** Winter 2022

**Estimated Completion:** Spring 2023

**Project:** Martis Outlook Primary Care

**Background:** Staff have focused on providing health care services in the Eastern portion of Truckee. Property was acquired in 2021 at the Martis Outlook Building to realize this goal.

**Summary of Work:** Demo interiors of existing suite to build out new clinic space.

**Update Summary:** Staff are preparing plan submittal. A zoning clearance has been requested by Town Staff, this was submitted 9/13/22.

**Start of Construction:** Winter 2022

**Estimated Completion:** Spring 2023

**Project:** Gateway RHC Expansion

**Background:** With the longevity of the existing Gateway Building in the Master Plan staff are looking to maximize the utilization. Staff will be working to expand the current RHC to provide Dental, Opto, Behavioral Health and Out Patient Lab Services.

**Summary of Work:** Remodel 8 suites within the Building.

**Update Summary:** Staff have released the Request for Qualifications, August 16<sup>th</sup>, 2022, and are working on drafting the Request for Proposals.

**Start of Construction:** Fall 2023

**Estimated Completion:** Fall 2025

**Project:** Med Surg/ICU Remodel.

**Background:** With the Med Surg/ICU in use for over 17 years, the rooms are in need of updates both for aesthetics and operational efficiency.

**Summary of Work:** Remove and replace all finishes with Patient rooms. Remodel portions of the support space to promote operational efficiency.

**Update Summary:** Staff have released the Request for Qualifications, August 16<sup>th</sup>, 2022, and are working on drafting the Request for Proposals.

**Start of Construction:** Fall 2023

**Estimated Completion:** Spring 2024

**Project:** Tahoe City Primary Care and Urgent Care Expansion.

**Background:** Improving access to care around our District is a key strategic goal. This project aims to separate Primary Care and Urgent Care Operations and to increase capacity significantly.

**Summary of Work:** Expand Urgent Care (Suite B-202) into the adjacent Suite (B-201). Suite 201 will house lab draw services and additional support services. Remodel Suite B-206 and 207 to create a new 6 exam room Primary Care Clinic.

**Update Summary** Staff have released the Request for Qualifications, August 16<sup>th</sup>, 2022, and are working on drafting the Request for Proposals.

**Start of Construction:** Fall 2023

**Estimated Completion:** Spring 2024





## Board CNO Report

**By: Jan Iida, RN, MSN, CEN**

**DATE: September 2022**

Chief Nursing Officer

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### **Service: Optimize delivery model to achieve operational and clinical efficiency**

- Optum is the Operating Room (OR) efficiency company we have brought in to work with TFH OR, Truckee Surgery Center and IVCH OR. They are still finishing up with their interviews with staff, physicians and PA's. The OR is establishing a surgical governance committee to identify areas of opportunity for improvement in a collaborative manner. The team will consist of surgeons, anesthesiologists and staff. On September 26, they will provide the executive sponsor with their first report.
- Flu vaccines are beginning for inpatients, staff and ECC residents. The Health System has flu ambassadors, which are our nursing managers/directors who are able to offer the flu vaccine on units.
- We have a contract for Tele-Stroke with Tele-Specialist and are awaiting legal sign off to begin the project.

### **Quality: Provide clinical excellence in clinical outcomes**

- The Emergency Department and inpatients units worked together to improve patient belongings documentation, to help with loss items.
- Working on action plans for falls. Bedside shift report and yellow gowns have started on units.
- Stable A-fib patients beginning October 1 to be an admission to med-surg tele. Staff education is complete. This will help to keep ICU beds open for patients that are more critical.

### **Growth: Meets the needs of the community**

- We have updated our COVID-19 Visitor guideline to allow visitors for inpatient and outpatient areas. Per CDPH, visitors will have to show proof of vaccine or negative COVID test prior to visit.



## Board Informational Report

**By: Jake Dorst**  
Chief Information and Innovation Officer

**DATE: September 2022**

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### **Service: Optimize delivery model to achieve operational and clinical efficiency:**

Emergency Department (ED):

1. POC US project – GO LIVE 9-21
2. TFMC Urgent project – continued work and collaboration with TFH team and MERCY
3. Pediatric Sepsis screening- started meeting to build a screening tool (flowsheet)for PEDS Sepsis – GO LIVE – TBD
4. New Troponin order and workflow for ED

Ambulatory (AMB):

1. Worked directly with Cheryl Whittemore from DI to fix the PACS link in Epic.
2. Onboarding (lots of new providers starting).
  1. Trained 3 providers in person at the same time at Pioneer, which I've never done before. I typically like training one provider at a time. (Alexis)
3. Worked directly with Kris to fix referrals in Epic that were worded incorrectly.
4. Urgent Care planning, demo, and build.
5. Sports Ultrasound Go Live pending soon

In-Patient:

1. OB Sepsis BPA updated and in PRD
2. Sow approved and Project request submitted for Required documentation for sepsis flowsheet
3. ECC project needs
4. Provider onboarding – trained one new provider Epic Optime

Lab:

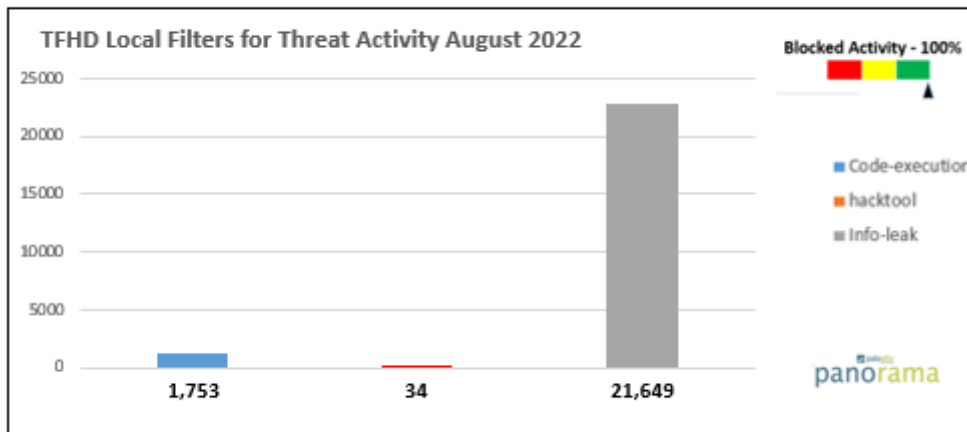
1. iSTAT interface to Epic- Mercy is working on security and firewall issues as to why we can't yet connect to DE which is the data management middleware software for Abbott. Work in progress.
  2. Agility project for Occupational health- Lab Test list compendium was sent to Agility for the build. I will work with whatever they need and support Ricardo who will be doing the testing once they have this in place.
- Additional test build requests from Dr. Alison Semrad that came to Gina. She will be providing all the build information to Mercy to get those workflows added.

## IT Operations:

- Workstation on Wheels (WOWs) batteries and interfaces warranty ending. I.T. is working to retrofit them with state-of-the-art battery systems and circuit boards. Cost reduced by three quarters (versus new purchase)
- Ongoing issue plaguing staff capability to easily access PACS (Picture archiving and communication system) imaging and printing since the Epic upgrade mitigated. Build inadvertently removed a shortcut button that team identified and replaced
- Met with Quest as potential vendor to deploy Veeam at TFHS. Veeam provides disaster recovery and protect businesses from Ransom Attacks by leveraging and advanced off-site/disconnected data duplication strategy
- Began purchasing duplex printers, where appropriate. This effort will reduce the use of paper and cost to the district
- Reducing number of printers in low use areas to minimize cost with our print service partner
- Completed HW accounting exercise to create greater visibility to what is in our storage areas. This will help the team to find equipment more efficiently while reducing cost by ensuring unneeded equipment is not ordered
- In progress audit with USAC (Universal Service Administrative Company). The FCC engages with this group help offset costs for entities, such as our rural hospital, using federal funds. Focus of audit surrounds proper discounts and payments being applied for FY2019
- Retired Microsoft Internet Explorer as a browser on user desktops. IE was based on old technology which became difficult to make secure. Microsoft ended their investment in this solution and replaced it with the Microsoft Edge Browser
- Completed proof of concept exercise of BeyondTrust Privileged Access Manager (PAM). Solution does not meet TFHS requirements. PAM enables administrators to monitor manage and audit the activities of privileged users. A second vendor will be evaluated immediately (CyberArk)
- 837 incident ticket processed for user assistance/break fix

## Security @ TFHS

### Blocked Threat Activity (Threats or undesired activity) over the past 30 Days Successfully Blocking Threat Execution



**Vulnerability** – Flaws in a computer system that weaken the overall security of the system. TFHS security tools effectively block these vulnerabilities from being used maliciously

**Packet** – Packets are used to deliver payloads to a computer system or network. TFHS security tools have been effective in blocking these threats

**Spyware - Spyware** is software with malicious behavior that aims to gather information about a person or organization and send it to bad actors. TFHS security tools block these attempts effectively

## Incoming Mail Threat Summary – August

Message Category	%	Messages
■ Stopped by IP Reputation Filtering	89.2%	2,663,540
■ Stopped by Domain Reputation Filtering	0.0%	212
■ Stopped as Invalid Recipients	0.2%	5,392
■ Spam Detected	1.0%	29,552
■ Virus Detected	0.0%	1
■ Detected by Advanced Malware Protection	0.0%	3
■ Messages with Malicious URLs	0.0%	143
■ Stopped by Content Filter	0.1%	3,954
■ Stopped by DMARC	0.4%	13,299
■ S/MIME Verification/Decryption Failed	0.0%	0
<b>Total Threat Messages:</b>	<b>90.5%</b>	<b>2,702,797</b>
■ Marketing Messages	2.6%	77,838
■ Social Networking Messages	0.0%	1,197
■ Bulk Messages	2.1%	63,587
<b>Total Graymails:</b>	<b>4.8%</b>	<b>142,622</b>
■ S/MIME Verification/Decryption Successful	0.0%	0
■ Clean Messages	4.8%	142,014
<b>Total Attempted Messages:</b>		<b>2,987,433</b>



## Board CMO Report

**By: Gary R. Gray, DO**  
Interim Chief Medical Officer

**DATE: September 2022**

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**People: Strengthen a highly-engaged culture that inspires teamwork & joy**

*Attract, develop, and retain strong talent and promote great careers*

- The Medical Staff and Quality teams have a new administrative assistant. Zunyko Almendarez joined us last month and will provide administrative support for our respective teams.

**Quality: Provide excellent patient focused quality care**

*Advance our culture of safety*

- The CMO and Director of Quality held four SCOR survey-debriefing meetings with our medical staff in July and August. We received excellent feedback specific to provider burnout, teamwork and leadership. We are beginning to execute our strategy to address their concerns.
- The importance of effective clinical leadership in ensuring a high-quality health care system that consistently provides safe and efficient care is widely recognized. Clinician engagement and clinical leadership are critical to improving quality and safety. At TFHD, we are currently prioritizing the recruitment of a Primary Care Medical Director and an APP leader. However, we anticipate expanding the model to create a broader clinical leadership structure that will work with our administration to address clinical operations, access, quality, patient satisfaction, and provider well-being.



## Board Provider Services Report

**By: Scott Baker**  
Vice President, Provider Services

**DATE: September, 2022**

**People: Strengthen a highly-engaged culture that inspires teamwork & joy**

*Attract, develop, and retain strong talent and promote great careers*

- We recently hired an experienced full time physician recruiter that will improve our ability to identify and recruit high quality candidates into key clinical areas to support growth and improve access.
- In addition, we are nearing completion of our third party review of the compensation structure for physicians. We intend to include physicians in the discussion on recommendations from ECG before finalizing a revised structure to better align the needs and preferences of our physicians by year-end.

**Service: Deliver Outstanding Patient & Family Experience**

*Continuously improve access to care*

- We have made improvements in reducing wait times in several key areas over the last few months thanks to recruitment of new providers and improvements in clinic efficiencies.

*Optimize the health care delivery system and efficiencies*

- In October, the MSC management team will be completing a Lean training program thru our third party consultant – Tegria. This training will provide the tools necessary for this team to review programs and recommend efficiency improvements based on Lean principles.

*Implement an enterprise-wide master plan*

- Multiple master plan projects are underway to improve space available for clinic operations. Our next major milestone is in November with the second floor of the Medical Office Building opening, adding 18 exam rooms and three Behavioral Health rooms. Planning and hiring for the opening of that clinic is underway.

**Quality: Provide excellent patient focused quality care**

*Identify and promote best practice and evidence-based medicine*

- We currently have a cross-disciplinary team working on policy and procedures for our Urgent Care project. This includes representatives from the Emergency Department, Diagnostic Imaging, Urgent Care, Clinical Leadership and operations. The project goal is to open our revitalized Urgent Care in Truckee mid-November with better collaboration to improve clinical quality and patient experience.

*Improve quality of care and patient outcomes*

- We are continuing to expand our RN support in the clinics with two additional Indirect Care Nurses starting this month, increasing our total to 5 FTEs. These positions are dedicated to triaging patient phone calls, responding to patient

communications, lab results and other items to improve response time and reduce daily workload on front line providers and staff.

**Growth: Expand and foster community and regional relationships**

*Explore and engage beneficial collaborations and partnerships*

- We have begun discussions with Eastern Plumas Healthcare to reorganize our support of their OB patients with the recent closure of their birthing unit. The goal is to improve access for their patients and collaboration of care throughout the continuum of care.

*Enhance and promote our value to the community*

- TFHD has renewed and expanded agreements with Sugar Bowl Academy and Palisades Ski Teams for the upcoming season. These agreements provide onsite Athletic Trainer support for the athletes, preseason assessments, post injury care, relevant injury prevention education and immediate access to other medical resources when needed. We have similarly renewed our support of athletic programs in the school systems for Tahoe Truckee and Incline school districts.

*Define and prioritize opportunities for growth and lower outmigration*

- We have open provider recruitments in the following areas to continue to reduce outmigration – Primary Care, ENT, GI, Internal Medicine, Family Medicine, Neurology and Urology.

