



TAHOE FOREST HOSPITAL DISTRICT

# 2018-07-26 Regular Meeting of the Board of Directors

Thursday, July 26, 2018 at 4:00 p.m.

Tahoe Truckee Unified School District

11603 Donner Pass Road, Truckee, CA 96161

# Meeting Book - 2018-07-26 Regular Meeting of the Board of Directors

07/26/18 Agenda Packet Contents

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## 16. ITEMS FOR BOARD DISCUSSION

### 16.1. Board Education

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

## 18. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

No related items this month.

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ITEMS 19 - 24: See Agenda

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## 25. ADJOURN



# REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, July 26, 2018 at 4:00 p.m.  
Tahoe Truckee Unified School District  
11603 Donner Pass Road, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

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

4. **INPUT AUDIENCE**

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

5. **CLOSED SESSION**

5.1. **Hearing (Health & Safety Code § 32155) ♦**

*Subject Matter: Quality Assurance Report January 2018-June 2018*

*Number of items: One (1)*

5.2. **Hearing (Health & Safety Code § 32155) ♦**

*Subject Matter: Quality Assurance Report*

*Number of items: One (1)*

5.3. **Conference with Legal Counsel; Initiation of Litigation (Gov. Code § 54956.9(d)(4))**

*Number of Potential Cases: One (1)*

5.4. **Approval of Closed Session Minutes ♦**

06/28/2018, 07/10/2018

5.5. **TIMED ITEM – 4:30PM – Hearing (Health & Safety Code § 32155) ♦**

*Subject Matter: Second Quarter 2018 Compliance Program Report*

*Number of items: One (1)*

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

*Subject Matter: Compliance Report*

*Number of items: One (1)*

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

*Subject Matter: Medical Staff Credentials*

6. **DINNER BREAK**

**APPROXIMATELY 6:00 P.M.**

7. **OPEN SESSION – CALL TO ORDER**

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

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

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District  
**July 26, 2018 AGENDA – Continued**

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**10. INPUT – AUDIENCE**

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

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

**12. ACKNOWLEDGMENTS**

- 12.1. July 2018 Employee of the Month .....ATTACHMENT
- 12.2. 2018 CALNOC Performance Excellence Awards .....ATTACHMENT

**13. MEDICAL STAFF EXECUTIVE COMMITTEE ♦**

- 13.1. Medical Executive Committee (MEC) Meeting Consent Agenda .....ATTACHMENT  
MEC recommends the following for approval by the Board of Directors: *Annual Review of Standardized Procedures and Protocols for Physician Assistants and Nurse Practitioners*

**14. CONSENT CALENDAR ♦**

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

**14.1. Approval of Minutes of Meetings**

- 14.1.1. 06/04/2018 .....ATTACHMENT
- 14.1.2. 06/28/2018 .....ATTACHMENT
- 14.1.3. 07/10/2018 .....ATTACHMENT

**14.2. Financial Reports**

- 14.2.1. Financial Report – June 2018 .....ATTACHMENT

**14.3. Staff Reports**

- 14.3.1. CEO Board Report .....ATTACHMENT
- 14.3.2. COO Board Report.....ATTACHMENT
- 14.3.3. CNO Board Report.....ATTACHMENT
- 14.3.4. CIIO Board Report .....ATTACHMENT
- 14.3.5. CMO Board Report.....ATTACHMENT

**14.4. Policy Review**

- 14.4.1. ABD-12 Guidelines for Business by TFHD Board of Directors.....ATTACHMENT
- 14.4.2. CEO Succession Policy.....ATTACHMENT

**15. ITEMS FOR BOARD ACTION ♦**

- 15.1. **Resolution 2018-05** ♦ .....ATTACHMENT

The Board of Directors will review and consider for approval a resolution regarding the General Obligation (GO) Bond Property Tax Rate Calculation.

- 15.2. **Resolution 2018-06** ♦ .....ATTACHMENT

The Board of Directors will consider approval of a resolution expressing official intent regarding certain capital expenditures to be reimbursed with proceeds of an obligation.

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District  
**July 26, 2018 AGENDA – Continued**

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- 15.3. Approval of TFHD Rate Increase Proposal** ♦ .....ATTACHMENT  
The Board of Director will consider a rate increase for approval.
- 15.4. Corporate Compliance Report** ♦ .....ATTACHMENT  
The Board of Directors will review and consider acceptance of a Second Quarter 2018 Corporate Compliance Report.
- 16. ITEMS FOR BOARD DISCUSSION**
- 16.1. Board Education**
- 16.1.1. Just Culture** .....ATTACHMENT  
The Board of Directors will receive a presentation on Just Culture.
- 16.2. Strategic Planning Update**.....ATTACHMENT  
The Board of Directors will receive an update on the Strategic Planning process.
- 17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY**
- 18. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION**
- 18.1. Governance Committee Meeting** – No meeting held in July.  
**18.2. Quality Committee Meeting** – No meeting held in July.  
**18.3. Executive Compensation Committee Meeting** – No meeting held in July.  
**18.4. Finance Committee Meeting** – No meeting held in July.
- 19. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS**
- 20. ITEMS FOR NEXT MEETING**  
-August Regular Board Meeting will be held in Tahoe City.
- 21. BOARD MEMBERS REPORTS/CLOSING REMARKS**
- 22. CLOSED SESSION CONTINUED, IF NECESSARY**
- 23. OPEN SESSION**
- 24. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY**
- 25. ADJOURN**

*The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is August 23, 2018 at Tahoe City Public Utility District board room, 221 Fairway Drive, Tahoe City, CA. A copy of the board meeting agenda is posted on the District's web site ([www.tfhd.com](http://www.tfhd.com)) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.*

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

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



**Employee of the Month, July 2018  
Arlette Tormey, Lead Staff Nurse,  
Cancer Center**

We are honored to announce Arlette Tormey, Lead Staff Nurse, Cancer Center, as our July 2018 Employee of the Month!

Arlette has been a part of Tahoe Forest Health System for seven years.

Arlette holds herself to the highest standards of nursing care. Arlette is compassionate, caring and listens well. Arlette holds herself accountable beyond what is expected.

Arlette did an amazing job with the Epic transition and lead the way with a smile on her face! She always respects her coworkers. Everyone loves working with Arlette.

**Please join us in congratulating all of our Terrific Nominees!**

**Allie Rohe  
Amy Millholen  
Bailey Honea  
Beth Pavone  
Espinoza Espinoza  
Fernando Garcia  
Jessica Weaver  
Kerry Bobrow  
Tamara Troxel**



On behalf of everyone at CALNOC, thank you for your continued support of our organization. We appreciate your business and commitment to patient safety and quality.

It our pleasure to recognize the Performance Excellence Award to:

## Tahoe Forest Hospital

*Best Performance in Preventing Injury Falls*

*Best Performance in Preventing Hospital Acquired Pressure Ulcers*

*\* See the explanation of the awards and their criteria in the below addendum.*

### Award Criteria

#### 2018 CALNOC Annual Performance Excellence Awards

The Collaborative Alliance for Nursing Outcomes (CALNOC) is pleased to recognize hospitals for their exemplary work in reducing hospital acquired conditions in 2017.

#### Best Performance in Preventing Injury Falls

**Measure:** Percent of Reported Falls Resulting in Moderate+ Injury or Greater (Adult Acute Care)

**Award Criteria (by ADC):**

**ADC <200:** Zero 'Moderate or greater Injury Falls' All 4 quarters

**ADC 200+:** Zero 'Moderate or Greater Injury Falls' 3 or more quarters, or average for year < 1%

#### Best Performance in Preventing Hospital Acquired Pressure Injury

**Measure:** Percent of Patients with Hospital Acquired Pressure Injuries Stage II or Greater (Adult Acute Care)

**Award Criteria (all hospitals):**

1. Zero HAPI II+ All 4 Quarters  
OR
2. Risk Adjusted HAPI II+ "Better than Expected" \*

\*2017 Data predicted in risk adjustment analysis by patient characteristics and 2015-2016 performance. Note: For HAPI 2+, hospitals are not separated by ADC. Risk Adjustment applies to all hospitals, but is most applicable to large and medium hospitals if "expected" number of patients with HAPI 2+ is 5 or more.

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 This is a Medical Staff Committee document protected by Sec. 1157 of the Calif. Evidence Code

**MEDICAL EXECUTIVE COMMITTEE  
 REPORT TO TFHD BOARD OF DIRECTORS  
CONSENT AGENDA  
 Thursday, July 26, 2018**

REFERRED BY:	AGENDA ITEMS	RECOMMEND
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<b>MEDICAL STAFF</b>	<b>A motion was made, seconded, and carried to recommend approval of the following to the Board of Directors:</b>	
Executive Committee	The Executive Committee recommends approval of the following: Review and a recommendation for approval of the following has been made by the Medical Executive Committee:	Recommend approval
1. Interdisciplinary Practice Committee Recommends Approval:	<u>Annual Review:</u>  1. Standardized Procedures and Protocols for Physician Assistants and Nurse Practitioners	



TAHOE  
FOREST  
HEALTH  
SYSTEM

Origination Date: 08/1991  
Last Approved: N/A  
Last Revised: 07/2018  
Next Review: 3 years after approval  
Department: Credentialing and Privileging - MSCP  
Applies To:

## Standardized Procedures and Protocols for Physician Assistants and Nurse Practitioners, MSCP-10

### ~~FUNCTIONAL OVERVIEW~~ STANDARDIZED PROCEDURES AND PROTOCOLS (for both PA and NP unless otherwise specified)

- I. Outpatient Management of Medical Conditions
- II. Inpatient Management of Medical Conditions
- III. Emergent Care
- IV. Drug Formulary (PA)
- V. Furnishing Medication / Medication Management
- VI. Procedures and Minor Surgery
- VII. Ordering Lab Work, Diagnostic Studies, & Therapies
- VIII. Specialty Consultation
- IX. Surgical First Assist (PA)
- X. Oncology Outpatient/Inpatient
- XI. Appendix A

### THESE PROCEDURES AND TREATMENTS MAY BE PERFORMED BY

Privileged Nurse Practitioners (NP) and Physician Assistants (PA) per approved privilege criteria who have been approved for practice at Tahoe Forest Hospital, [Incline Village Community Hospital](#), Cancer Center, Occupational Health, Skilled Nursing Facility, Emergency Department, or [any](#) TFHD Clinic. Training and education include:

**Nurse Practitioner:**

- ~~California~~-Certification from an accredited school for nurse practitioner training

- Current advance practice RN ~~license~~ unrestricted license to practice in California and/or in Nevada, as appropriate
- ~~Current ANCC or AANP certification~~ Current ANCC or AANP certification or PNCB (Pediatric Nursing Certification Board) if requesting to work in pediatrics, certification required
- Current evidence of a Collaborative Service Agreement
- Current unrestricted DEA certificate in CA (must be approved for ~~all drug schedules~~ Schedules II-V) and, if practicing in NV, current DEA certificate in NV, and license from the Nevada State Board of Pharmacy, as appropriate
- Current BLS/CPR

#### Physician Assistant:

- Completion of a PA program accredited by the Accreditation Review Commission on Education for the Physician Assistant
- Current unrestricted California and/or Nevada license ~~in good standing~~.
- Current NCCPA
- Current evidence of a Delegation of Service Agreement (CA) or Supervising Physician Agreement (NV)
- Current unrestricted DEA certificate in CA (must be approved for Schedules II-V) and, ~~unrestricted~~ if practicing in NV, current DEA certificate in ~~CA (approved for all drug schedules)~~ NV, and license from the Nevada State Board of Pharmacy, as appropriate
- PA's must complete an educational course in controlled substances that meets the standards of practice by TFHD and State of California (California Code of Regulations Sections: 1399.541(h), 1399.610 and 1399.612) within four (4) to six (6) months of being granted privileges and Allied Health Professional ("AHP") membership
- Current BLS/CPR

## PROVISION FOR INITIAL AND CONTINUING EVALUATION

1. Evaluations of NP and PA performance of standardized procedures and PA protocol functions will be done in conjunction with existing job performance ~~per protocol functions will be done in conjunction with existing job performance~~ policies and/or clinical privilege delineations and according to the following:
  - ~~Competency skills required will be delineated in a competency skills check list which is assessed during orientation and yearly by the Medical Director or Supervising Physician.~~
  - ~~Evaluation criteria defined in the clinical privilege forms~~
  - ~~Follow-up: Areas needing increased skill as determined by the initial evaluation will be re-evaluated by the Medical Director or Supervising Physician at specified intervals until acceptable skill level is achieved.~~
  - a. For initial appointment – Proctoring of ten (10) cases and three and six month reviews by random chart reviews with physician feedback.
  - b. On-going ~~bi~~-monthly chart review (5% of charts) by ~~Medical Director or~~ Supervising Physician and special review when necessary.

## ~~SUPERVISION (No physician can supervise more than four mid-level practitioners at one time)~~

### SUPERVISION

1.
  - a. No physician can supervise more than four NP/PA practitioners in CA at any moment in time.
  - b. Nevada Administrative Code precludes a physician from simultaneously supervising more than three physician assistants or collaborating with more than three advanced practitioners of nursing, or with a combination of more than three physician assistants and advanced practitioners of nursing, without first filing a petition with the Board for approval to supervise more than three.
  - c. NP and PA will be supervised by a TFHD Medical Staff Physician versed in the management of primary care problems or specialist appropriate to the medical problem encountered. The relationship between the physician and the non-physician medical practitioner shall be that of a shared and continuing responsibility to follow the progress of the patient in a manner which assures the non-physician medical practitioner's adherence to the limits of the specific professional practice established by law and regulations, while maximizing patient safety, health and well-being.
  - d. The supervising physician shall be available to the non-physician medical practitioners in person or through electronic means to provide supervision to the extent required by California and or Nevada professional licensing laws, necessary instruction in patient management, consultation and referral to appropriate care and services by specialist physicians or other licensed health care professionals, as may be required in each case.
  - e. In cases of emergencies, the non-physician medical practitioner, to the extent permitted by the laws relating to the license or certificate involved, may render emergency services to a patient pending contacting the supervising physician.
  - f. In all cases, the non-physician medical practitioner shall be responsible to maintain reasonable communication with the physician, to keep the physician informed, to follow instructions and, in any case of doubt, to seek assistance or additional instructions.
2. Physician consultation should always occur under the following circumstances as specified in the protocols.
  - a. Emergent conditions requiring prompt medical intervention.
  - b. Acute decompensation of patient situation.
  - c. Problem which is not resolving as anticipated.
  - d. Unexplainable historical, physical, or laboratory findings.
  - e. Conditions that may be unfamiliar, uncommon, unstable, or complex.
  - f. Upon request of patient, PA, NP or supervising physician.

### SETTING

1. ~~Tahoe Forest Hospital District Clinics:~~
  - ~~Tahoe Forest Orthopedic Clinic~~
  - ~~Tahoe Forest Multi-Specialty Health Clinics~~
  - ~~Tahoe Forest Occupational/Employee Health Clinic~~

~~Cancer Center~~

~~2. Tahoe Forest Hospital~~

~~3. Tahoe Forest Women's Center~~

~~4. Procedures and minor surgery will be performed in Tahoe Forest Multi-Specialty and Health Clinics.~~

1. Tahoe Forest Hospital Clinics and Incline Village Hospital Clinics

2. Cancer Center

3. Tahoe Forest Hospital

4. Incline Village Community Hospital

## PERIODIC REVIEW

1. All standardized procedures and protocols are to be reviewed annually by the ~~I.D.P.C.~~ Interdisciplinary Practice Committee ("IDPC")
2. Changes in, or additions to, the standardized procedures and protocols may be initiated by any of the authorized or covered personnel.
3. All changes or additions to the standardized procedures and protocols are to be approved by the ~~I.D.P.C.~~ IDPC and accompanied by a dated, signed approval sheet.

## RECORD KEEPING/QUALITY ASSURANCE

1. Records of patient contacts and visits are to be kept in accordance with standard practice at Tahoe Forest Hospital District.

## Outpatient Management of Medical Conditions

### POLICY

The NP or PA is authorized to diagnose and manage common acute conditions and common chronic stable conditions and provide health care maintenance under the following protocols. The NP or PA has responsibility to consult the supervising physician per the protocol delineated above about supervision.

### PROTOCOLS

- A. A treatment plan is developed based on references from Appendix A.
- B. All other applicable Standardized Procedures in this document are followed during health care management.
- C. All general policies regarding review, approval, setting, education, evaluation, patient records, supervision, and consultation in the Standardized Procedures are in force.

## Inpatient Management of Medical Conditions

### POLICY

The NP or PA may ~~admit patients to the~~ facilitate a hospital admission on behalf of the physician, if their condition or disease requires inpatient management ~~and if they have been granted privilege to admit~~. The Supervising Physician must be contacted to review the diagnostic and treatment plan for the care of the patient. The Supervising Physician must see the patient within 24 hours of admission and cosign the

admission history and physical dictation. Any ICU admissions need to be referred to the on-call physician or emergency room.

## PROTOCOLS

- A. The PA or NP will communicate with the supervising physician regarding any changes to the evaluation, diagnosis, and treatment plan.
- B. Management of the patient is either in conjunction with a supervising physician or by complete referral to a physician, emergency room or inpatient treatment facility.

~~The supervising physician is notified if her/his name is used on a referral to an outside physician or health care facility.~~

~~The consultation or referral is noted in the patient's chart including name of supervising physician.~~

- C. All inpatient ~~charts~~ history and physicals and discharge summaries are co-signed by a physician.
- D. A treatment plan is developed based on references from Appendix A.
- E. All other applicable Standardized Procedures in this document are followed during health care management.
- F. All general policies regarding review, approval, setting, education, evaluation, patient records, supervision, and consultation in the Standardized Procedures are in force.

## EMERGENT CARE

### POLICY

Emergent care conditions are acute, life-threatening conditions such as respiratory arrest or cardiac arrest. The NP/PA is authorized to evaluate emergent/urgent care conditions under the following protocols.

### PROTOCOLS

- A. See Departmental Code Blue Policy and Procedure.
- B. Initial evaluation and stabilization of the patient may be performed with concomitant notification of and immediate management by a physician.
- C. Initial treatment may include initiation of appropriate Emergency procedures.
- D. The referral is noted in the patient's chart including name of physician or agency, (e.g. ER), referred to.

## DRUG FORMULARY (PA)

### DRUG FORMULARY TO BE USED BY PHYSICIAN ASSISTANT

Medications that a PA may prescribe include all medications listed in Up-To-Date, or a current edition of Physician Assistant's Prescribing Reference, Tarascon Pharmacopeia, Physicians' Desk Reference, the Lexi Drug Handbook, or the Pediatrics Dose Handbook. The PA will refer to these sources for information pertaining to criteria for use, dosages, contraindications, and patient education. The PA will use medications which are appropriate to the clinical setting in which he/she is practicing including medications used in the management of chronic pain. Routes of administration are to include PO, IM, IV, Transdermal, PR, SC.

## FURNISHING MEDICATION / MEDICATION MANAGEMENT

### POLICY

The NP/PA may write a transmittal order for drugs or devices pursuant to Section 3502.1 of the Business and Professions Code for Physician Assistant and according to Senate Bill 816. The nurse practitioner may write a prescription order for drugs or devices pursuant to Section 2836.1-2836.3 of the Nursing Practice Act and under the following protocols.

## PROTOCOLS

- A. The NP/PA has a current DEA number for their state and practice location.
- B. The drug or device is being ordered in accordance with the Standardized Procedures and as referenced in Appendix A or the drug formulary.
- C. The ordering of drugs or devices includes the initiation, discontinuation, and/or renewal of prescriptive medications and/or their over-the-counter equivalents.
- D. The drug or device is appropriate to the condition being treated and the following principles followed:
  1. Use lowest dosage effective per pharmaceutical references.
  2. Do not to exceed upper limit dosage per pharmaceutical references.
  3. Order generic medications if appropriate.
- E. Medication history has been obtained including:
  1. Other medications being taken.
  2. Medication allergies and adverse reactions.
  3. Prior medications used for current conditions.
- F. Plan for follow-up and refills is written in the patient's chart.
- G. Patient education regarding the medications is given and documented in the patient's chart.
- H. A physician is consulted in the following situations:
  1. For PA's working in California: With the use of controlled substances for chronic pain management, with the exception of Schedule III, IV and V substances, which may be ordered for the limited treatment of acute primary care conditions and as part of an on-going plan established with or by a physician. Practitioner must provide evidence of completing an approved educational course in controlled substances. Supervising physician must review, countersign and date twenty percent (20%) of the medical records of any patient issued a Schedule II medications must be reviewed and the medical record co-signed by the supervising physician controlled substance by a PA within seven (7) days of providing a prescription.
  2. For PA's working in California who have not yet completed their controlled substance course, patient specific approval is required. [NOTE: PAs must complete course within four (4) to six (6) months of being granted clinical privileges.]
  3. Before adding medication when six or more concurrent medications are being taken.
- I. Consultation with a physician, if made, is noted in the patient's chart, including the physician's name and co-signature.
- J. The prescription must be written in patient's chart including name of drug, strength, instructions and quantity, and signature of the NP/PA.
- K. All other applicable Standardized Procedures in this document are followed during health care management.

