2015-11-24 Regular Meeting of the Board of Directors

Nov 24, 2015 at 04:00 PM - 10:00 PM
TTUSD Boardroom
### AGENDA

#### 11/24/2015 Agenda

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#### ITEMS 1 - 10 See Agenda

#### 11. ACKNOWLEDGMENTS

- a) IT Acknowledgement
  **Page 8**
- b) CALNOC Acknowledgement
  **Page 9**

#### 12. MEDICAL STAFF REPORT

- a) MEC
  **Page 10**
- b) Med Staff Bylaws Attachment
  **Page 11**

#### 13. CONSENT CALENDAR

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13.1 Approval of Meeting Minutes

- a) 10/29/2015 DRAFT Minutes
- b) 11/02/2015 DRAFT Minutes
- c) 11/03/2015 DRAFT Minutes
- d) 11/04/2015 DRAFT Minutes
- e) 11/09/2015 DRAFT Minutes
- f) 11/16/2015 DRAFT Minutes
- g) 11/19/2015 DRAFT Minutes


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13.3. Contracts

- 13.3.2. Foley – Orthopedic Call Coverage Agreement
- 13.3.3. Incline Medical-TFHD – EHR Agreement
- 13.3.4. North Tahoe Family Care-TFHD – EHR Agreement
- 13.3.5. Tahoe Forest Women's Center-TFHD – EHR Agreement

13.4. Annual Policy Review

- 13.4.1. ABD-03 Board Compensation and Reimbursement
- 13.4.2. ABD-04 Board of Directors Qualifications
- 13.4.3. ABD-05 Bond Fiscal Policy
- 13.4.4. ABD-08 Credit and Collection Policy
- 13.4.5. ABD-09 Financial Assistance Program, Full and Partial Charity Care

*Board approved changes to policy in January 2015.*
14. ITEMS FOR BOARD DISCUSSION AND/OR ACTION

14.1. Public Employee Appointment
   a) Draft CEO Contract

14.2. Tahoe Institute for Rural Health Research Presentation [15 minutes]
   a) TIRHR Open Session General Presentation

14.3. First Reading of Proposed Revisions to TFHD Board of Directors Bylaws
   a) Board of Directors Bylaws Redline Version

14.4. December Board Meeting Date

14.5. Board Designated Funds
   a) Executive Summary
   b) Supporting Documentation

15. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

16.1. Governance Committee Meeting – 11/18/2015

16.2. Personnel Committee Meeting – 11/03/2015

16.3. Finance Committee Meeting – 11/19/2015

16.4. Community Benefit Committee – No meeting held in November.

16.5. Quality Committee – No meeting held in November.

16. INFORMATIONAL REPORTS

   a) CEO-CIO Board Report
   b) CNO-CIO Board Report

ITEMS 17 - 22 See Agenda

23. MEETING EFFECTIVENESS ASSESSMENT

   a) Meeting Evaluation Form
REGULAR MEETING OF THE
BOARD OF DIRECTORS

AGENDA

Tuesday, November 24, 2015 at 4:00 p.m.
Tahoe Truckee Unified School District (TTUSD) Office
11603 Donner Pass Rd, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL

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

4. INPUT AUDIENCE:
   This is an opportunity for members of the public to 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 Board Clerk 24 hours prior to the meeting to allow for distribution.

5. CLOSED SESSION:
   5.1. Public Employee Appointment (Gov. Code § 54957) Denotes Action Item
       Title: Chief Executive Officer
       The Board will review and consider for approval an Employment Agreement for the position of Chief Executive Officer.

   5.2. Report Involving Trade Secrets (Health & Safety Code § 32106) Denotes Action Item
       Proposed New Services or Programs: Four (4) items
       Estimated date of public disclosure: 12/31/2015

   5.3. Hearing (Health & Safety Code § 32155) Denotes Action Item
       Subject Matter: Medical Staff Credentials

   5.4. Hearing (Health & Safety Code § 32155) Denotes Action Item
       Subject Matter: Quality Assurance Report
       Number of items: One (1)

   5.5. Approval of Closed Session Minutes Denotes Action Item

6. DINNER BREAK
   APPROXIMATELY 6:00 P.M.

7. OPEN SESSION – CALL TO ORDER
8. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

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

10. 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.

11. ACKNOWLEDGMENTS
   11.1. IT
   11.2. CALNOC

12. MEDICAL STAFF REPORT
   12.1. Medical Staff Report ................................................................. ATTACHMENT
   12.2. Medical Staff Bylaws Revision .................................................... ATTACHMENT

13. CONSENT CALENDAR
   These items are expected to be routine and non-controversial. They will be acted upon by the Board at one time 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.
   13.1. Approval of Minutes of Meetings
   13.2. Financial Report
         Financial Report- Preliminary October 2015 ........................................... ATTACHMENT
   13.3. Contracts
         13.3.1. Coll – TFHD MDA for Strategic Planning and Innovation 2016 .......... ATTACHMENT
         13.3.2. Foley – Orthopedic Call Coverage Agreement 2015 ........................ ATTACHMENT
         13.3.3. Incline Medical-TFHD – EHR Agreement ........................................ ATTACHMENT
         13.3.4. North Tahoe Family Care-TFHD – EHR Agreement ......................... ATTACHMENT
         13.3.5. Tahoe Forest Women’s Center-TFHD – EHR Agreement ................ ATTACHMENT
   13.4. Annual Policy Review
         13.4.1. ABD-03 Board Compensation and Reimbursement ...................... ATTACHMENT
         13.4.2. ABD-04 Board of Directors Qualifications ................................. ATTACHMENT

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is December 29, 2015, 11603 Donner Pass Rd., Truckee, CA. A copy of the Board meeting agenda is posted on the District’s web site (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 meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.
13.4.3. ABD-05 Bond Fiscal Policy........................................................................ ATTACHMENT
13.4.4. ABD-08 Credit and Collection Policy.................................................. ATTACHMENT
13.4.5. ABD-09 Financial Assistance ............................................................... ATTACHMENT
13.4.6. ABD-10 Emergency On Call Policy .................................................... ATTACHMENT
13.4.7. ABD-11 Fiscal Policy ........................................................................... ATTACHMENT
13.4.8. ABD-15 Investment Policy ................................................................ ATTACHMENT
13.4.9. ABD-18 New Programs and Services ................................................ ATTACHMENT
13.4.10. ABD-22 Trade Secrets ........................................................................ ATTACHMENT

14. ITEMS FOR BOARD DISCUSSION AND/OR ACTION
14.1. Public Employee Appointment ◊ ............................................................... ATTACHMENT
   The Board will ratify an Employment Agreement for the position of Chief Executive
   Officer.
14.2. Tahoe Institute for Rural Health Research Presentation [15 minutes] ..... ATTACHMENT
   The Board will hear a 15 minute general update presentation from TIRHR.
14.3. First Reading of Proposed Revisions to TFHD Board of Directors Bylaws . ATTACHMENT
   The Board will review proposed revisions to the TFHD Board of Directors Bylaws.
14.4. December Board Meeting Date ◊
   The Board will discuss moving the date of the December Regular Meeting of the Board
   of Directors to December 21, 2015.
14.5. Board Designated Funds ◊ ................................................................. ATTACHMENT
   The Board will review and consider for approval moving Board Designated Funds into
   the General Fund.

15. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

16. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION
16.1. Governance Committee Meeting – 11/18/2015 .................................. ATTACHMENT
16.2. Personnel Committee Meeting – 11/03/2015 ....................................... ATTACHMENT
16.3. Finance Committee Meeting – 11/19/2015 .......................................... ATTACHMENT
16.4. Community Benefit Committee – No meeting held in November.
16.5. Quality Committee – No meeting held in November.

17. INFORMATIONAL REPORTS
   These reports are provided for information only and not intended for discussion. Any Board Member may request discussion on
   an item, additional information from staff related to items included in a report, or request a topic be placed on a future agenda
   for further discussion.
   17.1. Strategic Initiatives Updates ................................................................. ATTACHMENT
       Staff reports will provide updates related to key strategic initiatives.

18. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

19. ITEMS FOR NEXT MEETING

20. BOARD MEMBERS REPORTS/CLOSING REMARKS
21. CLOSED SESSION CONTINUED, IF NECESSARY

22. OPEN SESSION

23. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

24. MEETING EFFECTIVENESS ASSESSMENT

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

25. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is December 29, 2015, 11603 Donner Pass Rd., Truckee, CA. A copy of the Board meeting agenda is posted on the District’s web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.

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

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.
I wanted to tell you what an amazing IT department you have at TFHD. My story began with the help desk staff. (Heather Armstrong and Sarah Phillips) Both of these helpful ladies had lots of patience listening to what I was trying to accomplish and then communicating that to others (Mike, Spin, Greg etc.) who were then trying to figure out how to overcome the challenges and make it happen.

The next amazing player in this saga is Greg Szabo. Even though I was frustrated and did not want help, he was genuinely interested in helping me get my issues resolved. Greg managed to help me figure out the problem I had with my log in for the fax, but even more importantly, he was able to re-install Scandall Pro and get it to recognize my scanner. Mike S. had installed Scandall Pro for me the week before but the software would never recognize the scanner. This is one of most important solutions. Now that I have the functionality of Scandall Pro, I am able to do everything necessary to get our tasks done as efficiently as possible. This has been a substantial time saver for us.

Finally, I want to give the utmost respect to Spin Shaffer. Spin spent time listening to Heather and Sarah explain my issues and try to figure out solutions. Eventually he called me personally and spent more than half an hour listening and asking questions to fully understand what our company needs to be able to provide our services to your HIM department. Spin not only resolved the problem that I had with logging in to our secure upload site allowing me to upload our images each week, but he spent time providing a mechanism for me to log in to the desk I work at in the HIM department and upload the images that I had been unable to upload when I was on site. This prevented those requests from waiting until the following week to be processed.

I am extremely impressed with the professionalism and personal ownership that each of these wonderful people took in attempting to, and eventually achieving successful resolution of all of the issues.

Thanks again for all of the help, I really appreciate it!

You all are amazing!!

George Freed, VP Operations CA
Integrity Document Solutions, Inc.
(209) 483-1313

Jake Dorst
Interim Chief Executive Officer and Chief Information Officer
jdorst@TFHD.com

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TAHOE FOREST HOSPITAL RECOGNIZED AS A LEADER IN PATIENT SAFETY

CALNOC Performance Excellence Awards recognizes top performers in the reduction of Hospital Acquired Pressure Ulcers, Falls Management and Infections.

CALNOC, the nation’s first nurse quality indicators database, announced its annual CALNOC Performance Excellence Awards recognizing distinguished hospitals for excellent performance in the reduction of hospital acquired pressure ulcers, injuries from falls and infections. One hundred and forty nine hospitals were recognized for their commitment and dedication to quality improvement.

Tahe Forest Hospital was recognized for Best Performance in the Reduction of Hospital Acquired Pressure Ulcers, Reduction of Injury Falls, Reduction of Central Line-Associated Blood Stream Infections, Reduction of Cather-Associated Urinary Tract Infections, Reduction of Methicillin-Resistant Staphylococcus Aureus (MRSA) Infections.

This recognition represents the dedication and commitment Tahoe Forest Hospital has to quality patient care and safety. Tahoe Forest has not only able to achieve excellence in preventing harm to patients but has also been able to sustain excellent performance over many quarters.

“This is a tremendous recognition of the high-quality care standards at Tahoe Forest Hospital,” said Jake Dorst, Interim CEO. “Our staff deserves a lot of credit for the safety programs they’ve implemented, and the results they’ve been able to demonstrate.” Tahoe Forest’s performance is the result of a team effort involving many: every inpatient staff nurse, patient care technician, unit clerk and other support staff all working together, and with the help of TFHS Infection Control Practitioner, Laurel Holmer, and Kerry Milligan, manager of the Medical Surgical Unit and ICU.

“We applaud the efforts of these hospitals in improving patient health and safety. Their work is exemplary and represents a lasting commitment to healthcare quality,” said Tony Sung, Chief Executive Officer for CALNOC.

About CALNOC The Collaborative Alliance for Nursing Outcomes (CALNOC), is the leading provider of Business Intelligence and Research on nurse sensitive quality indicators. Always on the forefront of patient care excellence, CALNOC created the first database registry of nurse sensitive indicators that turns patient outcome data into powerful information for hospital executives to guide decisions to advance global patient care. Hundreds of hospitals have joined CALNOC to monitor and benchmark performance in order to deliver excellence in patient care. CALNOC is a non-profit 501 (c) (3) public benefit corporation with headquarters in San Ramon, California. For more information call 888-586-1994 or visit calnoc.org
MEDICAL EXECUTIVE COMMITTEE
RECOMMENDATIONS FOR APPROVAL BY THE BOARD OF DIRECTORS - CLOSED MEETING
November 24, 2015

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>REFERRED BY:</th>
<th>RECOMMEND/ACTION</th>
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| 1. Department of OB/PEDS | The Department of OB/PEDS recommended approval of the following policy via email:  
- Postpartum - Anti-D Immune Globulin Administration (previously Postpartum-Rhogam Administration) – Minor modification of procedures | Approval |
| 2. Department of Surgery | The Department of Anesthesia recommended approval of the following policy via email:  
- Warmers – Temperature Control, Procedure revised | Approval |
| 3. Pharmacy & Therapeutics Committee | The P&T Committee recommended approval of the following via email:  
- Insulin Order set revision for MERT survey plan of correction – Minor revision | Approval |
| 4. Bylaws Revisions | Per attached Summary | Approval |

ATTACHMENT: Bylaws revisions
HFAPS requires a review of Bylaws every 3 years; However, in June of 2014 multiple changes were required to comply with HFAPS requirements, including the use of new terminology applying to physician practice evaluation; Ongoing Professional Practice Evaluation (OPPE), and Focused Professional Practice Evaluation (FPPE). This entailed multiple changes to the language for practice evaluation, although no change to the current procedure for evaluation analysis. All these changes were approved by the Medical Staff on November 4, 2015. The following is a summary of the changes for easier reference:

a) **Addition of appropriate OPPE and FPPE language**

   - ARTICLE 2.2-1 General Qualifications  
   - ARTICLE 4.7-1 Observation of Provisional Staff Members  
   - ARTICLE 4.8 Reappointment  
   - ARTICLE 5.2 Basis for Privileges Determination  
   - ARTICLE 5.7 Modification of Clinical Privileges or Department Assignment  
   - ARTICLE 6.1 thru 6.4 Routine Monitoring and Criteria for initiation of investigation

b) **Addition of requirement for Medical Staff to approve Rules & Regulations**

   Under the current Bylaws, the Medical Staff do not have the opportunity to review and make comment on any changes to the Rules & Regulations. This is now required and is covered by:

   - ARTICLE 13.1 THRU 13.1-6; 13.12; 14.3

(c) **Addition of language to cover disputes between Medical Staff and MEC**

   - ARTICLE 13.12 Disputes Internal to the Medical Staff  
   - ARTICLE 14.3 Amendments by Petition

(d) **Responsibilities of the MEC**

   - ARTICLE 10.3-2 thru 10.3-5 Delegation of Authority of MEC  
   - ARTICLE 13.9 Interpretation /Reconciliation of Provisions

(e) **Role of Strategic Planning & Innovation**

   - ARTICLE 10.3-1 Composition of MEC

(f) **New Category of Medical Staff**

   - ARTICLE 3.8 Resident Medical Staff

(g) **Inclusion of History & Physical Examinations before Surgery in Bylaws**

   - ARTICLE 13.3 History & Physical Examinations
10.4 JOINT CONFERENCE COMMITTEE (JCC)

Except as otherwise provided in Section 13.11 of these Bylaws, with respect to any conflict between the Medical Staff and the Board of Directors, the Medical Staff and Board shall meet and confer in good faith to resolve the dispute. Unless otherwise agreed, the forum for this shall be a committee composed as specified below; however, the Medical Staff and Board can utilize additional or different forums or processes, such as mediation, so long as both the Medical Staff and Board mutually agree to the forum or process as well as any procedures that would govern the process.

10.4-1 COMPOSITION

The Joint Conference Committee shall consist of the Chief of Staff, the Vice-Chief of Staff, the Chief Executive Officer, and two (2) members of the Board of Directors appointed by the President of the Board. The Chair shall alternate at the beginning of the Medical Staff year between a Medical Staff JCC member selected by the Chief of Staff and a Board of Directors JCC member.

10.4-2 DUTIES

The Joint Conference Committee shall constitute a forum for the discussion of matters of Hospital and Medical Staff policy, practice, and planning, and a forum for interaction between the Board of Directors and the Medical Staff on such matters as may be referred by the Medical Executive Committee or the Board of Directors. The Joint Conference Committee shall exercise other responsibilities set forth in these Bylaws or in the bylaws of the Hospital.

10.4-3 EXHAUSTION

Prior to seeking judicial relief over any dispute with the Hospital or Board of Directors, including any allegation that the Hospital or Board has engaged in, or is about to engage in, acts or practices that hinder, restrict or obstruct the Medical Staff’s ability to exercise its rights, obligations or responsibilities, the Medical Staff must first make a reasonable effort to resolve the dispute, including the pursuit of the administrative remedies provided in these Bylaws.

10.4-4 MEETINGS

The Joint Conference Committee shall meet as often as necessary and shall transmit written reports of its activities to the Medical Executive Committee and to the Board of Directors.
13.11 DISPUTES WITH THE BOARD OF DIRECTORS

In the event of a dispute between the Medical Staff and the Board of Directors relating to the independent rights of the Medical Staff, as further described in California Business and Professions Code section 2282.5, the following procedures shall apply:

13.11-1 INVOKING THE DISPUTE RESOLUTION PROCESS

(a) The Medical Executive Committee may invoke formal dispute resolution, upon its own initiative, or upon written request of 25% of the members of the Active Staff.

(b) In the event the Medical Executive Committee declines to invoke formal dispute resolution, such process shall be invoked upon written petition of 50% of the members of the Active Staff.

13.11-2 DISPUTE RESOLUTION FORUM

(a) Ordinarily, the initial forum for dispute resolution should be the Joint Conference Committee.

(b) However, upon request of at least 2/3 of the members of the Medical Executive Committee, the meet and confer will be conducted by a meeting of the full Medical Executive Committee and the full Board of Directors. A neutral mediator acceptable to both the Board of Directors and the Medical Executive Committee may be engaged to further assist the dispute resolution upon request of (a) at least a majority of the Medical Executive Committee plus two members of the Board of Directors; or (b) at least a majority of the Board of Directors plus two members of the Medical Executive Committee.

13.11-3 FINAL ACTION

If the parties are unable to resolve the dispute the Board of Directors shall make its final determination, giving great weight to the actions and recommendations of the Medical Executive Committee. Further, the Board of Directors’ determination shall not be arbitrary or capricious, and shall be in keeping with its legal responsibilities to act to protect the quality of medical care provided and the competency of the Medical Staff, and to ensure the responsible governance of the Hospital.
SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Thursday, October 29, 2015 at 4:00 p.m.
Tahoe Truckee Unified School District (TTUSD) Office
11603 Donner Pass Rd, Truckee, CA

1. CALL TO ORDER
   Meeting was called to order at 4:00 p.m.

2. ROLL CALL
   Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

   Staff: Jake Dorst, Interim Chief Executive Officer; Carl Blumberg, Risk/Patient Safety Manager; Janet Van Gelder, Director of Quality; Judy Newland, Chief Nursing/Operations Officer; Martina Rochefort, Clerk of the Board

   Other: Michael Colantuono, General Counsel

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
   No changes to the agenda were made.

4. INPUT AUDIENCE
   No public comment received.

Open Session recessed at 4:02 p.m.

5. CLOSED SESSION
   Discussion held on privileged matters.

6. DINNER BREAK

7. OPEN SESSION – CALL TO ORDER
   Open Session reconvened at 6:01 p.m.

8. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
   None.

9. INPUT – AUDIENCE
   No public comment received.

10. INPUT FROM EMPLOYEE ASSOCIATIONS
Stacey Tedsen, EAP President, thanked the Board for their input in CEO candidate interviews. Barbara Wong, EA President, thanked Directors Zipkin and Jellinek for attending Open Table.

11. ACKNOWLEDGMENTS
11.1. Patient Letter
Board President reviewed a patient letter highlighting excellent care received at Tahoe Forest Hospital.

12. MEDICAL STAFF REPORT
12.1. Medical Staff Report
Dr. Dodd provided a review of the October Medical Executive Committee Meeting.

Discussion was held.

**ACTION:** Motion made by Director Zipkin, seconded by Director Mohun to approve MEC items 1-6 as presented. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

13. CONSENT CALENDAR
Director Mohun asked for items 13.3.1. and 13.3.2. to be pulled from the consent calendar for discussion.

13.1. Approval of Minutes of Meetings
09/29/2015, 10/05/2015, 10/06/2015, 10/07/2015, 10/12/2015, 10/15/2015

13.2. Financial Report
Financial Report - Preliminary September 2015

**ACTION:** Motion made by Director Jellinek, seconded by Director Zipkin to approve items 13.1 and 13.2 on the consent calendar as presented. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

The following items were pulled for discussion:

13.3. Contracts
13.3.1. Kitts – Amendment to Agreement to Provide Coverage of Emergency Department Professional Services 2011
Board would like the dates for the total contract and amendment on the contract routing form to be clarified. The amount of compensation on the routing form also needs to be corrected.

13.3.2. Coll – TFHD MDA for Strategic Planning and Innovation 2016
Director Mohun directed staff to make the time logs associated with the contract available for viewing.

**ACTION:** Motion made by Director Zipkin, seconded by Director Mohun to approve the draft contracts under 13.3.1 and 13.3.2 with changes noted. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

14. ITEMS FOR BOARD DISCUSSION AND/OR ACTION
14.1. Communications & Marketing Update
Board reviewed a quarterly Communications and Marketing update.

14.2. CEO Search
Board reviewed an update on the current CEO search.

CHRO was directed to add medical staff to social events of CEO Candidate interviews.

14.3. December Board Meeting Date
Discussion was held on moving the date of the December Regular Meeting of the Board of Directors. Board will not meet on December 29, 2015.

Staff was directed to look for an alternate date for the December board meeting.

14.4. Future Board Meeting Date
Discussion was held on moving the day of future Regular Meetings of the Board of Directors to the fourth Thursday of every month.

Staff was directed to revise Board of Directors Bylaws and bring to next Board meeting.

   ACTION:   Motion made by Director Chamblin, seconded by Director Zipkin, to approve moving the Regular Meetings of the Board of Directors to the fourth Thursday of every month. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

15. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION
15.1. Governance Committee Meeting – 10/21/2015
15.1.1. ABD-06 Conflict-Of-Interest Code Adoption
Discussion was held on FPPC approved ABD-06 Conflict-Of-Interest Code.

   ACTION:   Motion made by Director Zipkin, seconded by Director Jellinek, to adopt ABD-06 Conflict-Of-Interest Code as presented. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

15.1.2. Closed Session Minutes Format
Discussion was held on moving to an action minute format for Closed Sessions. Action and any direction to staff will be recorded. Board Members can request expanded minutes be taken.
ACTION: Motion made by Director Jellinek, seconded by Director Mohun, to move to an action only minutes format for Closed Session minutes. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

15.1.3. Q3 Compliance Report
Discussion was held on the Q3 Compliance Report presented.

15.1.4. Contract Updates
15.1.4.1. California Emergency Physicians Medical Group Emergency Department
CEO provided an update on contract coming to the Board in the future.

15.1.4.2. North Tahoe Anesthesia Group – Agreement for Exclusive Provision of Anesthesia and Related Services 2015
CEO provided an update on contract coming to the Board in the future.

15.2. Quality Committee Meeting
Director Jellinek gave an update from the 10/20/15 Board Quality Committee meeting.

15.3. Finance Committee Meeting
Director Chamblin gave an update from the 10/26/2015 Board Finance Committee meeting.

15.4. Community Benefit Committee – No meeting held in October.
No discussion held.

15.5. Personnel/Retirement Plan Committee – No meeting held in October.
No discussion held.

16. INFORMATIONAL REPORTS
16.1. Strategic Initiatives Updates
No discussion held.

16.2. Wellness Neighborhood Update
Discussion was held.

Board requested a presentation in three months from the Director of Post Acute Services.

17. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS
Governance Committee to work through review of policies and contracts.

18. ITEMS FOR NEXT MEETING
Policies from Governance to review
TIRHR presentation in Open Session
19. BOARD MEMBERS REPORTS/CLOSING REMARKS
Open Session recessed at 7:08 p.m.

20. CLOSED SESSION CONTINUED, IF NECESSARY
Discussion held on a privileged matter.

21. OPEN SESSION
Open Session reconvened at 7:19 p.m.

22. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
No action taken during Closed Session.

23. MEETING EFFECTIVENESS ASSESSMENT
No discussion took place.

24. ADJOURN
Open Session adjourned at 7:20 p.m.
1. CALL TO ORDER
Meeting was called to order at 10:03 a.m.

2. ROLL CALL
Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

Staff: Martina Rochefort, Clerk of the Board

Other: Don Whiteside, HFS Consulting

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
No changes were made.

4. INPUT – AUDIENCE
None.

5. INPUT FROM EMPLOYEE ASSOCIATIONS
None.

Open Session recessed at 10:04 a.m.

6. CLOSED SESSION
Discussion took place on a privileged matter.

7. OPEN SESSION
Open Session reconvened at 2:57 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
No action was taken during closed session.

9. ITEMS FOR NEXT MEETING
None.

10. BOARD MEMBERS REPORTS/CLOSING REMARKS
None.
11. MEETING EFFECTIVENESS ASSESSMENT
No discussion was held on this matter.

12. ADJOURN
Open Session adjourned at 2:58 p.m.
1. CALL TO ORDER  
Meeting was called to order at 10:02 a.m.

2. ROLL CALL  
Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director  
Staff: Jayne O’Flanagan, Chief Human Resources Officer; Martina Rochefort, Clerk of the Board

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA  
No changes were made.

4. INPUT – AUDIENCE  
None.

5. INPUT FROM EMPLOYEE ASSOCIATIONS  
None.

Open Session recessed at 10:03 a.m.

6. CLOSED SESSION  
Discussion took place on a privileged matter.

7. OPEN SESSION  
Open Session reconvened at 2:59 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION  
No action was taken during Closed Session.

9. ITEMS FOR NEXT MEETING  
None.

10. BOARD MEMBERS REPORTS/CLOSING REMARKS  
No closing remarks.
11. MEETING EFFECTIVENESS ASSESSMENT
No discussion was held on this matter.

12. ADJOURN
Open Session adjourned at 2:59 p.m.
1. CALL TO ORDER
   Meeting was called to order at 10:01 a.m.

2. ROLL CALL
   Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director
   Staff: Jayne O’Flanagan, Chief Human Resources Officer; Martina Rochefort, Clerk of the Board

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
   No changes were made.

4. INPUT – AUDIENCE
   None.

5. INPUT FROM EMPLOYEE ASSOCIATIONS
   None.

Open Session recessed at 10:02 a.m.