**New Physicians/Providers arrivals –  
September**

Dr. Michael Ramirez – Radiology  
Dr. Brian Naftulin – Urology  
Dr. Michelle Pourtabib – Family Medicine  
Carleigh Brekke, NP – Occupational Medicine

**October**

Dr. Mark Ruggerio – Developmental Pediatrician  
Callie Gordon, PA – Orthopedics



**TAHOE FOREST HOSPITAL DISTRICT  
RESOLUTION NO. 2022-16**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAHOE FOREST  
HOSPITAL DISTRICT AUTHORIZING CONTINUED REMOTE  
TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS PURSUANT  
TO GOVERNMENT CODE SECTION 54953(e)**

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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, Government Code section 54953(e), as amended by Assembly Bill No. 361, allows legislative bodies to hold open meetings by teleconference without reference to otherwise applicable requirements in Government Code section 54953(b)(3), so long as the legislative body complies with certain requirements, there exists a declared state of emergency, and one of the following circumstances is met:

1. State or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body is holding the meeting for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body has determined, by majority vote, pursuant to option 2, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, Board of Directors previously adopted Resolution No. 2022-01 finding that the requisite conditions exist for the Board of Directors to conduct teleconference meetings under California Government Code section 54953(e); and

WHEREAS, Government Code section 54953(e)(3) requires the legislative body adopt certain findings by majority vote within 30 days of holding a meeting by teleconference under Government Code section 54953(e), and then adopt such findings every 30 days thereafter; and

WHEREAS, the Board of Directors desires to continue holding its public meetings by teleconference consistent with Government Code section 54953(e).

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Tahoe Forest Hospital District does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Conditions are Met. The Board of Directors hereby finds and declares the following, as required by Government Code section 54953(e)(3):

1. The Board of Directors has reconsidered the circumstances of the state of emergency declared by the Governor pursuant to his or her authority under Government Code section 8625;
2. The state of emergency continues to directly impact the ability of members of the Board of Directors to meet safely in person; and

3. State and local officials have imposed or recommended measures to promote social distancing.

PASSED AND ADOPTED at the meeting of the Tahoe Forest Hospital District Board of Directors held on the 22nd day of September, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Alyce Wong  
Chair, Board of Directors  
Tahoe Forest Hospital District

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Martina Rochefort  
Clerk of the Board  
Tahoe Forest Hospital District

**Charter**  
**Quality Committee**  
**Tahoe Forest Hospital District**  
**Board of Directors**

***PURPOSE:***

The purpose of ~~this document is to define~~ the charter is of the Quality Committee of the District's Board of Directors and, further, to delineate the Committee's duties and responsibilities.

***RESPONSIBILITIES:***

The Quality Committee shall function as the standing committee of the Board responsible for providing oversight for Quality Assessment and Performance Improvement, assuring the hospital's Health System's quality of care, patient safety, and patient experience.

***DUTIES:***

1. -Recommend to the Board, as necessary, policies and procedures governing quality care, patient safety, environmental safety, and performance improvement throughout the organization.
2. Assure the provision of organization-wide quality of care, treatment, and service provided and prioritization of performance improvement throughout the organization.
3. Monitor the improvement of care, treatment, and services to ensure that it is safe, beneficial, patient-centered, customer-focused, timely, efficient, and equitable.
4. Monitor the organization's performance in national quality measurement efforts, accreditation programs, and subsequent quality improvement activities.
5. Monitor the development and implementation of ongoing board education focusing on service excellence, performance improvement, risk-reduction/safety enhancement, and healthcare outcomes.

***COMPOSITION:***

The Committee is comprised of at least two (2) board members as appointed by the Board President Chair, the Medical Director of Quality and Chief Medical Officer and two (2) members of the Tahoe Forest Hospital District Medical Staff as appointed by the Medical Executive Committee (Recommend Chief of Staff or designee and Chairperson of the Quality Assessment Committee).

***MEETING FREQUENCY:***

The Committee shall meet quarterly.

## AGENDA ITEM COVER SHEET

<b>ITEM</b>	Policy Review
<b>RESPONSIBLE PARTY</b>	Martina Rochefort, Clerk of the Board
<b>ACTION REQUESTED?</b>	For Board Approval
<p><b>BACKGROUND:</b></p> <p>The District's Conflict of Interest Code is due for its biennial approval by the California Fair Political Practices Commission (FPPC).</p>	
<p><b>SUMMARY/OBJECTIVES:</b></p> <p>Minor changes were made to accommodate job titles that have been combined or eliminated.</p> <p>The Conflict of Interest Code policy was reviewed and edited by General Counsel.</p> <p>A risk statement was added per <i>Policy &amp; Procedure Structure and Approval, AGOV-9</i>.</p>	
<p><b>SUGGESTED DISCUSSION POINTS:</b></p> <p>None.</p>	
<p><b>SUGGESTED MOTION/ALTERNATIVES:</b></p> <p>Approval via Consent Calendar.</p>	
<p><b>LIST OF ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>• ABD-06 Conflict of Interest Code</li> </ul>	

## RISK:

Failure to maintain an updated -Conflict of Interest Code may result in negative legal and regulatory ramifications, including but not limited to a court order requiring amendment, as well as ~~and~~ adverse community perception of the District's ethical standards. In addition, failure to maintain an updated Conflict of Interest Code may result in in the violation of the Political Reform Act if a new or amended position is unaware of the risk of a conflict.

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## PURPOSE:

- A. The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the **Tahoe Forest Hospital District (District)**.
- B. Individuals holding designated positions shall file their statements of economic interests with the **District**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the **District**.

## Appendix A

Designated Positions	Category
1. Members of the Board of Directors	1, 2
2. President & Chief Executive Officer	1, 2
3. Chief Nursing Officer	1, 2
4. Chief Human Resources Officer	1, 2
5. Chief Information and Innovation Officer	1, 2
6. Administrator, Incline Village Community/Hospital (IVCH)/ Chief Operations Officer	1, 2
7. Chief Medical Officer	1, 2
8. In-House Counsel	1, 2
9. General Counsel	1, 2
10. Consultants	*
11. Buyer	1
12. Compliance Officer	3
13. Controller	3
14. Coordinator, OR Materials Coordinator	3
15. Director, Children's Center	3
16. Executive Director, Governance and Business Development	3
17. Director, Diagnostic Imaging	3
18. Director, Emergency & Acute Care Services	3
19. Director, Facilities Management & Construction	2, 3
20. Director, Health Information Management	3
21. Director, Information Technology Operations	3
<del>22. Director, IVCH Patient Care Services</del>	<del>3</del>
<del>23-22. Director, Laboratory Services</del>	<del>3</del>

Commented [RM1]: Position was combined with Director of Acute Care Services

Commented [RM2]: Position formerly held by now CN IVCH no longer has this position.

<del>24-23.</del> Director, Marketing & Communications	3
<del>25-24.</del> Director, Materials Management	1
<del>26-25.</del> Director, Medical Staff Services	3
<del>27-26.</del> Director, Nutrition Services, TFH & IVCH	3
<del>28-27.</del> Director, Pharmacy	3
<del>29-28.</del> Director, Quality & Regulations	3
<del>30.</del> <del>Director, Support Services &amp; Respiratory Care</del>	<del>2, 3</del>
<del>31-29.</del> Director, Surgical Services	3
<del>32-30.</del> Executive Director, Foundations – TFH & IVCH	3
<del>33-31.</del> Vice President, Provider Services	3
<del>34-32.</del> Administrative Director, Transitions	3
<del>35.</del> <del>Director, Acute Care Services</del>	<del>3</del>
<del>36-33.</del> Manager, Information Technology Operations	3
<del>37-34.</del> Manager, Nursing Informatics	3
<del>38-35.</del> Director, Revenue Cycle	3
<del>39-36.</del> Director, Access Center	3
<del>40-37.</del> Director of Finance, Provider Services	3
<del>41-38.</del> Director, Occupational Health and Wellness	3
<del>42-39.</del> Director, Patient Access	3

**Commented [RM3]:** No longer have this position.

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**Commented [RM4]:** Position was combined with Director, Emergency Services.

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- Consultants/new positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The President & Chief Executive Officer may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The President & Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

**Note:** The positions of General Counsel and Compliance Officer are filled by outside consultants, but act in a staff capacity.

### Officials Who Manage Public Investments

It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200. These positions are listed for informational purposes only:

- Chief Financial Officer

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

## Appendix B

### Disclosure Categories

1. An individual holding a designated position in this category must report investments, business positions in business entities and income (including receipt of gifts, loans and travel payments) from sources of the type to provide:

- medical/health care treatment, facilities, services, products, equipment, machines
- medical insurance products and services
- and other products and services utilized (or planned to be utilized) by the District including telecommunications and information technology, janitorial, and legal.

The medical/health care sources include the full range of products and services including: medical providers, hospitals, pharmaceutical products/facilities, transportation companies and consultants.

2. All interests in real property within 2,000 feet from property owned or used by the District or that may be acquired by the District for its use.

3. All investments, business positions, and sources of income, including receipt of loans, gifts, and travel payments, from sources that provide, or have provided, in the last two years, services, supplies, materials, machinery, or equipment of the type utilized by designated employee's department or division.

All disclosure required herein shall be in accordance with the Political Reform Act and the regulations of the Fair Political Practices Commission.

## **Related Policies/Forms:**

[ABD-07 Conflict of Interest Policy](#)

## **References:**

Government Code Section 81000, et seq



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*Report of Independent Auditors and  
Combined Financial Statements with  
Supplementary Information*

**Tahoe Forest Hospital District**

*June 30, 2021 and 2020*





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## Report of Independent Auditors

To the Board of Directors  
Tahoe Forest Hospital District

### Report on the Financial Statements

We have audited the accompanying combined financial statements of Tahoe Forest Hospital District (the "District"), and its discretely presented component unit, Truckee Surgery Center, LLC (the "TSC"), which comprise the combined statements of net position as of June 30, 2021 and 2020, and the related combined statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the combined financial statements.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Purpose Districts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the net position of the District and its discretely presented component unit, the TSC, as of June 30, 2021 and 2020, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter**

### *Required Supplementary Information*

The Management's Discussion and Analysis on pages 1 through 9, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational economic, or historical context. This supplementary information is the responsibility of the District's management. We have applied certain limited procedures in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audits of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021, on our consideration of the District's and its discretely presented component unit, the TSC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's and its discretely presented component unit, the TSC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's and its discretely presented component unit, the TSC's internal control over financial reporting and compliance.

Moss Adams LLP

Rancho Cordova, California  
November 16, 2021

**Supplementary Information**

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**Tahoe Forest Hospital District  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2021**

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Federal Grantor/Cluster-Program Title	Award Period	Federal Assistance Listing Number	Pass-through / Award Number	Federal Expenditures
<i>U.S. Department of Health and Human Services</i>				
COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	1/1/20-6/30/21	93.498	N/A	\$ 8,196,051
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	8/1/20-7/31/21	93.912	N/A	199,717
COVID-19: HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	2/4/20-Open	93.461	N/A	<u>190,143</u>
<i>Total U.S. Department of Health and Human Services</i>				<u>8,585,911</u>
<i>Total Expenditures of Federal Awards</i>				<u>\$ 8,585,911</u>

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**Tahoe Forest Hospital District**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2021**

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Tahoe Forest Hospital District (the “District”), under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to, and does not present the financial position, changes in net assets, or cash flows of the District. The Schedule includes expenditures of federal awards from Tahoe Forest Hospital District (Taxpayer Identification Number 94-6004062) and Tahoe Forest Health System Foundation (Taxpayer Identification Number 94-3047869).

In accordance with guidance from the U.S. Department of Health and Human Services (“DHHS”), the District included the Reporting Period 1 expenditures for Provider Relief Fund Assistance Listing No. 93.498 of \$8,196,051 in the Schedule for the year ended June 30, 2021, to align with DHHS reporting guidelines. In accordance with U.S. GAAP, the total amount of \$13,335,764 of Provider Relief Fund assistance received by the District was recognized as revenue during the year ended June 30, 2020, and is included in beginning net assets as of and for the year ended June 30, 2021. The remaining \$5,139,713 was refunded back to DHHS and recognized during the years ended June 30, 2021 and 2022.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 – INDIRECT COST RATE**

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

**NOTE 4 – SUBRECIPIENT AWARDS**

The District did not provide any federal awards to subrecipients during the year ended June 30, 2021.

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
Tahoe Forest Hospital District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Tahoe Forest Hospital District (the “District”), and its discretely presented component unit, Truckee Surgery Center, LLC (the “TSC”), which comprise the combined statement of net position as of June 30, 2021, and the related combined statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated November 16, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered the District’s and its discretely presented component unit, the TSC’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s and its discretely presented component unit, the TSC’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s and its discretely presented component unit, the TSC’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s combined financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's and its discretely presented component unit, the TSC's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the combined financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams LLP

Rancho Cordova, California  
November 16, 2021



# **Report of Independent Auditors on Compliance for the Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

The Board of Directors  
Tahoe Forest Hospital District

## **Report on Compliance for the Major Federal Program**

We have audited Tahoe Forest Hospital District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2021. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2021.

### **Report on Internal Control over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the combined financial statements of Tahoe Forest Hospital District (the “District”), and its discretely presented component unit, Truckee Surgery Center, LLC (the “TSC”) as of and for the year ended June 30, 2021, and have issued our report thereon dated November 16, 2021, which contained an unmodified opinion on those combined financial statements. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by Uniform Guidance is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Rancho Cordova, California  
September \_\_, 2022

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**Tahoe Forest Hospital District  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2021**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

*Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

**Identification of The Major Federal Program and Type of Auditor's Report Issued on Compliance for The Major Federal Program:**

<i>Federal Assistance Listing Number</i>	<i>Name of Major Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for The Major Federal Program</i>
93.498	COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No

**Tahoe Forest Hospital District**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2021**

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**Section II - Financial Statement Findings**

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None reported.

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**Section III - Federal Award Findings and Questioned Costs**

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None reported.