- L. All general policies regarding review, approval, setting, education, evaluation, patient records, supervision, and consultation in the Standardized Procedures are in force.
- M. The list of NP/PAs who can furnish will be maintained in the medical staff office and the [clinicclinics](#).

## PROCEDURES AND MINOR SURGERY

### POLICY

If approved through the TFHD Medical Staff credentialing process, the NP/PA may perform the listed procedures:

- Splinting
- Casting, simple
- Incision and drainage of non-facial abscess less than 5cm in size
- Suture non-facial laceration less than 5cm in size
- Wart removal with cryotherapy
- Toe nail removal
- Excision and biopsy
- Joint Injections

### PROTOCOLS

- A. The NP/PA has been observed satisfactorily performing the procedure(s) by another provider competent in that skill.
- B. The NP/PA is following standard medical technique for the procedures as described in the Appendix A.
- C. Any underlying condition that requires co-management with physician, will also require consultation prior to performing any of the above procedures.

## ORDERING LAB WORK, DIAGNOSTIC STUDIES & THERAPIES

### POLICY

The NP/PA is authorized to collect, order and interpret lab work and diagnostic studies under the following protocols. The NP/PA is authorized to order therapies such as occupational, speech and physical therapy and psychological counseling, under the following protocols.

### PROTOCOLS

- A. Lab work and diagnostic studies obtained (such as CBC, chemistry panel, vaginal smears, urinalysis, throat cultures, radiology, etc.) must be appropriate as outlined in resources from Appendix A.
- B. Advanced studies such as Thallium scans, MRI, or PET scans should also be obtained in conjunction with an appropriate physician.
- C. Therapies are ordered as part of a treatment plan as referenced in Appendix A.
- D. All other applicable Protocols/Standardized Procedures in this document are followed during health care management.
- E. All General Policies regarding Review, Approval, Setting, Education, Evaluation, Patient Records, Supervision and Consultation in these Standardized Procedures are in force.

# SPECIALTY CONSULTATION

## POLICY:

A PA/NP may only provide those medical services which he or she is competent to perform, are consistent with the PA/NP's education, training and experience, are delegated in writing by ~~he~~the Supervising Physician, and have been approved by the TFHD Board of Directors. A PA/NP shall consult with a physician regarding any tasks, procedures or diagnostic problem which the PA/NP determines exceeds his or her level of competence, or shall refer such cases to a physician.

## PROTOCOL:

- A. The PA/NP and consulting physician will communicate regarding the patient assessment, diagnosis and treatment plan.
- B. Management of the patient will be either in conjunction with the consulting physician or by complete referral to the specialty physician or inpatient treatment facility.  
~~The consulting physician will be notified if his/her name is used on a referral to an outside physician or agency.~~
- C. The consultation ~~or referral~~ will be noted in the patient's chart including the name of the supervising physician.
- D. All inpatient consults ~~or referrals~~ will be reviewed by a Supervising Physician.
- E. All other applicable protocols/standard procedures in this document will be followed during health care management.

~~Physician~~Surgery First Assistant ~~Surgery First ASSISTANT~~

## FUNCTION

The ~~Physician's Assistant~~PA or NP renders direct patient care as part of the perioperative role by assisting the approved supervising surgeon in the surgical treatment of the patient. The responsibility of functioning as first assistant must be based on documented knowledge and skills acquired after specialized preparation, formal instruction and supervised practice.

## THIS PROCEDURE MAY BE PERFORMED BY

~~Physician Assistant~~PA or NP must meet all the following qualifications before being permitted to function in the expanded perioperative role of first assisting:

~~Current Physician Assistant license (PA) in state practice~~

1. Current unrestricted California and/or Nevada PA license in good standing, as appropriate
2. Current advance practice RN unrestricted license to practice in California and/or Nevada, as appropriate
3. Completion of a PA program accredited by the Accreditation Review Commission on Education for the Physician Assistants .

~~Three (3) years experience as a PA in Operating Room.~~

4. Certification from an accredited school for nurse practitioner training
5. Current ANCC (American Nurses Credentialing Center) or AANP (American Academy of Nurse

Practitioners) certification

6. Current NCCPA (National Commission on Certification of Physician Assistants) certified
7. Current professional liability insurance in the amount of \$1 Million/\$3 Million, minimum.
8. Current BLS/CPR and ACLS (Basic Life Support) certified.  
~~Validation of the necessary clinical skills by an internship with a member(s) of the surgical staff as mentor(s) and certified as a PA.~~
9. Must have an identified Physician Supervisor who is a member of the Hospital's Medical Staff
10. Provide evidence of Delegation of Service Agreement (CA); and/or evidence of Supervising Physician Agreement (NV State Medical board), as applicable.
11. Has current privileges as an Allied Health Professional at Tahoe Forest Hospital ~~District~~and/or at Incline Village Community Hospital.

## PROVISION FOR INITIAL AND CONTINUING EDUCATION

- A. Review of privileges will be done by established ~~re-privileging~~reappointment process through the Medical Staff. (Every 2-years).

## SUPERVISION

- A. The PA/NP First Assistant practices under the direct supervision of the surgeon.  
~~Supervising surgeons must be in the immediate vicinity during the surgical intervention. (Defined as: In the Department).~~
- B. The PA/NP may surgically close all layers, affix and stabilize drains deemed appropriate by the supervising physician. The supervising physician is responsible for all aspects of the invasive/surgical procedure including wound closure and must provide supervision, but need not be present in the room when the PA/NP closes the wound. Supervising surgeons must be immediately available when the PA/NP closes the wound (Immediately available is defined as "able to return to the patient without delay, upon the request of the PA/NP or to address any situation requiring the supervising physician's services.").

## CIRCUMSTANCES

PA/NP Protocol may be performed in any Tahoe Forest Hospital District facility.

A PA/NP may only provide those medical services which:

1. he or she is competent to perform, as determined by the supervising physician;
2. are consistent with his/her education, training, and experience;
3. are delegated in writing by the supervising physician responsible for the patients cared for by the PA; and
4. have been approved by the TFHD Board of Directors.

There will be a Delegation of Services Agreement between a supervising physician and a PA at all times.

The PA/NP will be listed as Assistant on all patient records and documents.

The PA/NP must adhere to the policies of the hospital and must remain within the scope of practice as stated by ~~that their~~ state's Physician Assistant Scope of Practice of license and practice.

The PA/NP will be directed by an approved supervising physician at all times and only perform surgical procedures with the personal presence of the approved supervising physician.

## PROCEDURE

The PA/NP may perform the following under the direct supervision of the surgeon:

1. Assist with the positioning, prepping and draping of the patient or perform these independently, if so directed by the surgeon.
2. Manipulate tissue by use of surgical instruments and/or suture material as directed by the surgeon to:
  - a. Expose and retract tissue.
  - b. Clamp, incise and/or sever tissue.
  - c. Grasp and fix tissue with screws, staples and other devices.
  - d. Drill, ream and modify tissue.
  - e. Cauterize and approximate tissue.
3. Provide retraction by:
  - a. Placing and holding surgical retractors, closely observing the operative field.
  - b. Packing sponges or laparotomy pads into body cavities to hold tissue or organs out of the operative field.
  - c. Managing all instruments in the operative field to prevent obstruction of the surgeon's view and provide patient safety.
  - d. Anticipating retraction needs with knowledge of surgeon's preferences, anatomical structures, and the procedure being performed.
4. Provide hemostasis by:
  - a. Applying electrocautery tip to clamps or vessels in a safe and knowledgeable manner as directed by the surgeon.
  - b. Sponging and utilizing pressure as necessary.
  - c. Utilizing suctioning techniques.
  - d. Applying clamps on vessels and tying them as directed by the surgeon.
  - e. Placing suture ligatures in the muscle, subcutaneous, and skin layers.
  - f. Placing hemoclips on bleeders as directed by the surgeon.
5. Perform knot tying by:
  - a. Demonstrating various knot- tying techniques.
  - b. Tying knots appropriately for suture material.
  - c. Approximating tissue, rather than pulling tightly, to prevent tissue necrosis.
6. Provide closure of tissue layers by:
  - a. Correctly approximating the layers under the direction of the surgeon.
  - b. Demonstrating knowledge of different types of closure.
  - c. Correctly approximating skin edges when utilizing skin staples.

7. Assist the surgeon at the completion of the surgical procedure by:
  - a. Affixing and stabilizing all drains.
  - b. Cleaning the wound and applying the dressing.
  - c. Applying casts or splints as directed.
8. Provide continuity of care.
  - a. In the event the operating surgeon, during surgery, becomes incapacitated or needs to leave the OR due to an emergency, the PA will:
    1. Maintain hemostasis, according to the approved standardized procedure.
    2. Keep the surgical site moistened, as necessary, according to the type of surgery.
    3. Maintain the integrity of the sterile field.
    4. Remain at the field while a replacement surgeon is being located.
  - b. The RN circulator/charge nurse will initiate the procedure for obtaining a surgeon in an emergency.

#### **RECORD KEEPING/QUALITY ASSURANCE**

The Director of Surgical Services will maintain a list of the surgeons utilizing the PA/NP and a current list of PAs/PANPs with hospital privileges.

A QA/QI Program will be put in place and approved by the Surgical Department.

#### **PERIODIC REVIEW**

PA Standardized Procedures and Protocols will be reviewed annually by the Interdisciplinary Practice Committee.

#### **BIBLIOGRAPHY**

Physician Assistant Scope of Practice issues by the State of California  
California Code of Regulations: Title 16  
Policies and Procedures of Tahoe Forest Hospital District Department of Surgery

## **ONCOLOGY SETTING (inpatient and outpatient)**

### **POLICY**

The Nurse Practitioner or Physician Assistant is authorized to follow the supervising physician's chemotherapy treatment plan as outlined in the physician orders. Prior to authorizing a continued treatment for a patient, the nurse practitioner will review the level of toxicity induced by treatment, as appropriate to the drugs utilized. The nurse practitioner is authorized to modify doses of chemotherapy as outlined in the supervising physician's treatment plan.

### **PROTOCOL**

- A. The ~~nurse practitioner~~PA/NP is authorized to modify doses of chemotherapy as outlined in National Comprehensive Cancer Network (NCCN) guidelines. This may include dosage reduction and discontinuation of therapy due to toxicity. The ~~nurse practitioner~~PA/NP is required to consult with the medical oncologist within 24 hours of modifying the attending physician's treatment plan, and

documentation by the ~~nurse practitioner~~ PA/NP must reflect such consultation.

B. The primary signature of chemotherapy orders must be from the medical oncologist.

C. All general policies regarding review, approval, setting, education, evaluation, patient records, supervision and consultation in these standardized procedures are in force.

## APPENDIX A

### Reference Resource List

Up-to-date online resource

Red Book, CDC

A Guide To Physical Examination & History Taking, Bates

Procedures in Primary Care, Pfenninger

The Harriet Lane Handbook (The Johns Hopkins Hospital), A Manual For Pediatric House Officers

All revision dates:

07/2018, 11/2016, 07/2016, 10/2008, 05/2008, 03/2007, 10/2005, 09/2005, 09/2004, 09/2003, 09/2002, 09/2000, 09/1999, 08/1991

### Attachments:

No Attachments

### Approval Signatures

Step Description	Approver	Date
MEC	Jean Steinberg: Director, Medical Staff Svs.	pending
	Jean Steinberg: Director, Medical Staff Svs.	07/2018

### Applicability

Tahoe Forest Hospital District

# SPECIAL MEETING OF THE BOARD OF DIRECTORS

## DRAFT MINUTES

Monday, June 4, 2018 at 10:00 a.m.  
Eskridge Conference Room – Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA 96161

### **1. CALL TO ORDER**

Meeting was called to order at 10:00 a.m.

### **2. ROLL CALL**

Board: Dale Chamblin, Board President; Charles Zipkin, M.D., Treasurer Alyce Wong, Secretary; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Crystal Betts, Chief Financial Officer; Karen Baffone, Chief Nursing Officer; Jake Dorst, Chief Information and Innovation Officer; Alex MacLennan, Chief Human Resources Officer; Matt Mushet, In-House Counsel; Scott Baker, Executive Director of Physician Services; Ted Owens, Executive Director of Governance; Maria Martin, Director of Wellness Neighborhood; Eileen Knudson, Director of PRIME; Lizzy Henasey, Population Health Analyst; Martina Rochefort, Clerk of the Board

*Absent: Randy Hill, Vice President*

### **3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

No changes were made to the agenda.

### **4. INPUT – AUDIENCE**

No public comment was received.

### **5. ITEMS FOR BOARD DISCUSSION AND/OR ACTION**

#### **5.1. Wellness Neighborhood**

##### **5.1.1. Impact on Board Initiatives 2011-2017**

Maria Martin, Director of Wellness Neighborhood, presented on the Wellness Neighborhood and its impact on four board initiatives.

Discussion was held.

##### **5.1.2. 2017 Annual Report**

No discussion was held on the Wellness Neighborhood annual report.

### **6. ADJOURN**

Meeting adjourned at 11:38 a.m.



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

Thursday, June 28, 2018 at 4:00 p.m.  
Tahoe Truckee Unified School District  
11603 Donner Pass Road, Truckee, CA 96161

**1. CALL TO ORDER**

Meeting was called to order at 4:01 p.m.

**2. ROLL CALL**

Board: Dale Chamblin, Board President; Randy Hill, Vice President; Charles Zipkin, M.D., Treasurer; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Operating Officer; Dr. Shawni Coll, Chief Medical Officer; Matt Mushet, In-House Counsel; Janet Van Gelder, Director of Quality and Regulations; Martina Rochefort, Clerk of the Board

Other: David Ruderman, Assistant General Counsel

*Absent: Alyce Wong, Secretary*

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

Item 14.1. was removed from the agenda.

**4. INPUT AUDIENCE**

No public comment was received.

**Open Session recessed at 4:03 p.m.**

**5. CLOSED SESSION**

**5.1. Hearing (Health & Safety Code § 32155) ♦**

*Subject Matter: First Quarter 2018 Quality Report*

*Number of items: One (1)*

Discussion was held on a privileged matter.

**5.2. Conference with Legal Counsel; Initiation of Litigation (Gov. Code § 54956.9(d)(4))**

*Number of Potential Cases: One (1)*

Discussion was held on a privileged matter.

**5.3. Report Involving Trade Secrets (Health & Safety Code § 32106)**

*Discussion will concern: potential new service*

*Estimated date of disclosure: August 2018*

Discussion was held on a privileged matter.

**5.4. Approval of Closed Session Minutes ♦**

05/24/2018

Discussion was held on a privileged matter.

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

*Subject Matter: Medical Staff Credentials*

Discussion was held on a privileged matter.

**6. DINNER BREAK**

**7. OPEN SESSION – CALL TO ORDER**

Open Session reconvened at 5:00 p.m.

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

General Counsel stated there were five items considered in closed session. There was no reportable action taken on items 5.1.-5.3. Items 5.4. and 5.5. were each approved on a 4-0 vote.

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

Item 14.1. was removed from the agenda.

**10. INPUT – AUDIENCE**

No public comment was received.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

No public comment was received.

**12. ACKNOWLEDGMENTS**

**12.1.** Julie Lorrain was named June 2018 Employee of the Month.

**12.2.** Dylan Crosby was recognized for completion of the Chamber Leadership Program.

**12.3.** Dan Coll, PA and Dr. Andrew Ringnes were recognized for their recent work with local students at an Anatomy Lab event.

**13. CONSENT CALENDAR◆**

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

**13.1. Approval of Minutes of Meetings**

**13.1.1.** 05/24/2018

**13.2. Financial Reports**

**13.2.1.** Financial Report – May 2018

**13.3. Staff Reports**

**13.3.1.** CEO Board Report

**13.3.2.** COO Board Report

**13.3.3.** CNO Board Report

**13.3.4.** CIIO Board Report

**13.3.5.** CMO Board Report

**13.4. Policy Review**

**13.4.1.** ABD-12 Guidelines for Business by TFHD Board of Directors

**13.4.2.** TFHD Ticket and Pass Distribution Policy

Director Zipkin pulled item 13.4.1. for further discussion.

**ACTION:** Motion made by Director Zipkin, seconded by Director Hill, to approve the Consent Calendar as presented excluding item 13.4.1.

**AYES:** Directors Brown, Zipkin, Hill and Chamblin

**Abstention:** None

**NAYS:** None

***Absent: Director Wong***

**14. ITEMS FOR BOARD ACTION ◆**

**14.1. Resolution 2018-05 ◆**

Item was removed from the agenda.

**15. ITEMS FOR BOARD DISCUSSION**

**15.1. Patient & Family Advisory Council**

Anne Liston, Patient and Family Advisory Council member, provided an update on the council's efforts.

**15.2. Patient Safety Report**

Janet Van Gelder, Director of Quality and Regulations provided an update on patient safety activities.

Director Brown requested a future presentation on High Reliability Organization and Just Culture.

**15.3. Strategic Planning Update**

Harry Weis, Chief Executive Officer, provided an update on the Strategic Planning process.

**15.4. Revenue Cycle Update**

Crystal Betts, Chief Financial Officer provided an update to the Board of Directors on the District's Revenue Cycle process.

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

Item 13.4.1. was discussed.

Discussion was held on the wording in section G2 of ABD-12 Guidelines for Business by TFHD Board of Directors. Counsel stated the wording comes from the Brown Act and requires a super majority which is 4 for a board composed of five directors. Counsel will clarify wording in the Brown Act.

The board directed the wording in section G2 be changed to "If at least four members of the board are present and agreed."

**ACTION:** Motion made by Director Zipkin, seconded by Director Hill, to approve item 13.4.1. from Consent Calendar with the amendment noted above.

**AYES:** Directors Brown, Zipkin, Hill and Chamblin

**Abstention:** None

**NAYS:** None

***Absent: Director Wong***

**17. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION**

**17.1. Governance Committee Meeting – 06/11/2018**

Director Brown provided an update from the recent Governance Committee meeting.

**17.2. Quality Committee Meeting – No meeting held in June.**

**17.3. Executive Compensation Committee Meeting – No meeting held in June.**

**17.4. Finance Committee Meeting – No meeting held in June.**

**18. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS**

-Written request for agenda items to next Governance Committee meeting.

**19. ITEMS FOR NEXT MEETING**

None.

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

None.

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

Not applicable.

**22. OPEN SESSION**

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

Not applicable.

**24. ADJOURN**

Open Session adjourned at 7:23 p.m.

# SPECIAL MEETING OF THE BOARD OF DIRECTORS

## DRAFT AGENDA

Tuesday, July 10, 2018 at 9:00 a.m.  
Eskridge Conference Room – Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA 96161

### 1. CALL TO ORDER

Meeting was called to order at 9:00 a.m.

### 2. ROLL CALL

Board: Dale Chamblin, Board President; Randy Hill, Vice President; Charles Zipkin, M.D., Treasurer; Alyce Wong, Secretary; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Operating Officer; Karen Baffone, Chief Nursing Officer; Jake Dorst, Chief Information and Innovation Officer; Dr. Shawni Coll, Chief Medical Officer; Alex MacLennan, Chief Human Resources Officer; Matt Musher, In-House Counsel; Ted Owens, Executive Director of Governance; Martina Rochefort, Clerk of the Board

Other: David Ruderman, Assistant General Counsel (*via phone*); Karma Bass and Erica Osborne of VIA Healthcare Consulting; Tracey Camp of Krentz Consulting (*via phone*)

### 3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

### 4. INPUT – AUDIENCE

No public comment was received.

Open Session recessed at 9:01 a.m.

### 5. CLOSED SESSION

#### 5.1. Report Involving Trade Secrets (Health & Safety Code § 32106)

*Discussion will concern: potential new service*

*Estimated date of disclosure: December 2018*

Discussion was held on a privileged item.

Open Session reconvened at 10:26 a.m.