6. CLOSED SESSION
   Discussion took place on a privileged matter.

7. OPEN SESSION
   Open Session reconvened at 2:50 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
   No action was taken during closed session.

9. ITEMS FOR NEXT MEETING
   None.

10. BOARD MEMBERS REPORTS/CLOSING REMARKS
    No closing remarks.

11. MEETING EFFECTIVENESS ASSESSMENT
No discussion was held on this matter.

12. ADJOURN
Open Session adjourned at 2:51 p.m.
1. **CALL TO ORDER**  
   Meeting called to order at 9:05 a.m.

2. **ROLL CALL**  
   Board: Karen Sessler, President; Chuck Zipkin, Vice President; Dale Chamblin, Treasurer; John Mohun, Director  
   Absent at the time of roll call: Greg Jellinek, Secretary  
   Staff: Jake Dorst, Interim Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, CNO/COO; Jayne O’Flanagan, Chief Human Resources  
   Other: David Ruderman, Acting General Counsel; Don Whiteside, HFS Consulting

3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**  
   Contract has not yet been received from Agility Health so Board will not make a motion on the contract.

4. **INPUT AUDIENCE**  
   No public comment was received.

5. **ITEMS FOR BOARD DISCUSSION AND/OR ACTION**  
   5.1. **Contract**  
   5.1.1. **Agility Health**  
   The Board reviewed a contract from Agility Health to provide therapy services.  
   Public comment was received from Michelle Larson, Larry Larson, and Ryan Solberg.  
   Discussion was held.

   Due to timed item, discussion resumed during Open Session after Item 12 on the agenda.

   *Director Jellinek joined the meeting at 9:30 a.m.*

   *Jake Dorst, Interim CEO, Crystal Betts, CFO and Judy Newland, CNO/COO departed the meeting at 9:30 a.m.*
Open Session recessed at 9:30 a.m.

6. CLOSED SESSION
Discussion was held a privileged matter.

7. OPEN SESSION
Open Session reconvened at 1:45 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
The Board passed a motion by unanimous vote to extend an offer to a CEO Candidate.

9. ITEMS FOR BOARD DISCUSSION AND/OR ACTION
9.1. Chief Executive Officer Hiring Process
Discussion was held on the process for extending an offer to a CEO candidate and next steps.

Open Session recessed at 1:55 p.m.
Open Session reconvened at 2:20 p.m.

9.2. Assignment of Negotiators for Chief Executive Officer Employment Agreement
Discussion was held regarding assignment of Personnel Committee members as negotiators for the CEO Employment Agreement.

**ACTION:** Motion made by Director Jellinek, seconded by Director Mohun to assign Directors Zipkin and Chamblin as negotiators for CEO Employment Agreement. Roll call vote taken.
AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
NAYS: None
Abstention: None

Open Session recessed at 2:23 p.m.

10. CLOSED SESSION
Discussion held on a privileged matter.

11. OPEN SESSION
Open Session reconvened at 3:25 p.m.

12. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
No action taken in Closed Session.

Discussion Continued on Item 5.1.1.
Discussion was held on forthcoming contract with Agility Health.

Jake Dorst, Interim CEO, joined the meeting at 3:25 p.m.
Crystal Betts, CFO, and Karen Gancitano, Director of Post Acute Services rejoined the meeting at 3:29 p.m.

Board would like a business assessment done to understand therapy service line.

Staff was directed to meet with Truckee North Tahoe Rehabilitation and possibly renegotiate extension.

13. ITEMS FOR NEXT MEETING
Therapy Services

14. MEETING EFFECTIVENESS ASSESSMENT
No discussion took place on this item.

15. ADJOURN
Meeting adjourned at 4:05 p.m.
SPECIAL MEETING OF THE BOARD OF DIRECTORS
DRAFT MINUTES

Monday, November 16, 2015 at 4:00 p.m.
Eskridge Conference Room – Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

Additional Teleconference Location was available at:
Fairmont Heritage Place Ghirardelli Square – Lobby
900 North Point Street, San Francisco, CA 94109

1. CALL TO ORDER
Meeting was called to order at 4:02 p.m.

2. ROLL CALL
Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

Staff: Jake Dorst, Interim Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Nursing/Operations Officer; Jayne O’Flanagan, Chief Human Resources Officer; Martina Rochefort, Clerk of the Board

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
No changes were made to agenda.

4. INPUT AUDIENCE
No public comment was received.

4.1. INPUT AUDIENCE FROM TELECONFERENCE LOCATION
No public comment was received.

5. ITEMS FOR BOARD DISCUSSION AND/OR ACTION
      5.1. Therapy Services
Board reviewed a contract from Agility Health to provide and assess therapy services for TFHD.

Discussion was held.

Public comment was received from Michelle Larson, Dr. Nina Winans, Cindy Simmons, Melissa Valchev, Joe Dingler, Ryan Solberg, Richard Gepford, Joanna McMullen, and Larry Larson.

No public comment received from teleconference location.

Discussion continued.
ACTION: Motion made by Director Mohun, seconded by Director Jellinek to extend Truckee North Tahoe Rehabilitation (TNTR) contract for 160 days without changing any additional terms.

Discussion was held on the motion.

Roll call vote was taken.
   AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
   NAYS: None
   Abstention: None

Motion passed.

ACTION: Motion made by Director Chamblin, seconded by Director Jellinek to execute Rehabilitation Services Assessment Agreement with TNTR. Roll call vote was taken.
   AYES: Directors Mohun, Chamblin, Zipkin, Sessler and Jellinek
   NAYS: None
   Abstention: None

Open Session recessed at 5:21 p.m.

6. CLOSED SESSION
Discussion was held on a privileged matter.

7. OPEN SESSION
Open Session reconvened at 6:41 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
No action was taken in Closed Session.

9. ITEMS FOR NEXT MEETING
Jacobus update requested at earliest possible meeting.

10. MEETING EFFECTIVENESS ASSESSMENT
No discussion was held.

11. ADJOURN
Meeting adjourned at 6:42 p.m.
1. CALL TO ORDER
Meeting was called to order at 4:22 p.m.

2. ROLL CALL
Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer

Staff: Jayne O’Flanagan, Chief Human Resources Officer; Martina Rochefort, Clerk of the Board

Absent at time of roll call: John Mohun, Director

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
None.

4. INPUT AUDIENCE
No public input received.

Open Session recessed at 4:24 p.m.

6. OPEN SESSION
Open Session reconvened at 5:41 p.m.

7. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
No action taken in Closed Session.

8. ITEMS FOR NEXT MEETING
No discussion took place on this item.

9. MEETING EFFECTIVENESS ASSESSMENT
No discussion took place on this item.

10. ADJOURN
Open Session adjourned at 5:47 p.m.
<table>
<thead>
<tr>
<th>PAGE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 - 3</td>
<td>FINANCIAL NARRATIVE</td>
</tr>
<tr>
<td>4</td>
<td>STATEMENT OF NET POSITION</td>
</tr>
<tr>
<td>5</td>
<td>NOTES TO STATEMENT OF NET POSITION</td>
</tr>
<tr>
<td>6</td>
<td>CASH INVESTMENT</td>
</tr>
<tr>
<td>7</td>
<td>TFHD STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</td>
</tr>
<tr>
<td>8 - 9</td>
<td>TFHD NOTES TO STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</td>
</tr>
<tr>
<td>10</td>
<td>IVCH STATEMENT OF REVENUE AND EXPENSE</td>
</tr>
<tr>
<td>11 - 12</td>
<td>IVCH NOTES TO STATEMENT OF REVENUE AND EXPENSE</td>
</tr>
<tr>
<td>13</td>
<td>STATEMENT OF CASH FLOW</td>
</tr>
</tbody>
</table>
Board of Directors
Of Tahoe Forest Hospital District

OCTOBER 2015 FINANCIAL NARRATIVE

The following is a financial narrative analyzing financial and statistical trends for the four months ended October 31, 2015.

Activity Statistics

- TFH acute patient days were 302 for the current month compared to budget of 363. This equates to an average daily census of 9.75 compared to budget of 11.71.
- TFH Outpatient volumes were above budget in the following departments by at least 5%: Emergency Department visits, Laboratory tests, Oncology Lab, Diagnostic Imaging, Medical Oncology procedures, Radiation Oncology procedures, MRI exams, Ultrasounds, Cat Scans, PET CT, Pharmacy units, Oncology Drugs, Respiratory Therapy, Physical Therapy, Speech Therapy, and Occupational Therapy.
- TFH Outpatient volumes were below budget in the following departments by at least 5%: Home Health visits and Surgical cases.

Financial Indicators

- Net Patient Revenue as a percentage of Gross Patient Revenue was 54.8% in the current month compared to budget of 53.2% and to last month’s 57.3%. Current year’s Net Patient Revenue as a percentage of Gross Patient Revenue is 56.7%, compared to budget of 53.3% and prior year’s 55.4%.
- EBIDA was $(25,794) (-2.0%) for the current month compared to budget of $185,961 (1.1%), or $(211,755) (-1.2%) below budget. Year-to-date EBIDA was $4,867,277 (6.8%) compared to budget of $2,109,367 (2.9%) or $2,757,909 (3.8%) over budget.
- Cash Collections for the current month were $9,515,720 which is 93% of targeted Net Patient Revenue.
- Gross Days in Accounts Receivable were 54.4, compared to the prior month of 56.3. Gross Accounts Receivables are $28,506,919 compared to the prior month of $30,698,752. The percent of Gross Accounts Receivable over 120 days old is 23.4%, compared to the prior month of 21.8%.

Balance Sheet

- Working Capital Days Cash on Hand is 29.5 days. S&P Days Cash on Hand is 172.4. Working Capital cash decreased $1,269,000. Cash collections fell short of target by 7% and the District advanced funds on September Measure C projects in the amount of $879,879.
- Net Patients Accounts Receivable decreased approximately $1,013,000. Cash collections were at 93% of target and days in accounts receivable were 54.4 days, a 1.90 days decrease.

Operating Revenue

- Current month’s Total Gross Revenue was $16,782,584, compared to budget of $16,972,282 or $189,699 under budget.
- Current month’s Gross Inpatient Revenue was $4,909,405, compared to budget of $5,514,268 or $604,863 below budget.
- Current month’s Gross Outpatient Revenue was $11,873,179 compared to budget of $11,458,015 or $415,164 above budget. Volumes were up in some departments and down in others. See TFH Outpatient Activity Statistics above.
- Current month’s Gross Revenue Mix was 37.5% Medicare, 17.6% Medi-Cal, 0% County, 4.6% Other, and 40.3% Insurance compared to budget of 36.6% Medicare, 18.8% Medi-Cal, 0% County, 3.5% Other, and 41.1% Insurance. Last month’s mix was 39.0% Medicare, 16.7% Medi-Cal, 0% County, 2.9% Other, and 41.4% Insurance.
October 2015 Financial Narrative

- Current month’s Deductions from Revenue were $7,582,338 compared to budget of $7,947,674 or $365,336 below budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a .84% increase in Medicare, a 1.19% decrease to Medi-Cal, a .02% decrease in County, a 1.11% increase in Other, and Commercial was below budget .74%, and 2) we continue to see a pickup in Bad Debt as Self-Pay and Out of Country accounts are worked.

### Operating Expenses

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>October 2015 Actual</th>
<th>October 2015 Budget</th>
<th>Variance</th>
<th>BRIEF COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>3,824,850</td>
<td>3,494,769</td>
<td>(330,081)</td>
<td>We saw increases in Technical and Registered Nurse salaries due to increased volumes in Diagnostic Imaging services and Medical and Radiation Oncology procedures.</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>1,051,749</td>
<td>1,074,039</td>
<td>22,290</td>
<td></td>
</tr>
<tr>
<td>Benefits – Workers Compensation</td>
<td>49,721</td>
<td>60,541</td>
<td>10,820</td>
<td></td>
</tr>
<tr>
<td>Benefits – Medical Insurance</td>
<td>638,538</td>
<td>750,099</td>
<td>111,560</td>
<td></td>
</tr>
<tr>
<td>Professional Fees</td>
<td>1,601,914</td>
<td>1,392,089</td>
<td>(209,825)</td>
<td>Services provided to TIRHR, increased volumes in Outpatient therapies, consulting services provided to Information Technology for system interfaces and system upgrades and conversions, Financial Administration for Orthopedic Business Planning and General and Physician Strategies, Medical Staff for Interim Director and departmental structure analysis, and Locum coverage in Oncology created a negative variance in Professional Fees.</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,520,620</td>
<td>1,305,510</td>
<td>(215,110)</td>
<td>TFH and IVCH Drugs Sold to Patients revenues exceeded budget by 7.11%, an increase in patient meals due to Swing Bed days exceeding budget by 240.00%, small equipment purchases for MSC General Surgery, Surgical Services, Home Health, Skilled Nursing, and Information Technology created a negative variance in Supplies.</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>877,282</td>
<td>836,047</td>
<td>(41,235)</td>
<td>Negative variance in Purchased Services related to services provided to the Wellness Neighborhood, Employee Wellness Bank, and Purchasing, outsourced management of the retail components at the Center for Health and Sports Performance, and ADP fees in Human Resources.</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>493,451</td>
<td>559,435</td>
<td>65,984</td>
<td>Negative variance in outside training for Human Resources and Nursing Administration coupled with travel expenses for Skilled Nursing, Revenue Cycle, and Corporate Compliance were offset by positive variances in the majority of the Other Expenses categories.</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>10,058,126</td>
<td>9,472,530</td>
<td>(585,597)</td>
<td></td>
</tr>
</tbody>
</table>
## ASSETS

### CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$6,447,282</td>
<td>$10,716,893</td>
<td>$10,341,175</td>
</tr>
<tr>
<td>Patient Accounts Receivable - Net</td>
<td>13,319,191</td>
<td>14,332,302</td>
<td>15,030,260</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>5,170,413</td>
<td>4,784,162</td>
<td>4,429,836</td>
</tr>
<tr>
<td>Bond Receivables</td>
<td>1,135,451</td>
<td>793,786</td>
<td>1,550,438</td>
</tr>
<tr>
<td>Assets Limited or Restricted</td>
<td>5,127,589</td>
<td>5,192,823</td>
<td>6,505,081</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,260,461</td>
<td>2,306,103</td>
<td>2,530,283</td>
</tr>
<tr>
<td>Prepaid Expenses &amp; Deposits</td>
<td>1,688,905</td>
<td>1,868,846</td>
<td>1,908,925</td>
</tr>
<tr>
<td>Estimated Settlements, M-CAL &amp; M-Care</td>
<td>4,192,480</td>
<td>4,138,918</td>
<td>3,412,988</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>42,583,735</td>
<td>43,565,832</td>
<td>46,864,077</td>
</tr>
</tbody>
</table>

### NON CURRENT ASSETS

#### ASSETS LIMITED OR RESTRICTED:

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Reserve Fund</td>
<td>45,792,585</td>
<td>45,759,110</td>
<td>40,679,741</td>
</tr>
<tr>
<td>Banc of America Municipal Lease</td>
<td>978,155</td>
<td>978,207</td>
<td>2,281,313</td>
</tr>
<tr>
<td>Total Bond Trustee 2002</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total Bond Trustee 2006</td>
<td>667,726</td>
<td>524,614</td>
<td>2,937,724</td>
</tr>
<tr>
<td>Bond Trustee GO Bond</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GO Bond Project Fund</td>
<td>9,624,402</td>
<td>9,618,061</td>
<td>18,407,747</td>
</tr>
<tr>
<td>GO Bond Tax Revenue Fund</td>
<td>662,845</td>
<td>662,546</td>
<td>44,944</td>
</tr>
<tr>
<td>Board Designated Fund</td>
<td>2,297</td>
<td>2,297</td>
<td>2,297</td>
</tr>
<tr>
<td>Diagnostic Imaging Fund</td>
<td>2,973</td>
<td>2,971</td>
<td>2,965</td>
</tr>
<tr>
<td>Donor Restricted Fund</td>
<td>1,034,660</td>
<td>1,229,141</td>
<td>855,443</td>
</tr>
<tr>
<td>Workers Compensation Fund</td>
<td>14,181</td>
<td>216</td>
<td>13,942</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>58,780,586</td>
<td>58,775,266</td>
<td>65,236,192</td>
</tr>
<tr>
<td>Less: Current Portion</td>
<td>(5,127,589)</td>
<td>(5,192,823)</td>
<td>(6,505,081)</td>
</tr>
<tr>
<td><strong>Total Assets Limited or Restricted - Net</strong></td>
<td>53,652,997</td>
<td>53,582,442</td>
<td>58,730,131</td>
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</tbody>
</table>

#### NONCURRENT ASSETS AND INVESTMENTS:

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in TSC, LLC</td>
<td>324,395</td>
<td>324,395</td>
<td>496,936</td>
</tr>
<tr>
<td>Property Held for Future Expansion</td>
<td>836,333</td>
<td>836,333</td>
<td>836,333</td>
</tr>
<tr>
<td>Property &amp; Equipment Net</td>
<td>129,704,451</td>
<td>130,029,886</td>
<td>131,801,100</td>
</tr>
<tr>
<td>GO Bond CIP, Property &amp; Equipment Net</td>
<td>24,516,550</td>
<td>23,862,279</td>
<td>14,939,726</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>251,368,296</td>
<td>251,743,789</td>
<td>252,454,787</td>
</tr>
</tbody>
</table>

### DEFERRED OUTFLOW OF RESOURCES:

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred Loss on Defeasance</td>
<td>568,898</td>
<td>572,130</td>
<td>607,696</td>
</tr>
<tr>
<td>Accumulated Decrease in Fair Value of Hedging Derivative</td>
<td>1,928,316</td>
<td>1,629,316</td>
<td>1,608,135</td>
</tr>
<tr>
<td>Deferred Outflow of Resources on Refunding</td>
<td>1,855,770</td>
<td>1,993,407</td>
<td>-</td>
</tr>
<tr>
<td>GO Bond Deferred Financing Costs</td>
<td>307,913</td>
<td>309,097</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Financing Costs</td>
<td>220,539</td>
<td>221,579</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Deferred Outflow of Resources</strong></td>
<td>$5,011,435</td>
<td>$5,024,530</td>
<td>$2,215,821</td>
</tr>
</tbody>
</table>

### LIABILITIES

#### CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$6,049,163</td>
<td>$6,737,328</td>
<td>$6,766,039</td>
</tr>
<tr>
<td>Accrued Payroll &amp; Related Costs</td>
<td>7,537,681</td>
<td>7,887,437</td>
<td>7,750,526</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>429,034</td>
<td>327,580</td>
<td>517,032</td>
</tr>
<tr>
<td>Interest Payable GO Bond</td>
<td>1,007,722</td>
<td>719,697</td>
<td>1,169,210</td>
</tr>
<tr>
<td>Estimated Settlements, M-CAL &amp; M-CARE</td>
<td>368,356</td>
<td>368,356</td>
<td>926,480</td>
</tr>
<tr>
<td>Health Insurance Plan</td>
<td>1,307,731</td>
<td>1,307,731</td>
<td>967,035</td>
</tr>
<tr>
<td>Workers Compensation Plan</td>
<td>404,807</td>
<td>404,807</td>
<td>1,006,475</td>
</tr>
<tr>
<td>Comprehensive Liability Insurance Plan</td>
<td>824,203</td>
<td>824,203</td>
<td>850,902</td>
</tr>
<tr>
<td>Current Maturities of GO Bond Debt</td>
<td>550,000</td>
<td>550,000</td>
<td>315,000</td>
</tr>
<tr>
<td>Current Maturities of Other Long Term Debt</td>
<td>2,323,994</td>
<td>2,323,994</td>
<td>2,300,830</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>20,853,690</td>
<td>20,555,133</td>
<td>22,670,129</td>
</tr>
</tbody>
</table>

### NONCURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Long Term Debt Net of Current Maturities</td>
<td>30,425,945</td>
<td>30,628,294</td>
<td>33,865,341</td>
</tr>
<tr>
<td>GO Bond Debt Net of Current Maturities</td>
<td>100,025,032</td>
<td>100,029,975</td>
<td>98,190,000</td>
</tr>
<tr>
<td>Derivative Instrument Liability</td>
<td>1,828,316</td>
<td>1,828,316</td>
<td>1,608,135</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>153,232,983</td>
<td>153,050,717</td>
<td>156,293,606</td>
</tr>
</tbody>
</table>

### NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Oct-15</th>
<th>Sep-15</th>
<th>Oct-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Investment in Capital Assets</td>
<td>102,142,088</td>
<td>102,488,460</td>
<td>97,561,660</td>
</tr>
<tr>
<td>Restricted</td>
<td>1,054,860</td>
<td>1,229,141</td>
<td>855,443</td>
</tr>
<tr>
<td><strong>Total Net Position</strong></td>
<td>$103,196,948</td>
<td>$103,717,601</td>
<td>$98,417,003</td>
</tr>
</tbody>
</table>

* Amounts included for Days Cash on Hand calculation
1. Working Capital is at 29.5 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 172.4 days. Working Capital cash decreased $1,269,000. Cash collections fell short of target by 7% and the District advanced funds on September Measure C projects in the amount of $879,879.

2. Net Patient Accounts Receivable decreased approximately $1,013,000. Cash collections were 93% of target. Days in Accounts Receivable are at 54.4 days compared to prior months 56.3 days, a 1.90 days decrease.
Tahoe Forest Hospital District
Cash Investment
October 2015

WORKING CAPITAL
US Bank $ 9,300,715
US Bank/Kings Beach Thrift Store 39,195
US Bank/Truckee Thrift Store 107,382
Wells Fargo Bank
Local Agency Investment Fund - 0.357%
Total $ 9,447,292

BOARD DESIGNATED FUNDS
US Bank Savings $ 2,297 0.03%
Capital Equipment Fund -
Total $ 2,297

Building Fund -
Cash Reserve Fund 45,792,365 0.357%
Local Agency Investment Fund $ 45,792,365

Banc of America Muni Lease $ 979,155
Bonds Cash 2002 $ 2
Bonds Cash 2006 $ 667,726
Bonds Cash 2008 $ 10,287,047

DX Imaging Education $ 2,973 0.357%
Workers Comp Fund - B of A 14,161

Insurance
Health Insurance LAIF - 0.357%
Comprehensive Liability Insurance LAIF - 0.357%
Total $ 17,134

TOTAL FUNDS $ 67,193,018

RESTRICTED FUNDS
Gift Fund
US Bank Money Market $ 8,368 0.03%
Foundation Restricted Donations $ 103,722
Local Agency Investment Fund 922,570 0.357%
TOTAL RESTRICTED FUNDS $ 1,034,660

TOTAL ALL FUNDS $ 68,227,678
## Tahoe Forest Hospital District

### Statement of Revenues, Expenses, and Changes in Net Position

**October 2015**

<table>
<thead>
<tr>
<th>CURRENT MONTH</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 10,782,584</td>
<td>$ 16,972,282</td>
<td>$ (189,699)</td>
<td>-1.1%</td>
<td></td>
</tr>
<tr>
<td>$ 1,625,414</td>
<td>$ 1,767,532</td>
<td>$ (142,118)</td>
<td>-8.0%</td>
<td></td>
</tr>
<tr>
<td>3,283,991</td>
<td>3,746,736</td>
<td>(462,745)</td>
<td>-12.4%</td>
<td></td>
</tr>
<tr>
<td>4,909,405</td>
<td>5,514,268</td>
<td>(604,863)</td>
<td>-11.0%</td>
<td></td>
</tr>
<tr>
<td>11,873,179</td>
<td>11,458,015</td>
<td>415,164</td>
<td>3.6%</td>
<td></td>
</tr>
<tr>
<td>11,873,179</td>
<td>11,458,015</td>
<td>415,164</td>
<td>3.6%</td>
<td></td>
</tr>
</tbody>
</table>

### Operating Revenue

<table>
<thead>
<tr>
<th>OPERATING REVENUE</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Revenue</td>
<td>$ 72,091,014</td>
<td>$ 72,131,450</td>
<td>$ (40,436)</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Gross Revenues - Inpatient</td>
<td>$ 6,477,721</td>
<td>$ 7,254,679</td>
<td>$ (776,958)</td>
<td>-10.7%</td>
</tr>
<tr>
<td>Daily Hospital Service</td>
<td>13,299,059</td>
<td>15,771,997</td>
<td>(2,472,938)</td>
<td>-15.7%</td>
</tr>
<tr>
<td>Ancillary Service - Inpatient</td>
<td>19,776,780</td>
<td>23,026,676</td>
<td>(3,249,896)</td>
<td>-14.1%</td>
</tr>
<tr>
<td>Gross Revenue - Outpatient</td>
<td>52,314,234</td>
<td>49,104,773</td>
<td>3,209,461</td>
<td>6.5%</td>
</tr>
<tr>
<td>Total Gross Revenue - Outpatient</td>
<td>52,314,234</td>
<td>49,104,773</td>
<td>3,209,461</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

### Deductions from Revenue:

| Contractual Allowances | 29,273,187 | 29,577,693 | (304,506) | 1.0% |
| Charity Care | 2,161,276 | 2,356,059 | 195,883 | 8.3% |
| Charity Care - Catastrophic Events | - | - | 0.0% |
| Bad Debt | (239,669) | 1,743,352 | 1,983,022 | 113.7% |
| Prior Period Settlememts | (43) | 43 | 0.0% |
| Total Deductions from Revenue | 31,194,751 | 33,678,094 | 2,483,865 | 7.4% |
| Property Tax Revenue - Wellness Neighborhood | 225,007 | 240,405 | (15,398) | -6.4% |
| Other Operating Revenue | 2,653,198 | 2,168,038 | 485,161 | 20.7% |
| TOTAL OPERATING REVENUE | 43,774,468 | 40,891,887 | 2,882,581 | 7.0% |

### Operating Expenses

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>14,267,608</td>
<td>14,346,391</td>
<td>78,783</td>
<td>0.5%</td>
</tr>
<tr>
<td>Benefits</td>
<td>4,919,557</td>
<td>4,623,295</td>
<td>296,262</td>
<td>6.3%</td>
</tr>
<tr>
<td>Benefits Workers Compensation</td>
<td>168,099</td>
<td>242,153</td>
<td>(74,054)</td>
<td>30.6%</td>
</tr>
<tr>
<td>Benefits Medical Insurance</td>
<td>2,278,285</td>
<td>3,000,056</td>
<td>(721,771)</td>
<td>24.1%</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>6,076,209</td>
<td>5,633,626</td>
<td>442,583</td>
<td>7.9%</td>
</tr>
<tr>
<td>Supplies</td>
<td>5,961,179</td>
<td>5,338,309</td>
<td>622,870</td>
<td>11.7%</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>3,372,501</td>
<td>3,504,645</td>
<td>132,144</td>
<td>3.8%</td>
</tr>
<tr>
<td>Other</td>
<td>1,849,414</td>
<td>2,033,698</td>
<td>184,284</td>
<td>11.7%</td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENSE</td>
<td>38,907,162</td>
<td>38,782,520</td>
<td>124,642</td>
<td>-0.3%</td>
</tr>
</tbody>
</table>

### Net Operating Revenue (Expense) EBIDA

<table>
<thead>
<tr>
<th>NET OPERATING REVENUE (EXPENSE) EBIDA</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,867,277</td>
<td>2,199,867</td>
<td>2,757,909</td>
<td>130.7%</td>
<td></td>
</tr>
<tr>
<td>2,333,589</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Non-Operating Revenue/Expense

<p>| District and County Taxes | 1,583,821 | 1,568,421 | 15,400 | 1.0% |
| District and County Taxes - GO Bond | 1,570,765 | 1,570,765 | 0.0% |
| Interest Income | 104,045 | 81,315 | 22,730 | 28.4% |
| Interest Income-GO Bond | 10,243 | 6,034 | 4,209 | 70.7% |
| Donations | 102,667 | 138,684 | (36,017) | -26.0% |</p>
<table>
<thead>
<tr>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>(585,217)</td>
<td>(3,420,712)</td>
<td>(3,835,929)</td>
<td>-19.7%</td>
</tr>
<tr>
<td>(118,558)</td>
<td>(115,969)</td>
<td>(2,589)</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(502,767)</td>
<td>(463,695)</td>
<td>39,072</td>
</tr>
<tr>
<td>Interest Expense-GO Bond</td>
<td>(532,057)</td>
<td>(437,117)</td>
<td>94,940</td>
</tr>
<tr>
<td>TOTAL NON-OPERATING REVENUE/EXPENSE</td>
<td>(1,086,794)</td>
<td>(929,903)</td>
<td>(156,891)</td>
</tr>
</tbody>
</table>

### Increase (Decrease) in Net Position

<table>
<thead>
<tr>
<th>INCREASE (DECREASE) IN NET POSITION</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 3,780,483</td>
<td>$ 1,116,464</td>
<td>$ 2,664,019</td>
<td>$ -238.6%</td>
<td>$ 1,153,534</td>
</tr>
</tbody>
</table>

### Net Position - Beginning of Year

<table>
<thead>
<tr>
<th>NET POSITION - BEGINNING OF YEAR</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>99,396,265</td>
<td>100,376,748</td>
<td>100,376,748</td>
<td>0.0%</td>
<td></td>
</tr>
</tbody>
</table>

### Net Position - As of October 31, 2015

<table>
<thead>
<tr>
<th>NET POSITION - AS OF OCTOBER 31, 2015</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 103,176,748</td>
<td>$ 103,176,748</td>
<td>0.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| -0.2% | 1.1% | -1.2% |

<table>
<thead>
<tr>
<th>RETURN ON GROSS REVENUE EBIDA</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VAR $</th>
<th>VAR%</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.8%</td>
<td>2.9%</td>
<td>3.8%</td>
<td>3.2%</td>
<td></td>
</tr>
</tbody>
</table>
### Gross Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute Patient Days were below budget 16.8% or 61 days</td>
<td>$604,863</td>
<td>$3,249,988</td>
</tr>
<tr>
<td>Swing Bed days were above budget 240.0% or 46 days</td>
<td>415,164</td>
<td>3,209,461</td>
</tr>
</tbody>
</table>

Outpatient volumes were above budget in the following departments: Emergency Department visits, Laboratory tests, Oncology Lab, Diagnostic Imaging, Oncology procedures, Radiation Oncology procedures, Nuclear Medicine, Ultrasounds, Cat Scans, PET CT's, Pharmacy units, Oncology Drugs, Physical Therapy, Speech Therapy, and Occupational Therapy.