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**TAHOE FOREST HOSPITAL DISTRICT  
RESOLUTION NO. 2022-17**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAHOE FOREST HOSPITAL  
DISTRICT ESTABLISHING REVISED RULES & REGULATIONS FOR THE  
ADMINISTRATION OF EMPLOYER-EMPLOYEE RELATIONS**

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WHEREAS, Chapter 10, Division 4, Title 1 of the Government Code of the State of California was adopted for the purpose of promoting improved employer-employee relations between public employers and their employees by establishing uniform and orderly methods of communication between employees and the public agencies by which they are employed; and

WHEREAS, Government Code Section 3507 empowers a public agency to adopt reasonable rules and regulations after Consultation in Good Faith with representatives of its Employee Organizations for the administration of employer-employee relations; and

WHEREAS, the Board of Directors of the Tahoe Forest Hospital District desires to adopt such reasonable rules and regulations as authorized by law, via revision and replacement of its prior Resolution No. 85-4 (and its predecessor Resolution No. 74-6);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Tahoe Forest Hospital District as follows:

**Section 1. Title of Resolution**

This Resolution shall be known as the Employer-Employee Relations Resolution of the Tahoe Forest Hospital District.

**Section 2. Statement of Purpose**

The purpose of this Resolution is to implement Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 et seq.) captioned, “Local Public Employee Organizations,” by providing orderly procedures for the administration of employer- employee relations between the District and its employees and Employee Organizations. Where expressly provided in this Resolution, in order to provide consistency and guidance to District personnel, the District also intends to adopt certain regulations of the California Public Employee Relations Board that are consistent with the Meyers-Milias-Brown Act.

**Section 3. Definitions**

- A. As used in this Resolution, the following terms shall have the meanings indicated.
- (1) “Appropriate Unit” means a unit established pursuant to the criteria set out in Section 10 of this Resolution.
  - (2) “Board” means the Board of Directors of Tahoe Forest Hospital District.
  - (3) “Certification Bar” means that representation by another Employee Organization has been certified affecting the described unit or a subdivision thereof, or a petition for certification affecting the described unit or a subdivision thereof has been certified as unsuccessful, within the 12 months immediately preceding the date of filing of the petition.

- (4) “Chief Executive Officer” means the Chief Executive Officer of Tahoe Forest Hospital District, and in his or her absence the duly authorized representative.
- (5) “Contract Bar” means that there is currently in effect a memorandum of understanding between the District and another Employee Organization recognized or certified as the exclusive representative of any employees covered by a petition requesting certification, unless the petition is filed less than 120 days but more than 90 days prior to the expiration of such memorandum, provided that if a memorandum has been in effect for three years or more, there shall be no restriction as to time of filing the petition.
- (6) “Consult or Consultation in Good Faith” means to communicate orally or in writing for the purpose of presenting and obtaining views.
- (7) “Days” means calendar days unless otherwise stated.
- (8) “District” means the Tahoe Forest Hospital District, formed and operating pursuant to authorizing legislation.
- (9) “Employee” means any person regularly employed by the District as authorized by the Board.
- (10) “Confidential Employee” means any employee who assists and acts in a confidential capacity to persons who formulate, determine, and effectuate management policies in the field of labor relations; is privy, in advance, to decisions of District management affecting employer-employee relations; who is required to develop or present management positions with respect to meeting and conferring; whose duties normally require access to confidential information which contributes significantly to the development of such management positions.
- (11) “Management Employee” means any employee having significant responsibilities for formulating and administering District policies and programs, including but not limited to the Chief Executive Officer, the Chief Human Resources Officer, Chief Nursing Officer, Chief Operating Officer, Director of Patient Registration, Lab Director, Lab Manager, Nursing Supervisors, Emergency Department Manager, Med/Surg Manager, Respiratory Manager, Director of Radiology, or any employee exercising supervisory authority. “Supervisory authority” means authority, in the interest of the District, to hire, transfer, suspend, lay off, recall, promote, evaluate, discharge, assign, reward or discipline other employees, or responsibly to direct them, or to adjust their grievances or effectively to recommend such action, if the exercise of such authority is not merely routine or clerical in nature but calls for the use of independent judgment.
- (12) “Professional Employee” means employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including but not limited to, registered nurses. Professional employees need not be confined to the same bargaining unit but may be in different appropriate units according to various professional types.

- (13) “Proof of Support” means proof of employee support for representation petitions in a form permitted under the then-current version of 8 California Code of Regulations § 32700 (2022), including its provisions and procedures relating to electronic signatures.
- (14) “Employee Organization” means any organization that includes employees of the District and has as one of its primary purposes representing such employees in their employment relations with the District.
- (15) “Employer-Employee Relations” means the relationship between the District and its employees and their Employee Organizations or when used in a general sense the relationship between District management and employees or Employee Organizations.
- (16) “Impasse” means the failure of representatives of the District and a majority representative to reach an agreement over wages, hours, and other terms and conditions of employment.
- (17) “Mediation” means the efforts of an impartial third person, or persons functioning as intermediaries, to assist the parties in reaching a voluntary resolution to an impasse, through interpretation, suggestion and advice.
- (18) “Meet and Confer in Good Faith” (sometimes referred to herein as meet and confer or meeting and conferring) means performance by duly authorized District representatives and duly authorized representatives of a Recognized Employee Organization of their mutual obligation to meet promptly upon request by either party and at reasonable times and to confer in good faith regarding matters within the Scope of Representation.
- (19) “PERB” means the California Public Employment Relations Board.
- (20) “Recognized Employee Organization” means an Employee Organization that has been acknowledged by the District as an Employee Organization that represents employees of the District.
- (21) “Resolution” means, unless the context indicates otherwise, the then-current Employer-Employee Relations Resolution of the Tahoe Forest Hospital District.
- (22) “Scope of Representation” means all matters relating to employment conditions and employer-employee relations (including but not limited to, wages, hours and other terms and conditions of employment) that are included within the scope of representation of a Recognized Employee Organization under applicable law. The Scope of Representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.
- (23) “SMCS” shall mean the California State Mediation and Conciliation Service.
- (24) “Window Period” means the 29-day period which is less than 120 days but more than 90 days prior to the expiration date of a lawful memorandum of understanding negotiated by the District and an exclusive representative. Expiration date means the last effective date of the memorandum. The date on



which the memorandum of understanding expires shall not be counted for the purpose of computing the Window Period.

#### **Section 4. Employee Rights**

Employees of the District shall have the right to form, join and participate in the activities of the Employee Organizations of their own choosing for the purpose of representation on all matters of Employer-Employee Relations, including but not limited to, wages, hours and other terms and conditions of employment. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or by any Employee Organization because of his exercise of these rights, consistent with applicable law.

#### **Section 5. District Rights**

Subject to its duty to Meet and Confer in Good Faith as required by law, and except as limited by Board-ratified written agreement with a Recognized Employee Organization or applicable law, the rights of the District include, but are not limited to, the exclusive right to determine the nature and extent of services to be performed, as well the right to determine and implement its public function and responsibility; determine the mission of its constituent departments; manage and control all property, facilities and operations, including the methods, means, and personnel by which the District's operations are to be conducted; set standards of service; determine the size and composition of the working force; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work, funds or for other legitimate reasons; maintain the efficiency of governmental operations; determine the content of job descriptions and classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and technology of performing work; and take such other and further action as may be necessary to organize and operate the District in the most efficient and economical manner and in the best interest of the public it serves.

#### **Section 6. Meet and Confer in Good Faith; Scope**

The District, through its authorized representatives, shall Meet and Confer in Good Faith to the extent required by Government Code section 3505 and any valid implementing regulations of the Public Employment Relations Board.

#### **Section 7. Consultation in Good Faith; Scope**

The District, through its authorized representatives, shall Consult in Good Faith with representatives of Recognized Employee Organizations where required under the Meyers-Milias-Brown Act, Government Code section 3500 *et seq.*, and any valid implementing regulations of the Public Employment Relations Board.

#### **Section 8. Advance Notice**

- A. Reasonable written notice shall be given to each Recognized Employee Organization affected by any ordinance, rule, resolution, or regulation directly relating to matters within the Scope of Representation proposed to be adopted by the District and each such organization shall be given the opportunity to meet with the District prior to adoption.
- B. In cases of emergency when the District determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a Recognized Employee Organization, the District shall provide such notice and

opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

- C. The preceding subsections shall be interpreted to comply with Government Code section 3504.5.

### **Section 9. Petition for Recognition**

A. Petition as Exclusive Representative:

- (1) Any petition for recognition of employees within a specified bargaining unit must seek exclusive representation of all employees within the unit.
- (2) An Employee Organization that seeks formal recognition for purposes of meeting and conferring in good faith as the exclusive representative of District employees in an Appropriate Unit shall file a petition with the Chief Executive Officer containing the following information and documentation:
  - (a) Name and address of the Employee Organization;
  - (b) Names and titles of its officers;
  - (c) Names of Employee Organization representatives who are authorized to speak on behalf of its members;
  - (d) A statement that the Employee Organization has, as one of its primary purposes, the function of representing employees in their employment relations with the District, or (ii) seeks to represent employees in their employment relations with the District.
  - (e) A statement whether the Employee Organization is a chapter or local of, or affiliated in any manner with, a regional, state, national or international organization, and if so, the name and address of each such regional, state, national or international organization.
  - (f) Copies of the Employee Organization's constitution and by-laws.
  - (g) A designation of those persons, not exceeding two in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice to the Employee Organization for any purpose.
  - (h) A statement that the Employee Organization has no restriction on membership based on race, color, creed, sex, age over 40, national origin, disability, sexual orientation or any other category protected by State and/or federal law.
  - (i) The job classifications or titles of employees in the unit claimed to be appropriate and the approximate number of member employees therein.
  - (j) A statement that the Employee Organization has in its possession written proof, dated within one year of the date upon which the petition is filed, currently effective or a payroll dues deduction authorization to establish

that District employees in the unit claimed to be appropriate have designated the Employee Organization by the petitioning Employee Organization for the purpose of meeting and negotiating or meeting and conferring on wages, hours and other terms and conditions of employment; and

- (k) A request that the District recognize the Employee Organization as the exclusive representative of employees in the unit claimed to be appropriate for the purpose of meeting-and conferring in good faith on all matters within the Scope of Representation.
- (l) The petition, including all accompanying documents, shall be verified by the President, Secretary or chief officer of the Employee Organization that the statements are true. All changes in such information shall be filed with the Chief Executive Officer forthwith in like manner.
- (3) Any Proof of Support shall be submitted to the SMCS for a no-fee card check recognition determination pursuant to Government Code section 32998.
- (4) Upon receipt of the Petition for Recognition, the District shall determine whether (i) there has been compliance with the requirements of the Petition for Recognition; and (ii) the proposed unit is an Appropriate Unit. If the District affirms the foregoing two matters, the Chief Executive Officer shall give notice of such request for formal recognition to appropriate District employees in the unit and shall take no action on said request for 20 days thereafter. If either of the foregoing matters is not determined affirmatively, the Chief Executive Officer shall inform the Employee Organization of the reasons therefore in writing.
- (5) Within 20 days of the date notice to employees is given, any other Employee Organization (hereinafter referred to as the “challenging organization”) may seek formal recognition in an overlapping unit by filing a Petition for Recognition; provided, however, such challenging organization must submit a statement that it has in its possession written Proof of Support, dated within one year of the date upon which the petition is filed, that it represents at least 30% of the employees in such unit. The Chief Executive Officer shall hold a hearing on such overlapping petitions, at which time all affected Employee Organizations shall be heard. Thereafter, the Chief Executive Officer shall determine the Appropriate Unit or units as between such proposed overlapping units in accordance with the criteria set forth in Section 10 hereof.
- (6) If the written proof submitted by the Employee Organization in the unit found to be appropriate establishes that it represents more than 50% of the employees in such unit (as determined by the SMCS), the District shall grant formal recognition to such Employee Organization without a secret ballot election unless another labor organization has previously been lawfully recognized as exclusive representative of all or part of the same unit. In the event that the SMCS determines, based on a signed petition, authorization cards, or union membership cards, that a second labor organization has the support of at least 30 percent of the employees in the unit in which recognition is sought, there shall be an election conducted by the SMCS to establish which labor organization, if any, has majority status.

(7) When an Employee Organization submits written proof that it represents at least 30% of the employees in the unit found to be appropriate, but it does not qualify for or has not been granted recognition pursuant to subsection (6) herein, the Chief Executive Officer shall arrange for a secret ballot election to be conducted by the SMCS. All challenging organizations that have submitted written proof that they represent at least 10% of the employees in the unit found to be appropriate and have submitted a Petition for Recognition as required by Section 9 of this Resolution shall be included on the ballot. An Employee Organization shall be granted formal recognition following an election or run-off election if it receives more than fifty percent of all valid votes cast by eligible voters. When none of the choices receives a majority of the valid votes cast in an election involving three or more choices, a run-off election shall be conducted between the two choices receiving the largest number of valid votes cast. The rules governing an initial election shall also apply to a run-off election.

(8) There shall be no more than one valid election in a 12-month period within the same unit.

B. Granting of Recognition. The District shall grant recognition, in writing, to all Employee Organizations that have complied with and been selected as employees' representative under subsection A. The written recognition shall contain a definition of the Appropriate Unit determined under Section 10.

### **Section 10. Appropriate Unit**

A. The Chief Executive Officer, after reviewing the petition filed by an Employee Organization seeking formal recognition as exclusive representative, or any other petition concerning the scope or existence of a bargaining unit, shall determine whether the proposed unit is an Appropriate Unit. The principal criterion in making this determination is whether there is a community of interest among such employees. The following factors, among others, shall be considered in making such determination:

(1) Which unit will assure employees the fullest freedom in the exercise of rights set forth in this Resolution.

(2) The history of employee relations: (i) in the unit; (ii) among other employees of the District; and (iii) in similar public employment.

(3) The effect of the unit on the efficient operation of the District and sound Employer-Employee Relations.

(4) The extent to which employees have common skills, working conditions, job duties or similar educational requirements.

(5) The effect on the existing classification structure of dividing a single classification among two or more units.