### 6. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

General Counsel stated there was no reportable action taken on item 5.1.

*General Counsel departed the meeting at 10:26 a.m.*

Open Session recessed at 10:26 a.m.

### 7. OPEN SESSION

Open Session reconvened at 10:32 a.m.

**8. ITEMS FOR BOARD DISCUSSION AND/OR ACTION**

**8.1. Strategic Planning**

The Board of Directors provided input on the proposed strategic priorities and reviewed next steps in the strategic planning process.

Discussion was held.

**9. ADJOURN**

Meeting adjourned at 11:55 a.m.

DRAFT

**TAHOE FOREST HOSPITAL DISTRICT  
JUNE 2018 FINANCIAL REPORT - PRELIMINARY  
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**Board of Directors**  
*Of Tahoe Forest Hospital District*  
**JUNE 2018 FINANCIAL NARRATIVE - PRELIMINARY**

The following is the financial narrative analyzing financial and statistical trends for the twelve months ended June 30, 2018.

**Activity Statistics**

- ❑ Working with our vendor, Mercy Health System, we have identified the reporting criterions needed to gather our monthly departmental statistics. We achieved our targeted date of completion for the project at the end of May and have entered the interface build portion of the project. Some statistical highlights for June were:
- ❑ TFH acute patient days were 414 for the current month compared to budget of 396. This equates to an average daily census of 13.80 compared to budget of 13.20.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Surgical cases, Endoscopy procedures, Laboratory tests, Oncology Lab tests, EKG's, Vascular Imaging, Mammography, Radiation Oncology procedures, MRIs, Cat Scans, Tahoe City Physical, and Outpatient Occupational Therapy.

**Financial Indicators**

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 55.1% in the current month compared to budget of 55.6% and to last month's 50.3%. Current year's Net Patient Revenue as a percentage of Gross Patient Revenue is 54.9%, compared to budget of 55.5% and prior year's 58.7%.
- ❑ EBIDA was \$1,955,033 (7.9%) for the current month compared to budget of \$631,910 (2.9%), or \$1,323,123 (5.0%) above budget. Year-to-date EBIDA was \$12,085,759 (4.5%) compared to budget of \$7,280,148 (2.8%), or \$4,805,611 (1.8%) above budget.
- ❑ Cash Collections for the current month were \$9,940,500 which is 86% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$53,664,680 at the end of June compared to \$47,021,175 at the end of May. Legacy Gross Accounts Receivable was \$4,645,054 at the end of June compared to \$5,556,889 at the end of May, a reduction of \$911,835.

**Balance Sheet**

- ❑ Working Capital Days Cash on Hand is 43.4 days. S&P Days Cash on Hand is 176.3. Working Capital cash increased \$3,262,000. Accounts Payable increased \$1,568,000, Accrued Payroll & Related Costs decreased \$2,219,000, cash collections fell short of target by 14%, the District received \$14,000,000 from the State, Anthem, and California Health & Wellness for participation in the various IGT, Rate Range, HQAF and Expansion Population programs, and transferred \$7,000,000 to its Cash Reserve Fund held at LAIF.
- ❑ Net Patients Accounts Receivable increased approximately \$3,941,000 and Cash collections were at 86% of target. EPIC Days in A/R at the close of June were 71.8.
- ❑ Other Receivables decreased a net \$512,000 after the District recorded receipts from the Tahoe Forest Health System Foundation and the Incline Village Community Hospital Foundation.
- ❑ Estimated Settlements, Medi-Cal and Medicare decreased \$14,000,000 after booking amounts received from the State for the FY14 & FY15 AB113 Expansion Population program, FY14 & FY15 AB915 Newly Eligible Population, FY18 HQAF, Anthem and California Health & Wellness IGT and Rate Range programs, and the Medi-Cal PRIME program.
- ❑ To comply with GASB No. 63, the District has booked an adjustment to the asset and offsetting liability to reflect the fair value of the Piper Jaffray swap transaction at the close of June.
- ❑ Accounts Payable increased \$1,568,000 due to the timing of the final check run in June.
- ❑ Accrued Payroll & Related Costs decreased a net \$2,219,000 due to fewer accrued payroll days in June.

- ❑ Estimated Settlements, Medi-Cal and Medicare increased \$307,000 after the Medicare final audit report for FY16 was issued.
- ❑ Comprehensive Liability Insurance increased \$326,000 after booking an adjustment to the liability based on the year-end IBNR calculation.

**Operating Revenue**

- ❑ Current month’s Total Gross Revenue was \$24,843,118, compared to budget of \$22,007,243 or \$2,835,875 above budget.
- ❑ Current month’s Gross Inpatient Revenue was \$7,237,146, compared to budget of \$6,041,197 or \$1,195,949 above budget.
- ❑ Current month’s Gross Outpatient Revenue was \$17,605,973 compared to budget of \$15,966,046 or \$1,639,927 above budget.
- ❑ Current month’s Gross Revenue Mix was 38.7% Medicare, 18.3% Medi-Cal, .0% County, 4.8% Other, and 38.2% Insurance compared to budget of 34.6% Medicare, 17.8% Medi-Cal, .0% County, 3.7% Other, and 43.9% Insurance. Last month’s mix was 38.7% Medicare, 16.8% Medi-Cal, .0% County, 3.3% Other, and 41.2% Insurance. Year-to-date Gross Revenue Mix was 36.6% Medicare, 17.9% Medi-Cal, .0% County, 3.8% Other, and 41.7% Insurance compared to budget of 34.8% Medicare, 17.6% Medi-Cal, .0% County, 3.8% Other, and 43.8% Insurance.
- ❑ Current month’s Deductions from Revenue were \$11,160,027 compared to budget of \$9,765,453 or \$1,394,574 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 4.04% increase in Medicare, a .53% increase to Medi-Cal, County at budget, a 1.18% increase in Other, and Commercial was under budget 5.75%, 2) Revenues exceeded budget by 12.9%, and 3) additional reserves were calculated due to the aging of the EPIC accounts receivable.

DESCRIPTION	June 2018 Actual	June 2018 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	4,460,441	4,498,206	37,765	
Employee Benefits	1,314,386	1,574,675	260,289	
Benefits – Workers Compensation	41,445	53,880	12,435	
Benefits – Medical Insurance	521,355	621,624	100,269	
Professional Fees	1,943,295	2,128,158	184,863	We saw positive variances in MSC Physician RVU Bonus Pro fees, Anesthesia Physician Income Guarantee fee, legal services provided to the District, Information Technology professional fees, and Financial Administration professional fees.
Supplies	1,876,796	1,637,522	(239,274)	Negative variance in Supplies related to Drugs Sold to Patients and Oncology Drugs Sold To Patients pharmacy costs. Revenues exceeded budget by 30.9%.
Purchased Services	1,478,195	1,205,776	(272,419)	Employee Health screenings, a reclassification of collection agency fees from Bad Debt, and services provided for a District wide Asset Inventory project created a negative variance in Purchased Services.
Other Expenses	938,814	634,357	(304,457)	Negative variance in Other Expenses related to building rent, dues & subscriptions, Information Systems Conversion travel, and physician SEA reimbursements.
Total Expenses	12,574,726	12,354,198	(220,528)	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 2018 - PRELIMINARY

ASSETS	Jun-18	May-18	Jun-17	
<b>CURRENT ASSETS</b>				
* CASH	\$ 17,611,703	\$ 14,350,000	\$ 11,667,604	1
PATIENT ACCOUNTS RECEIVABLE - NET	23,896,709	19,955,689	18,183,704	2
OTHER RECEIVABLES	5,068,317	5,580,376	4,196,127	3
GO BOND RECEIVABLES	(81,881)	(375,232)	252,615	
ASSETS LIMITED OR RESTRICTED	6,360,727	6,259,047	5,837,348	
INVENTORIES	3,125,792	3,007,434	2,999,559	
PREPAID EXPENSES & DEPOSITS	1,693,878	1,508,941	1,459,013	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	5,741,198	19,392,581	9,998,482	4
<b>TOTAL CURRENT ASSETS</b>	<b>63,416,444</b>	<b>69,678,836</b>	<b>54,594,452</b>	
<b>NON CURRENT ASSETS</b>				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	53,900,135	46,900,135	61,244,140	1
BANC OF AMERICA MUNICIPAL LEASE	-	-	251,585	
TOTAL BOND TRUSTEE 2017	19,925	19,882	19,761	
TOTAL BOND TRUSTEE 2015	1,780,372	1,643,274	1,316,800	
GO BOND PROJECT FUND	-	-	1	
GO BOND TAX REVENUE FUND	3,576,818	3,575,463	3,976,560	
DIAGNOSTIC IMAGING FUND	3,217	3,217	3,179	
DONOR RESTRICTED FUND	1,451,916	1,451,916	1,084,498	
WORKERS COMPENSATION FUND	20,206	18,857	7,237	
TOTAL	60,752,587	53,612,743	67,903,760	
LESS CURRENT PORTION	(6,360,727)	(6,259,047)	(5,837,348)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	54,391,860	47,353,697	62,066,412	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	-	-	-	
PROPERTY HELD FOR FUTURE EXPANSION	841,020	841,020	836,353	
PROPERTY & EQUIPMENT NET	163,672,784	163,176,108	131,174,170	
GO BOND CIP, PROPERTY & EQUIPMENT NET	1,801,582	1,792,395	33,445,408	
<b>TOTAL ASSETS</b>	<b>284,123,690</b>	<b>282,842,056</b>	<b>282,116,794</b>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	465,462	468,694	504,250	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	1,063,457	1,117,841	1,548,299	5
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	5,983,087	6,006,792	6,267,544	
GO BOND DEFERRED FINANCING COSTS	468,087	470,022	491,302	
DEFERRED FINANCING COSTS	187,250	188,290	199,733	
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<b>\$ 8,167,343</b>	<b>\$ 8,251,640</b>	<b>\$ 9,011,128</b>	
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	\$ 5,551,212	\$ 3,983,632	\$ 6,584,687	6
ACCRUED PAYROLL & RELATED COSTS	9,683,894	11,902,936	13,028,752	7
INTEREST PAYABLE	805,880	845,034	415,333	
INTEREST PAYABLE GO BOND	1,639,784	1,318,969	1,553,417	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	410,288	103,511	47,577	8
HEALTH INSURANCE PLAN	1,211,751	1,211,751	1,211,751	
WORKERS COMPENSATION PLAN	1,704,809	1,704,611	1,703,225	
COMPREHENSIVE LIABILITY INSURANCE PLAN	1,184,419	858,290	858,290	9
CURRENT MATURITIES OF GO BOND DEBT	860,000	860,000	975,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	1,049,645	1,049,645	1,015,790	
<b>TOTAL CURRENT LIABILITIES</b>	<b>24,101,681</b>	<b>23,838,378</b>	<b>27,393,821</b>	
<b>NONCURRENT LIABILITIES</b>				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	27,327,372	27,329,955	28,358,252	
GO BOND DEBT NET OF CURRENT MATURITIES	102,606,137	102,619,557	103,627,185	
DERIVATIVE INSTRUMENT LIABILITY	1,063,457	1,117,841	1,548,299	5
<b>TOTAL LIABILITIES</b>	<b>155,098,647</b>	<b>154,905,732</b>	<b>160,927,556</b>	
<b>NET ASSETS</b>				
NET INVESTMENT IN CAPITAL ASSETS	135,740,471	134,736,048	129,115,868	
RESTRICTED	1,451,916	1,451,916	1,084,498	
<b>TOTAL NET POSITION</b>	<b>\$ 137,192,387</b>	<b>\$ 136,187,964</b>	<b>\$ 130,200,366</b>	

\* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF NET POSITION  
JUNE 2018 PRELIMINARY

1. Working Capital is at 43.4 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 176.3 days. Working Capital cash increased a net \$3,262,000. Accounts Payable increased \$1,568,000 (See Note 6), Accrued Payroll & Related Costs decreased \$2,219,000 (See Note 7), Cash Collections fell short of target by 14%, the District received \$14,000,000 from the State, Anthem, and California Health & Wellness, reducing the Estimated Settlement receivables booked in May (See Note 4), and transferred \$7,000,000 to its Cash Reserve Fund held at LAIF.
2. Net Patient Accounts Receivable increased approximately \$3,941,000 and Cash collections were 86% of target. EPIC Days in A/R were 71.80 compared to 68.40 at the close of May, a 3.40 days increase.
3. Other Receivables decreased \$512,000 after recording receipt of Foundation donations through May and payment from the Incline Village Community Hospital Foundation for grant promises made in support of hospital construction projects.
4. Estimated Settlements, Medi-Cal and Medicare decreased \$14,000,000. The District received amounts due from the State for the FY14 & FY15 AB113 Expansion Population program, FY14 & FY15 AB915 Newly Eligible Population program, FY18 HQAF, Anthem and California Health & Wellness IGT and Rate Range programs, along with the Medi-Cal PRIME program.
5. To comply with GASB No. 63, the District has booked an adjustment to the asset and offsetting liability to reflect the fair value of the Piper Jaffray swap transaction at the close of June.
6. Accounts Payable increased \$1,568,000 due to the timing of the final check run in the month.
7. Accrued Payroll & Related Costs decreased a net \$2,219,000 due to only having five accrued payroll days at the close of June.
8. Estimated Settlements, Medi-Cal and Medicare increased \$307,000 after the Medicare cost report audit for FY16 was finalized. This amount will be reduced after the re-opening of the FY15 cost report is completed and costs from the FY16 year are reapplied to the correct fiscal year, creating a receivable to offset the FY16 payable.
9. Comprehensive Liability Insurance increased \$326,000 after booking an adjustment to the liability based on the year-end IBNR calculation.

**Tahoe Forest Hospital District  
Cash Investment  
June 2018 - Preliminary**

**WORKING CAPITAL**

US Bank	\$ 16,465,687		
US Bank/Kings Beach Thrift Store	21,543		
US Bank/Truckee Thrift Store	58,932		
US Bank/Payroll Clearing	60,477		
Umpqua Bank	<u>1,005,064</u>	0.40%	
Total			\$ 17,611,703

**BOARD DESIGNATED FUNDS**

US Bank Savings	\$ -	0.03%	
Capital Equipment Fund	<u>-</u>		
Total			\$ -

Building Fund	\$ -		
Cash Reserve Fund	<u>53,900,135</u>	1.76%	
Local Agency Investment Fund			\$ 53,900,135

Banc of America Muni Lease			\$ -
Bonds Cash 2017			\$ 19,925
Bonds Cash 2015			\$ 1,780,372
GO Bonds Cash 2008			\$ 3,576,818

DX Imaging Education	\$ 3,217		
Workers Comp Fund - B of A	20,206		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 23,422</u>

<b>TOTAL FUNDS</b>			<b>\$ 76,912,375</b>
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**RESTRICTED FUNDS**

Gift Fund			
US Bank Money Market	\$ 8,364	0.03%	
Foundation Restricted Donations	364,320		
Local Agency Investment Fund	<u>1,079,232</u>	1.76%	
<b>TOTAL RESTRICTED FUNDS</b>			<b><u>\$ 1,451,916</u></b>

<b>TOTAL ALL FUNDS</b>			<b><u><u>\$ 78,364,290</u></u></b>
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**TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
KEY FINANCIAL INDICATORS  
JUNE 2018 PRELIMINARY**

	<b>Current Status</b>	<b>Desired Position</b>	<b>Target</b>	<b><u>Bond Covenants</u></b>	<b><u>FY 2018</u> Jul 17 to June 2018</b>	<b><u>FY 2017</u> Jul 16 to June 2017</b>	<b><u>FY 2016</u> Jul 15 to June 16</b>	<b><u>FY 2015</u> Jul 14 to June 15</b>	<b><u>FY 2014</u> Jul 13 to June 14</b>	<b><u>FY 2013</u> Jul 12 to June 13</b>	<b><u>FY 2012</u> Jul 11 to June 12</b>
<b>Return On Equity:</b> <u>Increase (Decrease) in Net Position</u> Net Position		↑	1.8% (1)		5.1%	14.4%	10.9%	2.19%	.001%	-4.0%	8.7%
<b>EPIC Days in Accounts Receivable (excludes SNF, Home Health &amp; Hospice)</b> <u>Gross Accounts Receivable</u> 90 Days		↓	FYE 63 Days		68	55	57	60	75	97	64
<u>Gross Accounts Receivable</u> 365 Days					73	55	55	62	75	93	64
<b>Days Cash on Hand Excludes Restricted:</b> <u>Cash + Short-Term Investments</u> (Total Expenses - Depreciation Expense)/ by 365	 	↑	Budget FYE 173 Days  Budget 4th Qtr 173 Days  Preliminary 4th Qtr 176 Days	60 Days  A- 203 Days  BBB- 142 Days	176	191	201	156	164	148	203
<b>EPIC Accounts Receivable over 120 days (excludes payment plan, legal and charitable balances)</b>		↓	13%		22%	17%	19%	18%	22%	29%	15%
<b>EPIC Accounts Receivable over 120 days (includes payment plan, legal and charitable balances)</b>		↓	18%		25%	18%	24%	23%	25%	34%	19%
<b>Cash Receipts Per Day (based on 60 day lag on Patient Net Revenue) excludes managed care reserve</b>	 	↑	FYE Budget \$437,885  End 4th Qtr Budget \$437,885  End 4 <sup>th</sup> Qtr Preliminary \$374,547		\$333,963	\$348,962	\$313,153	\$290,776	\$286,394	\$255,901	\$254,806
<b>Debt Service Coverage:</b> Excess Revenue over Exp + <u>Interest Exp + Depreciation</u> Debt Principal Payments + Interest Expense		↑	Without GO Bond 9.27 With GO Bond 2.07	1.95	9.27  2.07	6.64  3.54	6.19  2.77	3.28  1.59	2.18  1.29	.66  .89	4.83  2.70