### Total Deductions from Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractual Allowances</td>
<td>$18,680</td>
<td>$304,506</td>
</tr>
<tr>
<td>Managed Care Reserve</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Charity Care</td>
<td>67,683</td>
<td>195,683</td>
</tr>
<tr>
<td>Charity Care - Catastrophic</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bad Debt</td>
<td>316,332</td>
<td>1,803,022</td>
</tr>
<tr>
<td>Prior Period Settlement</td>
<td>-</td>
<td>43</td>
</tr>
<tr>
<td>Total</td>
<td>$365,336</td>
<td>$2,483,253</td>
</tr>
</tbody>
</table>

Retail Pharmacy                                        | $47,064    | $5,822     |
Hospice Thrift Stores                                   | 1,821      | 45,322     |
The Center (non-therapy)                                 | 2,271      | (1,125)    |
IVCH ER Physician Guarantee                             | 27,110     | 72,176     |
Children's Center                                       | 6,498      | 48,764     |
Miscellaneous                                          | 66,087     | 262,312    |
Oncology Drug Replacement                               | -          | -          |
Grants                                                 | 26,750     | 22,000     |
Total                                                  | $176,586   | $455,161   |

We continue to see a positive pickup in Bad Debt as work continues in the Business Office on Self Pay accounts.

### Other Operating Revenue

Positive variance in Miscellaneous arose from Rebates and Refunds, refund received from the Tahoe Forest Hospital MOS H.O.A., and a Quality Assurance fee received from the State of California.

A grant received from Washoe County to assist with costs in the IVCH Health Services Clinic created a positive variance in this category.

### Salaries and Wages

We saw negative budget variances primarily in Technical and Registered Nurse salaries. Most of the negative variances were in direct correlation to volume increases in the Diagnostic Imaging departments and Med Onc and Rad Onc increased volumes.

### Employee Benefits

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative variance in Other is employer payroll taxes due to the increase in Salary &amp; Wages.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLS/L</td>
<td>$88,650</td>
<td>$117,508</td>
</tr>
<tr>
<td>Nonproductive</td>
<td>(15,449)</td>
<td>(98,153)</td>
</tr>
<tr>
<td>Pension/Deferred Comp</td>
<td>372</td>
<td>(7,858)</td>
</tr>
<tr>
<td>Standby</td>
<td>7,281</td>
<td>(44,343)</td>
</tr>
<tr>
<td>Other</td>
<td>(38,584)</td>
<td>(54,430)</td>
</tr>
<tr>
<td>Total</td>
<td>$22,260</td>
<td>(292,293)</td>
</tr>
</tbody>
</table>

| Miscellaneous                                        | $23,883    | $152,950   |
| The Center (includes OP Therapy)                     | (58,514)   | (132,024)  |
| TFH/IVCH Therapy Services                            | (30,455)   | (122,422)  |
| Administration                                        | (20,286)   | (56,189)   |
| Multi-Specialty Clinics                               | 529        | (42,582)   |
| Information Technology                                | (46,107)   | (22,858)   |
| TFH Locums                                            | 16         | (18,434)   |
| Managed Care                                          | (3,600)    | (6,433)    |
| Financial Administration                              | (43,241)   | (2,150)    |
| Home Health/Hospice                                   | (1,050)    | (2,029)    |
| Sleep Clinic                                          | (9,250)    | (1,735)    |
| Multi-Specialty Clinics Admin                         | 7,708      | (443)      |
| Patient Accounting/Admitting                          | -          | -          |
| Business Performance                                  | -          | -          |
| Respiratory Therapy                                   | -          | -          |
| IVCH ER Physicians                                    | 1,755      | 2,012      |
| Marketing                                             | 2,375      | 9,560      |
| Corporate Compliance                                  | 25,499     | 11,418     |
| Medical Staff Services                                | (22,914)   | 15,389     |
| Oncology                                              | (19,714)   | 17,369     |
| Human Resources                                       | 31,113     | 71,178     |
| Total                                                 | $111,580   | $724,110   |

### Professional Fees

Professional services provided to TIRHR created a negative variance in Miscellaneous.

The Center (includes OP Therapy) revenues exceeded budget by 42.23%, creating a negative variance in this category.

TFH I/P and Tahoe City OIP Therapy revenues exceeded budget by 20.09%, creating a negative variance in TFH/IVCH Therapy Services.

Consulting services provided for system interfaces and software conversions and upgrades created a negative variance in Information Technology.

Services provided for the Orthopedic Business Planning and General and Physician Strategies created a negative variance in Financial Administration.

Sleep Clinic fees are tied to collections which exceeded budget in October.

Negative variance in Medical Staff related to services provided for the interim Director role and analysis of the departments structure.

Negative variance in Oncology arose from Locum coverage and participation in the UC Davis residency program.
6) Supplies

THH and IVCH Drugs Sold to Patients revenues exceeded budget by 7.11% helping to create a negative variance in Pharmacy Supplies. Negative variance also related to the replacement of Oncology pharmaceuticals that the District will receive reimbursement on in subsequent months.

Purchases of small equipment for MSC General Surgery, Surgical services, Home Health, Skilled Nursing, and Information Technology created a negative variance in Minor Equipment.

7) Purchased Services

Negative variance in Miscellaneous for services provided to the Wellness Neighborhood, Employee Wellness Bank, and Materials Management created a negative variance in Miscellaneous.

Outsourced management oversight of the retail components at CHSP created a negative variance in The Center.

Negative variance in Human Resources related to ADP HR Perspective fees.

8) Other Expenses

Training seminars for Human Resources and Nursing Administration along with travel costs in Skilled Nursing, Revenue Cycle for Jacobus Consulting, and Corporate Compliance for the Fox Group created a negative variance in Outside Training and Travel.

Oxygen tank rentals and equipment rental in the TFH Surgical Services department created a negative variance in Equipment Rent.

Management continues to monitor controllable/discretionary costs.

9) District and County Taxes

Total $ (19,617) $ 15,400

10) Interest Income

Total $ 7,646 $ 23,090

11) Donations

IVCH $ (4,333) $ (17,333)

Operational 3,216 (18,864)

Capital Campaign - -

Total (1,117) (35,567)

12) Gain/(Loss) on Joint Investment

Total $ - $ -

13) Gain/(Loss) on Sale

Total $ - $ -

14) Depreciation Expense

Total $ (1,039) $ (3,149)

15) Interest Expense

Total $ (2,589) $ (39,103)
## Incline Village Community Hospital

### Statement of Revenue and Expense

#### October 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual</th>
<th>Budget</th>
<th>Var$</th>
<th>Var%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Gross Revenue</td>
<td>$6,386,559</td>
<td>$5,451,351</td>
<td>$935,208</td>
<td>17.2%</td>
</tr>
<tr>
<td>Gross Revenues - Inpatient</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daily Hospital Service</td>
<td>$16,574</td>
<td>$10,540</td>
<td>$6,034</td>
<td>57.3%</td>
</tr>
<tr>
<td>Ancillary Service - Inpatient</td>
<td>24,146</td>
<td>16,364</td>
<td>7,782</td>
<td>47.6%</td>
</tr>
<tr>
<td>Total Gross Revenue - Inpatient</td>
<td>40,720</td>
<td>26,904</td>
<td>13,816</td>
<td>51.4%</td>
</tr>
<tr>
<td>Gross Revenue - Outpatient</td>
<td>$6,345,839</td>
<td>$5,424,447</td>
<td>$921,392</td>
<td>17.0%</td>
</tr>
<tr>
<td>Total Gross Revenue - Outpatient</td>
<td>6,345,839</td>
<td>5,424,447</td>
<td>921,392</td>
<td>17.0%</td>
</tr>
<tr>
<td>Deductions from Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Allowances</td>
<td>1,949,243</td>
<td>1,497,243</td>
<td>(452,000)</td>
<td>-30.2%</td>
</tr>
<tr>
<td>Charity Care</td>
<td>214,835</td>
<td>189,856</td>
<td>(24,979)</td>
<td>-13.2%</td>
</tr>
<tr>
<td>Charity Care - Catastrophic Events</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bad Debt</td>
<td>184,614</td>
<td>379,711</td>
<td>195,098</td>
<td>51.4%</td>
</tr>
<tr>
<td>Prior Period Settlements</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>2</td>
</tr>
<tr>
<td>Total Deductions from Revenue</td>
<td>2,348,692</td>
<td>2,066,810</td>
<td>(281,881)</td>
<td>-13.5%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>354,647</td>
<td>257,565</td>
<td>97,082</td>
<td>37.7%</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>4,392,514</td>
<td>3,642,106</td>
<td>750,408</td>
<td>20.6%</td>
</tr>
</tbody>
</table>

#### Operating Expenses

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual</th>
<th>Budget</th>
<th>Var$</th>
<th>Var%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>982,155</td>
<td>1,078,288</td>
<td>96,133</td>
<td>8.9%</td>
</tr>
<tr>
<td>Benefits</td>
<td>289,281</td>
<td>335,025</td>
<td>45,743</td>
<td>13.7%</td>
</tr>
<tr>
<td>Benefits Workers Compensation</td>
<td>8,702</td>
<td>9,061</td>
<td>1,259</td>
<td>12.6%</td>
</tr>
<tr>
<td>Benefits Medical Insurance</td>
<td>147,060</td>
<td>191,676</td>
<td>44,616</td>
<td>23.3%</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>984,568</td>
<td>957,251</td>
<td>(27,315)</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Supplies</td>
<td>297,351</td>
<td>222,782</td>
<td>(74,569)</td>
<td>-33.5%</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>160,056</td>
<td>161,435</td>
<td>1,380</td>
<td>0.9%</td>
</tr>
<tr>
<td>Other</td>
<td>206,615</td>
<td>202,957</td>
<td>(3,658)</td>
<td>-1.8%</td>
</tr>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td>3,075,788</td>
<td>3,159,374</td>
<td>83,588</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

#### Net Operating Rev/(Exp) EBITDA

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual</th>
<th>Budget</th>
<th>Var$</th>
<th>Var%</th>
</tr>
</thead>
<tbody>
<tr>
<td>213,300</td>
<td>58,189</td>
<td>155,111</td>
<td>266.6%</td>
<td>4</td>
</tr>
</tbody>
</table>

#### Non-Operating Revenue/(Expense)

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual</th>
<th>Budget</th>
<th>Var$</th>
<th>Var%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations-IVCH</td>
<td>-</td>
<td>17,333</td>
<td>(17,333)</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Gain/(Loss) on Sale</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(233,436)</td>
<td>(233,437)</td>
<td>1</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Non-Operating Revenue/(Exp)E</strong></td>
<td>(233,436)</td>
<td>(216,104)</td>
<td>(17,332)</td>
<td>-8.0%</td>
</tr>
</tbody>
</table>

#### Excess Revenue/(Expense)

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual</th>
<th>Budget</th>
<th>Var$</th>
<th>Var%</th>
</tr>
</thead>
<tbody>
<tr>
<td>154,941</td>
<td>4,162</td>
<td>150,778</td>
<td>3622.3%</td>
<td>13</td>
</tr>
</tbody>
</table>

#### Return on Gross Revenue EBITDA

| Note | 20.6% | 6.9% | 11.6% | 16.0% | 14 |

---

40 of 244
1) **Gross Revenues**
Acute Patient Days were below budget by 1 at 0 and Observation Days were under budget by 2 at 1.

Outpatient volumes exceeded budget in Emergency Department visits, Surgical cases, Radiology exams, Cat Scans, Pharmacy units, and Physical Therapy.

2) **Total Deductions from Revenue**
We saw a shift in our payor mix with a 7.13% increase in Commercial, Insurance, a 9.01% decrease in Medicare, a .99% increase in Medicaid, a .11% decrease in Other, and a .01% decrease in County. Negative variance in Contractual Allowances is a result of revenues exceeding budget by 14.0% along with continued shifts from Bad Debt.

3) **Other Operating Revenue**
IVCH ER Physician Guarantee is tied to collections which exceeded budget estimates in October.

Positive variance in Miscellaneous related to a grant received from Washoe County to help offset costs in the Health Services Clinic.

4) **Salaries and Wages**

   **Employee Benefits**

   PL/SL $5,589 $51,097
   Standby 3,678 4,539
   Other (3,202) (2,520)
   Nonproductive (1,484) (9,041)
   Pension/Deferred Comp 371 1,668
   Total $4,952 $45,743

   **Employee Benefits - Workers Compensation**

   Total $1,279 $1,269

   **Employee Benefits - Medical Insurance**

   Total $6,720 $44,816

5) **Professional Fees**
Sleep Clinic professional fees are tied to collections which exceeded budget in October.

6) **Supplies**
Drugs Sold to Patients revenue exceeded budget by 58.63%, creating a negative variance in Pharmacy Supplies.

Medical Supplies Sold to Patients revenues exceeded budget by 24.19%, creating a negative variance in Patient & Other Medical Supplies.

Purchases of small equipment for the Surgery and Health Services Clinic departments created a negative variance in Minor Equipment.
7) **Purchased Services**
   Negative variance in Laboratory related to outsourced testing.
   A true-up of accruals created a positive variance in Diagnostic Imaging-All.

8) **Other Expenses**
   Oxygen rentals created a negative variance in Equipment rent.
   Utility increases in Electricity and Telephone costs created a negative variance in this category.

### Variance from Budget

<table>
<thead>
<tr>
<th></th>
<th>OCT 2015</th>
<th>YTD 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laboratory</td>
<td>$4,430</td>
<td>$12,660</td>
</tr>
<tr>
<td>Foundation</td>
<td>(440)</td>
<td>(4,751)</td>
</tr>
<tr>
<td>EVS/Laundry</td>
<td>613</td>
<td>(2,754)</td>
</tr>
<tr>
<td>Surgical Services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>307</td>
<td>614</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>812</td>
<td>1,254</td>
</tr>
<tr>
<td>Multi-Specialty Clinics</td>
<td>903</td>
<td>2,534</td>
</tr>
<tr>
<td>Engineering/Plant/Communications</td>
<td>1,460</td>
<td>4,519</td>
</tr>
<tr>
<td>Diagnostic Imaging Services - All</td>
<td>7,289</td>
<td>4,908</td>
</tr>
<tr>
<td>Department Repairs</td>
<td>3,658</td>
<td>7,716</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$10,174</td>
<td>$1,380</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Rent</td>
<td>(3,224)</td>
<td>(4,025)</td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,016</td>
<td>$3,815</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>143</td>
<td>(3,697)</td>
</tr>
<tr>
<td>Other Building Rent</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Physician Services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Multi-Specialty Clinics Equip Rent</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Multi-Specialty Clinics Bldg Rent</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dues and Subscriptions</td>
<td>1,170</td>
<td>136</td>
</tr>
<tr>
<td>Insurance</td>
<td>223</td>
<td>891</td>
</tr>
<tr>
<td>Marketing</td>
<td>779</td>
<td>2,557</td>
</tr>
<tr>
<td>Outside Training &amp; Travel</td>
<td>1,426</td>
<td>4,295</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(1,500)</td>
<td>(3,658)</td>
</tr>
</tbody>
</table>

9) **Donations**

10) **Gain/(Loss) on Sale**

11) **Depreciation Expense**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$4,333</td>
<td>(17,333)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$0</td>
<td>$1</td>
</tr>
<tr>
<td></td>
<td>PRE-AUDIT FYE 2015</td>
<td>BUDGET FYE 2016</td>
</tr>
<tr>
<td>------------------------</td>
<td>--------------------</td>
<td>-----------------</td>
</tr>
</tbody>
</table>
13.3 Contracts

Contracts redacted.

Available for public viewing via a Public Records request.
PURPOSE:
To provide reimbursement to the Board of Directors, consistent with legislative regulations, for the performance of the duties of their office.

POLICY:
1.0 As allowed by California Health & Safety Code, Section 32103, and Local Health Care District Law, and required by the Political Reform Act (as amended by AB 1234, 2005), the payment of One Hundred Dollars ($100.00) per meeting not to exceed five (5) meetings a month as further defined below, is authorized as compensation to each member of the Board of Directors. Each member of the Board of Directors shall further be allowed his/her actual necessary traveling and incidental expenses incurred in the performance of official business of the District.

2.0 For the purpose of compensation, a meeting is defined as:
   2.1 Regular and Special Board Meetings;
   2.2 Board Committee meetings;
   2.3 Hospital District meetings at which the Board member is present as a designated Board representative (e.g., Medical Executive Committee, Bioethics Committee, IVCH Foundation, TFHS Foundation, TIRHR Board)
   2.4 Meetings of governmental agencies and community organizations, etc. where the Board member is representing the TFHD (i.e., Rotary, Tahoe City Breakfast Club, Truckee Daybreak Club). To be compensated, the Board member must be on the program or speaking to an item on the agenda related to the Hospital District at the request of the Board President or Chief Executive Officer.
   2.5 Conferences, seminars and other educational meetings do not qualify for meeting compensation.

3.0 Members of the Board of Directors of the Tahoe Forest Hospital District and their eligible dependents shall be eligible to participate in the health, dental, vision and life insurance programs of Tahoe Forest Hospital District in a comparable manner, including appropriate discounts, comparable to that which is offered to the Management Staff of the District.
PROCEDURE:

1.0 Board members are responsible for notifying the Executive Assistant in writing of meetings attended in the prior month, noting the day and purpose of each meeting prior to the last business day of each month.

2.0 Board members shall also provide brief oral reports on meetings attended at the expense of TFHD at the next regular Board meeting.

3.0 TFHD provides compensation to Board members per meeting and provides reimbursement for actual and necessary expenses incurred by Board members in the performance of official duties; therefore, all agency officials, including Board members shall receive training in ethics pursuant to AB 1234. The ethics training shall last for at least two hours and occur every two years. These ethics courses may be taken at home, in-person, or online.

4.0 Board of Directors Travel Allowance

4.1 Meals will be reimbursed up to a daily per diem rate based on the location of the conference subject to IRS per diem guidelines.

4.2 Air Fare for Board Members only.

4.3 Parking and/or taxi fees and other transportation expenses will be reimbursed.

4.4 If driving, mileage will be reimbursed at current IRS guidelines rates.

4.5 Hotel room will be covered in full for Board Member.

4.5.1 If, however, the lodging is in connection with a conference or organized educational activity that does not qualify as a meeting and is conducted in compliance with California Government Code, Section 54952.2(c), including ethics training required by California Government Code, Section 53234, then lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor as long as the group rate is available to the Board member at the time of booking. If the group rate is not available, then the Board member shall use comparable lodging.

4.6 Tuition fees for Board Members will be paid in full.

4.7 Conference educational materials (books, audio tapes, etc.) not to exceed $50.

4.8 Receipts are required for all reimbursable expenses.

4.9 Board members shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

4.10 All expenses that do not fall within the adopted travel reimbursement policy of the IRS reimbursable rates shall be approved by the Board, in a public meeting before the expense is incurred.

5.0 Upon election or appointment to a seat on the Board of Directors of the Tahoe Forest Hospital District, the appropriate paperwork which is necessary to complete for enrollment will be given to the Board Member by the Human Resources Department. Coverage will begin on the first of the month following election or appointment to the Board of Directors and completion of the necessary enrollment forms.

Related Policies/Forms:

References: California Government Code, §§ 53232.2(d), (e), 53232.3(a), 53235(a), (b) (d), §§54950 - 54963; California Health & Safety Code, Section 32103

Policy Owner: Michelle Cook, Clerk of the Board

Approved by: Bob Schapper, Chief Executive Officer
PURPOSE:
To provide a written list of qualifications for prospective candidates who would like to run for a seat on the hospital board of directors or for the hospital board of directors to use when, in the event of a vacancy, they must appoint a new board member.

POLICY:
1.0  **Must be a registered voter. Health and Safety Code 32100**
The elective officers of a local hospital district shall be a board of hospital directors consisting of five members, each of whom shall be a registered voter residing in the district and whose term shall be four years, with the exception of the first board.

2.0  **Must reside in the District. Health and Safety Code 32100**
The elective officers of a local hospital district shall be a board of hospital directors consisting of five members, each of whom shall be a registered voter residing in the district and whose term shall be four years, with the exception of the first board.

3.0  **Must not have been convicted of a felony. Government Code 1021**
3.1 A person is disqualified from holding any office upon conviction of designated crimes as specified in the Constitution and laws of the State.

3.2 A “conviction” for purpose of exclusion from public office consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding. *Helena Rubenstein Intern. v. Younger.*

3.3 Although the meaning of “convicted” is ambiguous as variously construed by courts and defined by legislature, where a civil liability flows as a consequence of the “conviction,” a better rule is to require the entry of judgment, and where legislature has chosen to adopt that meaning for exclusions from public office its interpretation is dispositive.

3.43.3 Within the meaning of *Const. Art. 20, § 11, Govt. Code §§ 1770(h), 3000 and this section, a conviction consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding, and the taking of an appeal would not stay or delay the effects of such a conviction.

4.0 Generally, conviction for racketeering, extortion and conspiracy disqualified member of State Board of Equalization from office under constitutional provision.

5.04.0 May not possess an ownership interest in another hospital serving the same area in the District. Health and Safety Code 32110.

5.14.1 Except as provided in subdivision (d) of Section 32110, no person who is a director, policymaking management employee or medical staff officer of a hospital owned or operated by a district shall do either of the following:

5.1.14.1.1 Possess any ownership interest in any other hospital serving the same area as that served by the district hospital of which the person is a director, policymaking management employee or medical staff officer.

5.1.24.1.2 Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the district hospital.

5.24.2 For purposes of this section, a hospital shall be considered to serve the same area as a district hospital when more than five percent (5%) of the hospital's patient admissions are residents of the district.

5.34.3 For purposes of this section, the possession of an ownership interest, including stocks, bonds, or other securities by the spouse, registered domestic partner, or minor children or any person shall be deemed to be the possession or interest of the person.

5.44.4 No person shall serve concurrently as a director or policymaking management employee of a district and as a director or policymaking management employee of any other hospital serving the same area as the district, unless the boards of directors of the district and the hospital have determined that the situation will further joint planning, efficient delivery of health care services and the best interest of the areas served by their respective hospitals, or unless the district and the hospital are affiliated under common ownership, lease or any combination thereof.

6.05.0 Candidate for Director must disclose on the ballot occupation and place of employment if s/he has stock in or works for a health care facility that does not serve the same area served by the District. Health and Safety Code 32110(e).

6.15.1 Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.

7.06.0 May be a physician and provide services to the District under certain circumstances. Health and Safety Code 32111.

7.16.1 A member of a health care district's medical or allied health professional staff who is an officer of the district shall not be deemed to be "financially interested," for purposes of Section 1090 of the Government Code, in any of the contracts set forth in subdivision (b) made by any district body or board of which the officer is a member if all of the following conditions are satisfied:

7.1.16.1.1 The officer abstains from any participation in the making of the contract.

7.1.26.1.2 The officer's relationship to the contract is disclosed to the body or board and noted in its official records.
If the requirements of paragraphs (1) and (2) are satisfied, the body or board does both of the following, without any participation by the officer:

- Finds that the contract is fair to the district and in its best interest.
- Authorizes the contract in good faith.

Subdivision 6.1 shall apply to the following contracts:

- A contract between the district and the officer for the officer to provide professional services to the district's patients, employees or medical staff members and their respective dependents, provided that similar contracts exist with other staff members and the amounts payable under the contract are no greater than the amounts payable under similar contracts covering the same or similar services.

- A contract to provide services to covered persons between the district and any insurance company, health care service plan, employer or other entity that provides health care coverage, and that also has a contract with the officer to provide professional services to its covered persons.