(6) Whether District labor relations will benefit from the creation of larger unit(s) of employees with a community of interest.

No unit shall be established solely on the basis of the extent to which employees in the proposed unit have organized.

B. In the establishment of Appropriate Units:

- (1) Professional employees shall not be denied the right to be represented separately from nonprofessional employees; and
  - (2) Management employees and Confidential employees who are included in the same unit with nonmanagement or nonconfidential employees may not represent such employees on matters within the Scope of Representation.
- C. A petitioning Employee Organization or District management may appeal any determination on the Appropriate Unit to the Board within 10 days following the date of service of the decision or any letter of determination. The appeal must be in writing and must state the specific issue(s) of procedure, fact, law or rationale that is appealed and state the grounds for the appeal. The appeal must include proof of service on all parties by personal service, certified mail, or express mail.

## **Section 11. Other Petitions**

### **A. Petition for Amendment of Certification**

- (1) A Recognized Employee Organization may file with the Chief Executive Officer a petition to amend its certification or recognition in the event of a merger, amalgamation, affiliation or transfer of jurisdiction, or in the event of a change in the name or jurisdiction of the employer.
- (2) The Petition for Amendment of Certification shall be in writing and shall contain the following information:
  - (a) The name, address and telephone number of the Recognized Employee Organization and the name, address and telephone number of the agent to be contacted;
  - (b) A brief description and the title of the established unit; and
  - (c) A clear and concise statement of the nature of the merger, amalgamation, affiliation or other change in jurisdiction and the new name of the Recognized Employee Organization and/or employer.
- (3) A Petition for Amendment of Certification, including all accompanying documents, shall be verified by the President, Secretary or chief officer of the Recognized Employee Organization that the statements are true. All changes in such information shall be filed with the Chief Executive Officer forthwith in like manner.
- (4) District management may file a responding statement to the petition with the Chief Executive Office within 15 days following the date of delivery of the petition. The responding statement shall be accompanied by a declaration under penalty of perjury confirming concurrent service on the petitioner by personal delivery, USPS mail, or other delivery service.

- (5) Upon receipt of a petition filed pursuant to subsection (A)(1), above, the Chief Executive Officer shall conduct such inquiries and investigations or hold such hearings as deemed necessary and/or conduct a representation election in order to decide the questions raised by the petition. Any election regarding a Petition for Amendment of Certification shall be conducted by the SMCS.
- (6) The Chief Executive Officer may dismiss the petition if the petitioner has no standing to petition for the action requested or if the petition is improperly filed. The Chief Executive Officer may deny a petition based on the investigation conducted pursuant to subsection (4) above.
- (7) Upon approval of a petition, the District shall issue a certification reflecting the new identity of the exclusive representative and/or employer. Such certification shall not be considered to be a new certification for the purpose of computing time limits applicable to any Certification Bar.
- (8) The Chief Executive Officer shall serve a decision or letter of determination on all parties at the conclusion of the investigation process. The decision or letter of determination shall be sent within 30 days of the filing of a petition, unless extended for good cause. Any extension of time shall be communicated with its length and basis to all parties. A petitioning Recognized Employee Organization or District management may appeal any decision on the Petition for Amendment of Certification to the Board within 10 days following the date of service of the decision or letter of determination. The appeal must be in writing and must state the specific issue(s) of procedure, fact, law or rationale that is appealed and state the grounds for the appeal. The appeal must include proof of service on all parties by personal service, certified mail, or express mail. Appeals of decisions made by the SMCS relating to any representation election, and any decision made by agents of PERB, shall be subject to appeal or review under applicable law or regulations.

B. Decertification Petition

- (1) A petition for an election to decertify an existing exclusive representative in an established unit may be filed by a group of employees within the unit or an Employee Organization. The Decertification Petition shall be filed with the Chief Executive Officer and include the following information:
  - (a) The name, address and telephone number of the petitioning Employee Organization, if any, and/or the name, address and telephone number of the agent to be contacted on behalf of a petitioning Employee Organization or group of employees;
  - (b) A brief description and the title of the established unit;

- (c) The name, address and telephone number of the Recognized Employee Organization that is exclusive representative of the established unit and the name, address and telephone number of the agent to be contacted;
  - (d) The approximate number of employees in the established unit;
  - (e) The date on which the Recognized Employee Organization that is the exclusive representative was recognized or certified; and
  - (f) The effective and expiration dates of the current memorandum of understanding, if any, covering employees in the unit.
- (2) The Decertification Petition shall be accompanied by a statement that the petitioner possesses Proof of Support, dated within one year of the date upon which the petition is filed, showing that at least 30 percent of the employees in the established unit either:
- (a) No longer desire to be represented by the incumbent exclusive representative; or
  - (b) Wish to be represented by another Employee Organization.

Each item within the Proof of Support shall clearly demonstrate that the employee no longer desires to be represented by the exclusive representative.

- (3) Proof of Support shall be forwarded to the SMCS for a no-fee card check recognition determination pursuant to Government Code section 32998.
- (4) The Chief Executive Officer shall post a notice of the Decertification Petition no later than 15 days following the date of filing of the petition. The notice shall be posted conspicuously on all employee bulletin boards in each District facility in which members of the established unit are employed and forwarded to the Recognized Employee Organization that is the exclusive representative. The notice shall remain posted for a minimum of 15 workdays.
- (5) Upon completion of the review of the Proof of Support, the Chief Executive Officer shall inform the agent to be contacted on behalf of a petitioning Employee Organization or group of employees in writing of the determination as to sufficiency or lack thereof regarding the Proof of Support.
- (6) Upon receipt of a Decertification Petition and confirmation of the Proof of Support, the Chief Executive Officer shall investigate and, where appropriate, conduct a hearing and/or an election or take such other action as necessary. Any election regarding a Decertification Petition shall be conducted by the SMCS.

- (7) The petition shall be dismissed if the Recognized Employee Organization that is the existing exclusive representative files a valid disclaimer of interest in representing employees in the unit within 20 days of the date the petition is filed with the Chief Executive Officer.
- (8) The petition shall be dismissed whenever there is currently in effect a memorandum of understanding between the employer and the exclusive representative of the employees covered by a petition, unless the petition is filed during the applicable Window Period.
- (9) The petition shall be dismissed if the Chief Executive Officer determines that a Certification Bar or Contract Bar applies.
- (10) The Chief Executive Officer shall serve a decision or letter of determination on all parties at the conclusion of the investigation process. The decision or letter of determination shall be sent within 30 days of the filing of a petition, unless extended for good cause. Any extension of time shall be communicated with its length and basis to all parties. A petitioning group of employees within the unit or petitioning Employee Organization, or the existing Recognized Employee Organization, may appeal any decision on the Decertification Petition to the Board within 10 days following the date of service of the decision or letter of determination. The appeal must be in writing and must state the specific issue(s) of procedure, fact, law or rationale that is appealed and state the grounds for the appeal. The appeal shall be accompanied by a declaration under penalty of perjury confirming concurrent service on all other parties by personal delivery, USPS mail, or other delivery service. Appeals of decisions made by the SMCS relating to any representation election, and any decision made by agents of PERB, shall be subject to appeal or review under applicable law or regulations.

C. Severance Petition

- (1) An Employee Organization may file a Severance Petition to become the exclusive representative of an appropriate unit consisting of a group of employees who are already members of a larger established unit represented by an incumbent Recognized Employee Organization. Such a petition shall include the following information:
  - (a) Name and address of the petitioning Employee Organization;
  - (b) Names and titles of its officers;
  - (c) A statement that the petitioning Employee Organization has, as one of its primary purposes, the function of representing employees in their employment relations with the District, or (ii) seeks to represent employees in their employment relations with the District.
  - (d) A statement whether the petitioning Employee Organization is a chapter or local of, or affiliated in any manner with, a regional, state, national or



international organization. and if so, the name and address of each such regional, state, national or international organization.

- (e) Copies of the petitioning Employee Organization's constitution and by-laws.
  - (f) A designation of those persons, not exceeding two in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice to the petitioning Employee Organization for any purpose, either of whom shall be deemed the agent to be contacted with notice to the petitioning Employee Organization.
  - (g) A statement that the petitioning Employee Organization has no restriction on membership based on race, color, creed, sex, age over 40, national origin, disability, sexual orientation or any other category protected by State and/or federal law.
  - (h) A brief description and the title of the established unit;
  - (i) A description of the proposed appropriate unit, including the classifications and positions to be included and those to be excluded;
  - (j) The approximate number of employees in the proposed appropriate unit;
  - (k) The date on which the Recognized Employee Organization that is the existing exclusive representative was recognized or certified;
  - (l) The effective and expiration dates of the current memorandum of understanding, if any, covering employees in the established unit;
  - (m) A statement that the petitioning Employee Organization has in its possession written proof, dated within one year of the date upon which the petition is filed, showing that a majority of the employees in the unit claimed to be appropriate desire to be represented by the petitioning Employee Organization for the purpose of meeting and negotiating or meeting and conferring on wages, hours and other terms and conditions of employment; and
  - (n) A request that the District recognize the petitioning Employee Organization as the exclusive representative of employees in the unit claimed to be appropriate for the purpose of meeting-and conferring in good faith on all matters within the Scope of Representation.
  - (o) The petition, including all accompanying documents, shall be verified by the President, Secretary or chief officer of the petitioning Employee Organization that the statements are true. All changes in such information shall be filed with the Chief Executive Officer forthwith in like manner.
- (2) The Severance Petition and any amendment shall be accompanied by a declaration under penalty of perjury confirming concurrent service on the

incumbent exclusive representative by personal delivery, USPS mail, or other delivery service.

- (3) Any Proof of Support shall be submitted to the SMCS for a no-fee card check recognition determination pursuant to Government Code section 32998.
- (4) District management and the Recognized Employee Organization that is the incumbent exclusive representative may file responding statements supporting or opposing the Severance Petition within 20 days following the date of service of the Severance Petition. Responding statements shall be accompanied by a declaration under penalty of perjury confirming concurrent service on the incumbent exclusive representative by personal delivery, USPS mail, or other delivery service. The response shall include the name, address, and telephone number of the responding party and its agent to be contacted; a statement confirming or refuting the information contained in the Severance Petition; and a concise statement setting forth the basis for support or opposition to the unit proposed by the petition.
- (5) The Chief Executive Officer shall investigate and, where appropriate, conduct a hearing and/or a representation election, or take such other action as deemed necessary to decide the questions raised by the petition. Any election regarding a Severance Petition shall be conducted by the SMCS. The Chief Executive Officer shall make a determination whether the proposed unit severance would result in Appropriate Units using the criteria set forth in Section 10, above.
- (6) The petition shall be dismissed whenever there is currently in effect a memorandum of understanding between the employer and the exclusive representative of the employees covered by a petition, unless the petition is filed during the applicable Window Period.
- (7) The petition shall be dismissed if the Chief Executive Officer determines that a Certification Bar or Contract applies.
- (8) The Chief Executive Officer shall serve a decision or letter of determination on all parties at the conclusion of the investigation process. The decision or letter of determination shall be sent within 30 days of the filing of a petition, unless extended for good cause. Any extension of time shall be communicated with its length and basis to all parties. A petitioning Employee Organization, or the Recognized Employee Organization that is the exiting exclusive representative, may appeal any decision on the Severance Petition to the Board within 10 days following the date of service of the decision or letter of determination. The appeal must be in writing and must state the specific issue(s) of procedure, fact, law or rationale that is appealed and state the grounds for the appeal. The appeal shall be accompanied by a declaration under penalty of perjury confirming concurrent service on all other parties by personal delivery, USPS mail, or other delivery service. Appeals of decisions made by the SMCS relating to any representation

election, and any decision made by agents of PERB, shall be subject to appeal or review under applicable law or regulations.

D. Petition for Unit Modification

- (1) A Recognized Employee Organization that is the existing exclusive representative of a bargaining unit of District employees may file with the Chief Executive Officer a petition for modification of its unit(s):
  - (a) To add to the unit unrepresented classifications or positions;
  - (b) To divide the existing unit into two or more appropriate units; or
  - (c) To consolidate two or more of its established units into one appropriate unit.
- (2) A Recognized Employee Organization that is the existing exclusive representative of a bargaining unit of District employees, District management, or both jointly may file with the Chief Executive Officer a petition for unit modification:
  - (a) To delete classifications or positions which by virtue of change in circumstances are no longer appropriate to the established unit because said classification(s) or position(s) are not covered by the Meyers Miliias Brown Act or otherwise prohibited by statute or local rule from inclusion in the unit;
  - (b) To make technical changes to clarify or update the unit description;
  - (c) To resolve a dispute as to unit placement or designation of a new classification or position; or
  - (d) To delete classifications or positions not subject to (a) above which are no longer appropriate to the established unit because said classification(s) or position(s) are not covered by the Meyers Miliias Brown Act or otherwise prohibited by statute or local rule from inclusion in the unit, provided that:
    - (i) The petition is filed jointly by the employer and the exclusive representative, or
    - (ii) There is not in effect a lawful written agreement or memorandum of understanding, or
    - (iii) The petition is filed during the Window Period of a lawful memorandum of understanding.

- (3) All affected Recognized Employee Organizations that are existing exclusive representatives may jointly file with the Chief Executive Officer a petition to transfer classifications or positions from one represented established unit to another.
- (4) A Petition for Unit Modification shall be signed by an authorized agent of each petitioning party and include the following information:
  - (a) The name, address and telephone number of the exclusive representative(s) of the unit(s) affected by the petition;
  - (b) The name, address and telephone number of the employer and the name, address and telephone number of the agent to be contacted;
  - (c) A brief description and the title(s) of the established unit(s);
  - (d) The approximate number of employees in the established unit;
  - (e) The approximate number of employees covered by the petition;
  - (f) The effective and expiration dates of the current memorandum of understanding, if any, covering employees in the established unit;
  - (g) A description of the modification(s) sought by the petition;
  - (h) The name and address of any other Employee Organization known to have an interest in representing employees covered by the petition; and
  - (i) A statement of the reasons for the modification(s).
- (5) If the Petition for Unit Modification requests the addition of classifications or positions to an established unit, and the proposed addition would increase the size of the established unit by ten percent or more, the petition shall be accompanied by a statement that the petitioner possesses written Proof of Support, dated within one year of the date upon which the petition is filed, showing that a majority of the employees in the established unit desire to be represented by the petitioning Employee Organization for the purpose of meeting and negotiating or meeting and conferring on wages, hours and other terms and conditions of employment. No proof of majority support of persons employed in the classifications or positions to be added is required if the proposed addition would increase the size of the established unit by less than ten percent, except as required when the petition requests the addition of classifications or positions to an established unit and the classifications or positions are also included in a proposed appropriate unit in a pending request for recognition or petition for certification (per Section 11(D)(6), below).