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
JUNE 2018 - PRELIMINARY

CURRENT MONTH				YEAR TO DATE				PRIOR YTD JUNE 2017		
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%		
<b>OPERATING REVENUE</b>										
\$ 24,843,118	\$ 22,007,243	\$ 2,835,875	12.9%	Total Gross Revenue	\$ 268,736,366	\$ 262,988,209	\$ 5,748,157	2.2%	1	\$ 252,487,430
<b>Gross Revenues - Inpatient</b>										
\$ 2,643,307	\$ 2,031,291	\$ 612,016	30.1%	Daily Hospital Service	\$ 27,486,491	\$ 23,727,218	\$ 3,759,273	15.8%		\$ 23,458,129
4,593,838	4,009,906	583,932	14.6%	Ancillary Service - Inpatient	45,510,889	48,278,160	(2,767,271)	-5.7%		48,242,736
7,237,146	6,041,197	1,195,949	19.8%	Total Gross Revenue - Inpatient	72,997,380	72,005,378	992,002	1.4%	1	71,700,865
17,605,973	15,966,046	1,639,927	10.3%	Gross Revenue - Outpatient	195,738,986	190,982,831	4,756,155	2.5%		180,786,565
17,605,973	15,966,046	1,639,927	10.3%	Total Gross Revenue - Outpatient	195,738,986	190,982,831	4,756,155	2.5%	1	180,786,565
<b>Deductions from Revenue:</b>										
10,564,973	8,797,858	(1,767,115)	-20.1%	Contractual Allowances	116,622,119	105,295,903	(11,326,216)	-10.8%	2	102,525,813
808,610	704,966	(103,644)	-14.7%	Charity Care	8,545,489	8,503,864	(41,625)	-0.5%	2	7,615,675
(1,883)	-	1,883	0.0%	Charity Care - Catastrophic Events	264,929	-	(264,929)	0.0%	2	287,548
(232,422)	262,629	495,051	188.5%	Bad Debt	1,757,605	3,214,838	1,457,233	45.3%	2	(1,460,537)
20,750	-	(20,750)	0.0%	Prior Period Settlements	(6,126,155)	-	6,126,155	0.0%	2	(4,777,099)
11,160,027	9,765,453	(1,394,574)	-14.3%	Total Deductions from Revenue	121,063,987	117,014,605	(4,049,382)	-3.5%		104,191,400
74,388	100,308	25,921	25.8%	Property Tax Revenue- Wellness Neighborhood	830,018	1,226,291	(396,274)	-32.3%		745,897
772,280	644,010	128,270	19.9%	Other Operating Revenue	10,504,952	8,063,220	2,441,732	30.3%	3	9,326,948
14,529,759	12,986,108	1,543,651	11.9%	<b>TOTAL OPERATING REVENUE</b>	159,007,348	155,263,115	3,744,233	2.4%		158,368,875
<b>OPERATING EXPENSES</b>										
4,460,441	4,498,206	37,765	0.8%	Salaries and Wages	53,818,349	53,933,829	115,480	0.2%	4	51,226,674
1,314,386	1,574,675	260,289	16.5%	Benefits	17,911,148	17,035,374	(875,774)	-5.1%	4	16,553,069
41,445	53,880	12,435	23.1%	Benefits Workers Compensation	650,921	646,564	(4,357)	-0.7%	4	1,243,957
521,355	621,624	100,269	16.1%	Benefits Medical Insurance	6,683,629	7,459,489	775,861	10.4%	4	7,012,379
1,943,295	2,128,158	184,863	8.7%	Professional Fees	23,476,345	25,109,836	1,633,491	6.5%	5	22,626,576
1,876,796	1,637,522	(239,274)	-14.6%	Supplies	21,421,374	20,001,278	(1,420,096)	-7.1%	6	19,429,823
1,478,195	1,205,776	(272,419)	-22.6%	Purchased Services	14,380,743	15,400,992	1,020,249	6.6%	7	12,997,855
938,814	634,357	(304,457)	-48.0%	Other	8,579,081	8,395,605	(183,476)	-2.2%	8	7,220,537
12,574,726	12,354,198	(220,528)	-1.8%	<b>TOTAL OPERATING EXPENSE</b>	146,921,589	147,982,967	1,061,378	0.7%		138,310,870
<b>1,955,033</b>	<b>631,910</b>	<b>1,323,123</b>	<b>-209.4%</b>	<b>NET OPERATING REVENUE (EXPENSE) EBIDA</b>	<b>12,085,759</b>	<b>7,280,148</b>	<b>4,805,611</b>	<b>66.0%</b>		<b>20,058,004</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>										
(123,469)	539,766	(663,235)	-122.9%	District and County Taxes	6,194,708	6,454,596	(259,888)	-4.0%	9	6,569,234
294,707	332,881	(38,174)	-11.5%	District and County Taxes - GO Bond	3,944,319	3,994,573	(50,254)	-1.3%		5,561,486
109,650	70,867	38,783	54.7%	Interest Income	976,489	850,408	126,081	14.8%	10	620,873
-	-	-	0.0%	Interest Income-GO Bond	-	-	-	0.0%		363
156,830	74,917	81,913	109.3%	Donations	689,752	899,000	(209,248)	-23.3%	11	785,614
-	(20,000)	20,000	100.0%	Gain/ (Loss) on Joint Investment	-	(240,000)	240,000	100.0%	12	-
-	-	-	0.0%	Loss on Impairment of Asset	-	-	-	0.0%	12	-
1,350	-	1,350	0.0%	Gain/ (Loss) on Sale of Equipment	10,844	-	10,844	0.0%	13	-
-	-	-	0.0%	Impairment Loss	-	-	-	0.0%	14	-
(994,665)	(993,555)	(1,110)	-0.1%	Depreciation	(11,853,982)	(11,922,663)	68,681	0.6%	15	(10,897,238)
(61,979)	(98,944)	36,965	37.4%	Interest Expense	(1,108,342)	(1,187,449)	79,107	6.7%	16	(1,260,265)
(333,034)	(320,815)	(12,219)	-3.8%	Interest Expense-GO Bond	(3,947,527)	(3,849,776)	(97,751)	-2.5%		(2,719,610)
(950,610)	(414,883)	(535,727)	-129.1%	<b>TOTAL NON-OPERATING REVENUE/(EXPENSE)</b>	<b>(5,093,739)</b>	<b>(5,001,311)</b>	<b>(92,427)</b>	<b>-1.8%</b>		<b>(1,339,545)</b>
<b>\$ 1,004,423</b>	<b>\$ 217,027</b>	<b>\$ 787,396</b>	<b>362.8%</b>	<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>\$ 6,992,021</b>	<b>\$ 2,278,837</b>	<b>\$ 4,713,184</b>	<b>206.8%</b>		<b>\$ 18,718,459</b>
<b>NET POSITION - BEGINNING OF YEAR</b>					<b>130,200,366</b>					
<b>NET POSITION - AS OF JUNE 30, 2018</b>					<b>\$ 137,192,387</b>					
<b>7.9%</b>	<b>2.9%</b>	<b>5.0%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>4.5%</b>	<b>2.8%</b>	<b>1.8%</b>			<b>7.9%</b>

**TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
KEY FINANCIAL INDICATORS  
JUNE 2018 PRELIMINARY**

	Current Status	Desired Position	Target	<u>FY 2018</u> Jul 17 to June 18	<u>FY 2017</u> Jul 16 to June 17	<u>FY 2016</u> Jul 15 to June 16	<u>FY 2015</u> Jul 14 to June 15	<u>FY 2014</u> Jul 13 to June 14	<u>FY 2013</u> Jul 12 to June 13	<u>FY 2012</u> Jul 11 to June 12
<b>Total Margin:</b> <u>Increase (Decrease) In Net Position</u> Total Gross Revenue		↑	FYE .1% 4th Qtr .1%	2.6%	7.4%	5.5%	1.0%	.01%	-2.2%	5.3%
<b>Charity Care:</b> <u>Charity Care Expense</u> Gross Patient Revenue		↓	FYE 3.2% 4th Qtr 3.2%	3.3%	3.1%	3.4%	3.1%	3.2%	3.2%	2.6%
<b>Bad Debt Expense:</b> <u>Bad Debt Expense</u> Gross Patient Revenue		↓	FYE 1.2% 4th Qtr 1.2%	.1%	-0%	-2%	1.6%	1.6%	4.6%	4.3%
<b>Incline Village Community Hospital:</b> EBIDA: Earnings before interest, Depreciation, amortization <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue		↑	FYE 7.0% 4th Qtr 7.0%	4.8%	7.9%	11.3%	9.1%	4.9%	11.5%	10.8%
<b>Operating Expense Variance to Budget (Under&lt;Over&gt;)</b>		↑	-0-	\$1,061,378	\$(9,700,270)	\$(7,548,217)	\$(6,371,653)	\$2,129,279	\$(1,498,683)	\$790,439
<b>EBIDA:</b> Earnings before interest, Depreciation, amortization <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue		↑	FYE 2.7% 4th Qtr 2.7%	4.5%	7.9%	7.3%	3.5%	2.0%	.9%	5.6%

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
JUNE 2018 - PRELIMINARY

CURRENT MONTH				YEAR TO DATE				PRIOR YTD	
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	JUNE 2017	
				<b>OPERATING REVENUE</b>					
\$ 1,534,866	\$ 1,586,057	\$ (51,191)	-3.2%	Total Gross Revenue	\$ 18,324,368	\$ 19,469,494	\$ (1,145,126)	-5.9% 1 \$ 18,325,851	
				<b>Gross Revenues - Inpatient</b>					
\$ -	\$ -	\$ -	0.0%	Daily Hospital Service	\$ 101,764	\$ 56,574	\$ 45,190	79.9%	\$ 32,328
-	2,503	(2,503)	-100.0%	Ancillary Service - Inpatient	99,003	35,903	63,100	175.8%	44,416
-	2,503	(2,503)	-100.0%	Total Gross Revenue - Inpatient	200,767	92,477	108,290	117.1%	76,744
1,534,866	1,583,555	(48,689)	-3.1%	Gross Revenue - Outpatient	18,123,601	19,377,017	(1,253,416)	-6.5%	18,249,107
1,534,866	1,583,555	(48,689)	-3.1%	Total Gross Revenue - Outpatient	18,123,601	19,377,017	(1,253,416)	-6.5%	18,249,107
				<b>Deductions from Revenue:</b>					
509,435	579,261	69,826	12.1%	Contractual Allowances	7,516,013	7,086,133	(429,880)	-6.1%	2 6,338,572
56,023	53,756	(2,267)	-4.2%	Charity Care	647,239	719,287	72,048	10.0%	2 618,066
2,612	-	(2,612)	0.0%	Charity Care - Catastrophic Events	52,631	-	(52,631)	0.0%	2 49,786
61,320	48,951	(12,369)	-25.3%	Bad Debt	660,985	660,523	(462)	-0.1%	2 720,886
-	-	-	0.0%	Prior Period Settlements	(106,438)	-	106,438	0.0%	2 39,034
629,390	681,968	52,578	7.7%	Total Deductions from Revenue	8,770,430	8,465,943	(304,487)	-3.6%	2 7,766,343
152,012	76,214	75,798	99.5%	Other Operating Revenue	998,481	986,568	11,913	1.2%	3 936,841
1,057,488	980,303	77,184	7.9%	<b>TOTAL OPERATING REVENUE</b>	<b>10,552,419</b>	<b>11,990,119</b>	<b>(1,437,700)</b>	<b>-12.0%</b>	<b>11,496,349</b>
				<b>OPERATING EXPENSES</b>					
288,473	285,021	(3,452)	-1.2%	Salaries and Wages	3,457,986	3,638,316	180,330	5.0%	4 3,479,913
115,264	103,882	(11,382)	-11.0%	Benefits	1,159,468	1,167,552	8,084	0.7%	4 1,248,977
2,357	2,357	(0)	0.0%	Benefits Workers Compensation	29,117	28,278	(839)	-3.0%	4 23,991
33,136	39,151	6,015	15.4%	Benefits Medical Insurance	417,533	469,816	52,283	11.1%	4 448,503
249,186	274,566	25,380	9.2%	Professional Fees	2,820,487	3,149,744	329,257	10.5%	5 2,844,083
40,903	74,652	33,749	45.2%	Supplies	520,562	844,388	323,827	38.4%	6 754,001
42,302	46,833	4,531	9.7%	Purchased Services	493,671	619,841	126,170	20.4%	7 594,519
141,913	60,317	(81,596)	-135.3%	Other	777,827	701,828	(76,000)	-10.8%	8 661,169
913,534	886,778	(26,755)	-3.0%	<b>TOTAL OPERATING EXPENSE</b>	<b>9,676,651</b>	<b>10,619,762</b>	<b>943,111</b>	<b>8.9%</b>	<b>10,055,157</b>
<b>143,954</b>	<b>93,525</b>	<b>50,429</b>	<b>53.9%</b>	<b>NET OPERATING REV(EXP) EBIDA</b>	<b>875,767</b>	<b>1,370,356</b>	<b>(494,589)</b>	<b>-36.1%</b>	<b>1,441,192</b>
				<b>NON-OPERATING REVENUE/(EXPENSE)</b>					
18,284	-	18,284	0.0%	Donations-IVCH	412,646	-	412,646	0.0%	9 396,399
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10 -
(56,857)	(56,857)	0	0.0%	Depreciation	(704,540)	(682,282)	(22,258)	-3.3%	11 (685,353)
(38,572)	(56,857)	18,284	32.2%	<b>TOTAL NON-OPERATING REVENUE/(EXP)</b>	<b>(291,894)</b>	<b>(682,282)</b>	<b>390,387</b>	<b>57.2%</b>	<b>(288,954)</b>
<b>\$ 105,381</b>	<b>\$ 36,668</b>	<b>\$ 68,713</b>	<b>187.4%</b>	<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 583,873</b>	<b>\$ 688,075</b>	<b>\$ (104,202)</b>	<b>-15.1%</b>	<b>\$ 1,152,238</b>
<b>9.4%</b>	<b>5.9%</b>	<b>3.5%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>4.8%</b>	<b>7.0%</b>	<b>-2.3%</b>	<b>7.9%</b>	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	AUDITED FYE 2017		BUDGET FYE 2018	PRELIMINARY FYE 2018	ACTUAL JUNE 2018	BUDGET JUNE 2018	DIFFERENCE	ACTUAL 1ST QTR	ACTUAL 2ND QTR	ACTUAL 3RD QTR	PRELIMINARY 4TH QTR
Net Operating Rev/(Exp) - EBIDA	\$ 19,312,107		\$ 7,189,726	\$ 12,085,759	\$ 1,955,033	\$ 631,910	\$ 1,323,123	\$ 4,102,581	\$ (7,352,907)	\$ 8,922,502	\$ 6,413,583
Interest Income	361,479		725,902	667,478	-	-	-	133,270	356,321	-	177,887
Property Tax Revenue	6,497,384		7,681,300	6,938,847	6,567	-	6,567	393,337	85,046	3,753,968	2,706,496
Donations	1,537,778		890,200	1,285,939	742,259	702,271	39,988	25,091	13,500	133,088	1,114,259
Debt Service Payments	(3,553,754)		(2,678,403)	(2,078,464)	(235,887)	(719,639)	483,752	(516,336)	(663,487)	(386,688)	(511,952)
Bank of America - 2012 Muni Lease	(1,243,406)		(103,637)	(103,515)	-	-	-	(103,515)	-	-	-
Copier	(11,295)		(11,520)	(11,482)	(959)	(960)	1	(2,894)	(2,419)	(3,338)	(2,830)
2017 VR Demand Bond	(677,214)		(918,082)	(319,664)	(97,830)	(581,582)	483,752	-	(112,679)	(109,155)	(97,830)
2015 Revenue Bond	(1,621,839)		(1,645,164)	(1,643,802)	(137,097)	(137,097)	(0)	(409,926)	(548,389)	(274,195)	(411,292)
Physician Recruitment	-		(120,000)	(160,536)	-	(10,000)	10,000	(25,536)	(30,000)	(105,000)	-
Investment in Capital											
Equipment	(1,388,213)		(3,744,975)	(2,754,938)	(929,137)	(900,464)	(28,673)	(163,719)	(930,500)	(510,565)	(1,150,154)
Municipal Lease Reimbursement	735,082		219,363	219,363	-	-	-	219,363	-	-	-
GO Bond Project Personal Property	(1,175,083)		-	-	-	-	-	-	-	-	-
IT	(176,532)		(2,122,817)	(319,154)	261	(70,000)	70,261	(88,529)	(71,000)	(20,094)	(139,531)
Building Projects	(3,511,541)		(12,540,118)	(4,415,940)	(555,192)	(838,522)	283,330	(971,928)	(672,341)	(1,328,812)	(1,442,859)
Health Information/Business System	(4,478,846)		(2,050,000)	(3,859,238)	(15,420)	(65,473)	50,053	(726,407)	(2,228,554)	(886,185)	(18,092)
Capital Investments											
Properties	(2,373,193)		(1,355,000)	(475,000)	-	-	-	-	(475,000)	-	-
Measure C Scope Modifications	(1,725,552)		-	-	-	-	-	-	-	-	-
Change in Accounts Receivable	(2,134,289)	N1	304,109	(5,713,005)	(3,941,020)	1,833,487	(5,774,507)	(16,563)	412,276	(2,629,268)	(3,479,450)
Change in Settlement Accounts	(5,374,275)	N2	5,453,885	6,898,578	13,958,160	5,614,088	8,344,072	(2,777,362)	8,201,107	(4,728,312)	6,203,144
Change in Other Assets	(923,047)	N3	(1,962,591)	(6,005,796)	(33,304)	(270,000)	236,696	(1,741,634)	(3,164,013)	(394,398)	(705,752)
Change in Other Liabilities	2,649,423	N4	1,920,000	(3,713,799)	(690,617)	2,157,000	(2,847,617)	(1,914,066)	(2,862,455)	2,920,974	(1,858,252)
Change in Cash Balance	4,278,928		(2,189,419)	(1,399,905)	10,261,703	8,064,658	2,197,046	(4,073,623)	(9,382,006)	5,345,830	6,922,360
Beginning Unrestricted Cash	68,632,815		72,911,743	72,911,743	61,250,135	61,250,135	-	72,911,743	68,838,120	59,456,114	64,801,943
Ending Unrestricted Cash	72,911,743		70,722,324	71,511,838	71,511,838	69,314,793	2,197,046	68,838,120	59,456,114	64,801,943	71,724,303
Expense Per Day	382,387		408,686	405,561	405,561	408,686	(3,125)	382,013	400,457	405,878	405,561
Days Cash On Hand	191		173	176	176	170	6	180	148	160	177

Footnotes:

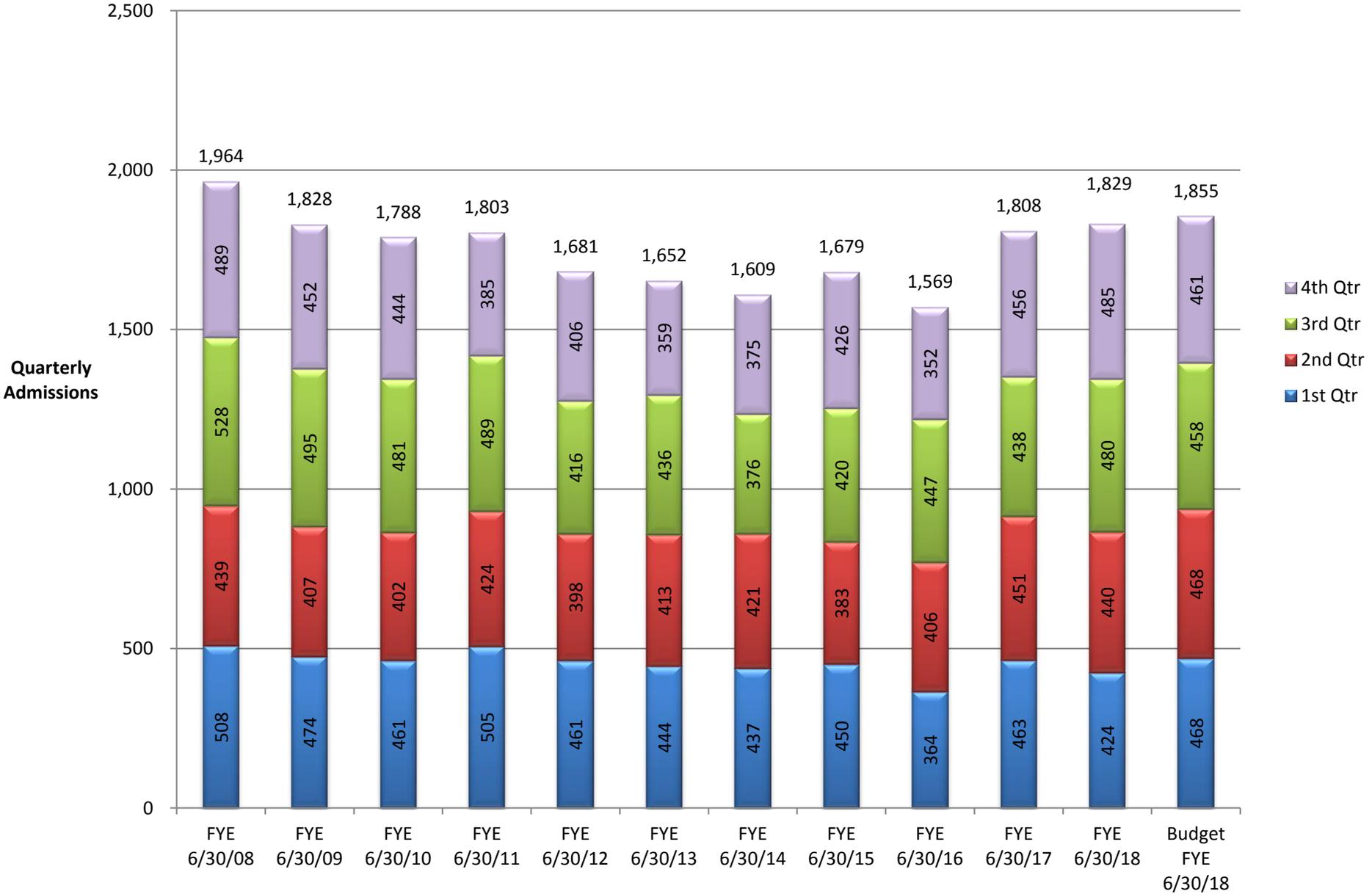
N1 - Change in Accounts Receivable reflects the 60 day delay in collections.