- A contract in which the district and the officer are both parties, if other members of the district's medical or allied health professional staff are also parties, directly or through their professional corporations or other practice entities, provided the officer is offered terms no more favorable than those offered any other party who is a member of the district's medical or allied health professional staff.

This section does not permit an otherwise prohibited individual to be a member of the board of directors of a district, including, but not limited to, individuals described in Section 32110 of the Health & Safety Code or in Section 53227 of the Government Code. Nothing in this section shall authorize a contract that would otherwise be prohibited by Section 2400 of the Business and Professions Code.

For purposes of this section, a contract entered into by a professional corporation or other practice entity in which the officer has an interest shall be deemed the same as a contract entered into by the officer directly.


An employee of a local agency may not be sworn into office as an elected or appointed member of the legislative body of that local agency unless he or she resigns as an employee. If the employee does not resign, the his or her employment shall automatically terminate upon his or her being sworn into office.

For any individual who is an employee of a local agency and an elected or appointed member of that local agency's legislative body prior to January 1, 1996, this section shall apply when he or she is reelected or reappointed, on or after January 1, 1996, as a member of the local agency's legislative body.

May not be a Director and simultaneously hold another public office. Government Code 1099.
9.18.1 A public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee or other body, shall not simultaneously hold two public offices that are incompatible. Offices are incompatible when any of the following circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law:

9.1.48.1.1 Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body.

9.1.28.1.2 Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties between the offices.

9.1.38.1.3 Public policy considerations make it improper for one person to hold both offices.

9.28.2 When two public offices are incompatible, a public officer shall be deemed to have forfeited the first office upon acceding to the second. This provision is enforceable pursuant to Section 803 of the Code of Civil Procedure.

9.38.3 This section does not apply to a position of employment, including a civil service position that does not constitute a public office.

9.48.4 This section shall not apply to a governmental body that has only advisory powers.

9.58.5 For purposes of paragraph (1) of subdivision (a), a member of a multimember body holds an office that may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over another office when the body has any of these powers over the other office or over a multimember body that includes that other office.

9.68.6 This section codifies the common law rule prohibiting an individual from holding incompatible public offices.

10.09.0 As a Director, you may not make, participate in making or in any way attempt to use your position as a Director to influence a decision of the District when you know or have a reason to know that you have a financial interest in the decision. Government Code 87100

10.19.1 No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a material financial interest distinguishable from its effect on the public generally.

11.010.0 When you are a director, neither you nor the District may make any contract you are financially interested in. Government Code 1090.

11.110.1 Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity.

Related Policies/Forms: Conflict of Interest Policy ABD-7

References:

Policy Owner: Clerk of the Board
PURPOSE:
The purpose is to communicate the District’s policy as it relates to costs associated with projects within the scope of the Tahoe Forest Hospital District General Obligation Bonds, Election of 2007, herein referred to as the GO Bond.

POLICY:
Our Policy is to ensure that all costs incurred related to projects within the scope of the General Obligation Bonds are properly reviewed, approved, tracked and reimbursed in an appropriate manner. It is the responsibility of the District’s Chief Financial Officer (CFO) to implement policies and procedures consistent with the Bond Fiscal Policy.

PROCEDURE:
1.0 During the development of the District’s Annual and Capital Budget, the Chief Facilities Development Officer will work with the construction management team to develop a three year (minimum) Cash Flow Summary detailing by quarter the expected costs to be incurred related to the approved projects identified under the GO Bond. This Cash Flow Summary will be reviewed and approved by the CFO.

2.0 The Cash Flow Summary will be submitted as part of the District’s Annual and Capital Budget package presented to the Board of Directors for approval.

3.0 As actual costs begin to be incurred, it is the responsibility of the Chief Facilities Development Officer to review and validate all invoices prior to submission to the accounting department for processing. The Review and Validation process shall consist of the following:

3.1 For invoices incurred prior to the construction phase, amounts will be compared to approved contracts and validated for completion by the Chief Facilities Development Officer. Once validated he will sign, date and code the invoice with the appropriate general ledger (GL) account number and submit to the Accounting Department for processing by accounts payable. The GL account number will be established as a Construction in Progress (CIP) account number for each project identified under the GO Bond. These numbers are assigned by the Controller.

3.2 For invoices incurred during construction, invoices will be compiled and summarized by the construction manager. These will then become part of the “Application and Certification for Payment” document. This document is
reviewed and signed by the Contractor, the District’s Chief Facilities Development Officer, and the Architect. These expenses will be coded in the same manner as referenced to in a. above.

4.0 The Accounting Department, upon receipt of the "Application and Certification for Payment" and/or reviewed, approved and coded invoices, will process for payment based upon the weekly check run cycles for accounts payable. All checks will be issued from the District’s primary checking account. All checks to vendors in excess of $5,000 must be reviewed and signed by the CFO, as well as the associated check register. In the absence of the CFO, the Chief Operating Officer or the Controller may be given signing authority.

5.0 At the end of each month, after the month end close of the District’s financial books, a GL report will be printed for each CIP account related to the GO Bond projects. Copies of all invoices that had been processed and coded to these CIP accounts will be reviewed one final time for validation of project relation, GL coding and GO Bond fund eligibility by the CFO and Chief Facilities Development Officer.

6.0 Once the monthly CIP reports and invoices have received final validation, the invoice copies will be batched with the CIP Reports. A GO Bond Reimbursement Summary will be created. This report will list the GL Account Number, Account Name, and cost incurred for the month that is eligible for reimbursement by GO Bond funds. The costs incurred by GL Account Number will be summed to derive the total reimbursement cost for the month. This GO Bond Reimbursement Summary will be reviewed and approved by the CFO and Chief Executive Officer (CEO).

7.0 Upon approval of the GO Bond Reimbursement Summary, the Controller will request a funds transfer moving the requested amount of GO Bond Reimbursement from the Tahoe Forest Hospital District General Obligation Bonds, Election of 2007, Project Fund account to the District’s primary checking account.

8.0 The confirmation document from the funds transfer will be attached to the GO Bond Reimbursement Summary and related invoice copies.

9.0 At the monthly Citizen’s Oversight Committee meetings, a copy of the GO Bond Reimbursement Summary package will be provided. This allows full disclosure of how the GO Bond funds are being used.

<table>
<thead>
<tr>
<th>Related Policies/Forms:</th>
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<tbody>
<tr>
<td>References:</td>
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<tr>
<td>Policy Owner: Michelle Cook, Clerk of the Board</td>
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<td>Approved by: Crystal Betts, Chief Financial Officer</td>
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Tahoe Forest Health System

Title: Credit and Collection Policy  Policy/Procedure #: ABD-8

Responsible Department: Board of Directors

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<th>Original Date</th>
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Applies to: ☒ System ☐ Tahoe Forest Hospital ☐ Incline Village Community Hospital

PURPOSE:

Tahoe Forest Hospital District (hereinafter known as “TFHD”) provides high quality care to patients when they are in need of hospital services. All patients or their guarantor have a financial responsibility related to services received at TFHD and must make arrangements for payment to TFHD either before or after services are rendered. Such arrangements may include payment by an insurance plan, including coverage programs offered through the federal and state government. Payment arrangements may also be made directly with the patient, subject to the payment terms and conditions of TFHD.

Emergency patients will always receive all medically necessary care within the scope of resources available at TFHD, to assure that their medical condition is stabilized prior to consideration of any financial arrangements.

The Credit and Collection Policy establishes the guidelines, policies and procedures for use by hospital personnel in evaluating and determining patient payment arrangements. This policy is intended to establish fair and effective means for collection of patient accounts owed to the hospital. In addition, other TFHD policies such as the Financial Assistance Policy which contains provisions for full charity care and discount partial charity care will be considered by TFHD personnel when establishing payment arrangements for each specific patient or their guarantor.

SCOPE

The Credit and Collection Policy will apply to all patients who receive services at TFHD. This policy defines the requirements and processes used by the hospital Patient Financial Services department when making payment arrangements with individual patients or their account guarantors. The Credit and Collection Policy also specifies the standards and practices used by the hospital for the collection of debts arising from the provision of services to patients at TFHD. The Credit and Collection Policy acknowledges that some patients may have special payment arrangements as defined by an insurance contract to which TFHD is a party, or in accordance with hospital conditions of participation in state and federal programs. TFHD endeavors to treat every patient or their guarantor with fair consideration and respect when making payment arrangements.
All requests for payment arrangements from patients, patient families, patient financial
 guarantors, physicians, hospital staff, or others shall be addressed in accordance with this
 policy.

**POLICY:**

All patients who receive care at TFHD must make arrangements for payment of any or all
 amounts owed for hospital services rendered in good faith by TFHD. TFHD reserves the right
 and retains sole authority for establishing the terms and conditions of payment by individual
 patients and/or their guarantor, subject to requirements established under state and federal law
 or regulation.

**GENERAL PRACTICES**

1.0 TFHD and the patient share responsibility for timely and accurate resolution of all patient
 accounts. Patient cooperation and communication is essential to this process. TFHD will
 make reasonable, cost-effective efforts to assist patients with fulfillment of their financial
 responsibility.

2.0 Hospital care at TFHD is available to all those who may be in need of necessary
 services. To facilitate financial arrangements for persons who may be of low or moderate
 income, both those who are uninsured or underinsured, TFHD provides the following
 special assistance to patients as part of the routine billing process:

2.1 For uninsured patients, a written statement of charges for services rendered by
 the hospital is provided in a revenue code summary format which shows the
 patient a synopsis of all charges by the department in which the charges arose.
 Upon patient request, a complete itemized statement of charges will be provided;

2.2 Patients who have third party insurance will be provided a revenue code
 summary statement which identifies the charges related to hospital services.
 Insured patients will receive a balance due from patient statement once the
 hospital has received payment from the insurance payer. Upon patient request, a
 complete itemized statement of charges will be provided;

2.3 A written request that the patient inform TFHD if the patient has any health
 insurance coverage, Medicare, Healthy Families, Medi-Cal or other form of
 insurance coverage;

2.4 A written statement informing the patient or guarantor that they may be eligible
 for Medicare, Healthy Families, Medi-Cal, California Children’s Services
 Program, or the TFHD Financial Assistance Program;

2.5 A written statement indicating how the patient may obtain an application for the
 Medi-Cal, Healthy Families Program or other appropriate government coverage
 program;

2.6 If a patient is uninsured, an application to the Medi-Cal, Healthy Families
 Program or other appropriate government assistance program will be provided
 prior to discharge from the hospital;

2.7 A TFHD representative is available at no cost to the patient to assist with
 application to relevant government assistance programs;

2.8 A written statement regarding eligibility criteria and qualification procedures for
 full charity care and/or discount partial charity care under the TFHD Financial
 Assistance Program. This statement shall include the name and telephone
number of hospital personnel who can assist the patient or guarantor with information about and an application for the TFHD Financial Assistance Program.

3.0 The TFHD Patient Financial Services department is primarily responsible for the timely and accurate collection of all patient accounts. Patient Financial Services personnel work cooperatively with other hospital departments, members of the Medical Staff, patients, insurance companies, collection agencies and others to assure that timely and accurate processing of patient accounts can occur.

4.0 Accurate information provides the basis for TFHD to correctly bill patients or their insurer. Patient billing information should be obtained in advance of hospital services whenever possible so that verification, prior authorization or other approvals may be completed prior to the provision of services. When information cannot be obtained prior to the time of service, hospital personnel will work with each patient or their guarantor to assure that all necessary billing information is received by TFHD prior to the completion of services.

PROCEDURE:

1.0 Each patient account will be assigned to an appropriate Patient Financial Services representative based upon the type of account payer and current individual staff workloads. The Patient Financial Services Manager/Director will periodically review staff workloads and may change or adjust the process or specific assignment of patient accounts to assure timely, accurate and cost-effective collection of such accounts.

2.0 Once a patient account is assigned to a Patient Financial Services representative, the account details will be reviewed to assure accuracy and completeness of information necessary for the account to be billed.

3.0 If the account is payable by the patient’s insurer, the initial bill will be forwarded directly to the designated insurer. TFHD Patient Financial Services personnel will work with the patient’s insurer to obtain any or all amounts owed on the account by the insurer. This will include calculation of contracted rates or other special arrangements that may apply. Once payment by the insurer has been determined by TFHD, any residual patient liability balance, for example a patient co-payment or deductible amount, will be billed directly to the patient. Any or all patient balances are due and payable within 30 days from the date of this first patient billing.

4.0 If the account is payable only by the patient, it will be classified as a private pay account. Private pay accounts may potentially qualify for a prompt payment discount, government coverage programs, or financial aid under the TFHD Financial Assistance Policy. Patients with accounts in private pay status should contact a Patient Financial Services representative to obtain assistance with qualifying for one or more of these options.

5.0 In the event that a patient or patient’s guarantor has made a deposit payment, or other partial payment for services and subsequently is determined to qualify for full charity care or discount partial charity care, all amounts paid which exceed the payment obligation, if any, as determined through the Financial Assistance Program process, shall be refunded to the patient with interest. Any overpayment due to the patient under this obligation may not be applied to other open balance accounts or debt owed to the hospital by the patient or family representative. Any or all amounts owed shall be reimbursed to the patient or family representative within a reasonable time period. Such interest shall begin to accrue on the first day that the patient or guarantor’s payment obligation is determined through the Financial Assistance Program process. Interest payments shall be accrued at Two Percent (2%) per annum.
6.0 All private pay accounts may be subject to a credit history review. Any private pay patient who has applied for the TFHD Financial Assistance Program will not have a credit history review performed as an element of Financial Assistance Program qualification. TFHD will use a reputable, nationally-based credit reporting system for the purposes of obtaining the patient or guarantor’s historical credit experience.

7.0 TFHD offers patients a payment plan option when they are not able to settle the account in one lump sum payment. Payment plans are established on a case-by-case basis through consideration of the total amount owed by the patient to TFHD and the patient’s or patient family representative’s financial circumstances. Payment plans generally require a minimum monthly payment of an amount such that the term of the payment plan shall not exceed twelve (12) months. This minimum monthly payment amount shall be determined by dividing the total outstanding patient liability balance by 12. Payment plans are free of any interest charges or set-up fees. Some situations, such as patients qualified for partial financial assistance, may necessitate special payment plan arrangements based on negotiation between the hospital and patient or their representative. Such payment plans may be arranged by contacting a TFHD Patient Financial Services representative. Once a payment plan has been approved, any failure to pay in accordance with the plan terms will constitute a plan default. It is the patient or guarantor’s responsibility to contact the TFHD Patient Financial Services department if circumstances change and payment plan terms cannot be met.

8.0 Patient account balances in private pay status will be considered past due after 30 days from the date of initial billing. Accounts may be advanced to collection status according to the following schedule:

9.0 Any or all private pay account balances where it is determined by TFHD that the patient or guarantor provided fraudulent, misleading or purposely inaccurate demographic or billing information may be considered as advanced for collection immediately upon such a determination by TFHD. Any such account will be reviewed and approved for advancement by the Revenue Cycle Patient Financial Services Director or her/his designee;

10.0 Any or all private pay account balances where no payment has been received, and the patient has not communicated with TFHD within 60 days of initial billing and a minimum of one bill showing details at the revenue code summary level and two cycle statements have been sent to the patient or guarantor. Any such account will be reviewed and approved for advancement by the Revenue Cycle Patient Financial Services Director or her/his designee;

11.0 Any or all other patient accounts, including those where there has been no payment within the past 60 days, may be forwarded to collection status when:

12.0 Notice is provided to the patient or guarantor that payments have not been made in a timely manner and the account will be subject to collection 30 days from the notice date;

13.0 The patient or guarantor refuses to communicate or cooperate with TFHD Patient Financial Services representatives; and

14.0 The Revenue Cycle Patient Financial Services Director or her/his management designee has reviewed the account prior to forwarding it to collection status.

15.0 Patient accounts will not be forwarded to collection status when the patient or guarantor makes reasonable efforts to communicate with TFHD Patient Financial Services representatives and makes good faith efforts to resolve the outstanding account.
TFHD Revenue Cycle Patient Financial Services Director or her/his designee will determine if the patient or guarantor are continuing to make good faith efforts to resolve the patient account and may use indicators such as: application for Medi-Cal, Healthy Families or other government programs; application for the TFHD Financial Assistance Program; regular partial payments of a reasonable amount; negotiation of a payment plan with TFHD and other such indicators that demonstrate the patient’s effort to fulfill their payment obligation.

16.0 After 30 days or anytime when an account otherwise becomes past due and subject to internal or external collection, TFHD will provide every patient with written notice in the following form:

16.1 "State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (382-4357) or online at www.ftc.gov."

16.2 Non-profit credit counseling services may be available in the area. Please contact the TFHD Patient Financial Services if you need more information or assistance in contacting a credit counseling service.

17.0 For all patient accounts where there is no 3rd party insurer and/or whenever a patient provides information that he or she may have high medical costs, the Patient Financial Services representative will assure that the patient has been provided all elements of information as listed above in number 2, parts (a) through (h). This will be accomplished by sending a written billing supplement with the first patient bill. The Patient Financial Services representative will document that the billing supplement was sent by placing an affirmative statement in the “notes” section of the patient’s account.

18.0 For all patient accounts where there is no 3rd party insurer and/or whenever a patient provides information that he or she may have high medical costs, TFHD will not report adverse information to a credit reporting agency or commence any civil action prior to 150 days after initial billing of the account. Furthermore, TFHD will not send an unpaid bill for such patients to an external collection agency unless the collection agency has agreed to comply with this requirement.

19.0 If a patient or guarantor has filed an appeal for coverage of services in accordance with Health & Safety Code Section 127426, TFHD will extend the 150 day limit on reporting of adverse information to a credit reporting agency and/or will not commence any civil action until a final determination of the pending appeal has been made.

20.0 TFHD will only utilize external collection agencies with which it has established written contractual agreements. Every collection agency performing services on behalf of TFHD must agree to comply with the terms and conditions of such contracts as specified by TFHD. All collection agencies contracted to provide services for or on behalf of TFHD shall agree to comply with the standards and practices defined in the collection agency agreement; including this Credit and Collection Policy, the TFHD Financial Assistance
Policy and all legal requirements including those specified in Health & Safety Code Section 127420 et seq.

21.0 TFHD and/or its external collection agencies will not use wage garnishments or liens on a primary residence without an order of the court. Any or all legal action to collect an outstanding patient account by TFHD and/or its collection agencies must be authorized and approved in advance, in writing by the TFHD Revenue Cycle Director of Patient Financial Services. Any such legal action must conform to the requirements of Health & Safety Code Section 127420 et seq.

22.0 TFHD, its collection agencies, or any assignee may use any or all legal means to pursue reimbursement, debt collection and any enforcement remedy from third-party liability settlements, tortfeasors, or other legally responsible parties. Such actions shall be conducted only with the prior written approval of the hospital director of patient financial services.

**Related Policies/Forms:**

**References:** California Health and Safety Code §§127400 - 127446

**Policy Owner:** Michelle Cook, Clerk of the Board

**Approved by:** Robert Schapper, Chief Executive Officer
PURPOSE

Tahoe Forest Hospital District (hereinafter referred to as “TFHD”) provides hospital and related medical services to residents and visitors within district boundaries and the surrounding region. As a regional hospital provider, TFHD is dedicated to providing high quality, customer oriented and financially strong healthcare services that meet the needs of its patients. Providing patients with opportunities for financial assistance coverage for healthcare services is also an essential element of fulfilling the TFHD mission. This policy defines the TFHD Financial Assistance Program; its criteria, systems, and methods.

California acute care hospitals must comply with the “Hospital Fair Pricing Policies” law at Health & Safety Code Section 127400 et seq. (the “Fair Pricing Law”), including requirements for written policies providing discounts and charity care to financially qualified patients. Under the Fair Pricing Law, uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level shall be eligible to apply for participation under a hospital’s charity care policy or discount payment policy. This policy is intended to fully comply with all such legal obligations by providing for both charity care and discounts to patients who qualify under the terms and conditions of the TFHD Financial Assistance Program. Additionally, although the Fair Pricing Law requires hospitals to provide financial assistance to certain qualifying patients for services they have received, it does not require hospitals to provide future services. Nevertheless, TFHD has allowed individuals to apply for financial assistance for future services under this policy. However, any individuals who qualify for such assistance will still be subject to admission and other criteria for receiving services and becoming patients, and will have to demonstrate their ability to meet any applicable financial obligation which is not covered by any discount or other financial assistance granted.

The finance department has responsibility for general accounting policy and procedure. Included within this purpose is a duty to ensure the consistent timing, recording and accounting treatment of transactions at TFHD. This includes the handling of patient accounting transactions in a manner that supports the mission and operational goals of TFHD.

Patients are hereby notified that a physician employed or contracted to provide services in the emergency department of TFHD’s hospital in Truckee, California is also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level.
DEFINITIONS

1.0 “Discount Partial Charity Care” means an amount charged for services to a patient who qualifies for financial assistance under the TFHD Financial Assistance Program which is discounted to the amount Medicare would pay for the same services or less. Discount Partial Charity Care, when granted to a patient, will in no case excuse a third party, or the patient, from their respective obligations to pay for services provided to such patient.

2.0 “Elective Services” means any services which are not medically necessary services.

3.0 “Emergency Services” means services required to stabilize a patient’s medical condition initially provided in the TFHD emergency department or otherwise classified as “emergency services” under the federal EMTALA Law or Section 1317.1 et.seq. of the California Health & Safety Code, and continuing until the patient is medically stable and discharged, transferred, or otherwise released from treatment.

4.0 “Federal Poverty Level” or “FPL” means the current poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

5.0 “Financial Assistance Program” means the TFHD Financial Assistance Program established by this policy for providing Full Charity Care or Partial Discount Charity Care (each, as defined below) to qualified patients.

6.0 “Full Charity Care” means medically necessary services provided by TFHD to a patient who qualifies under the TFHD Financial Assistance Program which are not covered by a third party, and for which the patient is otherwise responsible for paying, for which the patient will not be charged. Full Charity Care, when granted to a patient, in no case will excuse a third party from its obligation to pay for services provided to such patient.

7.0 “Medically Necessary Services” means hospital-based medical services determined, based upon a medical evaluation, to be necessary to preserve a patient’s life or health.

8.0 “Monetary Assets” means all monetary assets of the patient’s family excluding retirement or deferred compensation plans (both qualified and non-qualified under the Internal Revenue Code), not counting the first $10,000 of such assets, nor fifty percent (50%) of the amount of such assets over the first $10,000.

9.0 “Non-emergency Services” means medically necessary services that are not Emergency Services.

10.0 “Patient” means an individual who has received Emergency Services or Non-emergency Services at a facility operated by TFHD who is requesting financial assistance with respect to such services.

11.0 “The amount Medicare would have paid” means the amount Medicare would pay for the services provided, or, in the event there is no specific amount that can be determined that Medicare would pay for such services, the highest amount payable for such services by any other state-funded program designed to provide health coverage.

12.0 “Third Party Insurance” means health benefits coverage by a public or private program, insurer, health plan, employer, multiple employer trust, or any other third party obligated to provide health benefits coverage to a patient.
SCOPE

This policy applies to all TFHD patients. This policy does not require TFHD to accept as a patient and provide services to any person who does not qualify for treatment or admission under any of TFHD's applicable policies, practices, and procedures, and does not prohibit TFHD from discharging, or otherwise limiting the scope of services provided to, any person in accordance with its normal policies, practices and procedures. This policy does not require TFHD to provide patients with any services that are not medically necessary or to provide access to non-emergency services or to elective services.

The acute care hospital operated by TFHD provides many specialized inpatient and outpatient services. In addition to services provided at the main hospital location, Tahoe Forest Hospital operates primary care and multi-specialty clinics, and therapy service programs at sites in the same community but not located on the main hospital campus. Tahoe Forest Hospital also operates a distinct part skilled nursing facility. Only medically necessary services provided at facilities listed on the Tahoe Forest Hospital acute care license are included within the scope of this Financial Assistance Policy.

This policy pertains to financial assistance provided by TFHD. All requests for financial assistance from patients shall be addressed in accordance with this policy.

Hospital Inpatient, Outpatient and Emergency Service Programs

Introduction

This policy sets forth a program to assist patients who are uninsured or underinsured in obtaining financial assistance in paying their hospital bill. Such financial assistance may include government sponsored coverage programs, Full Charity Care, and Discount Partial Charity Care.

Full Charity Care and Discount Partial Charity Care Reporting

TFHD will report actual Charity Care (including both Full Charity Care and Discount Partial Charity Care) provided in accordance with regulatory requirements of the Office of Statewide Health Planning and Development (OSHPD) as contained in the Accounting and Reporting Manual for Hospitals, Second Edition. The hospital will maintain written documentation regarding its Charity Care criteria and, for individual patients, written documentation regarding all Charity Care determinations. As required by OSHPD, Charity Care provided to patients will be recorded on the basis of actual charges for services rendered.

TFHD will provide OSHPD with a copy of this Financial Assistance Policy which includes the Full Charity Care and Discount Partial Charity Care policies within a single document. The Financial Assistance Policy also contains: 1) all eligibility and patient qualification procedures; 2) the unified application for full charity care and discount partial charity care; and 3) the review process for both full charity care and discount partial charity care. Forms of these documents shall be supplied to OSHPD every two years or whenever a substantial change is made.

Full and Discount Charity Care Eligibility: General Process and Responsibilities

Any patient whose family\(^1\) income is less than 350% of the FPL, if not covered by third party insurance or if covered by third party insurance and unable to pay the patient liability amount

\(^1\) A patient’s family is defined as: 1) For persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not; and 2) For persons under 18 years of age, parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative.
owed after insurance has paid its portion of the account, is eligible to apply for financial assistance under the TFHD Financial Assistance Program.

The TFHD Financial Assistance Program utilizes a single, unified patient application for both Full Charity Care and Discount Partial Charity Care. The process is designed to give each applicant an opportunity to apply for the maximum financial assistance benefit for which he or she may qualify. The financial assistance application provides patient information necessary for determining patient qualification by the hospital and such information will be used to determine the maximum coverage under the TFHD Financial Assistance Program for which the patient or patient’s family may qualify.

Eligible patients may apply for financial assistance under the TFHD Financial Assistance Program by completing an application consistent with application instructions, together with documentation and health benefits coverage information sufficient to determine the patient’s eligibility for coverage under the program. Eligibility alone is not an entitlement to financial assistance under the TFHD Financial Assistance Program. TFHD must complete a process of applicant evaluation and determine, in accordance with this policy, whether financial assistance will be granted.

The TFHD Financial Assistance Program relies upon the cooperation of individual patients to determine who may be eligible for full or partial assistance. To facilitate receipt of accurate and timely patient financial information, TFHD will use a financial assistance application. All patients without adequate financial coverage by Third Party Insurance will be offered an opportunity to complete the financial assistance application. Uninsured patients will also be offered information, assistance and referral to government sponsored programs for which they may be eligible. Insured patients who are unable to pay patient liabilities after their insurance has paid, or those who experience high medical costs may also be eligible for financial assistance. Any patient who requests financial assistance will be asked to complete a financial assistance application.