- (6) If the petition requests the addition of classifications or positions to an established unit and the classifications or positions are also included in a proposed appropriate unit in a pending request for recognition or petition for certification, the petition shall be accompanied by a statement that the petitioner possesses Proof of Support, dated within one year of the date upon which the petition is filed, showing that at least thirty percent of employees in the established unit desire to be represented by the petitioning Employee Organization for the purpose of meeting and negotiating or meeting and conferring on wages, hours and other terms and conditions of employment.
- (7) Any Proof of Support shall be submitted to the SMCS for a no-fee card check recognition determination pursuant to Government Code section 32998.
- (8) A copy of a petition filed solely by an exclusive representative or the District shall be accompanied by a declaration under penalty of perjury confirming concurrent service on the other party and on any additional interested party by personal delivery, USPS mail, or other delivery service.
- (9) Any party or interested party may file a response to a petition filed by an incumbent Recognized Employee Organization or District management within 20 days following the date of service of the Petition for Unit Modification. Responding statements shall be accompanied by a declaration under penalty of perjury confirming concurrent service on the incumbent on all parties by personal delivery, USPS mail, or other delivery service. The response shall be in writing, signed by the authorized agent or the responding party, and contain the following information:
  - (a) the name, address, and telephone number of the petitioner(s);
  - (b) the name, address, and telephone number of the respondent and the name, address, and telephone number of the agent to be contacted;
  - (c) a statement confirming or refuting the information contained in the petition regarding the size and description of the established unit(s), the date(s) of recognition or certification, the approximate number of employees involved in the modification request and the identity of any other Employee Organization known to claim to represent affected employees; and
  - (d) a concise statement setting forth the reasons for support or opposition to the unit modification proposed by the petitioner(s).
- (10) Upon completion of the review by the SMCS of any Proof of Support, the SMCS or Chief Executive Officer shall inform the agent(s) to be contacted on behalf of a petitioning Employee Organization and any party who has filed a response in writing of the determination as to sufficiency or lack thereof regarding the Proof of Support.

- (11) Upon receipt of a petition for unit modification and confirmation of any Proof of Support, the Chief Executive Officer shall investigate and, where appropriate, conduct a hearing and/or an election or take such other action as necessary. Any election regarding a Petition for Unit Modification shall be conducted by the SMCS. The Chief Executive Officer shall make a determination whether the proposed unit modification would result in an Appropriate Unit or Appropriate Units using the criteria set forth in Section 10, above.
- (12) If the proposed unit modification would result in an Appropriate Unit or Appropriate Units, and written proof submitted by the Recognized Employee Organization in the unit(s) found to be appropriate establishes that it represents more than 50% of the employees in the proposed addition (as determined by the SMCS), the District shall grant formal recognition to such Employee Organization without a secret ballot election unless there is a pending request for recognition or petition for certification by another Employee Organization involving all or part of the proposed appropriate unit. If the SMCS has determined that another Employee Organization has the support of at least 30 percent of the employees in one or more proposed Appropriate Units, the Chief Executive Officer shall order an election conducted by the SMCS to establish which labor organization, if any, has majority status.
- (13) The petition shall be dismissed if (1) it is found to be improperly or not timely filed, (2) any Proof of Support falls short of the required level of support; (3) the Chief Executive Officer determines that a Certification Bar applies.
- (14) The Chief Executive Officer shall serve a decision or letter of determination on all parties at the conclusion of the investigation process. Any unit modification shall not be considered to be a new certification for the purpose of computing time limits applicable to any Certification Bar.
- (15) The Chief Executive Officer shall serve a decision or letter of determination on all parties at the conclusion of the investigation process. The decision or letter of determination shall be sent within 30 days of the filing of a petition, unless extended for good cause. Any extension of time shall be communicated with its length and basis to all parties. A petitioning Employee Organization or District management may appeal any decision on the Petition for Unit Modification to the Board within 10 days following the date of service of the decision or letter of determination. The appeal must be in writing and must state the specific issue(s) of procedure, fact, law or rationale that is appealed and state the grounds for the appeal. The appeal shall be accompanied by a declaration under penalty of perjury confirming concurrent service on all other parties by personal delivery, USPS mail, or other delivery service. Appeals of decisions made by the SMCS relating to any representation election, and any decision made by agents of PERB, shall be subject to appeal or review under applicable law or regulations.

## **Section 12. Reasonable Time Off to Meet and Confer**

- A. The District shall allow a reasonable number of employee representatives of Recognized Employee Organizations reasonable time off without loss of compensation or other benefits when formally meeting and conferring with representatives of the District on matters within the Scope of Representation. Where circumstances warrant, the District representatives may approve the attendance at such meetings of additional employee representatives with or without loss of compensation. The Employee Organization shall, whenever practicable, submit the names of all such employee representatives to the District representatives at least two working days in advance of such meetings, *provided that*:
  - (1) No employee representative shall leave his or her duty or workstation or assignment without specific approval of the department head or other authorized District management official.
  - (2) Any such meeting is subject to scheduling by District management and the Employee Organization in a manner consistent with operating requirements and work schedules.
- D. Nothing provided herein shall limit or restrict District management and Employee Organizations from scheduling such meetings before or after regular duty or work hours under appropriate circumstances.
- E. This section shall not limit a Recognized Employee Organization's right to reasonable time off for its representatives when testifying or appearing in matters related to an unfair practice charge filed by the it or before a personnel or merit commission as referenced in Government Code section 3503.3.
- F. This section shall not limit a Recognized Employee Organization's right to request and obtain time off for represented employees to serve as stewards or officers of the Recognized Employee Organization, or of any statewide or national Employee Organization with which the Recognized Employee Organization is affiliated pursuant to Government Code section 3558.8.

### **Section 13. Resolution of Impasses**

- A. Impasse procedures may be invoked only after the possibility of settlement by direct discussion has been exhausted.
- B. The impasse procedures are as follows:
  - (1) Mediation. All mediation proceedings shall be conducted confidentially. The mediator shall make no public recommendations nor take any public position concerning the issues.
  - (2) Any other dispute resolving procedures to which the parties mutually agree or which the District may order.
- C. Any party may initiate the impasse procedure by filing with the other party (or parties) affected a written request for an impasse meeting together with a statement of its position on all disputed issues. An impasse meeting may then be scheduled by the District's representatives within a reasonable time after the date of filing of the written request for such meeting, with written notice to all parties affected. The purpose of such impasse meeting is twofold:

- (1) to permit a review of the position of all parties in a final effort to reach agreement on the disputed issues and
  - (2) if agreement is not concluded, to mutually select the specific impasse procedure to which the dispute may be submitted.
- D. In the event the parties select mediation, a mediator shall be selected who is mutually agreeable to the parties, provided that if the parties cannot agree upon the choice of mediator, either party may request assignment of a mediator from the SMCS.
- E. The fees and expenses, if any, of mediation or of any other impasse procedure, shall be payable one-half by the District and one-half by the Employee Organization or Employee Organizations.
- F. This procedure shall incorporate and shall not interfere with a party's right to invoke or participate in factfinding procedures under Government Code sections 3505.4 to 3505.7.

#### **Section 14. Memorandum of Understanding**

- A. When the meeting and conferring process is concluded between the District representatives and a Recognized Employee Organization representing a majority of the employees in an Appropriate Unit, all agreed-upon matters shall be incorporated in a written memorandum of understanding, which shall be advisory to the Board, signed by the duly authorized District representatives and the majority representatives.
- B. The memorandum of understanding shall be submitted to the Board for determination.

#### **Section 15. Peaceful Performance of Service**

- A. It is the policy of the District to promote Employer-Employee Relations, maintain full communication between the District and its employees and recognize the right of employees to join organizations of their own choice and be represented by Recognized Employee Organizations, as provided herein.
- B. It is also the policy of the District that all services, operation of facilities and functions of the District shall be performed in a peaceful, orderly, expeditious and lawful manner. The District was formed to provide both basic and advanced life-saving medical services to residents as the only full-service accredited hospital in its area. These medical services are provided in coordination with the fire protection, law enforcement, emergency transport and other public safety personnel. Significant disruption of these medical services could create a substantial and imminent threat to the health or safety of the public located in the Truckee/North Lake Tahoe.
- C. No employee or Employee Organization shall engage in any strike, picketing, or other concerted refusal to work without, not less than ten days prior to such action, notifying the District and the California State Mediation & Conciliation Service in writing of that intention. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties.

#### **Section 16. Construction**



- A. Nothing in this Resolution shall be construed to deny any person or employee the rights granted by federal and State laws.
- B. The rights, powers, duties and authority of the District in all matters, including the right to maintain any legal action, shall not be modified or restricted by this Resolution.
- C. The provisions of the Resolution are not intended to conflict with, but rather to carry out, the provisions of Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500, *et seq.*).
- A. Subject to the terms of this Section 20 and Section 22 (“Separability”), all references to statute and regulation within the Resolution shall be applied and interpreted according to their language in effect at the time that this Resolution is adopted by the Board.
- B. All references to statutes or regulations in this Resolution shall refer to the version in effect at the time that this Resolution is adopted by the Board and shall be deemed to be modified to reflect any subsequent amendment, renumbering, or other change in statute or regulation in effect at the time the Resolution is applied, consistent with the Separability section, below.

**Section 17. Amendments**

This Resolution shall be subject to amendment by Resolution passed at stated meetings of the Board, or upon previous notice of the intention to so amend said Resolution, at a special meeting called for such purpose and after Consultation in Good Faith as required by Section 3507 of the Government Code of the State of California.

**Section 18. Separability**

If any provision of this Resolution, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Resolution, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

**Section 19. Implementation**

Upon adoption of this Resolution by the Board of Directors, it shall be immediately effective in all its terms.

PASSED AND ADOPTED by the Board of Directors of Tahoe Forest Hospital District, this 22nd day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Alyce Wong, Chair  
TAHOE FOREST HOSPITAL DISTRICT

ATTEST:

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Martina Rochefort, Clerk of the Board  
TAHOE FOREST HOSPITAL DISTRICT

4874-7192-5289, v. 1

BYLAWS OF THE BOARD OF DIRECTORS  
TAHOE FOREST HOSPITAL DISTRICT

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**BYLAWS OF THE BOARD OF DIRECTORS  
OF  
TAHOE FOREST HOSPITAL DISTRICT**

Pursuant to the provisions of Sections 32104, 32125, 32128, and 32150 of the Health and Safety Code of the State of California, the Board of Directors of TAHOE FOREST HOSPITAL DISTRICT adopts these Bylaws for the government of TAHOE FOREST HOSPITAL DISTRICT.

**ARTICLE I. NAME, AUTHORITY AND PURPOSE**

Section 1. Name.

The name of this ~~o~~istrict shall be "TAHOE FOREST HOSPITAL DISTRICT" (~~hereinafter "District"~~).

Section 2. Authority.

A. This District, having been established May 2, 1949, by vote of the residents of the District under the provisions of Division 23 of the Health and Safety Code of the State of California, otherwise known and referred to herein as "The Local Health Care District Law," and ever since that time having been operated there under, these Bylaws are adopted in conformance therewith, and subject to the provisions thereof.

B. In the event of any conflict between these Bylaws and the Local Health Care District Law, the latter shall prevail.

C. These Bylaws shall be known as the "District Bylaws."

D. Non-Discrimination: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; race; color; creed; ethnicity; religion; national origin; marital status; sex; sexual orientation; gender identity or expression; disability; association; veteran or military status; or any other basis prohibited by federal, state, or local law.

Section 3. Purpose and Operating Policies.

A. Purpose.

Tahoe Forest Hospital District will strive to be ~~the health system of choice in our region and~~ the best mountain health system in the nation. We exist to ~~enhance~~ ~~make-a difference in~~ the health of our communities through excellence and compassion in all we do.

B. Operating Policies.

In order to accomplish the Mission of the District, the Board of Directors

establishes the following Operating Policies:

1. Through planned development and responsible management, the assets of the District will be used to meet the service needs of the area in an efficient and cost-effective manner, after evaluation of available alternatives and other resources available to the District. This may include the development and operation of programs, services, and facilities at any location within or without the District for the benefit of the people served by the District.

2. The District shall dedicate itself to the maximum level of quality consistent with sound fiscal management, and community-based needs.

3. Improvement of the health status of the area will be the primary emphasis of services offered by the District. In addition, the District may elect to provide other programs of human service outside of the traditional realm of health care, where unmet human service needs have been identified through the planning process.

## **ARTICLE II. BOARD OF DIRECTORS**

The Board of Directors:

### **Section 1. Election.**

There shall be five members of the Board of Directors who shall be elected for four-year terms, as provided in the Local Health Care District Law.

### **Section 2. Responsibilities.**

Provides oversight for planning, operation, and evaluation of all District programs, services, and related activities consistent with the District Bylaws.

#### **A. Philosophy and Objectives.**

Considers the health requirements of the region and the responsibilities that the District should assume in helping to meet them.

#### **B. Programs and Services.**

1. Takes action on recommendations of the President and Chief Executive Officer or designee with regard to long- and short-range plans for the development of programs and services.

2. Provides oversight to the President and Chief Executive Officer in the implementation of programs and service plans.

3. Takes action on board policies and other policies brought forth by the President and Chief Executive Officer or designee.



4. Evaluates the results of programs and services on the basis of previously established objectives and requirements. Receives reports from the President and Chief Executive Officer or designees and directs the President and Chief Executive Officer to plan and take appropriate actions, where warranted.