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

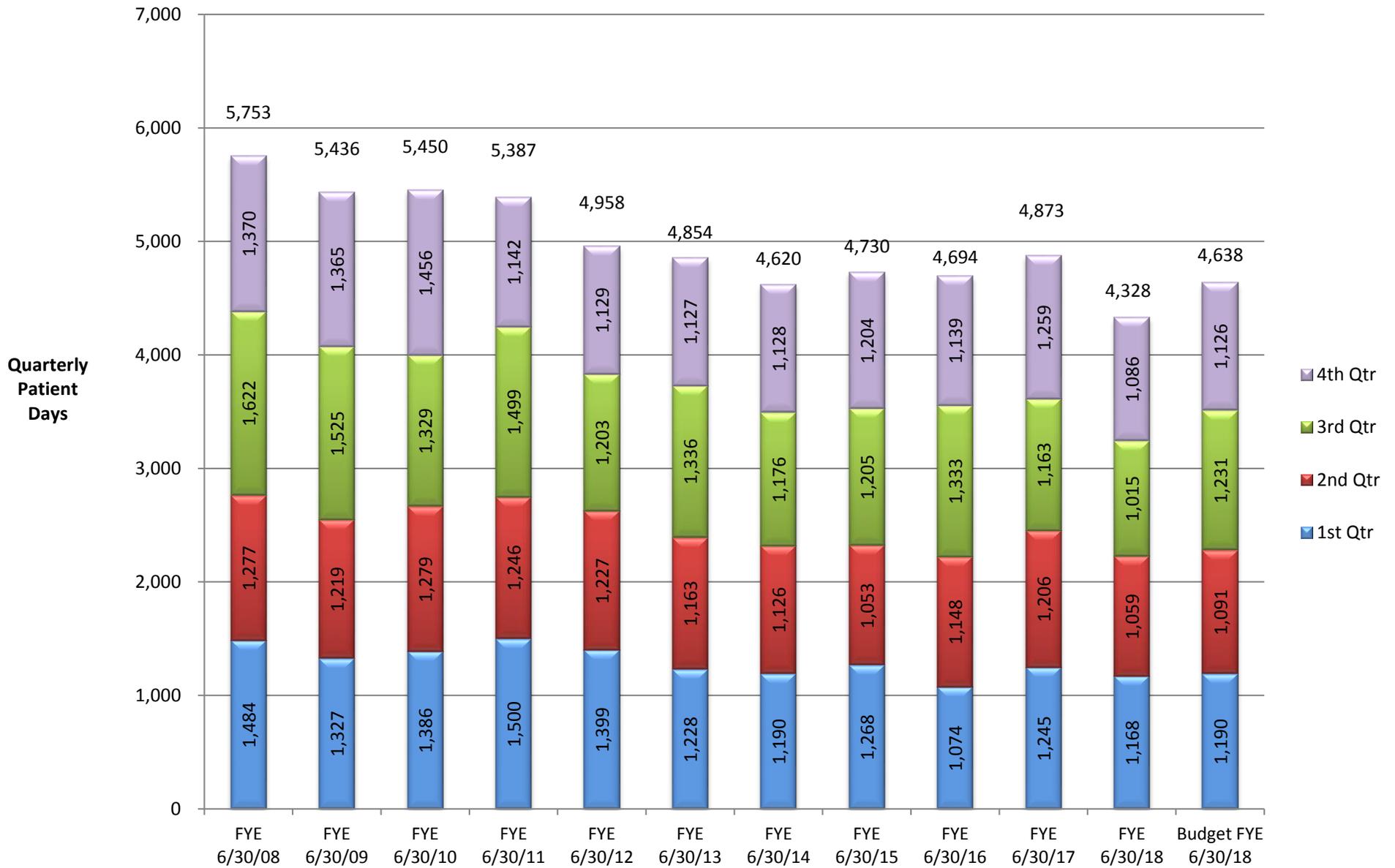
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

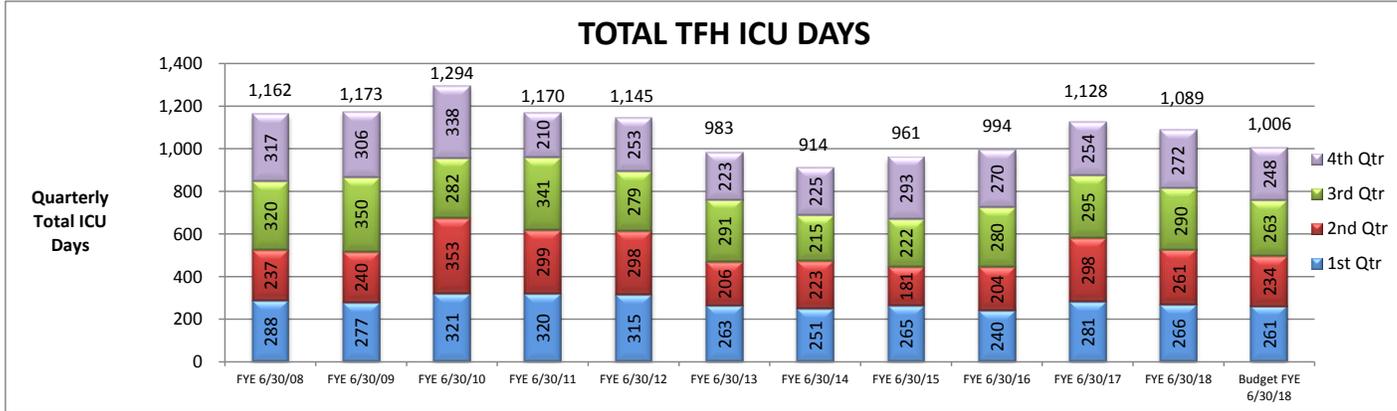
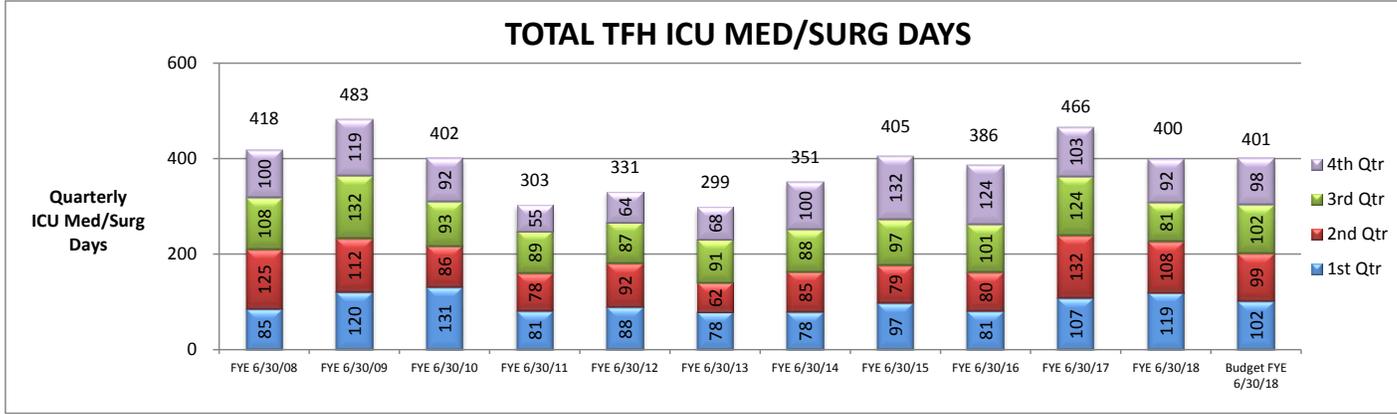
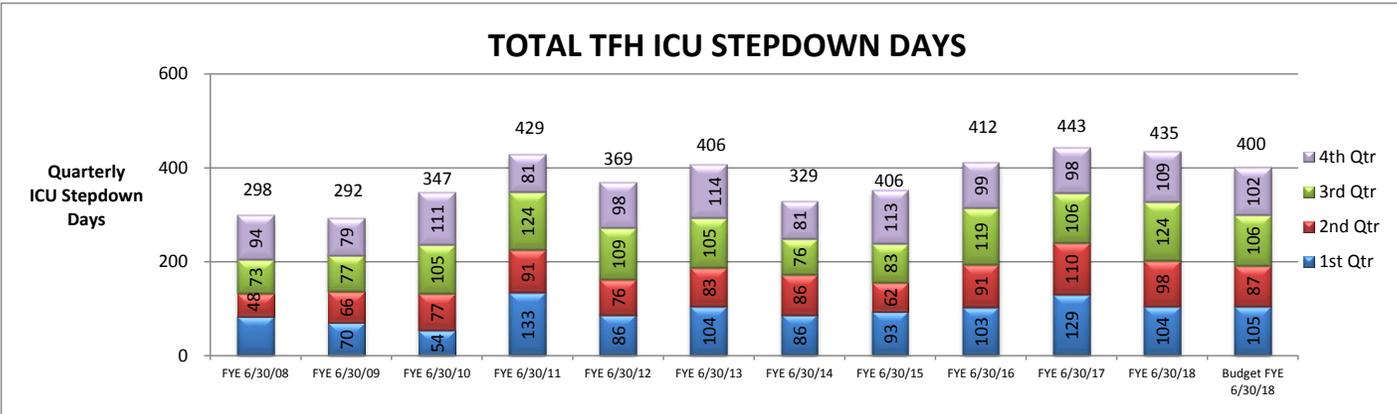
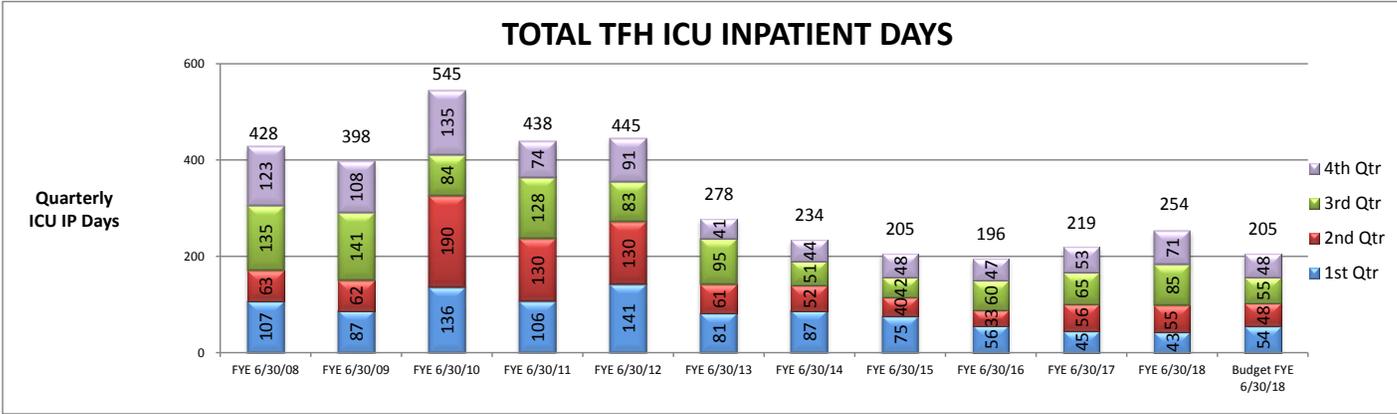
N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.