The financial assistance application should be made as soon as there is an indication by the patient or the patient’s representative that he/she may be in need of and requests financial assistance. The application form may be completed at any time prior to or within one year after discharge, or within one year after the patient became eligible, whichever comes first.

To the extent it deems necessary, in its sole and reasonable discretion, TFHD may require an applicant for financial assistance to provide supplemental information in addition to a complete financial assistance application to provide:

- Confirmation of the patient’s income and health benefits coverage;
- Complete documentation of the patient’s monetary assets;
- Other documentation as needed to confirm the applicant’s qualification for financial assistance; and
- Documentation confirming the hospital’s decision to provide financial assistance, if financial assistance is provided.

However, a completed financial assistance application may not be required if TFHD determines, in its sole discretion, that it has sufficient patient information from which to make a financial assistance qualification decision.
PROCEDURES

1.0 Qualification: Full Charity Care and Discount Partial Charity Care

1.1 Eligibility for financial assistance shall be determined based on the patient’s and/or patient’s family’s ability to pay and on the other factors set forth in this policy. Eligibility for financial assistance shall not be based in any way on age, gender, sexual orientation, ethnicity, national origin, veteran status, disability or religion.

1.2 The patient and/or the patient’s family representative who requests assistance in meeting their financial obligation to the hospital shall make every reasonable effort to provide information necessary for the hospital to make a financial assistance qualification determination. The hospital will provide guidance and assistance to patients or their family representative as reasonably needed to facilitate completion of program applications. Completion of the financial assistance application and submission of any or all required supplemental information may be required for establishing qualification for the Financial Assistance Program.

1.3 Whether financial assistance will be granted is determined after the patient and/or patient family representative establishes eligibility according to criteria contained in this policy, as it may be amended from time to time. While financial assistance shall not be provided on a discriminatory or arbitrary basis, the hospital retains full discretion, consistent with this policy, laws and regulations, to determine when a patient has provided sufficient evidence to establish eligibility for financial assistance, and what level of financial assistance an eligible patient is will receive.

1.4 Except as otherwise approved by TFHD, patients or their family representative must complete an application for the Financial Assistance Program in order to qualify for eligibility. The application and required supplemental documents are submitted to the Patient Financial Services department at TFHD. This office shall be clearly identified on the application instructions.

1.5 TFHD will provide personnel who have been trained to review financial assistance applications for completeness and accuracy. Application reviews will be completed as quickly as possible considering the patient’s need for a timely response.

1.6 Approval of an application for financial assistance to eligible patients will be made only by approved hospital personnel according to the following levels of authority:

1.6.1 Clinic Manager: Accounts less than $500
1.6.2 Financial Counselor: Accounts less than $2,500
1.6.3 Director of Patient Financial Services: Accounts less than $10,000
1.6.4 Chief Financial Officer: Accounts less than $50,000
1.6.5 Chief Executive Officer: Accounts greater than $50,000

1.7 Factors considered when determining whether to grant an individual financial assistance pursuant to this policy may include (but are not limited to):
1.8 Financial assistance will be granted based upon consideration of each individual application for financial assistance in accordance with the Financial Assistance Program set forth in this policy.

1.9 Financial assistance may be granted for Full Charity Care or Discount Partial Charity Care, based upon this Financial Assistance Program policy.

1.10 Once granted, financial assistance will apply only to the specific services and service dates for which the application has been approved by TFHD. In cases of care relating to a patient diagnosis which requires continuous, on-going related services, the hospital, at its sole discretion, may treat such continuing care as a single case for which qualification applies to all related on-going services provided by the hospital. Other pre-existing patient account balances outstanding at the time of qualification determination by the hospital will not be included unless applied for and approved by TFHD pursuant to this policy.

1.11 Patient obligations for Medi-Cal/Medicaid share of cost payments will not be waived under any circumstance. However, after collection of the patient share of cost portion, any other unpaid balance relating to a Medi-Cal/ patient (such as a provided service where coverage is denied) may be considered for financial assistance.

2.0 Full and Discount Partial Charity Care Qualification Criteria

2.1 Cap On Patient Liability For Services Rendered to Patients Eligible for Financial Assistance:

Following completion of the application process for financial assistance, if it is established that the patient’s family income is at or below 350% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the entire patient liability portion of the bill for services rendered will be no greater than the amount Medicare would have paid for the services, net of any Third Party Insurance (“the Basic Discount”). This shall apply to all medically necessary hospital inpatient, outpatient and emergency services provided by TFHD.

2.2 Financial Assistance For Emergency Services

If an individual receives Emergency Services and applies for financial assistance under the Financial Assistance Program, the following will apply:
2.2.1 If the patient's family income is at or below 200% or less of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Full Charity Care for Emergency Services provided.

2.2.2 If the patient’s family income is between 201% and 350% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Partial Discount Charity Care for Emergency Services provided in accordance with the following:

2.2.2.1 Patient's care is not covered by Third Party Insurance. If the services are not covered by Third Party Insurance, the patient's payment obligation will be a percentage of the gross amount the Medicare program would have paid for the service if the patient were a Medicare beneficiary. The actual percentage paid by any individual patient shall be based on the sliding scale shown in Table 1 below:

<table>
<thead>
<tr>
<th>Family Percentage of FPL</th>
<th>Percentage of Medicare Amount Payable (subject to an additional discount if TFHD determines, in its sole discretion, that unusual circumstances warrant an additional discount).</th>
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<td>216 – 230%</td>
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</tbody>
</table>

2.2.2.2 Patient's care is covered by Third Party Insurance. If the services are covered by Third Party Insurance, but such coverage or liability is insufficient to pay TFHD’s billed charges, leaving the patient responsible for a portion of the billed charges (including, without limitation, any applicable deductible or co-payment), the patient's payment obligation will be an amount equal to the difference between the gross amount paid by Third Party Insurance and the gross amount that Medicare would have paid for the service if the patient were a Medicare beneficiary. If the amount paid by Third Party Insurance exceeds what Medicare would have paid, the patient will have no further payment obligation. In no event shall the patient’s obligation to pay a percentage of the unpaid amount be greater than the percentages of the amounts
Medicare would pay for the same services set forth in Table 1, above.

2.2.3 If a patient who meets all other Financial Assistance Program requirements whose family income is either greater than 350% the current FPL, or has family income of less than 350% of the FPL and seeks a discount for emergency services greater than the discount set forth above, then TFHD may decide, in its sole discretion, whether to provide such financial assistance, and the extent to which it will be provided, if at all. In making its decision, TFHD may consider the following factors, without limitation:

2.2.3.1 The patient’s need for financial assistance.

2.2.3.2 The extent of TFHD’s limited charitable resources, and whether they are best spent providing these services at an additional discount or whether there are other patients with greater immediate need for TFHD’s charitable assistance.

2.2.3.3 Any other facts (such as the patient’s monetary assets) that, in TFHD’s sole discretion, are appropriate to take into account in considering the patient’s request for charity care.

2.3 Financial Assistance For Non-Emergency Services:

If a patient requests financial assistance for Non-emergency Services (with the exception of primary care clinic, multi-specialty care clinic, or skilled nursing services, which are covered as described below), the following will apply:

If the patient’s family income is 350% or less of FPL and meets all other Financial Assistance Program qualification requirements, the patient will be granted the Basic Discount. TFHD may decide, in its sole discretion, whether and to what extent additional financial assistance will be provided, such as whether to provide the level of assistance the patient would receive if he/she had received Emergency Services.

2.3.1 In addition to the information required by the financial assistance application, TFHD may require the individual to provide additional information regarding the individual’s family monetary assets, as it deems appropriate in its sole discretion.

2.3.2 TFHD will decide, in its sole discretion, whether and to what extent to grant financial assistance in addition to the Basic Discount. Only medically necessary services will be considered. In making its determination, TFHD may, in addition to any other criteria set forth in this policy and without limitation, consider the following factors:

2.3.2.1 The degree of urgency that the services be performed promptly.

2.3.2.2 Whether the services must be performed at TFHD, or whether there are other providers in the patient’s geographic area that could provide the services in question.
2.3.2.3 Whether the services can most efficiently be performed at TFHD, or whether there are other providers that could perform the services more efficiently.

2.3.2.4 The extent, if any, that TFHD’s limited charitable resources are best spent providing the requested service and whether there are others with greater immediate need for TFHD’s charitable assistance.

2.3.2.5 The patient’s need for financial assistance.

2.3.2.6 Any other facts that, in TFHD’s sole discretion, are appropriate to take into account in considering the patient’s request for financial assistance.

3.0 **Refunds**

In the event that a patient is determined to be eligible for financial assistance for services for which he/she or his/her guarantor has made a deposit or partial payment, and it is determined that the patient is due a refund because the payments already made exceed the patient’s liability under this policy, any refund due shall be processed under TFHD’s Credit and Collection Policy, which provides, in pertinent part, as follows:

“In the event that a patient or patient’s guarantor has made a deposit payment, or other partial payment for services for which the patient has requested financial assistance, and subsequently is granted financial assistance through the Financial Assistance Program, any amounts paid at a time when the patient was eligible for financial assistance which exceed the patient’s payment obligation, if any, shall be refunded to the patient, with interest. Any refund due to the patient under this paragraph may not be applied to other open balance accounts or debt owed to the hospital by the patient or his/her family, representative, or guarantor. Any refunds due shall be reimbursed to the patient or his/her representative within a reasonable time. Such interest shall accrue from the first day that TFHD received payment of the amount to be refunded, at the rate set forth in Section 685.010 of the California Code of Civil Procedure.”

4.0 **Flow Chart**

Following is a flow chart describing the process for determining financial assistance for applicants for Emergency Services, Non-emergency Services, and Prior Services:

4.1 **Hospital-Based Primary Care and Multi-Specialty Clinics**

TFHD operates certain outpatient services of the hospital as clinics which are located apart from the main campus of the hospital. These include a multi-specialty clinic, and a primary care clinic, both of which provide mainly primary care services. Because of the lower cost of primary care procedures performed on an outpatient basis, the following shall apply to hospital services rendered in these outpatient clinics:

4.1.1 Clinic patients are patients of the hospital, and will complete the same basic financial assistance application form

4.1.2 The patient’s family income will primarily be determined using pay stubs

4.1.3 Tax returns will not be required as proof of income unless clinic personnel determine it is reasonable and necessary due to unusual circumstances
4.1.4 A patient attestation letter may be used on a limited basis when appropriate to an individual patient’s circumstance.

4.1.5 Subject to consideration of the factors set forth in paragraph 3 above for non-emergency services, to be determined by TFHD in its sole discretion, patients will pay a reduced fee based on the sliding scale below. If the Patient is covered by a third party obligation, the Patient’s obligation will be to pay the difference between the amount paid by the third party and the amounts of the sliding scale, if any.

### Clinic Sliding Scale

<table>
<thead>
<tr>
<th>Patient/Family FPL Qualification</th>
<th>Amount of Payment Due for Clinic Visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incomes less than or equal to 200%</td>
<td>$25 flat fee, not to exceed what Medicare would pay for the clinic visit</td>
</tr>
<tr>
<td>Incomes between 201% and 350%</td>
<td>Actual Medicare Fee Schedule</td>
</tr>
</tbody>
</table>

### 4.2 Distinct Part Skilled Nursing Services

4.2.1 Skilled nursing services are also quite different in nature than acute care inpatient, outpatient and emergency services. Patients at the distinct part skilled nursing facility are often residents at the hospital and require special programs designed to meet their long-term care needs.

4.2.2 Given the unique nature of providing care to skilled nursing facility patients, the following financial assistance requirements shall apply:

4.2.2.1 All skilled nursing patients and/or their family representatives shall complete the TFHD financial assistance application and provide supporting documents as required by the standard application.

4.2.2.2 Patients will pay a reduced fee based on the following sliding scale.

### Distinct Part Skilled Nursing Sliding Scale

<table>
<thead>
<tr>
<th>Patient/Family FPL Qualification</th>
<th>Amount of Payment Due for Distinct Part Skilled Nursing Facility Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incomes less than or equal to 200%</td>
<td>50% of the Medi-Cal Payment Rate</td>
</tr>
<tr>
<td>Incomes between 201% and 350%</td>
<td>100% of the Medi-Cal Payment Rate</td>
</tr>
</tbody>
</table>

### 5.0 Payment Plans

5.1 When a determination to grant Discount Partial Charity Care has been made by the hospital, the patient may be given the option to pay any or all outstanding amount due through a scheduled term payment plan, as an alternative to a single lump sum payment.

5.2 The hospital will discuss payment plan options with each patient that requests to make arrangements for term payments. Individual payment plans will be arranged based upon the patient’s ability to effectively meet the payment terms. As a general guideline, payment plans will be structured to last no longer than 12 months. However, monthly payments will be negotiated so as not to exceed 10%
of family income after deductions for essential living expenses. The hospital shall negotiate in good faith with the patient; however there is no obligation to accept the payment terms offered by the patient. No interest will be charged to qualified patient accounts for the duration of any payment plan arranged under the provisions of the Financial Assistance Policy.

6.0 **Special Circumstances**

6.1 Any application for financial assistance by or on behalf of patients covered by the Medicare Program must be made prior to service completion by TFHD.

6.2 If a patient is determined to be homeless he/she may be deemed eligible for charity care, in the sole discretion of TFHD.

6.3 Deceased patients who do not have any third party coverage, an identifiable estate, or for whom no probate hearing is to occur, may be deemed eligible for charity care, in the sole discretion of TFHD.

6.4 Charges for patients who receive Emergency Services for whom the hospital is unable to issue a billing statement may be written off as Full Charity Care. All such circumstances shall be identified on the patient’s account notes as an essential part of the documentation process.

7.0 **Other Eligible Circumstances**

7.1 TFHD deems those patients that are eligible for government sponsored low-income assistance program (e.g. Medi-Cal/Medicaid, Healthy Families, California Children’s Services and any other applicable state or local low-income program) to be eligible under the Financial Assistance Policy when services are provided which are not covered by the governmental program. For example, services to patients who qualify for Medi-Cal/Medicaid as well as other programs serving the needs of low-income patients (e.g. CHDP, Healthy Families, and CCS) which the government program does not cover, are eligible for Financial Assistance Program coverage. Under the hospital’s Financial Assistance Policy, these resulting non-reimbursed patient account balances are eligible for full write-off as Full Charity Care. Specifically included as Charity Care are charges related to denied stays, denied days of care, and non-covered services. All Treatment Authorization Request (TAR) denials and any lack of payment for non-covered services provided to Medi-Cal/Medicaid and other patients covered by qualifying low-income programs, and other denials (e.g. restricted coverage) are to be classified as Charity Care if, at the time that the services were provided TFHD believed that the services rendered were medically necessary.

7.2 The portion of Medicare patient accounts (a) for which the patient is financially responsible (coinsurance and deductible amounts), (b) which is not covered by insurance or any other payor including Medi-Cal/Medicaid, and (c) which is not reimbursed by Medicare as a bad debt, may be classified as charity care if:

7.2.1 The patient is a beneficiary under Medi-Cal/Medicaid or another program serving the health care needs of low-income patients; or

7.2.2 The patient otherwise qualifies for financial assistance under this policy and then only to the extent of the write-off provided for under this policy.

8.0 **Catastrophic Care Consideration**
Patients who do not qualify for charity care or discount partial charity care may nevertheless be eligible for financial assistance in the event of an illness or condition qualifying as a catastrophic event. Determination of a catastrophic event shall be made on a case-by-case basis. The determination of a catastrophic event shall be based upon the amount of the patient’s liability at billed charges, and consideration of the individual’s family income and assets as reported at the time of occurrence. Management may use its reasonable discretion on a case-by-case basis to determine whether and to what extent an individual or family is eligible for financial assistance based upon a catastrophic event. Financial assistance will be in the form of a percentage discount of some or all of the applicable monthly charges. The Catastrophic Event Eligibility Table will be used as a guideline by management to determine eligibility and the level of any financial assistance. The Catastrophic Event Eligibility Table does not guarantee that any individual will receive financial assistance, or the level of any assistance given.

9.0 Criteria for Re-Assignment from Bad Debt to Charity Care

9.1 Any account returned to the hospital from a collection agency that has determined the patient or family representative does not have the resources to pay his or her bill, may be deemed eligible for Charity Care. Documentation of the patient or family representative’s inability to pay for services will be maintained in the Charity Care documentation file.

9.2 All outside collection agencies contracted with TFHD to perform account follow-up and/or bad debt collection will utilize the following criteria to identify a status change from bad debt to charity care:

9.2.1 Patient accounts must have no applicable insurance (including governmental coverage programs or other third party payers); and

9.2.2 The patient or family representative must have a credit score rating within the lowest 25th percentile of credit scores for any credit evaluation method used; and

9.2.3 The patient or family representative has not made a payment within 150 days of assignment to the collection agency;

9.2.4 The collection agency has determined that the patient/family representative is unable to pay; and/or

9.2.5 The patient or family representative does not have a valid Social Security Number and/or an accurately stated residence address in order to determine a credit score

9.3 All accounts returned from a collection agency for re-assignment from Bad Debt to Charity Care will be evaluated by hospital personnel prior to any re-classification within the hospital accounting system and records.

10.0 Notification

Once a determination of eligibility is made, a letter indicating the determination status will be sent to the patient or family representative. The determination status letter will indicate one of the following:

10.1 Approval: The letter will indicate that financial assistance has been approved, the level of assistance, and any outstanding or prospective liability by the patient.
10.2 Denial: If the patient is not eligible for financial assistance due to his/her income and/or monetary assets, the reasons for denial of eligibility will be explained to the patient. Any outstanding amount owed by the patient will also be identified.

10.3 Pending: The applicant will be informed as to why the financial assistance application is incomplete. All outstanding information will be identified and requested to be supplied to the Hospital by the patient or family representative.

11.0 Reconsideration of Eligibility Denial

11.1 In the event that a patient disputes the hospital’s determination of eligibility, the patient may file a written request for reconsideration with the Hospital within 60 days of receiving notification of eligibility. The written request should contain a complete explanation of the patient’s dispute and rationale for reconsideration. Any additional relevant documentation to support the patient’s claim should be attached to the written appeal.

11.2 Any or all appeals will be reviewed by the hospital chief financial officer. The chief financial officer or his/her designee shall consider all written statements of dispute and any attached documentation. After completing a review of the patient’s claims, the chief financial officer shall provide the patient with a written explanation of the results of the reconsideration of the patient’s eligibility. All determinations by the chief financial officer shall be final. There are no further appeals.

11.3 All discretionary decisions by the hospital shall not be subject to further review or reconsideration.

12.0 Public Notice

12.1 TFHD shall post notices informing the public of the Financial Assistance Program. Such notices shall be posted in high volume inpatient, and outpatient service areas of the hospital, including but not limited to the emergency department, billing office, inpatient admission and outpatient registration areas or other common patient waiting areas of the hospital. Notices shall also be posted at any location where a patient may pay his/her bill. Notices will include contact information on how a patient may obtain more information on financial assistance as well as where to apply for such assistance. Notices will also include information about obtaining applications for potential coverage through the California Health Benefit Exchange and other contact information related to consumer advocacy resources.

12.2 These notices shall be posted in English and Spanish and any other languages that are representative of the primary language of 5% or greater of residents in the hospital’s service area.

12.3 A copy of this Financial Assistance Policy will be made available to the public on a reasonable basis.

13.0 Confidentiality

It is recognized that the need for financial assistance is a sensitive and deeply personal issue for recipients. Confidentiality of requests, information and funding will be maintained for all that seek or receive financial assistance. The orientation of staff and selection of personnel who will implement this policy should be guided by these values.

14.0 Good Faith Requirements
14.1 TFHD makes arrangements for financial assistance for qualified patients in good faith and relies on the fact that information presented by the patient or family representative is complete and accurate.

14.2 Provision of financial assistance does not eliminate the right to bill, either retrospectively or at the time of service, for all Full Charity Care or Partial Discount Charity Care services when information has been intentionally withheld or inaccurate information has been intentionally provided by the patient or family representative to the extent such inaccurate or withheld information affects the eligibility of the patient for financial assistance, or any financial assistance provided at the hospital’s discretion. In addition, TFHD reserves the right to seek all remedies, including but not limited to civil and criminal remedies from those patients or family representatives who have intentionally withheld or provided inaccurate information in order qualify for the TFHD Financial Assistance Program.

Related Policies/Forms:


Policy Owner: Clerk of the Board

Approved by: Chief Executive Officer
PURPOSE:

Tahoe Forest Hospital District has an ethical, moral, social, and legal responsibility to serve–providing screening examination and care to patients presenting to its facilities with emergency conditions. The Board understands, based on the Emergency Medical Treatment and Active Labor Act ("EMTALA", "Act"), and federal and state regulations, that federal law requires hospitals with a dedicated emergency department to maintain a list of physicians who are on call to come to the hospital and provide treatment as necessary to stabilize an individual with an emergency medical condition, within the capabilities of the District to provide on-call physicians in appropriate specialties.

POLICY:

1.0 Patients who present to the Tahoe Forest Hospital District facilities requesting emergency care are entitled to a "Medical Screening Examination" as described in the Act, timely, quality emergency consultative services regardless of their ability to pay.

2.0 The District’s Board of Directors, Administration and Medical Staff leadership will work collaboratively to determine the District’s capabilities for providing 24-hour emergency health care.

3.0 Tahoe Forest Hospital District operates Tahoe Forest Hospital and Incline Village Community Hospital.

3.1 Tahoe Forest Hospital (TFH), a Critical Access Hospital licensed by the State of California to provide basic emergency services, will provide on-call physician coverage in the Emergency Department for the basic services required for licensure and for supplemental services listed on the hospital license. TFH will provide 24-hour physician coverage for emergency consultation and services for these specialties to the best of our capabilities:

3.1.1 Emergency Medicine
3.1.2 General Medicine
3.1.3 General Surgery
3.1.4 Radiology
3.1.5 Anesthesia
3.1.6 Pathology
3.1.7 OB/Gyn
3.1.8 Pediatrics
3.1.9 Orthopedics
3.2.0 Ophthalmology

3.5 Other specialties may provide specialty on-call coverage for emergency consultations and services according to the capabilities of members of the medical staff who have privileges in that specialty.

4.0 The Chief Executive Officer will work with the Medical Staff to provide emergency consultative coverage that meets federal and state laws, and licensing requirements and the needs of the community. To achieve these goals, the Chief Executive Officer may utilize, but not be limited to:

4.1 Stipends for call coverage
4.2 Contracts for professional services
4.3 Locum tenens privileges
4.4 Transfer agreements with other healthcare facilities

5.0 At least annually, Tahoe Forest Hospital District Board of Directors will review and approve the level of emergency on-call services available. We will utilize the hospital’s quality assurance system to monitor emergency on-call practices.

6.0 In order to provide this coverage, every effort will be made to create a system that is voluntary, fair, and equitable without imposing an undue burden on physicians or the Tahoe Forest Hospital District. Collaboration with current members of the Tahoe Forest Hospital District’s Medical Staff will be the preferred method for providing these services, with recruitment of new physicians as needed.

7.0 Physicians who seek charity care fund reimbursement at Medicare rates for emergency services provided in the hospital to indigent patients, should refer to Financial Assistance Program Full Charity Care and Partial Charity Care (ABD-09) for guidance and distribution criteria. Tahoe Forest Hospital District will keep abreast of other funds, state or otherwise, that might be available for the purpose of providing payment to physicians who treat the under/uninsured population.

8.0 We will utilize the hospital’s quality assurance system to monitor emergency on-call practices with annual reports to the Board of Directors on the actual call coverage, effectiveness of these practices, as well as physician, patient, and employee satisfaction.

Related Policies/Forms:
References: EMTALA-California Hospital Association
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer
Board Executive Summary

By: Judy Newland, RN
CNO/COO

DATE: October 22, 2015

ISSUE: Emergency ON-Call Policy #ABD-10

In this policy, the Board adopts guidelines on services that will be supported through the use of specialty physicians who are on-call for consultations required for patients being treated in the Emergency Department.

BACKGROUND:
This policy was originally adopted in 2001 to adopt guidelines for on-call specialty physician coverage the District would provide pursuant to its obligations under the Emergency Medical Treatment and Active Labor Act (EMTALA). EMTALA does not provide definitive guidelines on medical specialties that must be supported with 24-hour on-call specialty physician coverage. Instead, it requires hospitals to maintain a list of specialists who are on call to support the stabilization or treatment of patients within the capabilities of the hospital.

The policy stipulated 24-hour on-call coverage should be provided for 11 specialties at Tahoe Forest Hospital:

1. Emergency Medicine
2. Ob/Gyn
3. General Medicine
4. Pediatrics
5. General Surgery
6. Orthopedics
7. Radiology
8. Opthamology
9. Anesthesia
10. Gastroenterology
11. Pathology

At Incline Village Community Hospital, the only specialties listed are Emergency Medicine and Medicine Services.

The policy also provided that coverage for other specialties would be provided within the capabilities of the specialty, which is permitted under EMTALA, and that the Board would review and approve the level of on-call services available at least annually.

ACTION REQUESTED:
The policy has been updated to relate the 24-hour on-call specialty coverage to the basic and supplemental services for which TFH is licensed, and to provide for coverage using an on-call activation approach vs 24-hour coverage, where medical staff resources are limited. The specialties of Opthamology and Gastroenterology would be changed to activation agreements.

Alternatives: Do not change the policy, or adjust the specialties where 24-hour on-call coverage is required.
Tahoe Forest Health System

**Title:** Fiscal Policy  
**Policy/Procedure #:** ABD-11

**Responsible Department:** Board of Directors

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<th>Type of policy</th>
<th>Original Date:</th>
<th>Reviewed Dates:</th>
<th>Revision Dates:</th>
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<td>8/85</td>
<td>2/10; 01/12; 1/14</td>
<td>11/05; 2/06; 6/07</td>
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<td>☐ Medical Staff</td>
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<td>☐ Departmental</td>
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</tbody>
</table>

**Applies to:** ☒ System ☐ Tahoe Forest Hospital ☐ Incline Village Community Hospital

**PURPOSE:**
The purpose of this policy is to communicate the fiscal policy of the District as it relates to the operations of Tahoe Forest Hospital District and the various other services, programs and ventures which the District is or shall consider providing consistent with its Mission Statement and operating policies. It is the intention of the Board of Directors that this Fiscal Policy be disseminated to the hospital administrative and management team, as well as Medical Staff leadership, in order to achieve a broad based understanding of the fiscal goal of Tahoe Forest Hospital District. For the purposes of this policy statement, the term "services" shall apply to all hospital operations as well as other District services, programs or ventures.

**POLICY:**

1.0 **RATIONALE**
In view of the ever-changing reimbursement environment in which health care providers exist, the Board of Directors recognizes the importance of financial stability. A sound Fiscal Policy is necessary to assure the continuation of needed services, and as appropriate, expansion into new health related facilities and services. To assure access to capital markets, it is in the best interest of the District to maintain strong financial reserves. This philosophy is based upon, and consistent with, the Mission Statement and operating policies of the District.