C. Organization and Staffing.

1. Selects and appoints the President and Chief Executive Officer.
2. Evaluates the continuing effectiveness of the organization.

D. Medical Staff.

1. Appoints and re-appoints all Medical Staff members.
2. Ensures that the District Medical Staff is organized to support the objectives of the District.
3. Reviews and takes final action on appeals involving Medical Staff disciplinary action.
4. Approves Medical Staff Bylaws and proposed revisions.

E. Finance.

1. Assumes responsibility for the financial soundness and success of the District and its wholly owned subsidiaries.
2. Assumes responsibility for the appropriate use of endowment funds and of other gifts to the District. Exercises trusteeship responsibility to see that funds are used for intended purposes.
3. Adopts annual budgets of the District, including both operating and capital expenditure budgets.
4. Receives and reviews periodic financial reports. Considers comments and recommendations of its Finance Committee and management staff.
5. Receives and reviews reports of the District's auditors.
6. Approves policies which govern the financial affairs of the District.
7. Authorizes officers of the District to act for the District in the execution of financial transactions.

F. Grounds, Facilities and Equipment.

1. Approves plans for development, expansion, modernization, and replacement of the District's grounds, facilities, major equipment, and other tangible

assets.

2. Approves the acquisition, sale, and lease of real property.

G. External Relations.

Assumes ultimate responsibility for representing the communities served by the District and representing the District to the communities served.

H. Assessment and Continuous Improvement of Quality of Care

Ensures that the proper organizational environment and systems exist to continuously improve the quality of care provided. Responsible for a system-wide quality assessment and performance improvement program that reflects all departments and services. Reviews Quality Assessment Reports focused on indicators related to improving health outcomes and the prevention and reduction of medical errors. Provides oversight to and annually approves the written Quality Assurance / Process Improvement plan.

I. Strategic Planning.

1. Oversees the strategic planning process.
2. Establishes long-range goals and objectives for the District's programs and facilities.

Section 3. Powers.

A. Overall Operations.

The Board of Directors shall determine policies and shall have control of, and be responsible for, the overall operations and affairs of this District and its facilities.

B. Medical Staff.

The Board of Directors shall authorize the formation of a Medical Staff to be known as "The Medical Staff of Tahoe Forest Hospital District". The Board of Directors shall determine membership on the Medical Staff, as well as the Bylaws for the governance of said Medical Staff, as provided in ~~ARTICLE~~ Article VIII of these District Bylaws.

C. Auxiliary.

The Board of Directors may authorize the formation of service organizations from time to time as needed ("Auxiliary"), the Bylaws of which shall be approved by the Board of Directors.

D. Other Affiliated or Subordinate Organizations.

The Board of Directors may authorize the formation of other affiliated or subordinate organizations which it may deem necessary to carry out the purposes of the District; the Bylaws of such organizations shall be approved by the Board of Directors.

E. Delegation of Powers.

The Medical Staff, Auxiliary, and any other affiliated or subordinate organizations shall have those powers set forth in their respective Bylaws. All powers and functions not set forth in their respective Bylaws are to be considered residual powers ~~still~~ vested in the Board of Directors.

F. Provisions to Prevail.

These District Bylaws shall override any provisions to the contrary in the Bylaws, or Rules and Regulations of the Medical Staff, Auxiliary or any affiliated or subordinate organizations. In case of conflict, the provisions of these District Bylaws shall prevail.

G. Resolutions and Ordinances.

From time to time, the Board of Directors may pass resolutions regarding specific policy issues, which resolutions may establish policy for the operations of this District.

H. Residual Powers.

The Board of Directors shall have all of the other powers given to it by the Local Health Care District Law and other applicable provisions of law.

I. Grievance Process

The Board of Directors may delegate the responsibility to review and resolve grievances.

Section 4. Vacancies.

Any vacancy upon the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors within sixty (60) days of the vacancy. The Board of Directors may choose to appoint an individual without engaging in public solicitation of candidates of its choosing, or seek candidates from which to make a selection. Notice of the vacancy shall be posted in at least three (3) places within the District at least fifteen (15) days before the appointment is made. The District shall notify the elections officials for Nevada and Placer Counties of the vacancy no later than fifteen (15) days following either the date on which the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later, and of the appointment no later than fifteen (15) days after the appointment. In lieu of making an appointment, the remaining members of the Board of Directors may within sixty (60) days of the vacancy call an election to fill the vacancy. If the vacancy is not filled by the Board of Directors or an election called within sixty (60) days, the Board of Supervisors of the County representing the larger portion of the Hospital District area in which an election

to fill the vacancy would be held may fill the vacancy, within ninety (90) days of the vacancy, or may order the District to call an election. If the vacancy is not filled or an election called ~~for~~ within ninety (90) days of the vacancy, the District shall call an election to be held on the next available election date. Persons appointed to fill a vacancy shall hold office until the next District general election that is scheduled 130 or more days after the date the District and the elections officials for Nevada and Placer Counties were notified of the vacancy and thereafter until the person elected at such election to fill the vacancy has been qualified, but persons elected to fill a vacancy shall hold office for the unexpired balance of the term of office.

#### Section 5. Meetings.

##### A. Regular Meetings.

Unless otherwise specified at the preceding regular or adjourned regular meeting, regular meetings of the Board of Directors shall be held on the fourth Thursday of each month at 4:00 PM at a location within the Tahoe Forest Hospital District boundaries, except for regular meetings for the months of November and December which shall be held on the third Thursday of the month at 4:00 PM. The Board shall take or arrange for the taking of minutes at each regular meeting.

##### B. Special and Emergency Meetings.

Special meetings of the Board of Directors may be held at any time and at a place designated in the notice and located within the District, except as provided in the Brown Act, upon the call of the Chair, or by not fewer than three (3) members of the Board of Directors, and upon written notice to each Director specifying the business to be transacted, which notice shall be delivered personally or by mail or e-mail and shall be received at least twenty-four (24) hours before the time of such meeting, provided that such notice may be waived by written waiver executed by each member of the Board of Directors. Notice shall also be provided within such time period to local newspapers and radio stations which have requested notice of meetings. Such notice must also be posted twenty-four (24) hours before the meeting in a location which is freely accessible to the public. In the event of an emergency situation involving matters upon which prompt action is necessary due to disruption or threatened disruption of District services (including work stoppage, crippling disaster, mass destruction, terrorist act, threatened terrorist activity or other activity which severely impairs public health, safety or both), the Board may hold a special meeting without complying with the foregoing notice requirements, provided at least one (1) hour prior telephone notice shall be given to local newspapers and radio stations which have requested notice of meetings, and such meetings shall otherwise be in compliance with the provisions of Government Code Section 54956.5. The Board shall take or arrange for the taking of minutes at each special meeting.

##### C. Policies and Procedures.

The Board may from time to time adopt policies and procedures governing the

conduct of Board meetings and District business. All sessions of the Board of Directors, whether regular, ~~or~~ special, or emergency, shall be open to the public in accordance with the Brown Act (commencing with Government Code Section 54950), unless a closed session is permitted under the Brown Act or Health and Safety Code Sections 32106 and 32155 or other applicable law.

Section 6. Quorum.

The presence of a majority of the Board of Directors shall be necessary to constitute a quorum to transact any business at any regular or special meeting, except to adjourn the meeting to a future date.

Section 7. Medical Staff Representation.

The Chief of the Medical Staff shall be appointed as a special representative to the Board of Directors without voting power and shall attend the meetings of the Board of Directors. In the event the Chief of Staff cannot attend a meeting, the Vice-Chief of the Medical Staff or designee shall attend in the Chief of Staff's absence.

Section 8. Director Compensation and Reimbursement of Expenses.

The Board of Directors shall be compensated in accordance with ABD-03 Board Compensation and Reimbursement policy.

Each member of the Board of Directors shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board or President and Chief Executive Officer, pursuant to Board policy.

Section 9. Board Self-Evaluation.

The Board of Directors will monitor and discuss its process and performance at least annually. The self-evaluation process will include comparison of Board activity to its manner of governance policies.

**ARTICLE III. OFFICERS**

Section 1. Officers.

The officers of the Board of Directors shall be Chair, Vice-Chair, Secretary and Treasurer who shall be members of the Board.

Section 2. Election of Officers.

The officers of the Board of Directors shall be chosen every year by the Board of Directors in December of the preceding calendar year and shall serve at the pleasure of

the Board. The person holding the office of Chair of the Board of Directors shall not serve successive terms, unless by unanimous vote of the Board of Directors taken at a regularly scheduled meeting. In the event of a vacancy in any office, an election shall be held at the next regular meeting following the effective date of the vacancy to elect the officer to fill such office.

Section 3. Duties of Officers.

A. Chair. Shall preside over all meetings of the Board of Directors. Shall sign as Chair, on behalf of the District, all instruments in writing which the Chair has been authorized and obliged by the Board to sign and such other duties as set forth in these Bylaws as well as those duties charged to the president under the Local Health Care District Law. The Board Chair will serve as the chairperson of the Board Governance Committee.

B. Vice-Chair. The Vice-Chair shall perform the functions of the Chair in case of the Chair's absence or inability to act.

C. Secretary. The Secretary shall ensure minutes of all meetings of the Board of Directors are recorded and shall see that all records of the District are kept and preserved. Shall attest or countersign, on behalf of the District, all instruments in writing which the Secretary has been authorized and obligated by the Board to attest/countersign as well as those charged to the secretary under the Local Health Care District Law.

D. Treasurer. The Treasurer will serve ~~as the chairperson of on~~ the Board Finance Committee and shall ensure the Board's attention to financial integrity of the District.

**ARTICLE IV. COMMITTEES**

Section 1. Committee Authority.

No committee shall have the power to bind the District, unless the Board provides otherwise in writing.

Section 2. Ad Hoc Committees.

Ad Hoc Committees may be appointed by the Chair of the Board of Directors from time to time as deemed necessary or expedient. Ad Hoc Committees shall perform such functions as shall be assigned to them by the Chair, and shall function for the period of time specified by the Chair at the time of appointment or until determined to be no longer necessary and disbanded by the Chair of the Board of Directors. The Chair shall appoint each Ad Hoc Committee chair.

Section 3. Standing Committees.

Standing Committees and their respective charters will be affirmed annually by resolution, duly adopted by the Board of Directors.

The Chair shall recommend appointment of the members of these committees and the ~~Chair-chair~~ thereof, subject to the approval of the Board by majority of Directors present. Committee appointments shall be for a period of one (1) year and will be made annually at or before the January Board meeting.

## **ARTICLE V. MANAGEMENT**

### **Section 1. President and Chief Executive Officer.**

The Board of Directors shall select and employ a President and Chief Executive Officer who shall act as its executive officer in the management of the District. The President and Chief Executive Officer shall be given the necessary authority to be held responsible for the administration of the District in all its activities and entities, subject only to the policies as may be adopted from time to time, and orders as may be issued by the Board of Directors or any of its committees to which it has delegated power for such action by a writing. The President and Chief Executive Officer shall act as the duly authorized representative of the Board of Directors.

### **Section 2. Authority and Responsibility.**

The duties and responsibilities of the President and Chief Executive Officer shall be outlined in the Employment Agreement and job description. Other duties may be assigned by the Board. The President and Chief Executive Officer, personally or through delegation, hires, assigns responsibility, counsels, evaluates and (as required) terminates all District employees.

## **ARTICLE VI. TAHOE FOREST HOSPITAL**

### **Section 1. Establishment**

The District owns and operates Tahoe Forest Hospital, which shall be primarily engaged in providing, including but not limited to, Emergency Services, Inpatient/Observation Care, Critical Care, Diagnostic Imaging Services, Laboratory Services, Surgical Services, Obstetrical Services, and Long-Term Care Services.

## **ARTICLE VII. INCLINE VILLAGE COMMUNITY HOSPITAL**

### **Section 1. Establishment**

The District owns and operates Incline Village Community Hospital, which shall be primarily engaged in providing, including but not limited to, Emergency Services, Inpatient/Observation Care, Diagnostic Imaging Services, Laboratory Services, and Surgical Services.

## **ARTICLE VIII. MEDICAL STAFF**

### **Section 1. Nature of Medical Staff Membership.**

Membership on the Medical Staff of Tahoe Forest Hospital District is a privilege which shall be extended only to professionally competent practitioners who continuously meet the qualifications, standards, and requirements set forth herein and in the Bylaws of the Medical Staff.

### **Section 2. Qualifications for Membership.**

A. Only physicians, dentists, oral surgeons, or podiatrists who:

1. Demonstrate and document their licensure, experience, education, training, current professional competence, good judgment, ethics, reputation, and physical and mental health status so as to establish to the satisfaction of the Medical Staff and the Board of Directors that they are professionally qualified and that patients treated by them can reasonably expect to receive high quality medical care;
2. Demonstrate that they adhere to the ethics of their respective professions and that they are able to work cooperatively with others so as not to adversely affect patient care or District operations;
3. Provide verification of medical malpractice insurance coverage; and
4. Establish that they are willing to participate in and properly discharge those responsibilities determined according to the Medical Staff Bylaws and possess basic qualifications for membership on the Medical Staff. No practitioner shall be entitled to membership on the Medical Staff, assigned to a particular staff category, or granted or renewed particular clinical privileges merely because that person: (1) holds a certain degree; (2) is licensed to practice in California, Nevada, or any other state; (3) is a member of any particular professional organization; (4) is certified by any particular specialty board; (5) had, or presently has, membership or privileges at this or any other health care facility; or (6) requires a hospital affiliation in order to participate on health plan provider panels, to obtain or maintain malpractice insurance coverage, or to pursue other personal or professional business interests unrelated to the treatment of patients at this facility and the furtherance of this facility's programs and services.