# TOTAL TFH ADMISSIONS

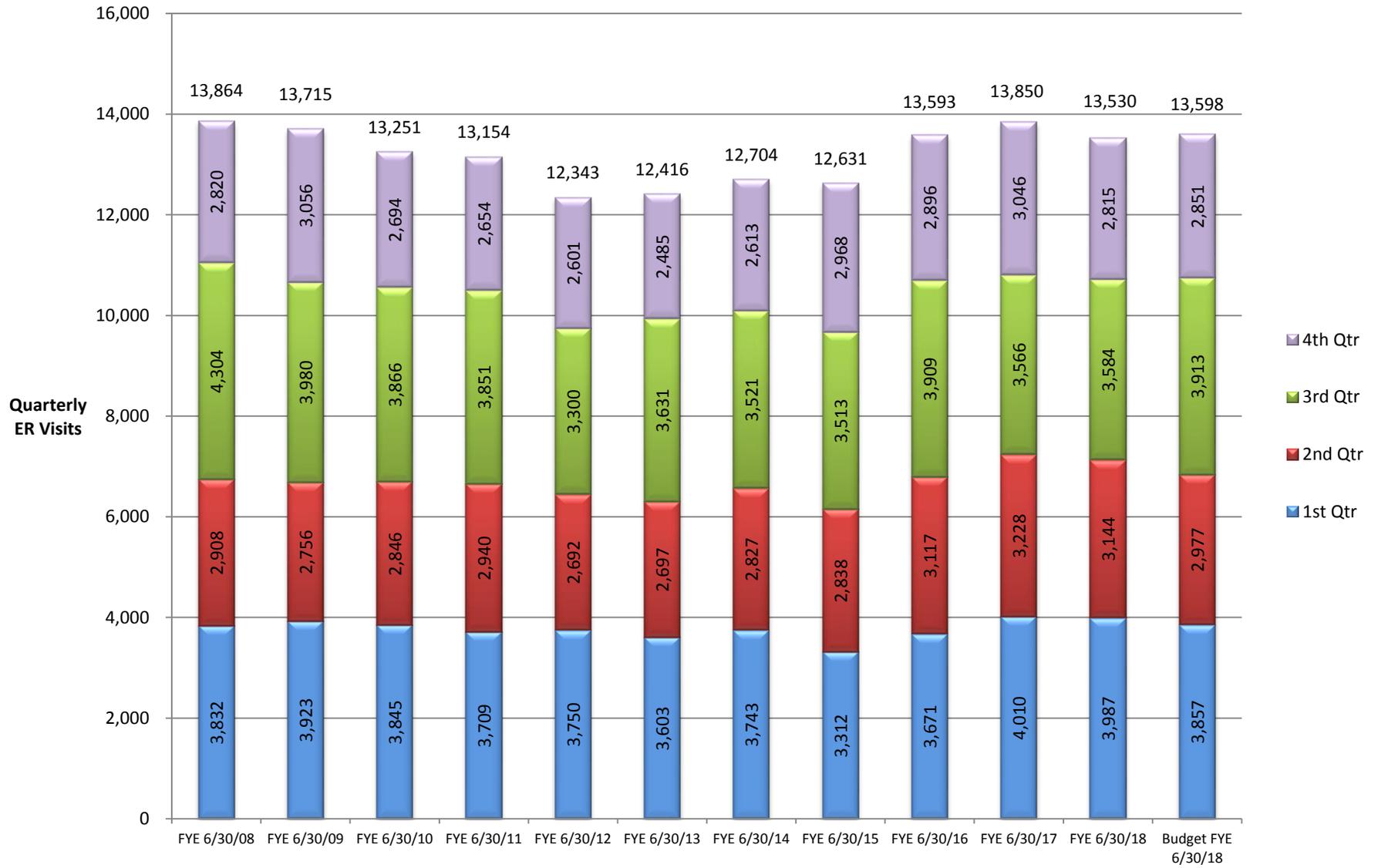


# TOTAL TFH PATIENT DAYS

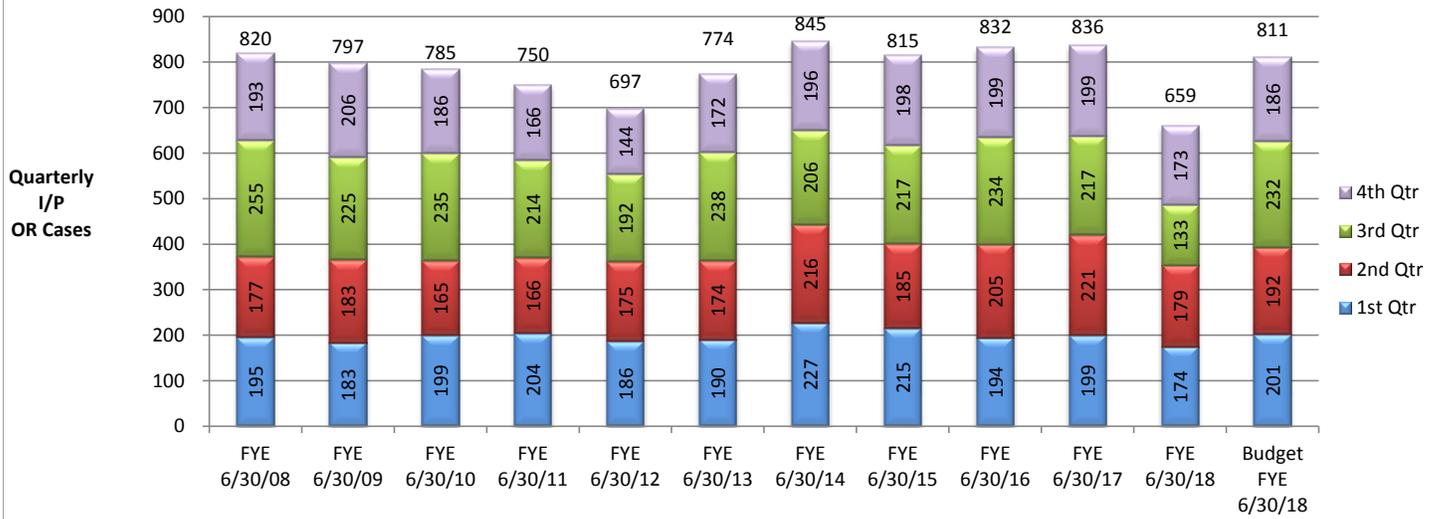




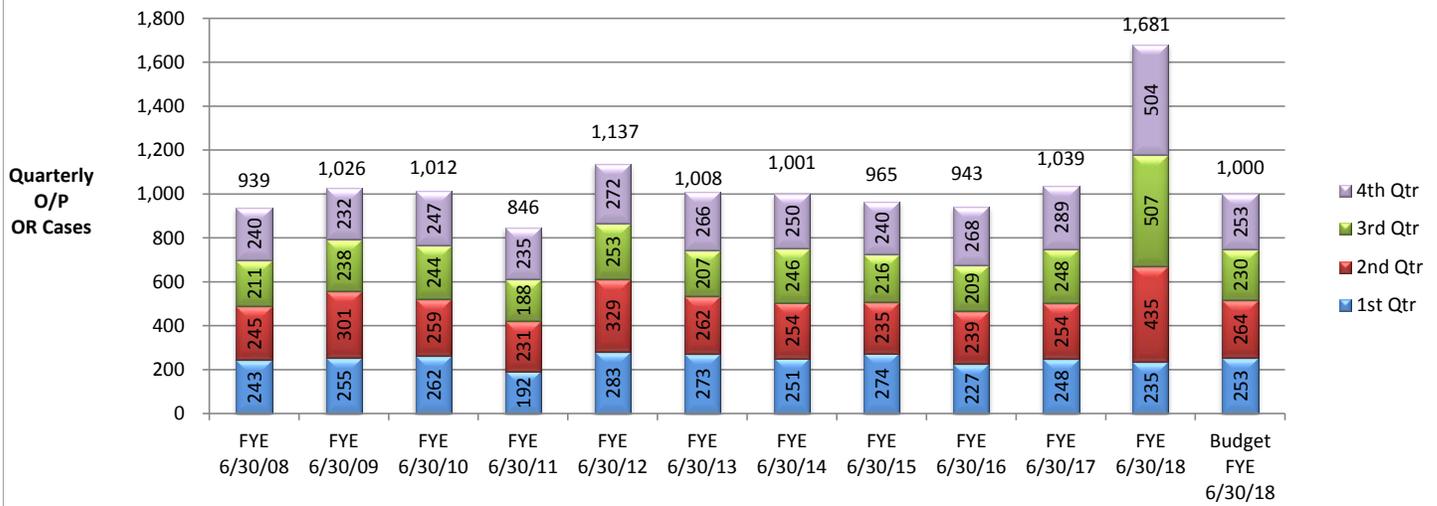
## TOTAL TFH ER VISITS



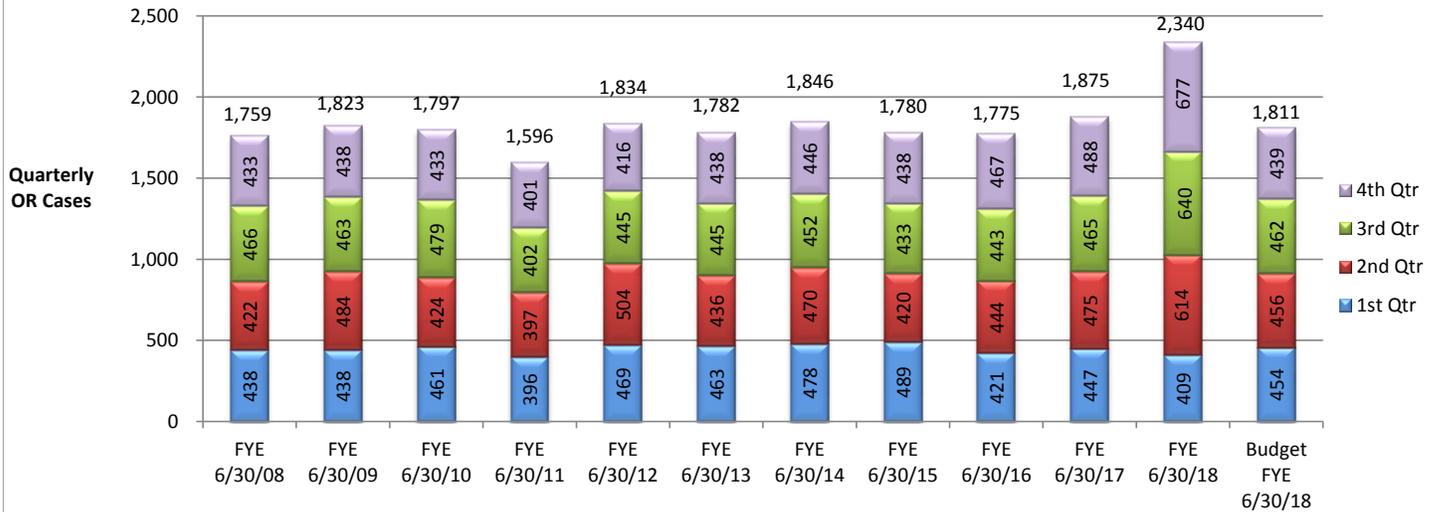
### TOTAL TFH INPATIENT OR CASES



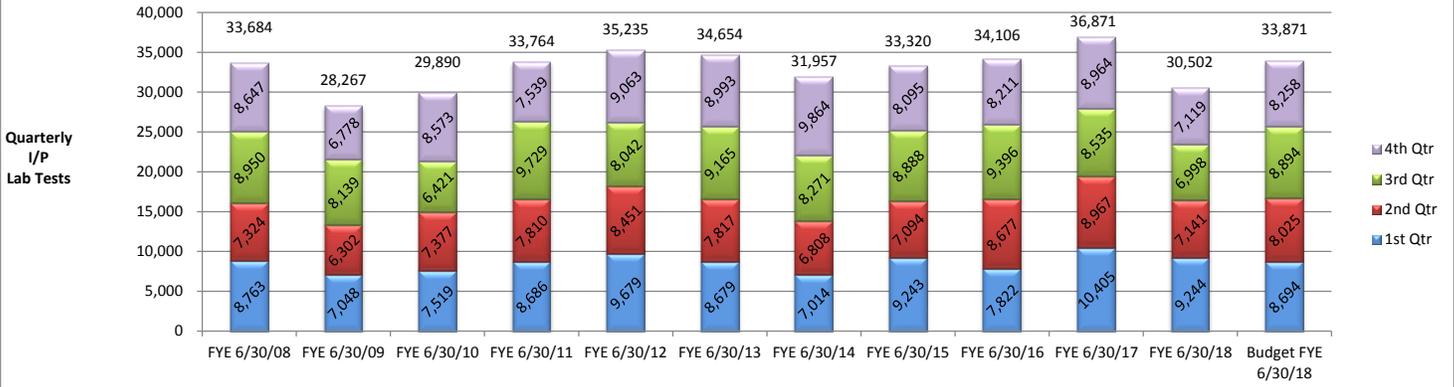
### TOTAL TFH OUTPATIENT OR CASES



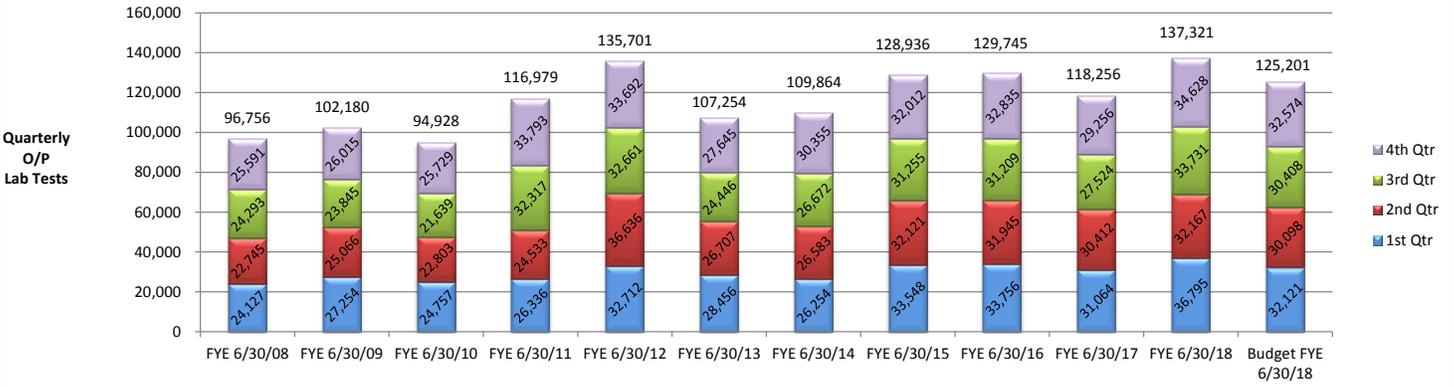
### TOTAL TFH OR CASES



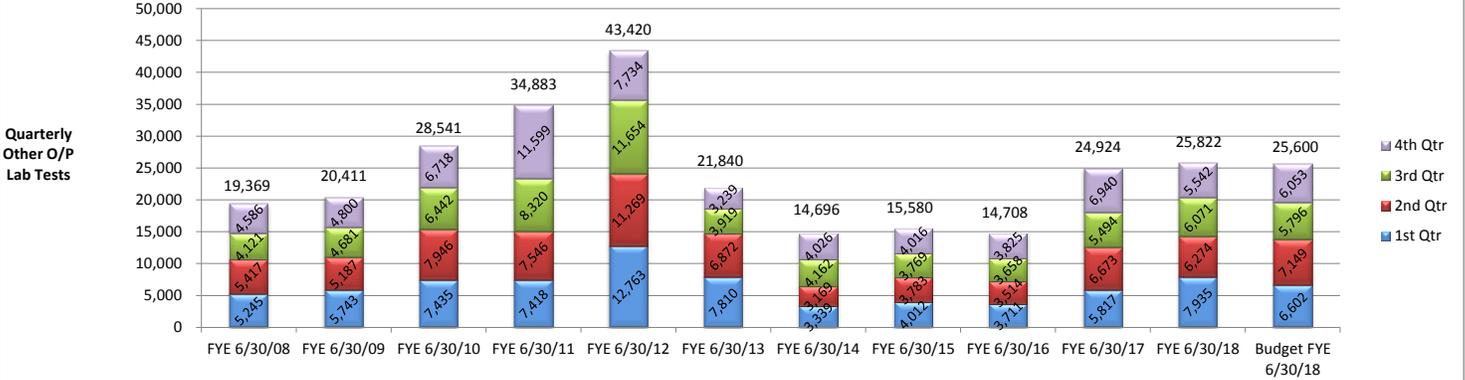
### TOTAL TFH INPATIENT LAB TESTS



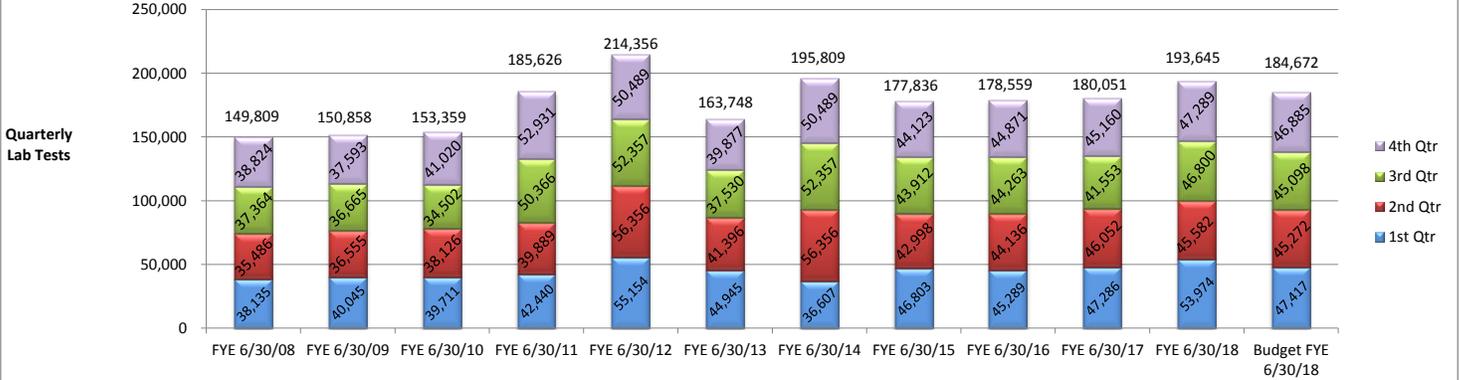
### TOTAL TFH OUTPATIENT LAB TESTS



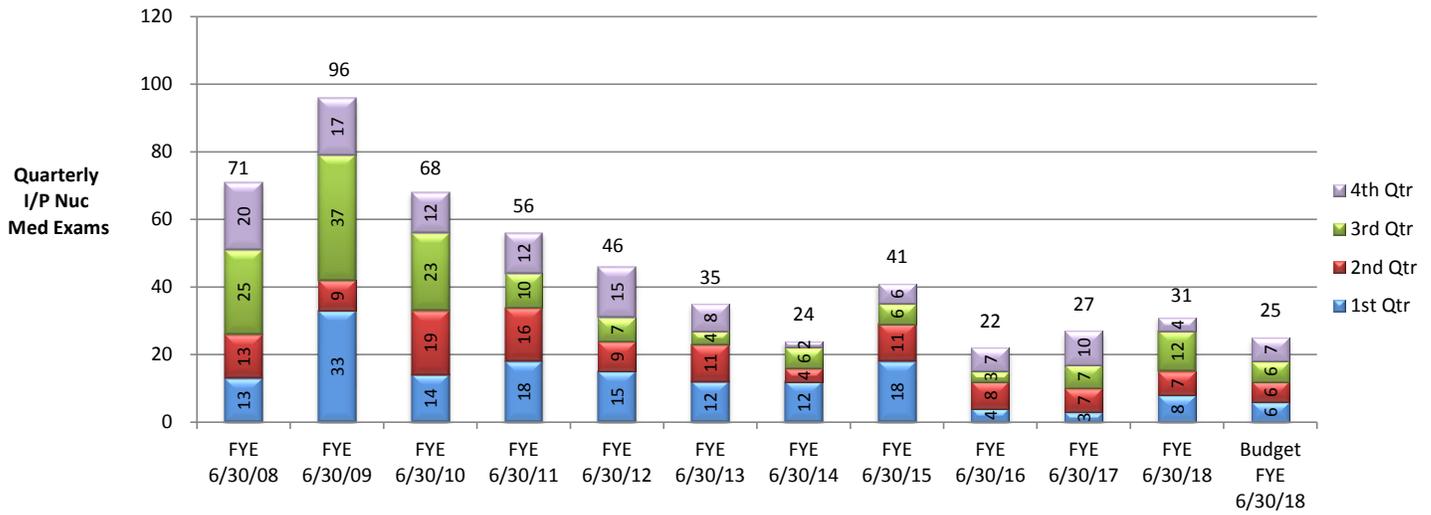
### TOTAL TFH OTHER OUTPATIENT LAB TESTS



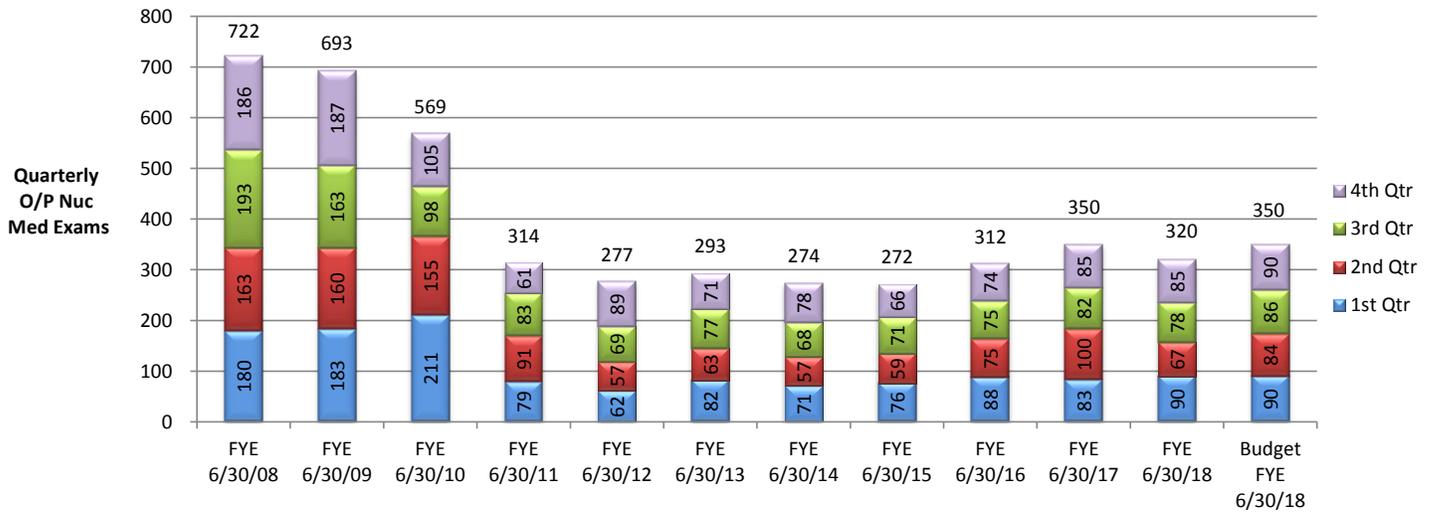
### TOTAL TFH LAB TESTS



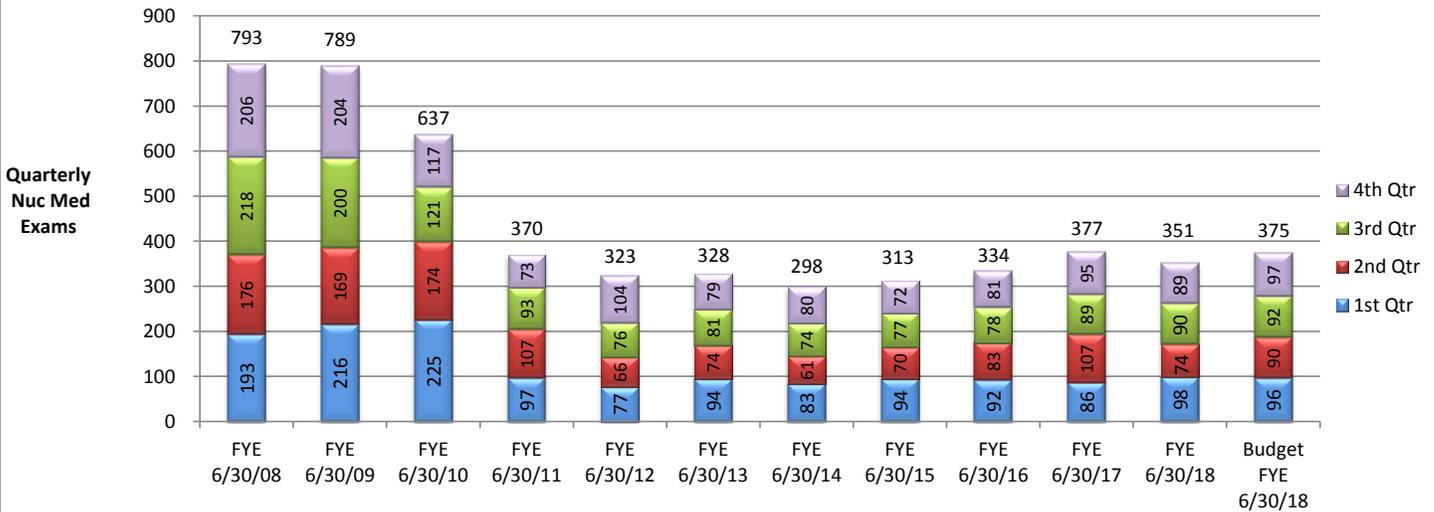
### TOTAL TFH NUCLEAR MEDICINE INPATIENT EXAMS



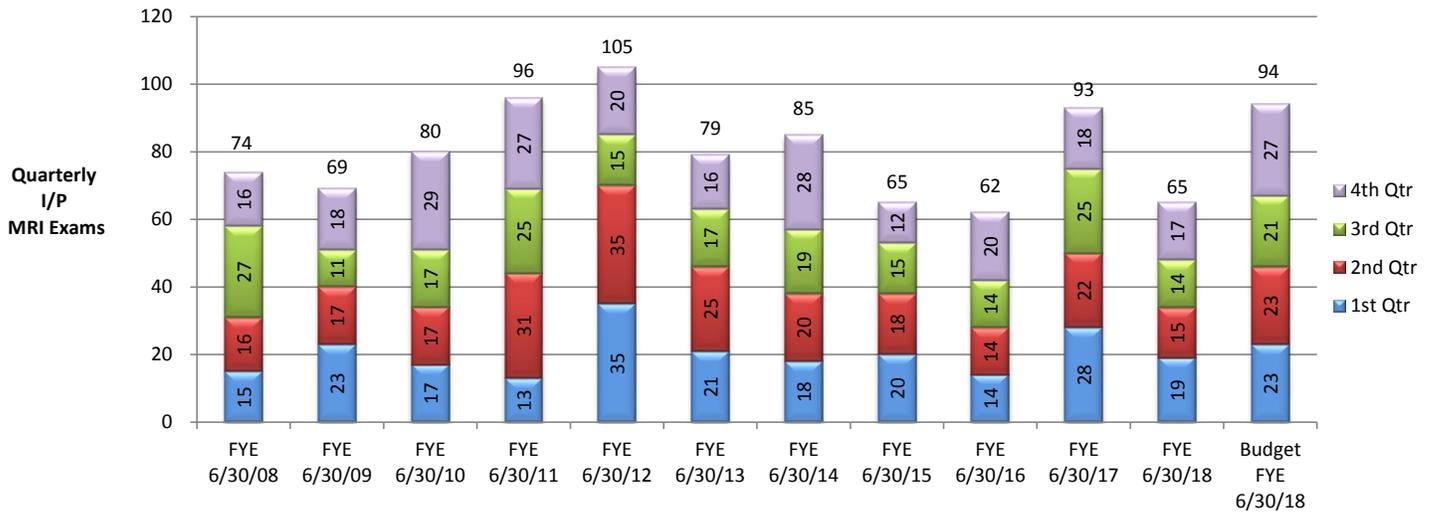
### TOTAL TFH NUCLEAR MEDICINE OUTPATIENT EXAMS