2.0 **POLICY STATEMENT**
Our Fiscal Policy is to ensure the availability of capital to meet the future costs of carrying out the hospital’s mission and serves as a prudent reserve to offset unexpected external forces. It will be the responsibility of the District’s Chief Executive Officer (CEO) to implement policies and procedures consistent with the Fiscal Policy of the Board of Directors.

**PROCEDURE:**

1.0 **FUND BALANCES AND TRANSFER PROCEDURES**
The Chief Executive Officer has the authority to move funds that are consistent with Board of Directors Fiscal Policy. Days Cash On Hand (the number of days of average cash expenses) to maintain at a minimum the Standard & Poors BBB- rating threshold, and sustain sufficient fund for capital equipment needs. At least quarterly, a report of fund balances will be presented to the Board of Directors.
2.0 **Maintenance and Operations Fund:**
All receipts and revenues of any kind from the operation of the hospital shall be paid daily into the treasury of the District and placed in the Maintenance and Operations Fund. Moneys in the maintenance and Operation Fund may be expended for any of the purposes of the District.

3.0 The Chief Executive Officer will allocate monies in excess of 30 days forecasted cash to Board designated funds or transfer sufficient monies from Board designated funds into Maintenance and Operations Fund so that a minimum of 30 days working capital is maintained for the upcoming quarter. Fund transfers into Maintenance and Operations Fund from other funds to cover the minimum 30 days working capital will be in the following priority:

3.1 Cash Reserve Fund
3.2 Projects Fund

4.0 **Board Designated Funds:**
Available funds will be funded in the priority order as listed. Bond Funds are held by the Bond Trustee until the fund reimburses the District for project expenditures. The reimbursed bond project expenditures will be deposited in the Maintenance and Operations Fund. Debt service is included in the Maintenance and Operations Fund.

4.1 **Other Entity Funds:**
Funds held for other entities such as Medical Staff and Auxiliary. Interest income accrues to the specific fund.

4.2 **Projects Fund:**
Board of Directors approved and designated projects. Fund to include, among others Building Funds and Capital Equipment Funds. Interest income will accrue to the Maintenance and Operations Fund.

5.0 **Cash Reserve Fund:**
Board of Directors approved funding to increase and provide sufficient reserves to sustain operational integrity; continued services at current levels; emergency purposes (safety net); credit worthiness; anticipated capital replacement needs. Interest income will accrue to the Maintenance and Operations Fund.

6.0 **Restricted Funds:**
Funds restricted to purchase assets or to fund program costs. These funds become unrestricted when the restriction is satisfied. Interest income accrues to the specific fund.

7.0 **Donations:**
Donated funds will be placed in the appropriate fund to be designated by the donor.

<table>
<thead>
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<td>Approved by: Robert Schapper, Chief Executive Officer</td>
</tr>
</tbody>
</table>
PURPOSE:
The purpose of this policy is to establish Tahoe Forest Hospital District cash investment objectives, authority and responsibility, approval, instrument limitations (Appendix A, California Health & Safety Code Section 32127), concentrations, terms, reporting, judgment and care, and District Treasurer's, Chief Executive Officer and Chief Financial Officer (CFO) liability for all of its funds.

POLICY:

1.0 OBJECTIVE
The District’s investment objective is to maximize the return on invested cash while minimizing risk of capital loss and adhering to the investment policy as allowed for herein.

2.0 AUTHORITY AND RESPONSIBILITY
The District Treasurer shall have the authority and responsibility to purchase and invest prudently. The Chief Executive Officer is delegated the authority and responsibility by the District Treasurer to purchase and invest within the limitations defined below.

3.0 APPROVAL
The CFO will investigate and recommend investments within the guidelines of this policy but must have approval from the District Treasurer or Chief Executive Officer to implement investments.

LIMITATIONS ON INSTRUMENTS
The District shall adopt and use California Health & Safety Code Section 32127 as the limitation on instruments of investment. Refer to Appendix A.

PROCEDURE:

1.0 CONCENTRATION OF INVESTMENTS
1.1 Unlimited investments in the State Of California Local Agency Investment Fund.
1.2 Unlimited investment in the U.S. Government guaranteed investments.
1.3 Sufficient principal funds in any single bank or savings should comply with the regulatory collateralization requirements.

No more than $100,000 principal in any single bank or savings and loan association with insurance through FDIC or FSLIC, when FDIC or FSLIC is applicable.

1.4 Banks or savings and loan associations must also have consistently profitable operations, and must have net worth ratios which exceed their regulatory requirements.

1.5 No more than $1,000,000 in any one corporation or diversified management company.

2.0 TERMS OF INVESTMENTS

2.1 Limited to the terms specified in Government Code Section 53601 or if not specified:

2.2 Maximum terms of any investment to be one and one half (1 1/2) years.

2.3 Board of Directors’ approval required for terms in excess of 1 and 2 above.

2.4 Investments must be redeemable prior to maturity, even if with a penalty, or salable in an established secondary market.

3.0 REPORTING

The District Treasurer or CFO shall report periodically to the Board of Directors of the District showing the type of investment, institution, date purchased, date of maturity, amount of deposit and rate of interest.

4.0 JUDGEMENT AND CARE

All persons authorized to make investment decisions on behalf of the District (investing public funds) are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing funds, the trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

5.0 DISTRICT TREASURER LIABILITY

When the District funds are invested in accordance with this Statement Of Investment Policy, the District Treasurer shall not be liable for any loss resulting from the default or insolvency of an authorized depository in the absence of negligence, malfeasance, misfeasance or nonfeasance on the part of the Treasurer.

6.0 CFO AND CHIEF EXECUTIVE OFFICER PERFORMANCE

As experts in the field of finance, healthcare and hospital operations, the CFO and Chief Executive Officer are expected to guide, recommend and provide oversight to the Treasurer, Board Finance Committee and Directorship in all matters related to investment activities. It is incumbent upon these above mentioned employees to ensure
that all investments suggested and/or executed are in compliance with all applicable California State law, code, regulation and procedure, all federal laws and District policy. Any and all deviation from law or policy shall be brought to the immediate attention of the Treasurer, the Board Finance Committee and brought through the Board of Directors.
TAHOE FOREST HOSPITAL DISTRICT
INVESTMENT POLICY
LIMITATION ON INSTRUMENTS
APPENDIX A

The District shall adopt and use the following as the limitation on instruments of investment.

California Health & Safety Code Section 32127, which outlines the duties of the Treasurer of the District, provides generally that any monies in the treasury of the District may be deposited in accordance with the provisions of the general laws of the State of California governing the deposit of public monies of cities or counties. That provision is supplemented by the provisions of Government Code Section 53600, et seq. which deals with investment of funds by local agencies.

Government Code Section 53601 provides that the legislative body of a local agency having money in a sinking fund or surplus money in its treasury not required for immediate necessities of the local agency may invest in the following categories based on Government Code Section 53601 beginning in 1992 with 1995, 1996 and 2002 Amendments.

6.1 Bonds issued by the District;
6.2 U.S. Treasury Notes, bonds or certificates of indebtedness;
6.3 Warrants, treasury notes or bonds issued by the State of California or by any department, board, agency or authority of the state;
6.4 Bonds, notes, warrants or other evidences of indebtedness of any local agency in California;
6.5 Obligations, participation or other instruments of, or issued by, a federal agency including Federal Home Loan Bank Board (FHLBB) and Federal National Mortgage Association (FNMA).
6.6 Bankers’ acceptances provided that such documents may not exceed 180 days maturity and no more than 30 percent of surplus funds may be invested in the bankers’ acceptances of any one commercial bank and 40 percent of the surplus funds total in such investments;
6.7 Commercial paper of prime quality or the highest rating by Moody’s or Standard and Poor’s, (“A” or higher) provided that issuing corporations must have total assets in excess of $500,000,000. Purchases of eligible commercial paper may not exceed 270 days maturity or represent more than 10 percent of the outstanding paper of any issuing corporation, and purchases of commercial paper may not exceed 25 percent of the agency’s surplus money.
6.8 Negotiable certificates of deposit issued by nationally or state chartered banks or savings and loan associations or state license branches of a foreign bank, provided that purchases of negotiable certificates of deposit may not exceed 30 percent of the agency’s surplus money (and certificates of deposit may not exceed the shareholder’s equity of any depository bank or the total net worth of any depository savings and loan association);
6.9 Repurchase agreements or reverse repurchase agreements of any securities authorized by Section 53601, provided the term of repurchase agreements shall be one year or less.

6.10 Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A” or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes may not exceed 30 percent of the agency’s surplus money which may be invested pursuant to this section.

6.11 Shares of beneficial interest issued by diversified management companies, investing in the securities and obligations as authorized by subdivisions (a) to (j) inclusive, or subdivision (m) or (n) of this section and which comply with the investment restriction of this article and Article 2 (commencing with Section 53630). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) Have an investment advisor registered with the Securities and Exchange Commission with not less than five years’ experience investing in the securities and obligations as authorized by subdivisions (a) to (j), inclusive or subdivisions (m) or (n), of this section and with asset under management in excess of $500,000,000. The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the agency’s surplus money which may be invested pursuant to this section. However no more than 10 percent of the surplus funds may be invested in shares of beneficial interest of any one mutual fund pursuant to this paragraph.

6.12 Notwithstanding anything to the contrary contained in this section, Section 53635 or any other provision of law, monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale or other agreement of a local agency, or certificates of participation in those bonds, indebtedness or lease installment sale, or other agreements may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture or agreement of the local agency providing for the issuance.

6.13 Notes, bonds or other obligations which are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirement of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
6.14 Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate or consumer receivable-backed bond of a maximum of five years’ maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an “A” or higher rating for the issuer’s debt as provided by a nationally recognized rating service and rated in a rating category of “AA” or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District’s surplus money that may be invested pursuant to this section.

6.15 Prohibited from borrowing short-term and using these funds to invest in long-term securities.

6.16 The District shall not invest in inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

6.17 The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation shall not apply to the District investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section 53601.
PURPOSE:
To assist the Board of Directors in the Board’s exercise of oversight with respect to duty of care in evaluating the impact of new programs and/or services of the organization. The duty of care requires Board members to have knowledge of all reasonably available and pertinent information before taking action. The Board member must act in good faith, with the care of an ordinarily prudent businessperson in similar circumstances, and in a manner he or she reasonably believes to be in the best interest of the organization.

To assist the Board of Directors in the Board’s responsibility to set the organization’s strategic direction in a manner consistent with the organization’s mission, vision, and values.

POLICY:
1.0 The Board [or relevant Board committee] will consider the following when evaluating new programs and services:
   1.1 Congruence with mission, vision, and values
   1.2 Financial feasibility
   1.3 Impact on quality and safety with a requirement to meet quality related performance criteria
   1.4 Market potential
   1.5 Redundancy
   1.6 Impact on other organizational units [e.g., employed physician groups, independent physicians on the medical staff, the medical staff as a whole, etc.]

2.0 Management will present to the Board [committee] a written analysis of proposed new programs and services that addresses, at a minimum, the components listed above.

3.0 The Board [committee] will first consider the information presented in the analysis during a Board [committee] meeting; discussion will take place and additional information/input from others may be required. The Board [committee] will ensure that management provides the additional information/input as requested.

4.0 In general, Board [committee] decisions on whether to move forward with a new program or service will not be taken during the meeting at which the proposed new program or service was initially presented.
service is initiated. The final decision will be made at a subsequent Board [committee] meeting in order to allow Board [committee] members to have additional time for discussion/consideration and to assess all information before voting.

<table>
<thead>
<tr>
<th>Related Policies/Forms:</th>
</tr>
</thead>
<tbody>
<tr>
<td>References:</td>
</tr>
<tr>
<td>Policy Owner:</td>
</tr>
<tr>
<td>Approved by:</td>
</tr>
</tbody>
</table>
POLICY:

1.0 For the District to achieve its mission and strategic objectives, it will protect its Trade Secrets from disclosure to competitors and others who can obtain economic value from their disclosure or use.

2.0 “Trade Secrets” as defined in the Uniform Trade Secrets Act, California Civil Code Section 3426 and following and further defined as information, including a formula, pattern, compilation, program, device, method, technique, or process, such as statistical and financial information, that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

3.0 When the District competes with other entities in the hospital service area, it will take steps to protect its Trade Secrets related to these competitive operations.

PROCEDURE:

1.0 Access to Trade Secrets is limited to only those employees and persons/entities with whom the District does business and who have a “need to know.”

2.0 Prior to being provided access to Trade Secrets, employees and persons/entities shall sign a non-disclosure agreement and agree to return all Trade Secrets at the end of their employment or contract.

3.0 Use computer security measures, such as passwords, to protect Trade Secrets in electronic format.

4.0 Use reasonable efforts to clearly identify the District’s Trade Secrets.

5.0 Physically lock secure areas where Trade Secrets reside are held.

6.0 Requests from the public for information pertaining to District operations will follow a prescribed sequence as outlined in the Board policy titled Inspection And Copying Of Public Records ABD-14. When Trade Secrets are requested, the information will be protected as Trade Secrets as allowed by law.
6.1 Examples of operations services and programs that may have Trade Secrets which will be protected under the Trade Secrets Policy are:

6.1.1 Physical Therapy and Rehab Services
6.1.2 Retail Pharmacy
6.1.3 Occupational Health & Wellness
6.1.4 Childcare Services

Related Policies/Forms: Inspection And Copying Of Public Records ABD-14

References:

Policy Owner: Michelle Cook, Clerk of the Board

Approved by: Robert Schapper, Chief Executive Officer
Tahoe Forest Hospital District
Employment Agreement

This Agreement is effective on the 7th day of December, 2015, by and between the Tahoe Forest Hospital District, (the “District”) and _________ (the “Employee”), with respect to the following facts:

A. The District is a public agency formed and operated pursuant to the Local Health Care District Law, California Health and Safety Code Sections 32000, et seq.

B. The District desires to hire Employee as its Chief Executive Officer and Employee desires to accept such employment, subject to the terms and conditions set forth herein.

WHEREFORE, the parties agree as follows:

1. DUTIES. Employee shall work full time for the District as its Chief Executive Officer and shall maintain a regular work schedule consistent with that approved for other executive employees of the District. Employee’s duties may involve expenditures of time in excess of eight (8) hours per day and/or forty (40) hours per week, and may also include time outside normal office hours, for which Employee shall not be entitled to additional compensation. Subject to such restrictions as the District may impose, the Employee shall have full charge and control of and be responsible for the day-to-day operation of the District and shall be responsible for all of the functions assigned by the District including but not necessarily limited to the duties set forth on the job description attached hereto as Attachment 1 and incorporated here by this reference. The Employee shall perform all duties with due diligence and with the best interest of the District in mind. The Employee shall not engage in any other employment, business or profession in the Healthcare industry whether for pay or otherwise that would conflict with the performance of her duties pursuant to this Agreement.

2. RELATIONS WITH THE PUBLIC. Employee acknowledges that the position of Chief Executive Officer is a position of high visibility before the public. Employee shall conduct himself before the public, both during and outside of regular working hours, in a manner that reflects favorably upon the District.

3. TERM OF AGREEMENT. The term of this Agreement shall for a period of three (3) years beginning December 7, 2015 and shall continue through December 6, 2018. This Agreement may be terminated by either party in accordance with the provisions of Section 6 below.

4. THIS AGREEMENT TAKES PRECEDENCE. Employee shall be entitled generally to the benefits accorded all other employees of the District and shall be subject to all of the rules, regulations, policies and procedures applicable to all other employees of the District. To the extent that the terms of this Agreement provide for benefits, rules, regulations, policies or procedures that differ from those of the District’s general personnel policies and procedures, the terms of this Agreement shall take precedence.
5. COMPENSATION. During the term of this Agreement, Employee shall be entitled to the following compensation:

   (a) **Salary.** The Employee’s base salary during the term of this Agreement, beginning December 7, 2015 shall be Three Hundred Fifty Thousand Dollars ($350,000) per year. The Employee shall receive this salary pro-rated on a bi-weekly basis less required and authorized deductions.

   (b) **Incentive Compensation Plan Participation.** Employee shall participate in the District’s Incentive Compensation Plan (the “Plan”). The Plan allows for additional compensation up to twenty (20) percent of Employee’s base salary based on achievement of financial and other targets established by the District’s Board of Directors. The District’s Board of Directors shall determine whether the established financial targets have been achieved and the amount of Incentive Compensation, if any, due Employee. First year targets will be agreed to in the first 90 days of employment.

   (c) **Personal Leave.** Employee shall be entitled to twenty-nine (29) days of Personal Leave (calculated upon the basis of fifteen (15) days of vacation and nine (9) days of holidays and five (5) short term illness days) to be used for holidays, vacation and short-term illnesses. Said Personal Leave shall accrue each two-week payperiod in accordance with District policies and practices. Said leave shall continue to accrue during periods when employee is actively using said Personal Leave time. Employee’s use of Personal Leave shall conform to the policy of the District regarding use of Personal Leave.

   (d) **Long Term Sick Leave.** Employee shall be entitled to fifty-six (56) hours of Long Term Sick Leave each year to be used for long term illnesses or in the event of a work related injury. Said Long Term Sick Leave shall accrue at the rate of two and 16/100 (2.16) hours each two-week payperiod and shall continue to accrue during periods when employee is actively using said Long Term Sick Leave or Personal Leave. Employee’s use of Long Term Sick Leave shall conform to the policy of the District regarding use of Long Term Sick Leave.

   (e) **Long Term Disability.** The District shall maintain its standard long-term disability policy for Employee subject to acceptance of Employee by the Long Term Disability carrier.

   (f) **Retirement Benefits.** The Employee shall be entitled to the same retirement benefits as are provided to other employees of the District.

   (g) **Medical and Life Insurance.** Employee shall be entitled to term life insurance coverage in the amount of Five Hundred Thousand Dollars ($500,000.00), the premiums for said coverage to be paid for by the District during the term of this Agreement. Employee and his dependents shall be entitled to medical insurance benefits, the premiums for said coverage to be paid for by the District during the term of this Agreement. Employee will participate in Life Insurance benefits of two time’s base salary as available to other District management positions.

   (h) **Automobile.** In order to reimburse Employee for expenses related to the business use of Employee’s automobile, and automobiles rented by Employee, and as part of Employee’s compensation, the District shall pay to Employee the sum of Seven Thousand Five Hundred Dollars ($7,500) per year prorated.
over two thousand eighty (2080) hours. This additional sum shall be paid on the same day that Employee’s salary is paid. If the actual business related automobile expenses incurred by Employee in any one month are less than the sum herein agreed to be paid by the District, Employee shall be entitled to retain the excess. Further, Employee shall be entitled to mileage reimbursement at the standard District rate for business travel outside of the service area of the Hospital District. Employee shall be responsible for all costs of maintenance and operation of his automobile. Employee shall at all times maintain automobile liability insurance on any vehicle he uses for District purposes. Such insurance shall have coverage limits acceptable in form and amounts to the District. Employee shall provide a certificate or evidence of such insurance to the District.

(i) **Reimbursement of Expenses Other Than Auto.** The District shall reimburse Employee for reasonable expenses necessarily incurred by Employee in the performance of his duties as Chief Executive Officer. Said expenses shall include but not be limited to payment of professional dues, participation in annual professional meetings and educational courses, community service organizations or other opportunities for community participation that the Board deems beneficial to the District to be reimbursed consistent with existing District policy regarding reimbursement of expenses.

(j) **Travel Expenses.** The District shall pay for reasonable and actual travel expenses to educational and District professional training, provided that Employee’s expenses and reimbursements shall be subject to such additional limitations provided by District policy.

(k) **Future Compensation Adjustment.** Employee’s base salary will be increased by three percent (3%) on December 7, 2016 and December 7, 2017.

(l) **Relocation Expenses.** The District will reimburse Employee for expenses related to relocation up to Thirty Thousand Dollars ($30,000) subject to IRS regulations.

(j) **Temporary Housing Assistance.** The District will reimburse Employee for temporary housing cost up to $2,600 per month for the first six months of this Agreement.

6. **TERMINATON OF AGREEMENT.**

(a) **Employment at will.** The parties expressly acknowledge that Employee’s employment with the District to at will employment and that Employee may be terminated at any time with or without notice or cause at the sole discretion of the District’s Board of Directors. The District recognizes that Employee may terminate his employment at any time with or without notice or cause to do so.

(b) Notwithstanding anything else contained in this Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death of Employee. In the event of such occurrence, all benefits of this Agreement shall cease to accrue immediately upon the death of Employee.

(c) In the event the District elects to terminate this Agreement for cause, all benefits of this Agreement shall cease to accrue immediately upon written notice of the termination of the Agreement. Termination for cause shall be limited to the following:

CEO Contract
November 20, 2015
1. Employee engages in or assists others in the commission of illegal acts in relation to the performance of his duties for the District; or

2. Employee is engaged in fraud, deceit, dishonesty, falsification of records, gross misconduct, willful misconduct, intentional misrepresentation, insubordination, embezzlement in connection with the performance of his duties for the District.

3. Employee’s use of alcohol or drugs that impedes performance of duties.

4. Employee’s conviction of a felony or misdemeanor involving moral turpitude (a plea or verdict of guilty or a conviction following a plea of nolo contendere is deemed a conviction for this purpose).

5. A proven claim of either sexual harassment or abuse of employees in violation of law or adopted District policy by Employee.

6. Employee’s habitual neglect of duty in connection with the performance of his duties for the District.

7. Employee’s failure to abide by or comply with the terms of this Agreement, DISTRICT’S bylaws or policies or directives, within (10) days of having received notice from the District’s Board Chair that he has failed to abide by or comply with any of the foregoing and his failure or refusal to cure such failure or noncompliance within a reasonable period not to exceed seven (7) days.

(d) In the event that the District elects to terminate this Agreement for any reason other than a reason set forth in subparagraph (c), the District agrees to pay accrued leave and to pay a severance benefit of base salary and health insurance for Employee for a period of eighteen (18) calendar months or, if the remaining term of this Agreement is less than eighteen (18) calendar months, an amount equal to his monthly salary multiplied by the number of months left on the unexpired term of this Agreement, subject to the limits of Government code section 53260. During this period Employee shall not be considered an employee of the District. For the period during which severance payments are being made, District shall pay all COBRA premiums for employee for the number of months remaining in the agreement until time of termination as authorized as pursuant to Government Code section 53261.

(e) In the event that Employee obtains employment at a salary which is equal to or greater than his base salary at the time of termination of this Agreement, Employee shall inform District of his employment and District’s obligation to make severance payments shall terminate, as of the date Employee’s new employment begins. Any payment of salary to Employee attributable to new employment obtained by Employee shall be deducted from, and reduce, District’s obligation to make said severance payments to Employee.

(f) Should Employee commence employment at a lower base salary, District’s severance payment obligation shall be reduced to the difference between the amount of Employee’s base salary at the time of termination of this Agreement and the lower base salary from the new employment.

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(g) District’s obligation to make payments toward health insurance on behalf of Employee shall terminate upon Employee’s securing health insurance through new employment obtained prior to the expiration of the six (6) month post-termination period, or such other, shorter period as may be provided pursuant to Government Code section 53260 et seq. (e.g., the remaining term of this Agreement is less than 18 months).

(h) Should Employee at his discretion elect to terminate this Agreement for any reason, he shall endeavor to give the DISTRICT thirty (30) days written notice of his decision to terminate. At the end of those thirty (30) days, all rights, duties and obligations of both parties to this Agreement shall cease and District shall have no further obligation to provide payments and benefits, including severance benefits, upon the effective date of termination of employment, other than payment of accrued leave.

(i) However such obligation to continue to pay base salary and health insurance premiums shall cease if Employee files an administrative claim or lawsuit against the District based on or related to his employment with the District or the termination of his employment with the District or upon Employee’s death.

(j) If by reason of any physical or mental incapacity, the Employee has been or will be prevented from properly performing his duties under this Agreement for more than ninety (90) consecutive days in any three hundred sixty-five (365) day period, and the Employee is not on an approved leave of absence including, without limitation, Family and/or Medical or disability leave or Workers’ Compensation leave, if applicable, then to the extent permitted by law, the District’s may terminate this Agreement upon eight (8) weeks advanced written notice to the Employee. The District shall pay the Employee all compensation and benefits set forth in this Agreement to which he is entitled up through the last day of the notice period, subject to the limits of Government code section 53260; thereafter, all obligations of the District under this Agreement shall cease, unless otherwise stated or reserved. Nothing is this Section shall affect the Employee’s rights under any applicable District disability/or benefit plan/s. The District shall pay all COBRA premiums for employee for the number of months remaining in the agreement until time of termination.

7. RELEASE Employee shall only be entitled to receive benefits as described in Section 6 above if he and the District have executed a severance agreement that is satisfactory to the District.

8. PERFORMANCE REVIEW.

(a) Annual Review. The District shall make reasonable efforts to provide Employee with a written performance review on an annual basis by December. Employee shall have the opportunity to discuss this review with the Board of Directors. If there are deficiencies in the performance of the Employee they shall be noted and suggestions for improvement provided to Employee. Performance review will take place only in closed session of Board meetings.

9. AGREEMENT. This Agreement contains the entire understanding between the parties, and the parties expressly acknowledge that there are no other agreements, oral or written, and no other
understandings or representations made by either party to the other which have induced or caused the execution of this Agreement.

10. **WAIVER OR MODIFICATIONS.** No waiver or modification of this Agreement or any covenant, condition, or limitation herein contained shall be valid unless in writing and executed by both parties.

11. **ARBITRATION.** In the event that any dispute develops concerning the rights of either party regarding the terms of this Agreement, the parties may elect to submit that dispute to arbitration and may elect to accept as final and binding the decision of the duly selected arbitrator. Said arbitration of the dispute shall comply with the rules developed by the American Arbitration Association for employment arbitrations. The prevailing party in the arbitration shall be entitled to its reasonable attorney fees and costs.

12. **BINDING EFFECT AND INTERPRETATION.** This Agreement shall be binding on the respective parties and their legal representatives, successors, and heirs. This Agreement shall be construed in accordance with the laws of the State of California.

13. **NOTICE.** Any notice to the District pursuant to this Agreement shall be given in writing, either by personal service or by registered or certified mail, postage prepaid, addressed as follows:

   President  
   Tahoe Forest Hospital District  
   10121 Pine Avenue  
   P.O. Box 759  
   Truckee, CA 96160

   With a courtesy copy to:

   Michael G. Colantuono, Esq.  
   General Counsel  
   420 Sierra College Drive, Suite 140  
   Grass Valley, CA  95945

   Any notice to Employee shall be given in a like manner, and, if mailed, shall be addressed to Employee at the address then shown in District’s personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given:
a. on the date of delivery, if served personally, or
b. on the second day after mailing, if mailed.

14. SEVERABILITY. If any provision or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect.

15. ATTORNEYS’ FEES. If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable and actual attorneys’ fees and costs with respect to the prosecution or defense of the action.