### **Section 3. Organization and Bylaws.**

The Bylaws, Rules and Regulations, and policies of the Medical Staff shall be



subject to approval of the Board of Directors of the District, and amendments thereto shall be effective only upon approval of such amendments by the Board of Directors, which shall not be withheld unreasonably. Neither the Medical Staff nor the Board of Directors may unilaterally amend the Medical Staff Bylaws or Rules and Regulations. The Bylaws of the Medical Staff shall set forth the procedure by which eligibility for Medical Staff membership and establishment of clinical privileges shall be determined, including standards for qualification. Such Bylaws shall provide that the Medical Staff, or a committee or committees thereof, shall study the qualifications of all applicants and shall establish and delineate clinical privileges and shall submit to the Board of Directors recommendations thereon and shall provide for reappointment no less frequently than biennially. The Medical Staff shall also adopt Rules and Regulations or policies that provide associated details consistent with its Bylaws, as it deems necessary to implement more specifically the general principles established in the Bylaws.

#### Section 4. Appointment to Medical Staff

All appointments and reappointments to the Medical Staff shall be made by the Board of Directors as provided by the standards of the Healthcare Facility Accreditation Program. Final responsibility for appointment, reappointment, new clinical privileges, rejection, or modification of any recommendation of the Medical Staff shall rest with the Board of Directors.

All applications for appointment and reappointment to the Medical Staff shall be processed by the Medical Staff in such manner as shall be provided by the Bylaws of the Medical Staff and, upon completion of processing by the Medical Staff, the Medical Staff shall make a report and recommendation regarding such application to the Board of Directors. This recommendation will also include the request by the practitioner for clinical privileges, and the Medical Staff's recommendation concerning these privileges.

Upon receipt of the report and recommendation of the Medical Staff, the Board of Directors shall adopt, reject, or modify a favorable recommendation of the Medical Executive Committee, or shall refer the recommendation back to the Medical Executive Committee for further consideration, stating the reasons for the referral and setting a time limit within which the Medical Executive Committee shall respond.

If the Board of Directors is inclined to reject or modify a favorable recommendation, the Board shall refer the matter back to the Medical Executive Committee for further review and comments, which may include a second recommendation. The Executive Committee's response shall be considered by the Board before adopting a resolution.

If the Board's resolution constitutes grounds for a hearing under Article VII of the Medical Staff Bylaws, the President and Chief Executive Officer shall promptly inform the applicant, and he/she shall be entitled to the procedural rights as provided in that Article.

In the case of an adverse Medical Executive Committee recommendation or an adverse Board decision, the Board shall take final action in the matter only after the applicant has exhausted or has waived his/her procedural rights under the Medical Staff Bylaws. Action thus taken shall be the conclusive decision of the Board, except that the Board may defer final determination by referring the matter back for reconsideration. Any such referral shall state the reasons therefore, shall set a reasonable time limit within which a reply to the Board of Directors shall be made, and may include a directive that additional hearings be conducted to clarify issues which are in doubt. After receiving the new recommendation and any new evidence, the Board shall make a final decision.

Conflict Resolution. The Board of Directors shall give great weight to the actions and recommendations of the Medical Executive Committee and in no event shall act in an arbitrary and capricious manner.

The Board of Directors may delegate decision-making authority to a committee of the Board; however, any final decision of the Board committee must be subject to ratification by the full Board of Directors at its next regularly scheduled meeting.

#### Section 5. Staff Meetings: Medical Records

The Medical Staff shall be self-governing with respect to the professional work performed in the Hospital. The Medical Staff shall meet in accordance with the minimum requirements of the Healthcare Facility Accreditation Program. Accurate, legible, and complete medical records shall be prepared and maintained for all patients and shall be the basis for review and analysis.

For purposes of this section, medical records include, but are not limited to, identification data, personal and family history, history of present illness, review of systems, physical examination, special examinations, professional or working diagnosis, treatment, gross and microscopic pathological findings, progress notes, final diagnosis, condition on discharge, and other matters as the Medical Staff shall determine.

#### Section 6. Medical Quality Assurance

The Medical Staff shall, in cooperation with the administration of the District, establish a comprehensive and integrated quality assurance and risk control program for the District which shall assure identification of problems, assessment and prioritization of such problems, implementation of remedial actions and decisions with regard to such problems, monitoring of activities to assure desired results, and documentation of the undertaken activities. The Board of Directors shall require, on a quarterly basis, reports of the Medical Staff's and District's quality assurance activities.

#### Section 7. Hearings and Appeals

Appellate review of any action, decision or recommendation of the Medical Staff

affecting the professional privileges of any member of, or applicant for membership on, the Medical Staff is available before the Board of Directors. This appellate review shall be conducted consistent with the requirements of Business and Professions Code Section 809.4 and in accordance with the procedures set forth in the Medical Staff Bylaws. Nothing in these Bylaws shall abrogate the obligation of the District and the Medical Staff to comply with the requirements of Business and Professions Code Sections 809 through 809.9, inclusive. Accordingly, discretion is granted to the Medical Staff and Board of Directors to create a hearing process which provides for the least burdensome level of formality in the process while still providing a fair review and to interpret the Medical Staff Bylaws in that light. The Medical Staff, Board of Directors, and their officers, committees, and agents hereby constitute themselves as peer review bodies under the Federal Health Care Quality Improvement Act of 1986 ([42 U.S.C. § 11101 et seq.](#)) and the California peer review hearing laws and claim all privileges and immunities afforded by the federal and state laws.

If adverse action as described in these provisions is taken or recommended, the practitioner must exhaust the remedies afforded by the Medical Staff Bylaws before resorting to legal action.

The rules relating to appeals to the Board of Directors as set forth in the Medical Staff Bylaws are as follows; capitalized terms have the meaning defined by the Medical Staff Bylaws:

#### A. Time For Appeal

Within ten (10) days after receipt of the decision of the Hearing Committee, either the Practitioner or the Medical Executive Committee may request an appellate review. A written request for such review shall be delivered to the President and Chief Executive Officer and the other party in the hearing. If a request for appellate review is not received by the President and Chief Executive Officer within such period, the decision of the Hearing Committee shall thereupon become final, except if modified or reversed by the Board of Directors.

It shall be the obligation of the party requesting appellate review to produce the record of the Hearing Committee's proceedings. If the record is not produced within a reasonable period, as determined by the Board of Directors or its authorized representative, appellate rights shall be deemed waived

In the event of a waiver of appellate rights by a Practitioner, if the Board of Directors is inclined to take action which is more adverse than that taken or recommended by the Medical Executive Committee, the Board of Directors must consult with the Medical Executive Committee before taking such action. If after such consultation the Board of Directors is still inclined to take such action, then the Practitioner shall be so notified. The notice shall include a brief summary of the reasons for the Board's contemplated action, including a reference to any factual findings in the Hearing Committee's Decision that support the action. The Practitioner shall be given ten (10) days from receipt of that notice within which to request appellate review,

**Commented [A2]:** I'm not aware of any changes to the Med Staff Bylaws since the 2015 version (which the below section duplicates), but if there have been, the remaining section below needs to be updated to conform with those changes.

notwithstanding his or her earlier waiver of appellate rights. The grounds for appeal and the appellate procedure shall be as described below. However, even if the Practitioner declines to appeal any of the Hearing Committee's factual findings, he or she shall still be given an opportunity to argue, in person and in writing, that the contemplated action which is more adverse than that taken or recommended by the Medical Executive Committee is not reasonable and warranted. The action taken by the Board of Directors after following this procedure shall be the final action of the Hospital.

#### B. Grounds For Appeal

A written request for an appeal shall include an identification of the grounds of appeal, and a clear and concise statement of the facts in support of the appeal. The recognized grounds for appeal from a Hearing Committee decision are:

1. substantial noncompliance with the standards or procedures required by the Bylaws, or applicable law, which has created demonstrable prejudice; or

2. the factual findings of the Hearing Committee are not supported by substantial evidence based upon the hearing record or such additional information as may be permitted pursuant to this section; or

3. The Hearing Committee's failure to sustain an action or recommendation of the Medical Executive Committee that, based on the Hearing Committee's factual findings, was reasonable and warranted.

#### C. Time, Place and Notice

The appeal board shall, within thirty (30) days after receipt of a request for appellate review, schedule a review date and cause each side to be given notice of time, place and date of the appellate review. The appellate review shall not commence less than thirty (30) or more than sixty (60) days from the date of notice. The time for appellate review may be extended by the appeal board for good cause.

#### D. Appeal Board

The Board of Directors may sit as the appeal board, or it may delegate that function to an appeal board which shall be composed of not less than three (3) members of the Board of Directors. Knowledge of the matter involved shall not preclude any person from serving as a member of the appeal board so long as that person did not take part in a prior hearing on the action or recommendation being challenged. The appeal board may select an attorney to assist it in the proceeding, but that attorney shall not be entitled to vote with respect to the appeal.

#### E. Appeal Procedure

The proceedings by the appeal board shall be in the nature of an appellate review based upon the record of the proceedings before the Hearing Committee. However, the appeal board may accept additional oral or written evidence, subject to a

foundational showing that such evidence could not have been made available to the Hearing Committee in the exercise of reasonable diligence, and subject to the same rights of cross-examination or confrontation that are provided at a hearing. The appeal board shall also have the discretion to remand the matter to the Hearing Committee for the taking of further evidence or for clarification or reconsideration of the Hearing Committee's decision. In such instances, the Hearing Committee shall report back to the appeal board, within such reasonable time limits as the appeal board imposes. Each party shall have the right to be represented by legal counsel before the appeal board, to present a written argument to the appeal board, to personally appear and make oral argument and respond to questions in accordance with the procedure established by the appeal board. After the arguments have been submitted, the appeal board shall conduct its deliberations outside the presence of the parties and their representatives.

#### F. Decision

Within thirty (30) days after the submission of arguments as provided above, the appeal board shall send a written recommendation to the Board of Directors. The appeal board may recommend, and the Board of Directors may decide, to affirm, reverse or modify the decision of the Hearing Committee. The decision of the Board shall constitute the final decision of the Hospital and shall become effective immediately upon notice to the parties. The parties shall be provided a copy of the appeal board's recommendation along with a copy of the Board of Director's final decision.

#### G. Right To One Hearing

No practitioner shall be entitled to more than one (1) evidentiary hearing and one (1) appellate review on any adverse action or recommendation.

#### H. Exception to Hearing Rights

##### 1. Exclusive Contracts

The hearing rights described in this Article shall not apply as a result of a decision to close or continue closure of a department or service pursuant to an exclusive contract or to transfer an exclusive contract, or as a result of action by the holder of such an exclusive contract.

##### 2. Validity of Bylaw, Rule, Regulation or Policy

No hearing provided for in this article shall be utilized to make determinations as to the merits or substantive validity of any Medical Staff bylaw, rule, regulation or policy. Where a Practitioner is adversely affected by the application of a Medical Staff bylaw, rule, regulation or policy, the Practitioner's sole remedy is to seek review of such bylaw, rule, regulation or policy initially by the Medical Executive Committee. The Medical Executive Committee may in its discretion consider the request according to such procedures as it deems appropriate. If the Practitioner is

dissatisfied with the action of the Medical Executive Committee, the Practitioner may request review by the Board of Directors, which shall have discretion whether to conduct a review according to such procedures as it deems appropriate. The Board of Directors shall consult with the Medical Executive Committee before taking such action regarding the bylaw, rule, regulation or policy involved. This procedure must be utilized prior to any legal action.

### 3. Department, Section or Service Formation or Elimination

A Medical Staff department, section, or service can be formed or eliminated only following a review and recommendation by the Medical Executive Committee regarding the appropriateness of the department, section, or service elimination or formation. The Board of Directors shall consider the recommendations of the Medical Executive Committee prior to making a final determination regarding the formation or elimination.

The Medical Staff Member(s) who's Privileges may be adversely affected by department, section, or service formation or elimination are not afforded hearing rights pursuant to Article VII.

## **ARTICLE IX. REVIEW AND AMENDMENT OF BYLAWS**

At intervals of no more than two (2) years, the Board of Directors shall review these Bylaws in their entirety to ensure that they comply with all provisions of the Local Health Care District Law, that they continue to meet the needs of District ~~Administration~~ administration and Medical Staff, and that they serve to facilitate the efficient administration of the District.

These Bylaws may from time to time be amended by action of the Board of Directors. Amendments may be proposed at any ~~r~~Regular meeting of the Board of Directors by any member of the Board. Action on proposed amendments shall be taken at the next ~~r~~Regular meeting of the Board of Directors following the meeting at which such amendments are proposed.