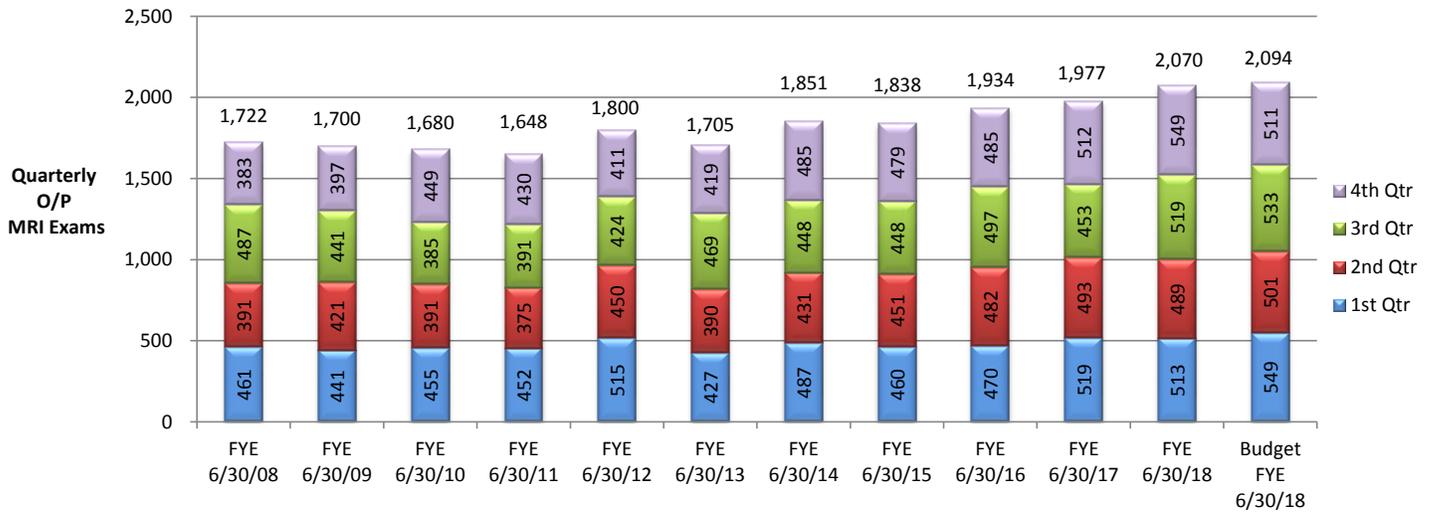
### TOTAL TFH NUCLEAR MEDICINE EXAMS



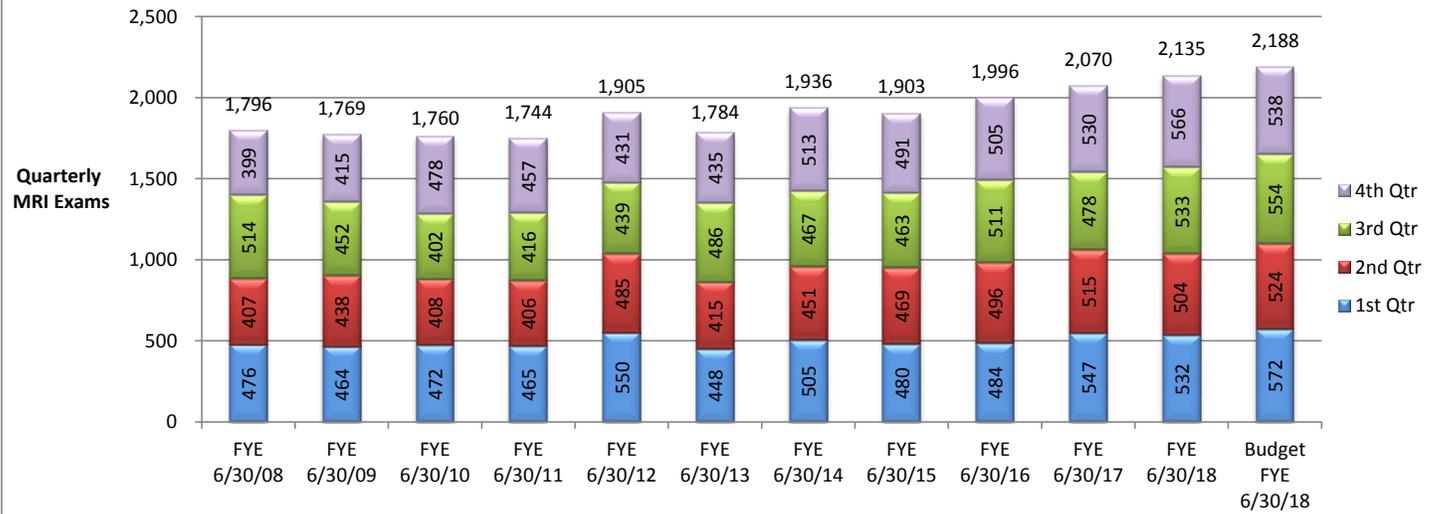
### TOTAL TFH MRI INPATIENT EXAMS



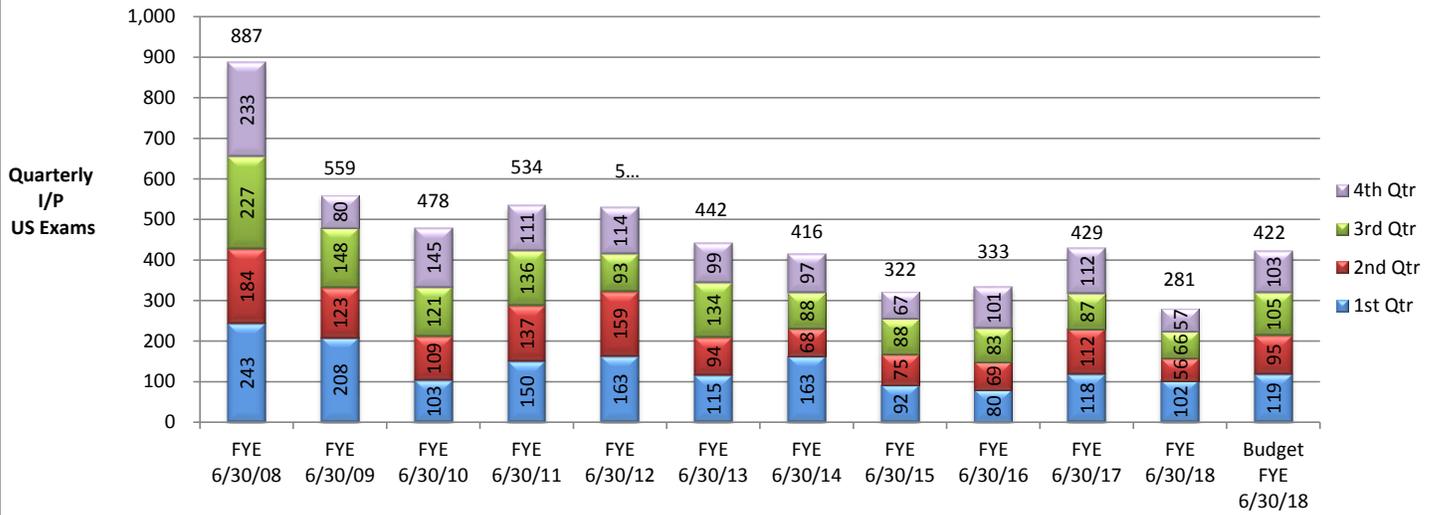
### TOTAL TFH MRI OUTPATIENT EXAMS



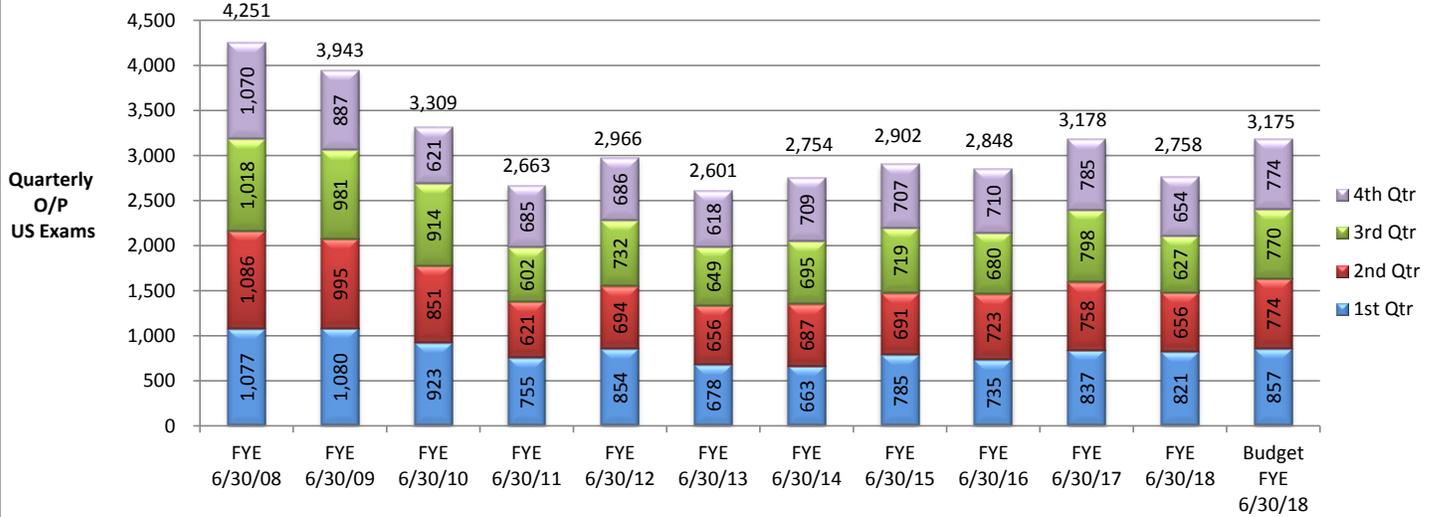
### TOTAL TFH MRI EXAMS



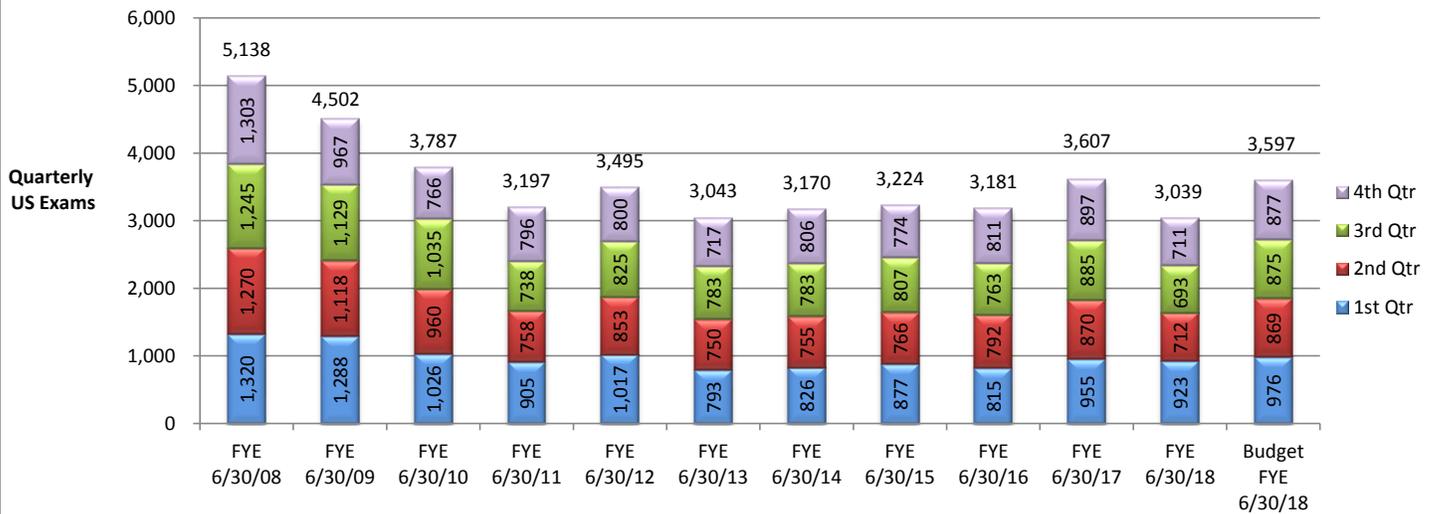
### TOTAL TFH ULTRASOUND INPATIENT EXAMS



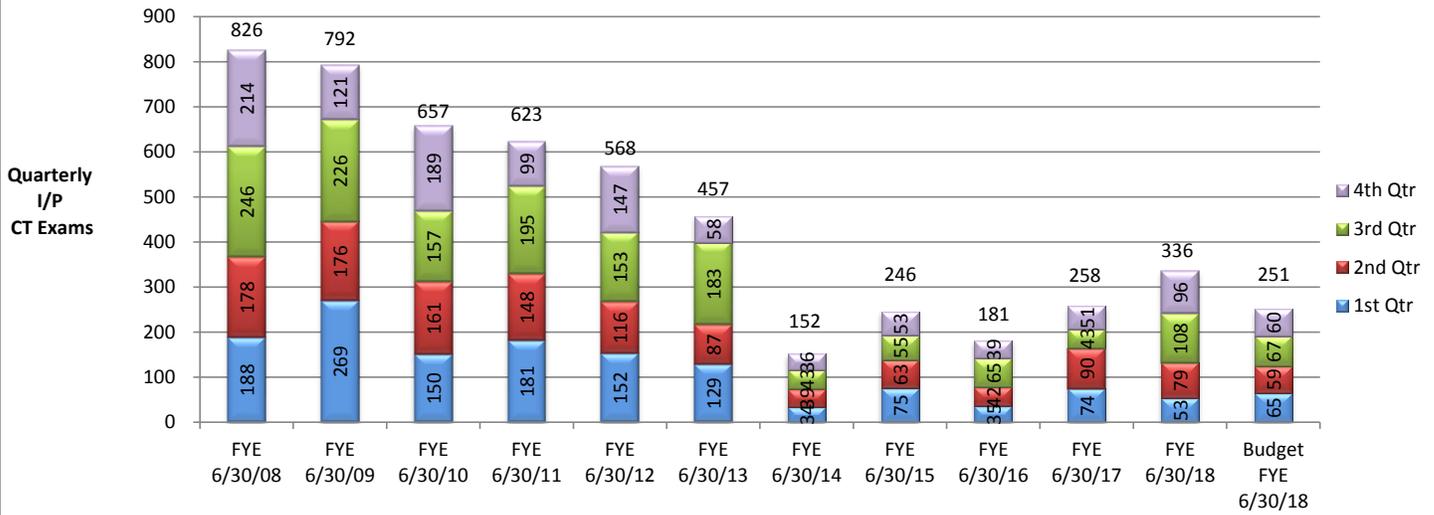
### TOTAL TFH ULTRASOUND OUTPATIENT EXAMS



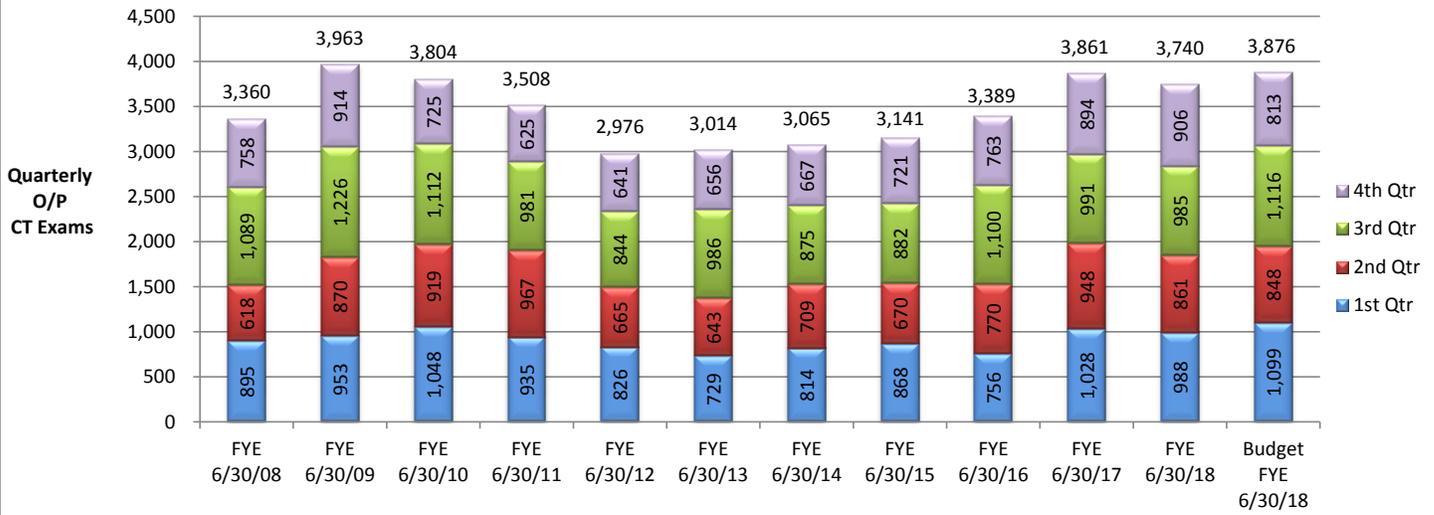
### TOTAL TFH ULTRASOUND EXAMS



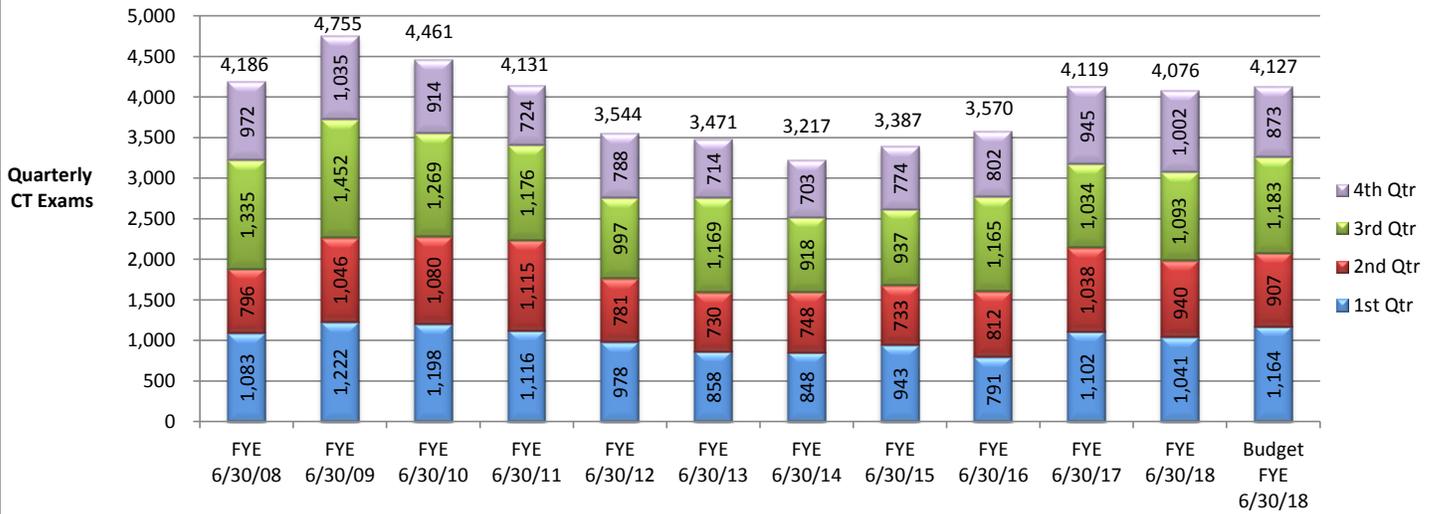
### TOTAL TFH CT INPATIENT EXAMS



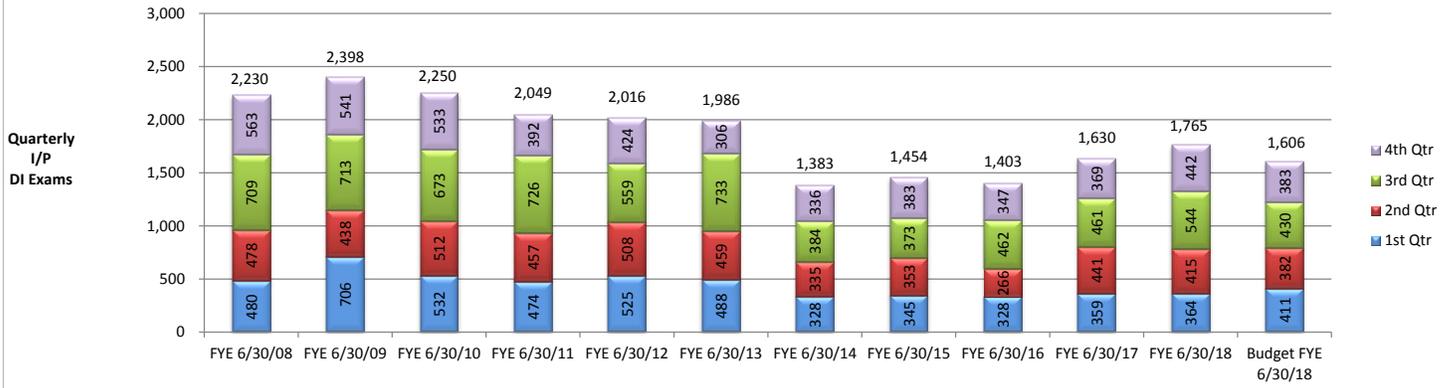
### TOTAL TFH CT OUTPATIENT EXAMS



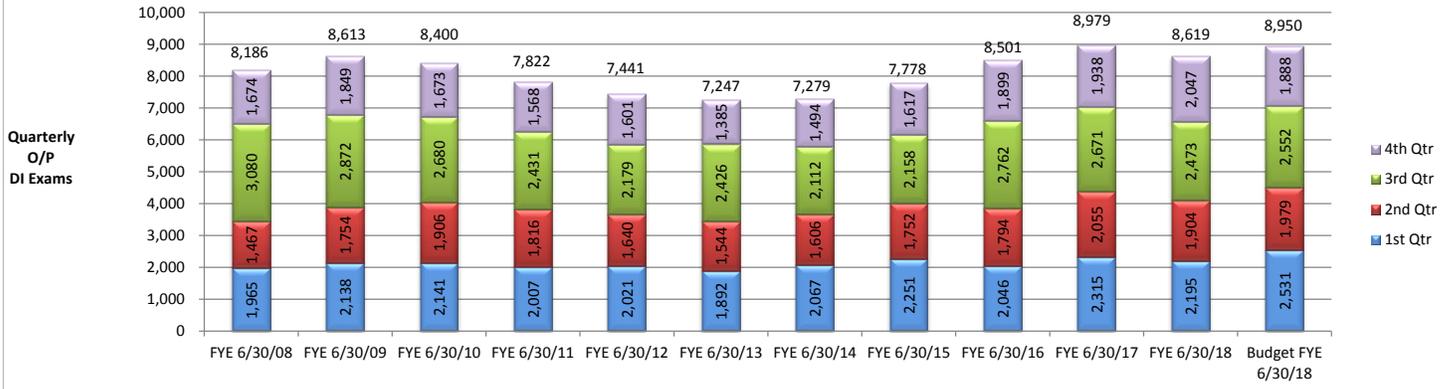
### TOTAL TFH CT EXAMS



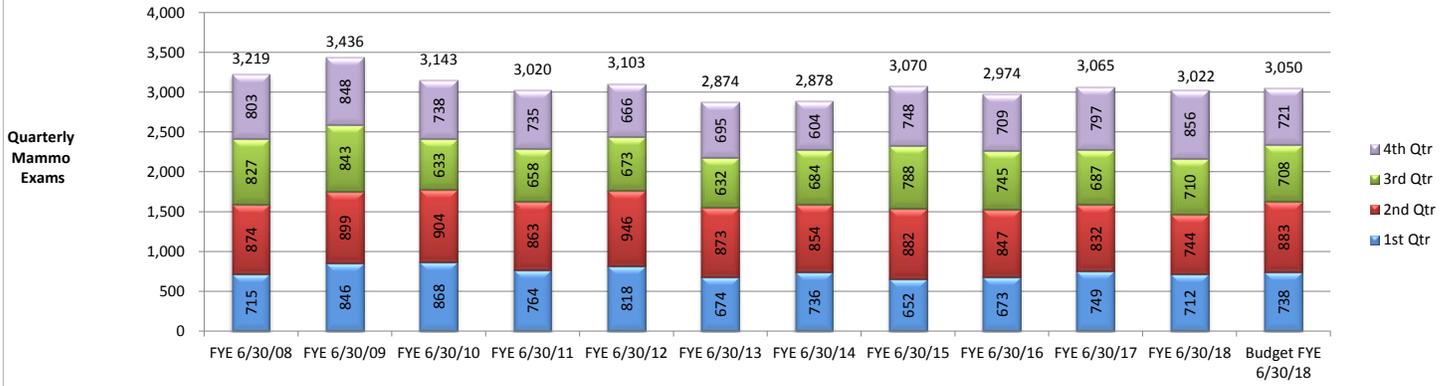
### TOTAL TFH INPATIENT DIAGNOSTIC IMAGING EXAMS