16. COUNTERPARTS. This Agreement may be executed in counterparts which shall together constitute a single Agreement and signatures may be exchanged by facsimile, email or other electronic means with the same effect as original, wet signatures.

Tahoe Forest Hospital District    Employee

By: ____________________    By: ________________________

Dated:  _______________    Dated:  ____________________

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**JOB DESCRIPTION**

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<td>Exempt</td>
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CEO Contract
November 20, 2015
SUMMARY:
Directs all functions of the hospital in accordance with the overall policies established by the Board of Directors, and in compliance with regulatory guidelines, in order that the strategic objectives of the hospital can be attained; provides leadership and direction in ensuring the efficient, economical, effective utilization of hospital resources to meet the identified needs of the service region through quality medical and health service programs.

ESSENTIAL DUTIES AND RESPONSIBILITIES: include the following:
Assists, counsels, and advises the Board of Directors on the establishment of hospital policies; acts as agent of the Board in carrying out such policies.

Recommends District policy positions regarding legislation, government, administrative operation and other matters of public policy as required.

Assists the Board of Directors in effectively fulfilling their responsibilities by keeping the Board informed, on a monthly basis, of the operating results of the hospital; compares monthly operations to Board approved plans and budgets explaining variances that may arise.

Assists and advises the Board with respect to public District authority and changes in state statutory guidelines and requirements.

Develops appropriate strategic and annual operating plans that document the long and short-term goals and objectives of the District.

Actively pursues and supports the appraisals and development of new programs which could benefit the long-range success and survival of the District.

Establishes concise reporting relationships for all positions and departments in the hospital. Establishes methods which will foster the achievement of hospital goals and objectives and support the efficiency and effectiveness of all operations through proper communication and coordination.

Coordinates all operations with the medical staff, its committee structure and its leadership; demonstrates a proactive and positive relationship with the medical staff.

Ensures a consistency of purpose and mutuality of interest between the operations and bylaws of the medical staff and the policies and bylaws of the District.

Develops and maintains QI and PIP Programs designed to enhance quality and customer satisfaction.

Establishes operating policies and procedures for all departments, delegating specific responsibility for documentation, monitoring, compliance, and reporting or results to subordinates, as required.

Establishes and maintains a comprehensive budgeting program for the hospital. This program includes an appropriate consideration of operational, financial and statistical information needed to efficiently and effectively control all District operations.

Consistently generates sufficient net income to meet established financial goals.

CEO Contract
November 20, 2015
Develops strong marketing and public relations programs.

Ensures the competitive viability and continuance of the hospital marketing plan in the marketplace.

Through various marketing techniques, encourage the development of services which promote District growth and expanded potential constituencies.

Ensures the coordination of Auxiliary and Foundation bylaws and operations with the bylaws and operations of the District.

Establishes a proper, consistent image of the District and its operations.

Personally represents the District to a variety of individuals, community groups, and health industry organizations.

Maintains active professional contacts through local, state and national associations in order to effectively network, as required.

Actively participates in outside programs and community affairs in order to represent the District, as appropriate.

Demonstrates the ability to effectively represent the District at national, state and local meetings, conferences and conventions, as required.

Remains current with national and local issues affecting District administration and their potential impact on the District; serves as a well-informed advisor to the Board of Directors.

Demonstrates System Values in performance and behavior.

Complies with System policies and procedures.

Other duties as may be assigned.

QUALIFICATIONS:
To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

SUPERVISORY RESPONSIBILITIES:
Carries out supervisory responsibility in accordance with the organization’s policies and applicable laws. Responsibilities include interviewing, hiring and training employees; planning, assigning and direction work; appraising performance, rewarding and disciplining employees; addressing complaints and resolving problems.

EDUCATION AND EXPERIENCE:
Master’s degree (M.A.) in Hospital Administration or related filed or Doctoral degree (Ph.D.). Minimum of five years experience in health Care Administration.

LICENSES, CERTIFICATIONS:
Required: Valid drivers license
Preferred: None
OTHER EXPERIENCE/QUALIFICATIONS:
Current membership in professional organization preferred (e.g. H.F.M.A., A.C.H.E.).

COMPUTER/BUSINESS SKILLS:
Ability to use office machines. Demonstrated ability to use word processing and other Microsoft Office programs.

LANGUAGE SKILLS:
Ability to read, analyze, and interpret the most complex documents. Ability to respond effectively to the most sensitive inquiries or complaints. Ability to write speeches and articles using original or innovative techniques or style. Ability to make effective and persuasive speeches and presentations on controversial or complex topics to top management, public groups, and/or boards of directors.

MATHEMATICAL SKILLS:
Ability to work with mathematical concepts such as probability and statistical inference, and fundamentals of plane and solid geometry and trigonometry. Ability to apply concepts such as fractions, percentages, rations, and proportions to practical situations.

PURPOSE OF CONTACTS:
The purpose is to justify, defend, negotiate, or settle matters involving significant or controversial issues. Work at this level involves active participation in conferences, meetings, hearings or presentations involving problems or issues of considerable consequence or importance.

REASONING SKILLS:
Ability to define problems, collect data, establish facts, and draw valid conclusions. Ability to interpret an extensive variety of technical instructions in mathematical or diagram form and deal with several abstract and concrete variables.

Patient Ages
All Ages

Physical Demands

<table>
<thead>
<tr>
<th>Ability to:</th>
<th>Lift/Carry</th>
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<tr>
<td>Stand</td>
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<tr>
<td>Walk</td>
<td>O Up to 25 lbs O</td>
</tr>
<tr>
<td>Sit</td>
<td>N Up to 50 lbs N</td>
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Hearing
Ability to hear F

Vision
Near F Distance O Color O
Peripheral F Depth Perception F

Protective Equipment
Ability to wear Personal Protective Equipment (PPE) N

Environmental Exposures
Will Occasionally Be Exposed to Outside weather conditions

Work Environment
Quiet noise level

CEO Contract
November 20, 2015
Definitions:
N (Never)   Occupation requires this activity 0 hours
O (Occasionally)  Occupation requires this activity up to 3 hours
F (Frequently)  Occupation requires this activity 3-6 hours
C (Constantly)  Occupation requires this activity 6-8+ hours
ISSUE:

**Tahoe Institute for Rural Health Research**

The Institute (TIRHR) was created in August 2009 as a subsidiary of the Tahoe Forest Hospital District. The initial purpose for creating the Institute, and subsequently TIRHR, LLC was to meet the UC Davis Medical School requirements for designation as a “Rural Center of Excellence.” To receive this designation a rural hospital must demonstrate excellence in three areas – high quality clinical care, education, and medical research. The creation of the Institute allowed the District to satisfy this medical research requirement. Tahoe Forest Hospital was the first and remains the only hospital in California to receive the Rural Center of Excellence designation.

The mission of TIRHR is to develop innovative technological or programmatic products and practices, which improve the affordability and delivery of high quality healthcare. TIRHR is particularly interested in “disruptive technologies” that reduce health care costs or reform healthcare delivery in hospitals, clinics, and remote or home settings.

Project ideas for TIRHR typically originate from health care professionals, primarily from remote or rural environments, who work with more limited resources and are looking to solve unmet needs. Practitioners from these areas are more sensitive to opportunities for improvement than their peers from urban environments because of the need for solutions to problems that are not readily at hand. The innovations developed by TIRHR will reduce the cost of care and/or improve the quality of care and will therefore be applicable to a wide variety of health care settings both rural and urban. The scientists and engineers working as management or staff of TIRHR have significant experience in conducting revolutionary research and bringing important new technologies to market. TIRHR also includes the expertise of additional physicians, nurses, scientists, engineers, researchers, educators, and others in related fields through its current collaborative partners.

TIRHR is well positioned to conduct high-quality community-based research focusing on the unique barriers to optimal healthcare delivery in a geographically remote, mountainous region. In addition, TIRHR enjoys the involvement of the community and the track record of successful collaborations with UC Davis. The Scientific Advisory Committee (SAC) of the Institute has requested that interested community members and medical professionals provide innovative ideas to the TIRHR that can be translated into solutions for providing better healthcare delivery services. This effort has resulted in numerous ideas from front line providers in the region. The Institute is currently pursuing or developing four projects that were approved by the SAC.

All of the products being developed are expected to generate profits for TIRHR and TFHD when sold.
BACKGROUND:
Current Project Updates

Protocols and Algorithms for Critical Events (PACE)

- Acute Care Cognitive Aids are tools used by clinicians to deliver emergent treatment to patients with acute medical problems. PACE provides fast, reliable, and easy access to these tools. The PACE Application delivers these Care Protocols and Algorithms to Point of Care environments. PACE was developed for use by Clinicians during a critical care event. It can also be used as a review or training tool.

- PACE was developed for use with devices that run both iOS and Android OS, such as an iPad and Nexus 7 tablets. PACE provides algorithms and protocols that are invaluable during emergent events that can occur in Operating Rooms, Emergency Departments, Urgent Care Facilities, Intensive Care Units, Ambulatory Surgery Centers and physician offices with independent surgical suites. It is intended for use by clinicians with all levels and types of expertise. It provides the user with rapid and easy access to 30 Common Critical Care Algorithms and Protocols.

- Beta testing programs are being set up with UC Davis Medical School and Dignity Health and Tahoe Forest Hospital.

- We are currently pursuing companies that have expressed an interest in commercializing this product.

Portable Blood Count Monitor (“PBCM”)

- TIRHR, LLC, in association with the UC Davis Center for Biophotonics located at the UC Davis Medical School, is developing the technology for the PBCM to rapidly obtain accurate blood counts. Currently complete blood counts are done in testing laboratories and require a Phlebotomist to draw a large blood sample, which then must be transported to the laboratory and queued up before results can be obtained. Depending on the location and urgency, results generally take 1 to 24 hours. TIRHR’s proposed solution can be self-administered with a finger stick like a glucose meter and provide the results in less than 10 minutes.

- The PBCM will be a portable device that requires a small blood sample (2 microliters/finger stick). It will provide a complete blood count with laboratory accuracy. The device will be FDA approved so a patient at home can use it. Finally, the PBCM will allow for HIPPA secure direct communication to the physician.

- The PBCM technology has been developed and a fully functional breadboard has been built to validate the concept. The team has proven it can measure the following to Laboratory accuracies: Red Blood Cells; White Blood Cells (plus three part differential); Platelets; Hemoglobin; Hematocrit.
The Institute has received $300,000 in grants from the National Science Foundation to assist in developing this product, and it has been approved for publication in two peer reviewed scientific journals.

**mTBI Research**
- The Tahoe Institute for Rural Health Research, a 501 c-3 Corporation is working to develop and validate a portable, rapid and inexpensive sideline mTBI detection system to assist in objective remove from play and return-to-play decision making. Minimally trained personnel, such as coaches, athletic trainers and medical technicians are the anticipated users of this system.

- Collaborations with Tahoe Forest Hospital, Incline Village Community Hospital, Truckee Tahoe Medical Group, Truckee High School, North Tahoe High School, Sierra Nevada College, Feather River College, University of Nevada Reno and local ski resorts.

- Community outreach and education includes Wells Fargo Play it Safe mTBI medical insurance coverage for every student athlete in the TTUSD above the age of 14.

- The project has been funded entirely from grants from the Gene Upshaw Memorial Fund ($271,000) and another private donation ($11,000).

**Cardiac Motion, LLC  (Cardiac Motion Monitor)**
- Cardiac Motion, LLC. Is owned 49% by TIRHR, LLC and 51% by Cardiac Motion Partners, LLC.

- In partnership with UC Davis Electrical Engineer, Professor Xiaoguang Liu, and his students, Cardiac Motion, LLC is developing a portable, wearable Vital signs monitor that can help physicians determine the percentage of time that a patient has irregular heart rhythms, particularly A-Fib. The monitor will be wearable 24/7, will be non-invasive, comfortable and will measure ECG, respiration and heart motion. No other device on the market can accomplish all three.

- The Cardiac Motion project has gone through peer review panels at the National Science Foundation and has been awarded $225,000 in grants.

- A prototype has been built that clearly demonstrates the ability to measure the physical motion of the heart using a non-invasive, wearable device.

**ACTION REQUESTED:**

None – information report only
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 and 32128 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 District shall be "TAHOE FOREST HOSPITAL DISTRICT".

Section 2. Authority.

A. This District, having been established May 2, 1949, by vote of the residents of said 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".

Section 3. Purpose and Operating Policies.

A. Purpose.

Tahoe Forest Hospital District is committed to be the best mountain community health care system in our nation. All members of our team, working together, will ensure that the services we provide are satisfying, effective, efficient and of the highest quality, with access for all. We will strive each day to exceed patient, community, physician and employee expectations.

B. Operating Policies.

In order to accomplish the Mission of the District, the Board of Directors establishes the following Operating Policies:

1. 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; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; genetic information.
2. 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.

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

4. The Board shall provide a means for effective consumer participation and involvement in planning the future course of the District. Planning shall be accomplished in conjunction with other community resources, and will be coordinated with other service providers, when appropriate.

5. Improvement of the health status of the area will be the primary emphasis of services offered by the District. This will be accomplished through programs of inpatient and outpatient care, as well as outreach services in the areas of health education and prevention.

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 I. 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 continuing direction 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 District and the responsibilities that the District should assume in helping to meet them.

B. Programs and Services.

1. Approves long and short range plans for the development of programs and services to be provided by the District. Takes action on recommendations of the Planning Committee and Chief Executive Officer.
2. Provides general direction to the Chief Executive Officer in the implementation of programs and service plans.

3. Approves policies which govern programs and services.

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

C. Organization and Staffing.

1. Adopts the plan of organization of the District, including plans of organization of the Board of Directors, Administration and Medical Staff.

2. Elects officers of the District in accordance with provisions of the Bylaws.

3. Confirms the appointment of both Directors and others to committees of the Board.

4. Selects and appoints the Chief Executive Officer.

5. Evaluates the continuing effectiveness of the organization.

D. Medical Staff.

1. 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 ultimate responsibility for the financial soundness and success of the District.

2. Assumes ultimate 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 or 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 government of said Medical Staff, as provided in ARTICLE IX of these Bylaws.

C. **Auxiliary.**

The Board of Directors may authorize the formation of service organizations to be known as "The Tahoe Forest Hospital Auxiliary" and "The North Lake Tahoe Community Health Care Auxiliary", the Bylaws of which shall be approved by the Board of Directors.

D. **Other Adjuncts.**

The Board of Directors may authorize the formation of other adjunct 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 adjunct 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 of the adjunct 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 delegates the responsibility to review and resolve grievances to the Grievance Committee.
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. 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 last fourth Thursday of each month at 4:00 PM at a location within the Tahoe Forest Hospital District Boundaries. The Board shall take or arrange for the taking of minutes at each regular meeting.

B. Special Meetings.

Special meetings of the Board of Directors may be held at any time and at a place designated in the notice and lying within the District, except as provided in the Brown Act, upon the call of the President, 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 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 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, 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 thereof to the Board of Directors without voting power, however, 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 shall attend during the absence of the Chief of Staff.

Section 8. Director Compensation and Reimbursement Of Expenses.

The Board of Directors shall serve without compensation, except that the Board of Directors, by a resolution adopted by a majority vote of the members of the Board, may authorize the payment of not to exceed one hundred dollars ($100.00) per meeting, not to exceed five (5) meetings a month, as compensation to each member of the Board of Directors.

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 Chief Executive Officer, per Board policy.

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 President, Vice-President, Secretary and Treasurer who shall be members of the Board, and a Clerk.

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 each officer shall hold office for a one (1) year term or until such officer's successor shall be elected and qualified or until such officer is otherwise disqualified to serve shall serve at the pleasure of the Board. The person holding the office of President of the Board of Directors shall not serve two 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. President. Shall preside over all meetings of the Board of Directors. Shall sign as President, on behalf of the District, all instruments in writing which he/she has been authorized and obliged by the Board to sign and such other duties as set forth in these Bylaws.

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

C. Secretary. The Secretary shall be responsible to record minutes of all meetings of the Board of Directors and shall see that all records of the District are kept and preserved.

D. Treasurer. The Controller may be appointed by the Treasurer, and shall be charged with the safekeeping and disbursement of the funds in the treasury of the District, subject to the policies established by the Board of Directors.

The Treasurer shall serve as the chairperson of the Board Finance Committee and shall ensure the Board's financial integrity of the District.

E. Clerk. The Chief Executive Officer or his designee shall be appointed the Clerk of the Board of Directors, and shall perform the functions of the Secretary in case
of the Secretary's absence or inability to act.

ARTICLE IV. COMMITTEES

Section 1. Special Ad Hoc Committees.

Special Ad Hoc Committees may be appointed by the President of the Board of Directors from time to time as he/she deems necessary or expedient. Such Committees shall have no power to commit the Board of Directors or the District in any manner. No Committee shall have the power to bind the District, unless the Board declares otherwise in writing, but shall perform such functions as shall be assigned to them by the President, and shall function for the period of time specified by the President at the time of appointment or until determined to be no longer necessary and disbanded by the President of the Board of Directors. The President shall appoint each Committee chair.

Section 2. Standing Committees.

Standing Committees may from time to time be created by resolution duly adopted by the Board of Directors. The President shall appoint the members of these committees and the Chair thereof, subject to the approval of the Board by majority of quorum. Committee appointments shall be for a period of one (1) year and will be made annually at the January-December Board meeting, following the election of Board Officers. The initial Standing Committees will consist of the following:

A. Joint Conference Committee.

1. The Joint Conference Committee (JCC) shall consist of the Chief of Staff, the Vice Chief of Staff, the Chief Executive Officer, and the President of the Board of Directors and one other member of the Board appointed by the President. The Chair shall alternate at the beginning of the Medical Staff year between a Medical Staff JCC member selected by the Chief of Staff and a Board of Directors JCC member selected by the President of the Board of Directors.

2. The Committee shall meet as needed.

3. The JCC shall review policy relating to the performance of the Medical Staff and shall serve as a forum for discussion of mutual concerns of the Board of Directors, the Chief Executive Officer and his/her management staff, and the Medical Staff.

4. The JCC shall constitute a forum for the discussion of matters of District and Medical Staff policy, practice and planning, and a forum for interaction between the Board of Directors and the Medical Staff on such matters as may be referred by the Executive Committee or the Board of Directors. The JCC shall exercise other responsibilities set forth in these Bylaws.
B. Finance Committee.

1. The Committee shall comprise two (2) Board Members. The Board Treasurer shall serve as Chairperson of the Committee, and the second Committee member shall be appointed by the Board President.

2. The Committee shall meet as needed. A report will be made to the Board of Directors quarterly, or otherwise as requested.

3. The Committee shall have the following responsibilities pursuant to the policies of the Board of Directors:
   a. Development of District operating, cash and capital budgets for approval by the Board of Directors.
   b. Monitoring of District budget performance and financial management.
   c. Review of capital purchase recommendations before presentation to the Board of Directors.
   d. Review and comment on monthly financial statements and expenditure reports.
   e. Oversight of annual independent audit and supervision of any necessary corrective measures.
   f. Supervision of the investment of District funds.
   g. Special projects, as required in the area of financial management, or as directed by the Board of Directors.
   h. Oversight of budget and expenditures for facility projects.

C. Governance Committee

1. The Committee shall comprise two (2) Board Members appointed by the Board President.

2. The Committee shall meet as needed.

3. The Committee shall be advisory in nature with the following responsibilities pursuant to the policies of the Board of Directors:
   a. Provide oversight of the Compliance program efforts to achieve regulatory compliance by reviewing its activities, quality and effectiveness, and to monitor that management appropriately addresses compliance recommendations;
   b. Conduct periodic review of these Bylaws and Board policies.
c. Submit recommendations to the Board of Directors for changes in these documents as necessary and desirable.

d. Draft new Board policies and procedures as necessary or as directed by the Board of Directors for recommendation to the Board.

e. Advance best practices in board governance.

f. Conduct the annual board self-assessment and board goal setting process.

D. Personnel Committee

1. The Committee shall comprise two (2) Board Members appointed by the Board President.

2. The Committee shall meet as needed.

3. The Committee shall have the following responsibilities pursuant to the policies of the Board of Directors:

   a. Chief Executive Officer Relations

      1. Employment Agreement

      2. Performance Evaluation

      3. Incentive Compensation Program

   b. Chief Executive Officer/Board of Directors Liaison

      4. Memorandum of Understanding with District bargaining units

E. Retirement Plan Committee

1. The Committee is a sub-committee of the Personnel Committee.

2. The Committee shall comprise the two (2) Board Members of the Personnel Committee appointed by the Board President, Chief Executive Officer, CFO, and Chief Human Resources Director.

3. The Committee shall meet as needed.

4. The Committee shall have the following responsibilities:

   a. Establish and administer the District’s Investment Policy Statement.

   b. Provide administrative oversight for the Tahoe Forest Hospital District Money Purchase Pension Plan and the Tahoe Forest Hospital District Deferred
Compensation Plan.

G. Quality Committee

1. The Committee membership shall be comprised of a minimum of two members of the Board of Directors as appointed by the Board President and two (2) members of the Tahoe Forest Hospital Medical Staff as appointed by the Medical Executive Committee. {Recommend Chief of Staff or designee and Chairperson of the Quality Assessment and Improvement Committee}

2. The Committee shall meet a minimum of four (4) times per calendar year.

3. The Committee is accountable to the Board of Directors for the following:
   a. Provide oversight for the organization-wide Quality Assessment and Performance Improvement Plan;
   b. Set expectations of quality care, patient safety, environmental safety, and performance improvement throughout the organization;
   c. Ensure the provision of organization-wide quality of care, treatment, and service provided and prioritization of performance improvement throughout the organization;
   d. Monitor the improvement of care, treatment, and services to ensure that it is safe, beneficial, patient-centered, customer-focused, timely, efficient, and equitable;
   e. Oversee and be accountable for the organization’s participation and performance in national quality measurement efforts, accreditation programs, and subsequent quality improvement activities;
   f. Ensure the development and implementation of ongoing education focusing on service excellence, performance improvement, risk-reduction/safety enhancement, and healthcare outcomes.

H. Community Benefit Committee

1. The Committee shall comprise two (2) Board Members.
2. The Committee shall meet at least 4 times a year and additionally as needed.
3. The Committee shall be advisory in nature with the following responsibilities pursuant to the policies of the Board of Directors:
   a. Ensure Health System strategic planning and stated goals include community and population health initiatives to improve health, decrease costs, and improve the patient experience.
b. Provide advice and input in the deployment of the tri-annual Community Health Needs Assessment (CHNA).

c. Review resulting data from CHNA, provide input into the Community Health Improvement Plan (CHIP), and assist in development of long term strategies, aligned with Health System goals, to address key health issues.

d. Monitor the planning, development, implementation and results of major programs aimed at improving the health of the community.

e. With collaborative partners, make recommendations for program continuation or termination based on progress toward identified measurable objectives, available resources, level of community ownership, and alignment with criteria for priorities.

f. Review and provide input on proposed public communications about the organization's community benefit activities.

g. Engage the community to achieve community health improvement goals through partnerships.

**ARTICLE V. MANAGEMENT**

Section 1. Chief Executive Officer.

The Board of Directors shall select and employ a Chief Executive Officer who shall act as its executive officer in the management of the District. The 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 Chief Executive Officer shall act as the duly authorized representative of the Board of Directors.

Section 2. Authority and Responsibility.

The Chief Executive Officer shall have the following duties and responsibilities as follows. Other duties may be assigned by the Board.

A. Assists, counsels, and advises the Board of Directors on the establishment of Hospital policies; acts as agent of the Board in carrying out such policies.

B. Recommends District policy positions regarding legislation, government, administrative operation and other matters of public policy as required.

C. Assists the Board of Directors in effectively fulfilling its responsibilities by
keeping the Board informed, on a monthly basis, of the operating results of the District; compares monthly operations to Board approved plans and budgets explaining variances that may arise.

D. Assists and advises the Board with respect to the District’s authority under the law and changes in state statutory guidelines and requirements.

E. Develops and implements appropriate strategic and annual operating plans that document the long and short-term goals and objectives of the District.

F. Actively pursues and supports the appraisals and development of new programs which could benefit the long-range success and survival of the District.

G. Establishes concise reporting relationships for all positions and departments in the District. Establishes methods which will foster the achievement of District goals and objectives and support the efficiency and effectiveness of all operations through proper communication and coordination.

H. Coordinates all operations with the Medical Staff, its committee structure and its leadership; demonstrates a proactive and positive relationship with the Medical Staff.

I. Ensures a consistency of purpose and mutuality of interest between the operations and bylaws of the Medical Staff and the policies and bylaws of the District.

J. Develops and maintains quality improvement programs designed to enhance quality and customer satisfaction.

K. Establishes operating policies and procedures for all departments, delegating specific responsibility for documentation, monitoring, compliance, and reporting or results to subordinates, as required.

L. Establishes, implements and maintains a comprehensive budgeting program for the District. This program includes an appropriate consideration of operational, financial and statistical information needed to efficiently and effectively control all District operations.

M. Consistently generates sufficient net income to meet established financial goals.

N. Develops strong marketing and public relations programs.

O. Ensures the competitive viability and continuance of the District.

P. Through various techniques, encourages the development of services which promote District growth and expanded potential constituencies.
Q. Ensures the coordination of Auxiliary and Foundation Bylaws and operations with the Bylaws and operations of the District.

R. Establishes a proper, consistent image of the District and its operations.

S. Personally represents the District to a variety of individuals, community groups, and health industry organizations.

T. Maintains active professional contacts through local, state and national associations in order to effectively network, as required.

U. Demonstrates the ability to effectively represent the District at national, state and local meetings, conferences and conventions, as required.

V. Remains current with national and local issues affecting District administration and their potential impact on the District; serves as a well-informed advisor to the Board of Directors.

W. Personally or through delegation, hires, assigns responsibility, counsel, evaluates and (as required) terminates all District employees.

X. Personally or through delegation serves as Clerk of the Board of Directors.

Y. Actively participates in outside programs and community affairs in order to represent the District as appropriate.

Z. Assists, counsels, and advises the Board of Directors on the establishment of personnel policies; acts as agent of the Board in carrying out such policies.

ARTICLE VI: HOME HEALTH CARE SERVICE

Section 1. Establishment

There is hereby established, as a subdivision of this District, Tahoe Forest Home Health Service (TFHHS), which shall be primarily engaged in providing skilled nursing services and other therapeutic services such as physical, speech, occupational, medical social, medical nutritional therapy and home health aide services and infusion therapy to patients in their homes.

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; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information.

Section 2. Governing Body/Professional Advisory Committee
The governing body of TFHHS shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body). To assist the Governing Body, the Director of TFHHS may appoint a Professional Advisory Committee. The Professional Advisory Committee of TFHHS shall consist of at least the Director of TFHHS, the Medical Director of TFHHS, the Chief Executive Officer, the Director of Quality Management, the Director of Inpatient Services, a registered nurse, appropriate representation from three (3) other professional disciplines, and at least (1) one member of the community at large. The Professional Advisory Committee shall be subject to the control and direction of the Governing Body. Appointments must be made every 2 (two) years.