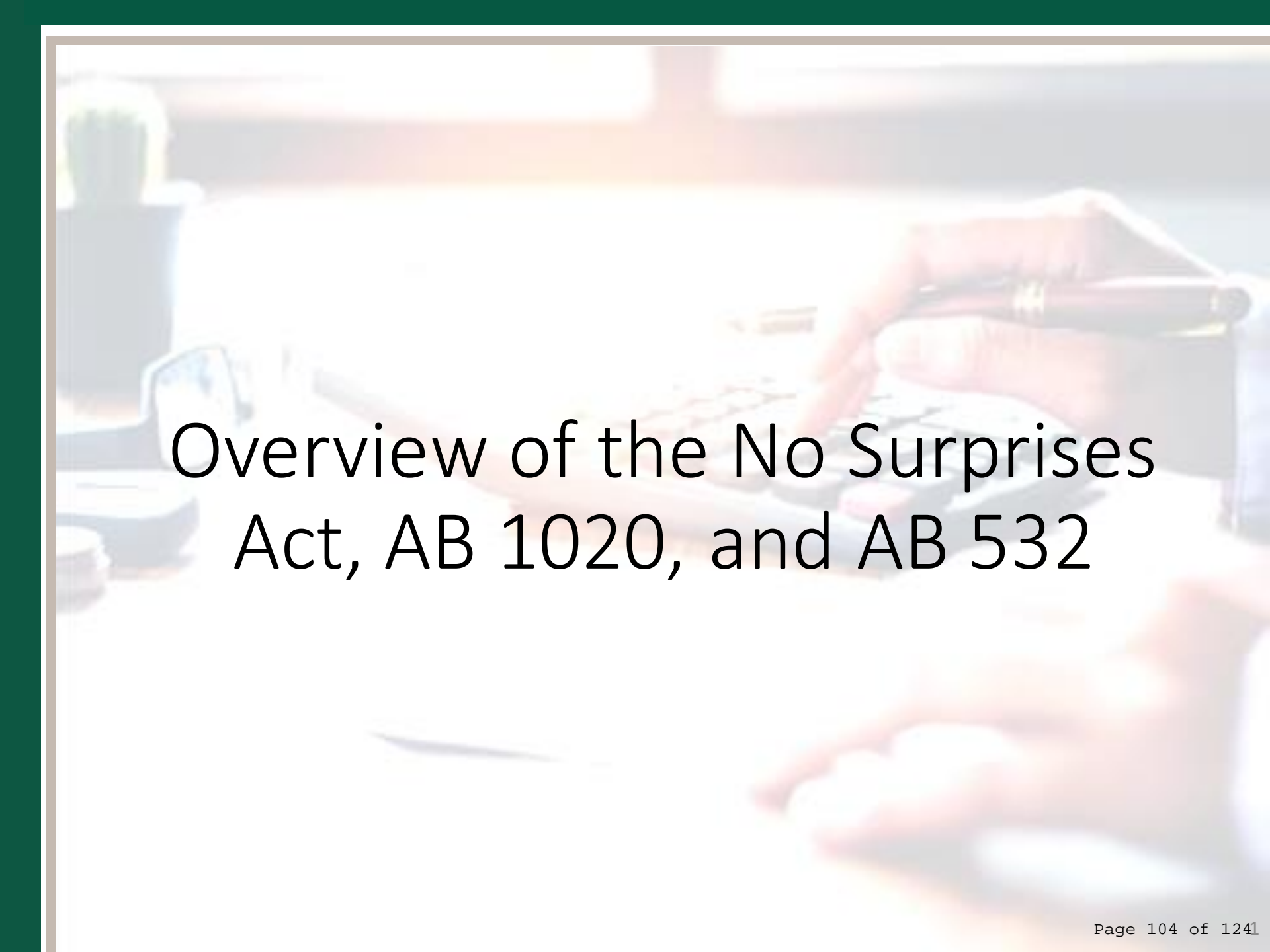
### **ADOPTION OF BYLAWS**

Originally passed and adopted at a meeting of the Board of Directors of the TAHOE FOREST HOSPITAL DISTRICT, duly held on the 9th day of January, 1953 and most recently revised on the ~~27th-22nd~~ day of ~~August~~September, 2020~~2~~.

### **REVISION HISTORY**

1975  
Revised – March, 1977  
Revised – October, 1978  
Revised – April, 1979  
Revised – March, 1982  
Revised – May, 1983

Revised – February, 1985  
Revised – July, 1988  
Revised – March, 1990  
Revised – November, 1992  
Revised – February, 1993  
Revised – May, 1994  
Revised – April, 1996  
Revised – September, 1996  
Revised – April, 1998  
Revised – September, 1998  
Revised – March, 1999  
Revised – July, 2000  
Revised – January, 2001  
Revised – November, 2002  
Revised – May, 2003  
Revised – July, 2003  
Revised – September, 2004  
Revised – March, 2005  
Revised – December, 2005  
Revised – October, 2006  
Revised – March, 2007  
Revised – April, 2008  
Revised – January, 2009  
Revised – September, 2010  
Revised – September, 2012  
Revised – November, 2014  
Revised – December, 2015  
Revised – November, 2017  
Revised – November, 2018  
Revised – August, 2020  
Revised – September, 2022



# Overview of the No Surprises Act, AB 1020, and AB 532



# Legislation – No Surprises Act

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- On December 27, 2020, the No Surprises Act (NSA) was signed into law as part of the Consolidated Appropriations Act of 2021.
- The NSA establishes patient protections against surprise medical bills and includes several transparency and other provisions.
- Affects both Health Care Providers, Health Plans, and Air Ambulances.
- Most sections of the legislation went into effect on January 1, 2022

# Health Care Provider Requirements regarding Surprise Medical Billing

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- Out-of-network health care providers may not balance bill patients for:
  1. Covered emergency services
  2. Certain covered non-emergency services provided at in-network facilities (unless notice and consent process is followed).

# Health Care Provider Requirements regarding Surprise Medical Billing

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- Notice and Consent Process and Requirements
  - a) Cannot be used for certain services (emergency services, certain ancillary services, and items or services that are delivered as a result of an unforeseen urgent medical need that arises during a procedure for which notice and consent was received)
  - b) Must be received within 72 hours of the item or service being delivered, or if the item or service is scheduled, at the time the appointment was made.
  - c) Can be paper or electronic form.
  - d) Must contain the following:
    - a) Notification that the provider is out-of-network
    - b) A good faith estimate (GFE) of charges
    - c) A list of in-network providers at the facility to which the patient can be referred
    - d) Information on any prior authorization or care management requirements
    - e) A clear statement that consent is optional and the patient can instead opt for an in-network provider
    - f) Must be available in 15 most common languages spoken in our area
    - g) Space to obtain the patient's signature and date

# Health Care Provider Requirements regarding Surprise Medical Billing

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- Provider Required Disclosure of Balance Billing Protections
  1. Make publicly available information on patients' rights with respect to balance billing
  2. Must be available on providers' public websites
  3. Must contain information on the requirements established under this law, information on any state-level protections (if applicable), and contact information for state and federal agencies to report any potential violations.

# Transparency – Patient Protections Provider Requirements

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- Good Faith Estimates (GFE) are to be provided
  1. To the individual if uninsured
  2. To the Health Plan if insured (the implementation of this requirement has been delayed)
- Applies whenever items or services are scheduled at least 3 days in advance, or when requested by a patient
- Must be provided at least 3 business days before the service is furnished and no later than one business day after scheduling, unless the service is scheduled for more than 10 business days later
- If scheduled for more than 10 business days later, must furnish GFE within 3 business days of patient request or scheduling the service
- GFEs need to include:
  1. The total expected charges for scheduled items or services, including any expected ancillary services
  2. Expected billing and diagnostic codes for all items and services to be provided.

# Transparency – Patient Protections

## Provider Requirements

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- Must establish dispute resolution process to address any disputes over pricing for uninsured patients that receive a substantially higher bill than the GFE provided prior to service.
- A substantially higher bill is considered to be \$400 or more than the GFE.
- The GFE must be considered part of the patient's medical record and patients may request a copy of any GFE for the past 6 years.

# Health Plan Requirements regarding Surprise Medical Billing

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- Requirements are related to:
  - Emergency Services, which include post-stabilization services unless certain conditions are met.
  - Non-emergency services performed by out-of-network providers at in-network facilities.

# Health Plan Requirements - Emergency Services

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- Requires health insurers to cover emergency services
  1. Without any prior authorization
  2. Regardless of whether the provider is in or out of the health plan's network
- When provided by an out-of-network provider, the health plan must cover emergency services as if they were in-network
  1. Without any more restrictive utilization management requirements
  2. At no more than the in-network cost-sharing amount based on new concepts called "recognized amount" and "qualifying amount"
  3. Must pay or issue denial to provider within 30 calendar days after receipt of bill
  4. Must reimburse the provider directly and cannot route payment through the patient
  5. Cost-sharing must count toward the patient's deductible and/or out-of-pocket cost-sharing maximum as though the services were provided in-network.
  6. If disagreement on the amount to be paid by the health plans to the provider, then an independent dispute resolution (IDR) process is followed.



# Health Plan Requirements - Non-Emergency Services Performed by Out-of-Network Providers at In-Network Facilities

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- When a patient is seen by an out-of-network provider in an in-network facility, health plans must:
  1. Assess patient cost-sharing for these services as if they were in-network
  2. The in-network cost-sharing amount is based on new concepts called “recognized amount” and “qualifying amount”
  3. Must pay or issue denial to provider within 30 calendar days after receipt of bill
  4. Must reimburse the provider directly and cannot route payment through the patient
  5. Cost-sharing must count toward the patient’s deductible and/or out-of-pocket cost-sharing maximum as though the services were provided in-network.
  6. If disagreement on the amount to be paid by the health plans to the provider, then an independent dispute resolution (IDR) process is followed
  7. Above applies unless provider has obtained consent from the patient consistent with the notice and consent requirements

# Transparency – Patient Protections Health Plan Requirements

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- Health plans are to include new information on insurance identification cards
  1. All plan deductibles, including in-network and out-of-network deductible amounts, as applicable.
  2. Maximum limits on out-of-pockets costs, including in-network and out-of-network out-of-pocket cost limits, as applicable
  3. A telephone number and web address for consumer assistance information, including information on in-network providers

# Transparency – Patient Protections Health Plan Requirements

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- Health plans are to send patients “Advanced Explanations of Benefits” (AEOB) prior to scheduled care or upon request by patients seeking more information prior to scheduling.
- There are 8 components for the AEOB
  1. Information on whether the provider or facility delivering the item or service are in-network for that particular item or service, based on the patients health plan
    - a) If in-network, the health plan will need to include the contracted rate for the item or service, based on the billing and diagnostic codes sent by the provider.
    - b) If out-of-network, the health plan will need to include a description of how the patient could obtain information on in-network providers delivering that item or service.

# Transparency – Patient Protections Health Plan Requirements

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- There are 8 components for the AEOB (continued)
  2. The GFE of expected charges, including likely billing and diagnostic codes, sent by the provider or facility.
  3. A GFE of the plan's payment responsibility
  4. A GFE of the patient's expected cost-sharing amount (based on the notification date and not the date of service).
  5. A GFE of the amount the patient has incurred toward meeting their financial responsibility limits, such as their deductible and out-of-pocket maximums.
  6. A disclaimer that coverage for the item or service is subject to a certain medical management technique (e.g., prior authorization), as appropriate
  7. A disclaimer that all information included in the notice is an estimate based on the information known at the time of scheduling or requesting the information and is subject to change.
  8. Any other information or disclaimers the health plans determine is appropriate for this notice.

# Transparency – Patient Protections Health Plan Requirements

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- Health plans are to send patients the AEOB by mail or electronically based on patient preference.
- Must be sent within three business days of receiving a request or notice that a service had been scheduled, as long as the service is scheduled for at least 10 business days after the notice.
- If the services is scheduled for less than 10 days after the notice, the health plan will need to provide this information within one business day.
- The Health Plan AEOB requirement was to be effective 1/1/2022 but the Department of Health and Human Services (HHS) exercised its “enforcement discretion” and has delayed the implementation of this component of the No Surprises Act.

# Key Takeaways – No Surprises Act

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- Protects patients from receiving surprise medical bills resulting from gaps in coverage for emergency services and certain services provided by out-of-network clinicians at in-network facilities, including air ambulances.
- Holds patients liable only for their in-network cost-sharing amount, while giving providers and insurers an opportunity to negotiate reimbursement.
- Allows providers and insurers to access an independent dispute resolution process in the event disputes arise around reimbursement.
- Requires both providers and health plans to assist patients in accessing health care cost information.

# Legislation – AB 1020

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- On October 4, 2021, AB 1020 was signed by the Governor of California. On December 23, 2021 the California Department of Public Health (CDPH) released the All Facilities Letter 21-54, which announced the chaptering of AB 1020.
- Referred to as “Health Care Debt and Fair Billing”
- Effective January 1, 2022

# Existing Law – Debt and Fair Billing

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- Provide public awareness of the availability of charity care, payment discounts, and government-sponsored health insurance.
- Standardizes billing and collections procedures
- Sets Charity care policy wherein all uninsured patients and patients with high medical costs who are at or below 350% of the federal poverty level (FPL) are eligible to apply for participation under a hospital's charity care policy or discount policy.
- The Department of Health Care Access and Information (HCAI) (formerly OSHPD) collects hospitals charity care policies, discount payment policies, eligibility procedures, review processes and application forms and makes this information available to the public.
- CDPH enforces compliance as a condition of facility licensure.



# AB 1020 Changes to Existing Law

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- Changes eligibility threshold for charity care/discounted care from 350% of FPL to 400% of FPL
- Authorizes a hospital to grant eligibility for charity care or discount payments to patients with incomes over 400% of the FPL.
- Redefines “high medical costs”
  - Annual out-of-pocket costs at the hospital that exceed the lesser of 10% of the patient’s current family income, or family income in the prior 12 months
- New notice requirements:
  - Display notice of policies on website with a link to the actual policies
  - Must send a patient a notice with specified information, including an application for the hospital’s charity care and financial assistance, before assigning a bill to collections.
- Limits selling debt to debt buyers unless certain conditions are met
  - Patient found ineligible for financial assistance or
  - Patient has not responded to attempts to bill or offer of financial assistance for 180 days.
- Prohibits credit reporting or civil actions for 180 days after initial billing (previously 150 days)
- Hospital must submit their debt collection policy to HCAI

# Legislation – AB 532

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- On October 4, 2021, AB 532 was signed by the Governor of California in conjunction with AB 1020.
- Referred to as “Fair Billing Policies”
- Effective January 1, 2022

# Existing Law – Fair Billing Policies

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- Maintain a written policy for discount payment and charity care policies and post them in locations visible to the public.
- Negotiate the terms of a discount payment plan with an eligible patient.
- Provide patients with written notice about the hospital's discount payment and charity care policies.
- Upon request of a person without health coverage, provide a written estimate of the amount a person without health coverage may pay for health care services and provide application forms for financial assistance or charity care.

# AB 532 Changes to Existing Law

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- Written patient notices about discount payment and charity care policies must include:
  - Internet address of the Health Consumer Alliance and a statement that there are organizations that will help the patient understand the billing and payment process.
  - Information about Covered California
  - Information about Medi-Cal presumptive eligibility, if the hospital participates in the program
  - Internet address for the hospital's list of shoppable services, as required by federal law
  - Notice is to be provided to the patient if conscious and able to receive the notice at:
    - Time of service
    - Time of discharge,
    - When the patient leaves the facility,
    - Or if patient leaves without receiving the notice, the hospital must mail it within 72 hours of providing services.
- Requires hospitals to automatically provide an individual without health coverage with an estimate and an application form for financial assistance or charity care, without need for a specific request from the patient