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for the TFHHS may be adopted from time to time by the Governing Body, after recommendation of such policies, rules and regulations by the Professional Advisory Committee.

ARTICLE VII. HOSPICE

Section 1. Establishment

There is hereby established, as a subdivision of this District, Tahoe Forest Hospice which shall be engaged primarily in providing interdisciplinary health care that is designed to provide palliative care and alleviate the physical, emotional, social, and spiritual discomforts of an individual who is experiencing the last phases of life due to the existence of a terminal disease. Tahoe Forest Hospice provides services directly or through arrangements with other qualified providers. Core services include the following: skilled nursing services, social services/counseling, medical direction, bereavement services, volunteer services, inpatient care arrangements, and home health aide/homemaker services. Other therapeutic services such as physical, speech, occupational, nutritional therapy, respite care and infusion care will also be provided.

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; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information.

Section 2. Governing Body/Appointment Of Qualified Administrator

The governing body of Tahoe Forest Hospice shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body). The Governing Body assumes full legal authority and responsibility for the operation of the hospice. The Governing Body oversees the management and fiscal affairs of the hospice. To assist the Governing Body, the Board appoints a qualified administrator. The qualified administrator is responsible for organizing and directing hospice functions and maintaining liaison with the Governing Body and the interdisciplinary team. Under the direction of the Governing Body, the qualified administrator arranges for professional services and designates in writing all services provided by the hospice.
Section 3. Policies, Rules and Regulations

Policies, rules and regulations for Tahoe Forest Hospice may be adopted from time to time by the Governing Body, after recommendation of such policies, rules and regulations by the Chief Executive Officer, the qualified administrator, and the Interdisciplinary Hospice Team.

ARTICLE VIII. TAHOE FOREST HOSPITAL

Section 1. Establishment

There is hereby established as a subdivision of this District, Tahoe Forest Hospital (TFH), which shall be primarily engaged in providing Emergency Services, Inpatient/Observation Care, Critical Care, Diagnostic Imaging Services, Laboratory Services, Surgical Services, Obstetrical Services and Long Term Care Services.

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; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information.

Section 2. Governing Body

The governing body of TFH shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body).

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for TFH must be approved by the Governing Body after recommendation of such policies, rules and regulations by the Chief Executive Officer. TFH shall operate under the California Department of Health Services.

ARTICLE IX. INCLINE VILLAGE COMMUNITY HOSPITAL

Section 1. Establishment

There is hereby established, as a subdivision of this District, Incline Village Community Hospital (IVCH), which shall be primarily engaged in providing Emergency Services, Inpatient/Observation Care, Radiological Services including Mammography and Ultrasound, Laboratory Services, Outpatient Surgery and Sleep Disorder Services to patients.

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; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information.
Section 2. Governing Body

The governing body of IVCH shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body).

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for IVCH must be approved by the Governing Body, after recommendation of such policies, rules and regulations by the Chief Executive Officer. IVCH shall operate under the Nevada State Bureau of Licensing.

ARTICLE X. 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 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 at the hospital 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;

4. Establish that they are willing to participate in and properly discharge those responsibilities determined according to the Medical Staff Bylaws and shall be deemed to possess basic qualifications for membership on the Medical Staff. No practitioner shall be entitled to membership on the Medical Staff or be able to exercise particular clinical privileges in the Hospital solely by virtue of the fact that he/she is duly licensed to practice in this or any other state, or that he/she is a member of any professional organization, or that he/she had in the past, or presently has, such privileges at Tahoe Forest Hospital or another hospital.
Section 3. Organization and Bylaws.

The Medical Staff shall have the authority to organize itself and to adopt Bylaws not inconsistent with these Bylaws for the government of the Medical Staff.

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 consistent with its Bylaws for the conduct of the Medical Staff in its practice in the Hospital.

The Bylaws and Rules and Regulations 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. Neither the Medical Staff nor the Board of Directors may unilaterally amend the Medical Staff Bylaws or Rules and Regulations.

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, rejection or cancellation of any appointment shall rest with the Board of Directors.

Non-Discrimination: It is the policy of the District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information.

All applications for appointment 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 specific clinical privileges requested by the practitioner, and the Medical Staff's recommendation concerning these privileges. No duly licensed physician or surgeon shall be excluded from Medical Staff membership solely because he or she is licensed by the Osteopathic Medical Boards of California and Nevada.

Upon receipt of the report and recommendation of the Medical Staff, the Board of Directors shall take action upon the application by granting or rejecting the same and shall cause notice of its actions to be given to the applicant and to the Medical Staff. Whenever the Board of Directors does not concur in a Medical Staff recommendation
relative to clinical privileges, the matter will be referred to the Joint Conference Committee for review before final action is taken by the Board of Directors.

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. The rules relating to appeals to the Board of Directors as set forth in the Medical Staff Bylaws are as follows:

A. Time For Appeal   Within fifteen (15) days after receipt of the decision of the Judicial Review Committee, either the practitioner or the Executive Committee may request an appellate review. A written request for that review shall be delivered to the Chief of Staff, the Chief Executive Officer and the other party in the hearing. If a request for appellate review is not presented within that period, both parties shall be deemed to have waived their rights to appeal. Thereafter, the Board of Directors shall consider whether to accept the Judicial Review Committee decision as the final decision of the District or to initiate an appellate review by its own action. If the Board of Directors votes to initiate an appellate review, the Board of Directors shall consider the
matter as an appeal in accordance with this Article. Its decision following that appeal shall constitute the final action of the District.

B. **Grounds For Appeal**  A written request for an appeal shall include a specification of the grounds for appeal and a concise statement of the arguments in support of the appeal. The grounds for appeal from the hearing shall be: (1) substantial and material failure to comply with the procedures required by these Bylaws or applicable law for the conduct of a hearing; (2) the decision was not supported by substantial evidence in the hearing record.

C. **Time, Place and Notice**  If an appellate review is to be conducted, the appeal board shall, within thirty (30) days after receipt of notice of appeal, decide upon the specific procedures to be followed and endeavor to advise each party. The date for completion of the appellate review shall not be fewer than thirty (30) days nor more than sixty (60) days from the date of such receipt of that notice, provided, however, that when a request for appellate review concerns a member who is under suspension or restriction which is then in effect, the appellate review shall be held as soon as the arrangements may reasonably be made. The time for appellate review may be extended by the Board of Directors or its Chair for good cause.

D. **Appeal Board**  The Board of Directors may sit as the appeal board, or it may appoint an appeal board which shall be composed of not fewer than three (3) members of the Board of Directors. Knowledge of the matter involved shall not preclude any person from serving as member of the appeal board, so long as that person did not take part in a prior hearing on the same matter. The appeal board may select an attorney at law to assist it in the proceeding, but that attorney shall not be entitled to vote with respect to the appeal.

E. **Appeal Procedure**  The proceeding by the appeal board shall be in the nature of an appellate review based upon the record of the hearing before the Judicial Review Committee, provided that 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 Judicial Review Committee in the exercise of reasonable diligence and subject to the same rights of cross-examination or confrontation provided at the Judicial Review Committee hearing; or the appeal board may remand the matter to the Judicial Review Committee for the taking of further evidence and for decision. Each party shall have the right to present a written statement in support of his/her position on appeal. During the appeal, each party or representative shall have the right to appear personally before the Board of Directors or the appeal board, for the purpose of presenting oral argument and responding to questions in accordance with procedures to be established by the Board of Directors or appeal board. Each party shall have the right to be represented by an attorney or by any other designated representative during that appearance. The Board of Directors or the appeal board shall determine the procedures to be observed during that meeting and shall determine the role of legal counsel. The appeal board may then conduct, at a time convenient to itself, deliberations outside the presence of the appellant and respondent and their representatives. The appeal board shall present to the Board of Directors its written
recommendations as to whether the Board of Directors should affirm, modify, or reverse the Judicial Review Committee decision, or remand the matter to the Judicial Review Committee for further review and decision.

F. Decision

1. Except as otherwise provided herein, within thirty (30) days after the conclusion of any appellate meeting, the Board of Directors shall render a decision in writing and shall transmit copies thereof to each side involved in the appeal. The Board’s decision shall be final.

2. The Board of Directors may affirm, modify, or reverse the decision of the Judicial Review Committee or remand the matter to the Judicial Review Committee for reconsideration. If the matter is remanded to the Judicial Review Committee for further review and recommendation, that Committee shall promptly conduct its review and issue any appropriate decision and report.

G. Right To One Hearing  No member or applicant shall be entitled to more than one evidentiary hearing and one appellate review on any matter which shall have been the subject of adverse action or recommendation.

H. Review Initiated By Board of Directors

1. Notice of Action  In the event neither the person who requested the hearing before the Medical Staff Judicial Review Committee nor the body whose decision prompted the hearing requests an appeal according to this Article, the decision of the Judicial Review Committee shall be delivered to the Chief Executive Officer for transmittal to the Board of Directors.

2. Board of Directors Review  The Board of Directors may, at any time within fifteen (15) days of such delivery, initiate appellate review. The procedures for such review shall be as set forth in Subsections A through G above, substituting the date of action by the Board of Directors initiating appellate review for the date of Notice of Appeal.

ARTICLE XI. AUXILIARY

The Auxiliary organizations shall be known as the "Tahoe Forest Hospital Auxiliary" and the “North Lake Tahoe Community Health Care Auxiliary." The Bylaws of the Auxiliaries shall be approved by the Board of Directors.

ARTICLE XII. REVIEW AND AMENDMENT OF BYLAWS

Section 1  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 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 Regular meeting of the Board of Directors by any member of the Board. Action on proposed amendments shall be taken at the next 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 25th day of November 2014.

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
Board Executive Summary

By: Crystal Betts  
Chief Financial Officer  

DATE: November 17, 2015

ISSUE:
The District has been carrying on its Statement of Net Position (Balance Sheet) a line item titled “BOARD DESIGNATED FUND” in the amount of $2,297 for many years. A question was raised by Director Chamblin inquiring about what the designation was for, and can those funds be utilized or transferred.

BACKGROUND:
On the District’s Statement of Net Position (Balance Sheet), within the Non Current Assets – Assets Limited or Restricted section, is a line item titled “BOARD DESIGNATED FUND” reflecting the amount of $2,297. Director Chamblin inquired what the designation was for and could the funds be utilized, or transferred to a different account. Since the “BOARD DESIGNATED FUND” has been in existence since prior to the present Chief Financial Officer and Controller, staff had to research Director Chamblin’s question. In a set of minutes from FY 1996, it was identified that this fund was created for two major activities undertaken by the District, which were the purchase of Incline Village Health Center (presently Incline Village Community Hospital) and the construction of the Medical Office Building. Both of these items are fully complete and the amount remaining of $2,297 represents a small amount of interest that was earned on the original funds in the account. Since these projects are complete, and the designation has been fully met, these funds need to be redirected back in the District’s Cash Reserve Fund for future use based upon the needs of the District, or designated for a new purpose.

ACTION REQUESTED:
Board of Directors to approve transferring the remaining amount in the “BOARD DESIGNATED FUND” OF $2,297 to the CASH RESERVE FUND, as the designation for the use of these funds has been fully met and no further transactions related to the original designation are anticipated.

Alternatives:

Leave the $2,297 in the “BOARD DESIGNATED FUND” account and designate a new purpose for the funds.
Standardized Procedures:
- Pronouncement of Death By RN
- Registered Nurse First Assistant
- IV Starts In The Ambulatory Surgery Setting
- Administration of Vaccines
- Registered Nurse First Assistant Interns
- Epidural Re-injections Of Narcotics
- Nurse Practitioner In Clinic Setting
- Bicitra Administration In Ambulatory Surgery
- Valium Administration In Ambulatory Surgery
- Repair Of Lacerations In The Emergency Department

*Approval Of Laboratory Manuals

Motion carried unanimously.

Contract: Carolyn Kenngott, CRNA

Mr. Long stated that the contract has a few minor language changes yet to be incorporated and that the computation of the percentage of hospital retention is yet to be completed. He requested that the Board of Directors approve the contract in its current form recognizing that these revisions will be incorporated at a later date. It was moved by John Falk and seconded by Leonard Shaheen to direct staff to work out the details of the CRNA contract with Carolyn Kenngott and to approve the contract as presented, recognizing that further revisions will be incorporated to address the aforementioned unfinished business. Motion conceptually carried with Dr. Boone abstaining. Mr. Eskridge commented that he would still like to see the hospital do the billing for all anesthesia services.

FY 95/96 Audit Report

Mr. Bottemiller introduced Bob McClintock from the McClintock Accountancy firm, who presented the FY 95/96 Audit Report. The following points were made:

- The Finance Committee was given a more in depth presentation of the audit report, and has recommended that the Board of Directors accept the report as presented.
- McClintock Accountancy has issued a “clean” or unqualified opinion of the financial operations of the District.
- A discussion was held regarding the decreased amount in the Board Designated Funds due to the two major activities undertaken by the District in the past year - the purchase of Incline Village Health Center and the construction of the Medical Office Building. It was noted that a Five Year Projection will be presented in the next few months, which will provide guidance to the Board in their decision making for future expenditures.
- The District had a 9.3% return on equity versus a target of 10%.

It was moved by Leonard Shaheen and seconded by Howard Boone, MD to accept the FY 95/96 Audit Report as presented by McClintock Accountancy. Motion carried unanimously.
**Administrator's Report**

Mr. Long pointed out the following items under his report:

- We have recently received a Letter Of Intent from Dr. Peterson outlining his interest in leasing 3500 square feet on the second floor of Incline Village Health Center. Further research is required before formal rental agreements/contracts are pursued.
- The lease agreement for the Medical Office Building (MOB) has not been finalized as yet, and it is hoped that it will be ready for presentation at the next Board meeting. The tenant improvements for hospital services are scheduled for completion by the end of October, and physician space should be ready for occupancy approximately three to four months after their lease/option to purchase agreements have been signed.
- Two members of the Foundation's Executive Committee have submitted their resignations, and the future direction/operations of the Foundation will be discussed at their upcoming Executive Committee meeting.
- A review of the original goals of Incline Village Health Center and the current status toward achieving these goals was held.
- We have received a letter from Truckee Fire District asking that payment be made on the outstanding monies they contend are due because of the revision to the retention calculation which was computed by the hospital. We will be discussing this issue with legal counsel, and following this discussion, a Special Board meeting may need to be scheduled.

**Finance Committee Meeting 9/17/96**

Dr. Boone noted that, as a result of the discussion from last month's meeting regarding Dietary services, a comment is contained in the Support Services Report of the Administrator's Report that a PIP Focus Group will be formed to review the issue.

He further stated that all of the Finance Committee recommendations have already been acted upon by the Board. He reported that an in depth discussion was held at the Finance Committee regarding the level of funds in the Board Designated Account and our desire to increase the level of said funds over time. Mr. Long commented that staff will develop the five year projections, which will provide guidelines for future expenditures.

**Personnel Committee Meeting 9/17/96**

Mr. Eskridge reported that the committee had met to discuss the future role of the Marketing position, and formulated recommendations for hospital staff to use in filling this need. Further, it was recommended that the Performance Improvement Plan look at the continuum of care from inpatient to outpatient services. Mr. Long stated that this will be broken into two segments: Home Health and Inpatient Services and Admitting/Discharge Planning and Case Management Services. Mr. Long further stated that any thoughts on how this issue should be reviewed can be given to him for incorporation into the process.
-10% ROE is a difficult goal to achieve.
-There were no rate increases in the 96/97 FY.
-There were no population increases incorporated into the 96/97 FY budget.

-Low census and bad payer mix were factors.

Dr. Newman asked if the Incline Village Health Center and the Medical Office Building contributed to this low ROE. Mr. Long replied that these factors were among several - low census, growing bad debt and declining government payer reimbursement.

It was noted that the Finance Committee has recommended acceptance of the FY 97 Audit Report. It was moved by Dr. Boone and seconded by Rob Eskridge to accept the FY 97 Audit Report as presented. Motion carried unanimously.

Mr. Eskridge asked if this was the appropriate time to discuss the placement of additional cash in the Board Designated Fund. It was pointed out that this issue has been discussed at the Finance Committee; the current Board policy is being followed; and, no action is needed unless the Board wishes to revise the policy.

**Presentation: Nurse Advice Line**

Ms. Judy Newland stated:

- The hospital issued an RFP for the provision of a telephone triage and medical advice line.
- 4 responses were received to the RFP. After review of the responses, it was recommended that the Doctors & Company proposal be accepted pending further reference checks.
- Doctors & Company was selected due to the flexibility to customize the service for our area based on feedback and physician needs, and good quality assessment/quality improvement factors.
- Reference checks are still underway, but to date the information received has been positive.
- The support of our physicians is vital, and further discussions with the Medical Staff will be held.
- Currently, we are looking at offering the service to those groups the District and IPA have accepted the financial risk for, i.e. TFH Employee Health Plan and SIG.
- The timeframe is: 10/97-work with our Medical Staff; 11/97-sign the contract; 1/98-implement.

President Shaheen asked if any Board action was needed at this time. Mr. Long replied that the contract will be brought back to the Board for their approval within the next two months.

**Administrator's Report**

Mr. Long covered the following items:
GOVERNANCE COMMITTEE
AGENDA

Wednesday, November 18, 2015 at 11:00 a.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Ave, Truckee, CA.

1. **CALL TO ORDER**

2. **ROLL CALL**
Karen Sessler, M.D., Chair; Greg Jellinek, M.D., Board Member

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

4. **INPUT – AUDIENCE**

5. **APPROVAL OF MINUTES OF:** 10/21/2015

6. **CLOSED SESSION**
6.1. Approval of Closed Session Minutes: 10/21/2015

7. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**

7.1. **Policies** ............................................................................................................................. ATTACHMENT

Committee will review the following policies as part of their Annual Policy Review.

7.1.1. TFHD Board of Directors Bylaws
7.1.2. ABD-03 Board Compensation and Reimbursement
7.1.3. ABD-04 Board of Directors Qualifications
7.1.4. ABD-05 Bond Fiscal Policy
7.1.5. ABD-07 Conflict of Interest Policy
7.1.6. ABD-08 Credit and Collection Policy
7.1.7. ABD-09 Financial Assistance
7.1.8. ABD-11 Fiscal Policy
7.1.9. ABD-12 Guidelines for the Conduct of Business by TFHD Board of Directors
7.1.10. ABD-14 Inspection and Copying of Public Records
7.1.11. ABD-15 Investment Policy
7.1.12. ABD-16 Malpractice Policy
7.1.13. ABD-17 Manner of Governance for TFHD Board of Directors
7.1.14. ABD-18 New Programs and Services
7.1.15. ABD-19 Board Orientation and Continuing Education
7.1.16. ABD-22 Trade Secrets

7.2. **Contracts** ............................................................................................................................. ATTACHMENT

New, amended, and auto renewed contracts are submitted to the Governance Committee for review
and consideration for recommendation of approval by the Board of Directors.

7.2.1. TFWC EHR Agreement 2015
7.2.2. Incline Medical EHR Agreement 2015
7.2.3. NTFC EHR Agreement 2015
7.2.4. Foley TFHD Orthopedic Call Coverage Agreement 2015

7.3. Board of Directors Retreat
Governance Committee will review and consider dates for the Board of Directors Retreat in 2016.

7.4. BoardEffect Web Portal
Governance Committee will discuss organization preferences for the Board of Directors web portal.

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. NEXT MEETING DATE

10. ADJOURN

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

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

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.
PERSONNEL COMMITTEE
AGENDA
Tuesday, November 3, 2015 at 8:00 a.m.
Eskridge Conference Room, Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL
   Charles Zipkin, M.D., Chair; Dale Chamblin, Board Member

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

4. INPUT – AUDIENCE
   This is an opportunity for members of the public to address the Committee 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 Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES OF: 09/09/2015.............................................................................................. ATTACHMENT

6. CLOSED SESSION
   6.1. Public Employee Appointment (Gov. Code § 54957.6)
       Title: Chief Executive Officer

7. OPEN SESSION

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. NEXT MEETING DATE

10. ADJOURN

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FINANCE COMMITTEE
AGENDA

Thursday, November 19, 2015 at 8:00 a.m.
Tahoe Conference Room, Tahoe Forest Hospital
10054 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL
Dale Chamblin, Committee Chair; Greg Jellinek, M.D., Board Member

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

4. INPUT – AUDIENCE
This is an opportunity for members of the public to address the Committee 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 Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES OF: 10/26/2015 .......................................................... ATTACHMENT

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION
6.1. Financial Reports
   6.1.2. TFHS Foundation FYE 2015 Pre-Audit & Q1 2016 Financial Statements .......... ATTACHMENT
   6.1.3. TSC LLC July – September 2015 Quarterly Review ........................................... ATTACHMENT
6.2. Update of FYE 2015 Audited Financial Statements

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

8. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING............................ *ATTACHMENT

9. NEXT MEETING DATE .......................................................................................... *ATTACHMENT

10. ADJOURN

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STRATEGIC INITIATIVE 3.0 Maintain Financial Performance

- ICD-10 conversion appears to have worked, we are refining our processes but for the most part the transition went off well thanks to all the hard work and preparation from the ICD-10 team.
- Jacobus wrapped up their consulting/process improvement work related to the Revenue Cycle Project at the end of June 2015. Two Jacobus individuals remain on site and are serving as our Interim Director of Revenue Cycle, and Business Office Manager. Our HR department has been actively recruiting for these positions, and Jacobus has been recruiting as well, however we have received very few qualified candidates. Qualified Revenue Cycle and Business Office people are in high demand, which has made this recruitment very challenging.

STRATEGIC INITIATIVE 5.3
Explore potential opportunities to collaborate with local medical providers to improve health delivery

- ECG are coming up the first week of December to meet w/ the Steering Committee. At that meeting they will propose two clinic models. From there we will need to do revenue and cost analysis based on the two models before they are presented to the board and the new CEO.

STRATEGIC INITIATIVE 4.1 & 4.3
Develop a long-range IT EMR plan (3-10 years) to optimize potential strategic technology investments and execute after approval from the Board of Directors.

RFI

- Cerner Community Works- Cerner sent new figures to accommodate a true number of users.
  - Added Batch Scanning
  - Included Monitor Device Connectivity
  - Added OP PT
  - Increased users to 1016 unique users
• Renown- EPIC
  Jeff is working with new PM from Cornerstone consulting and Renown PM to get
detailed quote and all needed for a board presentation.
Site visits are being arranged for all clinical groups, revenue cycle, and technical.
Trying to get them done before Thanksgiving. Clinic site visits in December.
Pharmacy did site visit to Barton

MERP Survey plan of correction
• Created a full PowerPoint training on PCAs, Pain documentation and Insulin.
  Presented at Med Surg Staff meeting and will be done for ICU staff meeting next week.
• Education documents in all binders on WOWs.
• Created Insulin and PCA checklists also in WOW binders.

Patch Load moved to Prod to version 1919.53.
• Lab Icon is still turned off and will be due to patch freeze for Soft upgrade until Feb.
• Occasional physician complaint from doctors about this Icon. This week was a call from
  Debbie Brown.
• Due to patching we had lost our Interqual integration. This is now fixed.

VSS Pro ➔ Schedule Anywhere
• Med Staff office schedules went live Nov 1st.
• Moving forward with other units.
• Project grew from our original scope. We are doing cross training in my group so that
  Jen is not the only one able to help with this program.

M Modal Voice Recognition Project
• Smooth go live Nov 3 and 4 at both sites ED TFH and IVCH.
• Beginning evaluation for MSCs and Cancer Center.

PICIS Viewing of Surgery Schedule at office sites
• NTO, Surgeons office: working on set up to allow viewing of only their physicians
  surgery schedule in PICIS from their offices.
Board CNO/COO Report

By: Judith Newland

DATE: November, 2015

Strategic Initiative 1. Patient Safety and Quality

- Tahoe Forest Hospital District has received from the Collaborative Alliance for Nursing Outcomes (CALNOC) the Performance Excellence Awards that recognizes distinguished hospitals for excellent performance in the reduction of hospital acquired pressure ulcers, injuries from falls and infections. Tahoe Forest Hospital was recognized for Best Performance in the Reduction of Hospital Acquired Pressure Ulcers, Reduction of Injury Falls, Reduction of Central Lie-Associated Blood Stream Infections, Reduction of Cather-Associated Urinary Tract Infections, and Reduction of Methicillin-Resistant Staphylococcus Aureus (MRSA) Infections. This recognition represents the dedication and commitment Tahoe Forest Hospital District has to quality patient care and safety. Not only has the hospital and medical staff been able to achieve excellence in preventing harm to patients but also been able to sustain excellent performance over many quarters.

- Tahoe Forest Hospital District has been named one of America’s Best Hospitals for Obstetrics from the Women’s Choice Award for 2016. TFH was selected based on a review of the services provided as well as patient satisfaction scores, with additional consideration given to the hospital’s record for clinical care and full term deliveries. Congratulations to the hospital and medical staff for being recognized for their quality of care and patient satisfaction.

- Incline Village Community Hospital (IVCH) has been named a 2015 Guardian of Excellence Award winner by Press Ganey Associates, Inc. The Guardian of Excellence Award recognizes top-performing health care organizations that have consistently achieved the 95th percentile or above of performance in Patient Experience, based on patient surveys. IVCH has also been named a 2015 Pinnacle of Excellence Award winner. This award recognizes top-performing clients from health care organizations nationwide on the basis of extraordinary achievement and consistently high levels of excellence for three years in Patient Experience. The Press Ganey Guardian of Excellence Award is a nationally-recognized symbol of achievement in health care. Presented annually, the award honors clients who consistently sustained performance in the top 5% of all Press Ganey clients for each reporting period during the course of one year.
Strategic Initiative 6. Grow Market Share in Select Clinical Service Lines

- In support of the orthopedic service line, the Medical Surgical Department has recognized the importance of excellence in orthopedic nursing. The Medical Surgical nursing staff is working with The National Organization of Orthopedic Nurses (NAON) to become Orthopedic Nurse Board Certified (ONCB). Four MedSurg nurses, Misty Garberson, Natasha Dierks, Brad Willoughby, and Mike Welsh have committed to achieving this certification. A plan is in place to host an on sight certification class for any staff interested to participate in.
# Tahoe Forest Hospital District
## Board of Directors Meeting Evaluation Form

Date: ________________________________

<table>
<thead>
<tr>
<th></th>
<th>Exceed Expectations</th>
<th>Meets Expectations</th>
<th>Below Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overall, the meeting agenda is clear and includes appropriate topics for Board consideration</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>The consent agenda includes appropriate topics and worked well</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>The Board packet &amp; handout materials were sufficiently clear and at a ‘governance level’</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Discussions were on target</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Board members were prepared and involved</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>The education was relevant and helpful</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>7</td>
<td>Board focused on issues of strategy and policy</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Objectives for meeting were accomplished</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>9</td>
<td>Meeting ran on time</td>
<td>5</td>
<td>4</td>
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Please provide further feedback here:

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