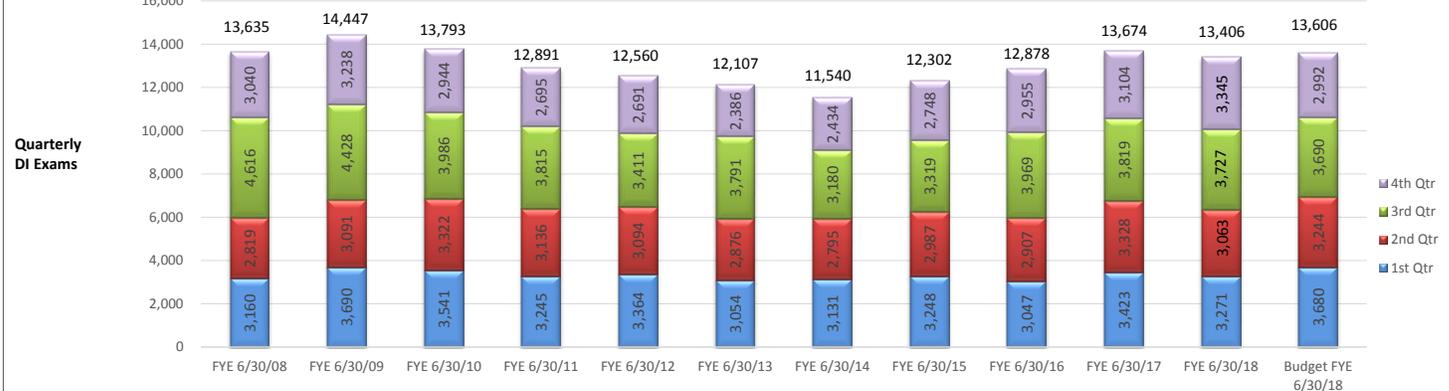
### TOTAL TFH OUTPATIENT DIAGNOSTIC IMAGING EXAMS



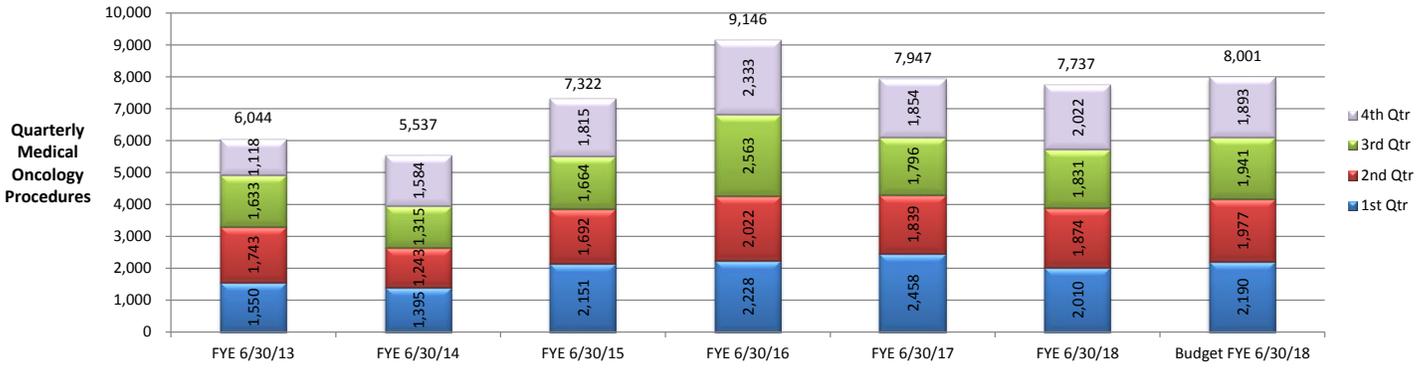
### TOTAL TFH MAMMOGRAPHY EXAMS



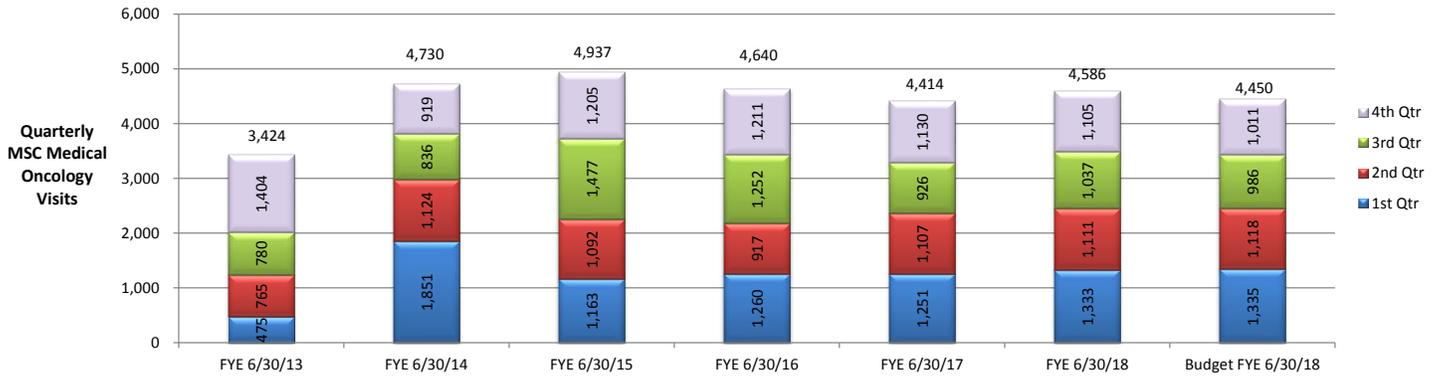
### TOTAL TFH DIAGNOSTIC IMAGING EXAMS



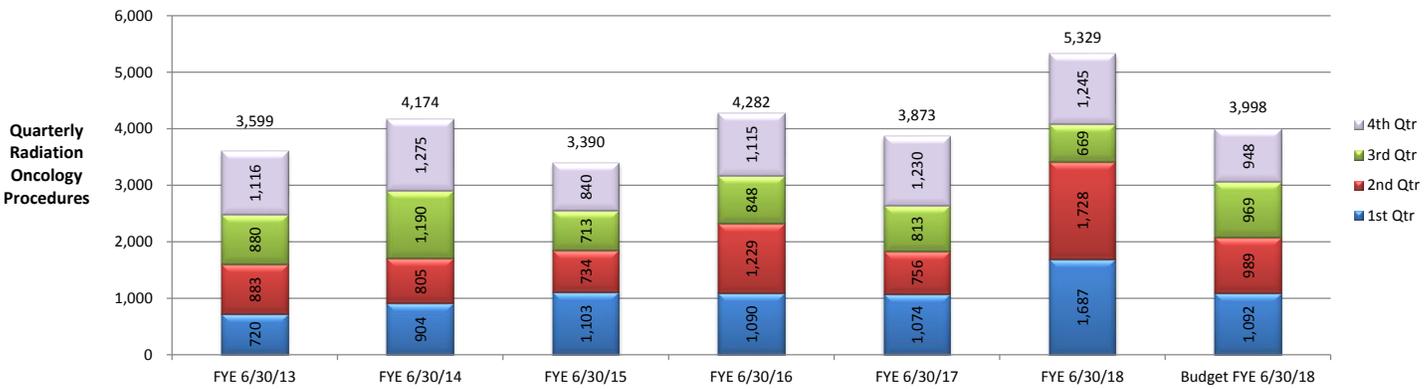
### TOTAL TFH MEDICAL ONCOLOGY PROCEDURES



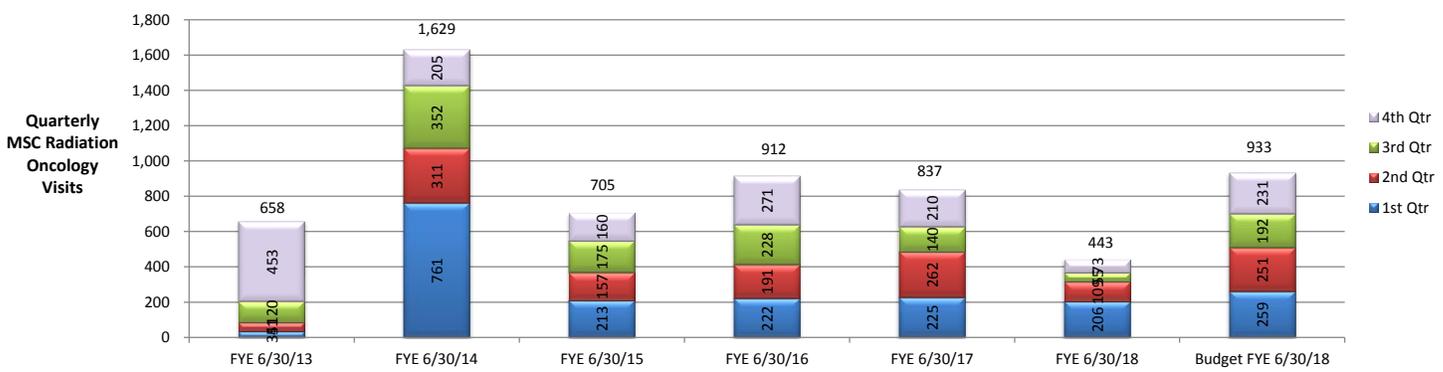
### TOTAL TFH MSC MEDICAL ONCOLOGY VISITS



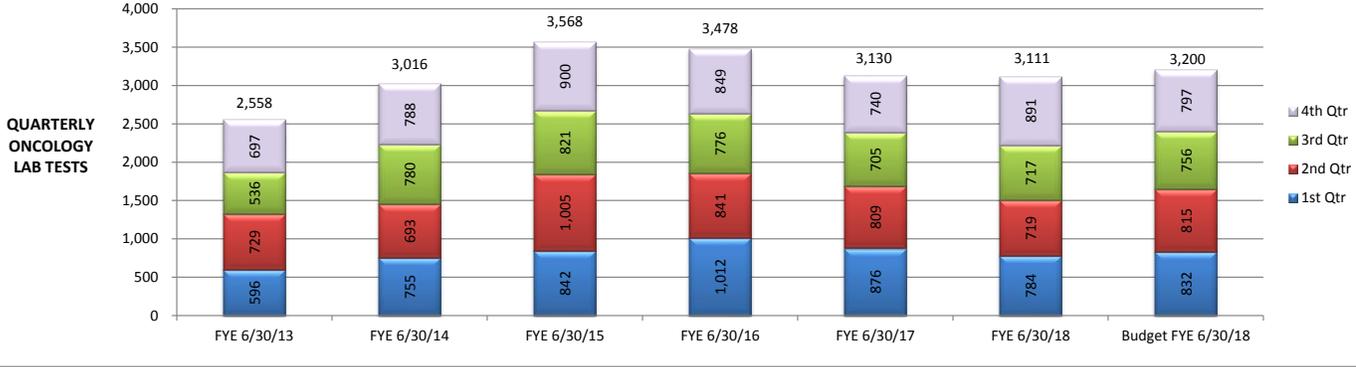
### TOTAL TFH RADIATION ONCOLOGY PROCEDURES



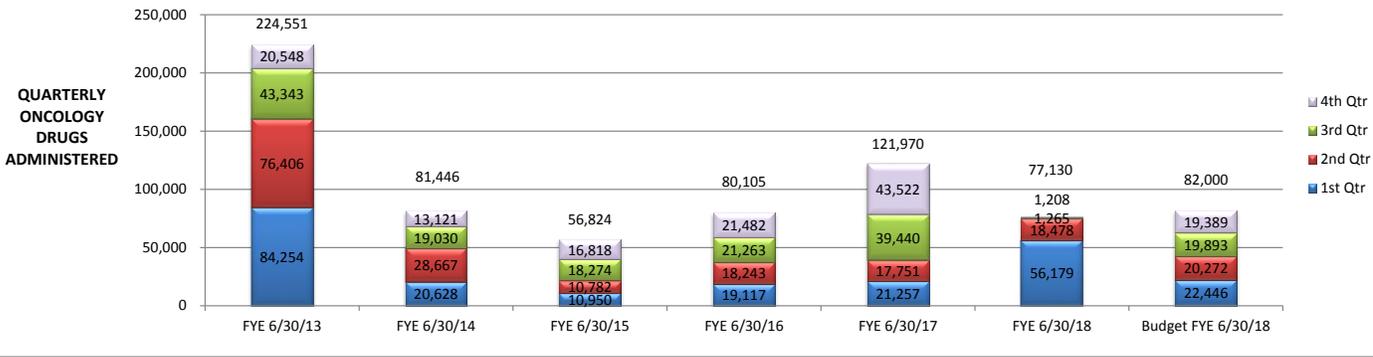
### TOTAL TFH MSC RADIATION ONCOLOGY VISITS



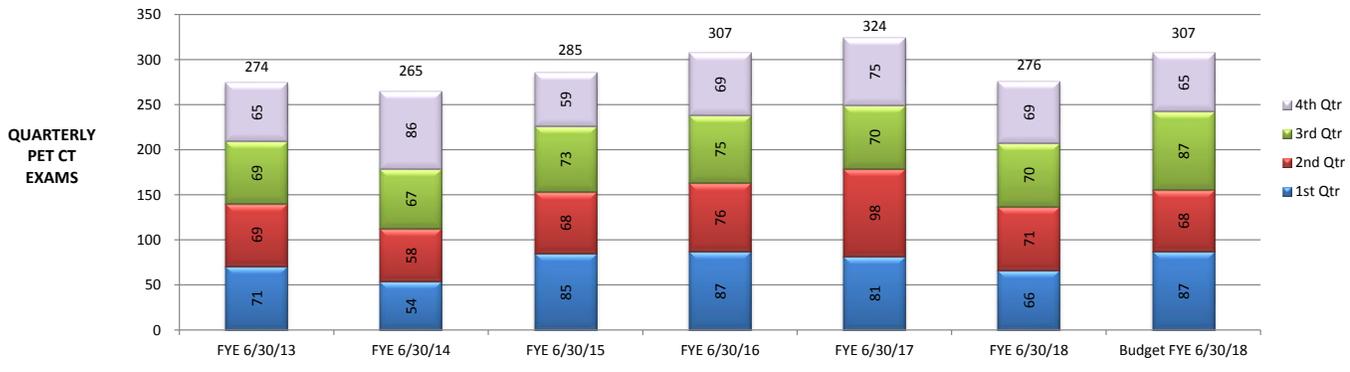
### TOTAL TFH ONCOLOGY LABORATORY TESTS



### TOTAL TFH ONCOLOGY DRUGS SOLD TO PATIENTS



### TOTAL TFH PET CT EXAMS



**Incline Village Community Hospital  
Operating Indicators  
Month & YTD June 2018  
June 30, 2018**

	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Admissions	10	5	5	100.00%
Registrations	16,572	9,300	7,272	78.19%
I/P Days	19	10	9	90.00%
Observation Days	9	25	(16)	-64.00%
Total Days	28	35	(7)	-20.00%
Emergency Visits	3,832	4,050	(218)	-5.38%
<u>Surgical Services:</u>				
Cases - Inpatient	0	0	0	0.00%
Cases - Outpatient	84	100	(16)	-16.00%
Total Cases	84	100	(16)	-16.00%
Minutes	13,372	30,659	(17,287)	-56.38%
Laboratory Tests (inc EKG's)	28,116	29,142	(1,026)	-3.52%
Radiology - I / P Exams (DI)	22	3	19	633.33%
Radiology - O / P Exams	731	779	(48)	-6.16%
Radiology - ER Exams	1,615	1,832	(217)	-11.84%
Radiology (inc mammos) Totals	2,368	2,614	(246)	-9.41%
CT - I / P Exams (CT Scan)	0	0	0	0.00%
CT - O / P Exams ( Inc. U/S)	234	150	84	56.00%
CT - ER Exams	577	702	(125)	-17.81%
Total Cat Scan Exams	811	852	(41)	-4.81%
Pharmacy - I/P units (drugs sold to pts)	379	153	226	147.71%
Pharmacy - O/P units	25,140	13,770	11,370	82.57%
Pharmacy Totals	25,519	13,923	11,596	83.29%
IV's - Inpatient	1	9	(8)	-88.89%
IV's - Outpatient	164	405	(241)	-59.51%
Total IV's	165	414	(249)	-60.14%
RT - I/P Procedures	87	0	87	0.00%
RT - O/P Procedures	802	0	802	0.00%
R/T Totals	889	0	889	0.00%
Sleep Clinic Visits	157	159	(2)	-1.26%
<u>Perioperative Services Minutes</u>				
OR - Inpatients	0	0	0	0.00%
OR - Outpatients	6,958	8,651	(1,693)	-19.57%
OR - Total	6,958	8,651	(1,693)	-19.57%
Total ASD	4,508	19,559	(15,051)	-76.95%
I/P Recovery	0	0	0	0.00%
O/P Recovery	1,906	2,449	(543)	-22.17%
Total Recovery	1,906	2,449	(543)	-22.17%
Pain Clinic	0	0	0	0.00%
Procedure Room	0	0	0	0.00%
Total Surgicenter Minutes	13,372	30,659	(17,287)	-56.38%
<u>Anesthesia - Minutes</u>				
Inpatient	0	0	0	0.00%
Out Patient	6,877	8,825	(1,948)	-22.07%
Elsewhere	0	0	0	0.00%
Total Anesthesia - Minutes	6,877	8,825	(1,948)	-22.07%
<u>Dietary</u>				
Patient Meals	929	724	205	28.31%
Pantries	3,288	4,499	(1,211)	-26.92%
Non-patient Meals	0	0	0	0.00%
Total Meals	4,217	5,223	(1,006)	-19.26%
Flu Shots	128	200	(72)	-36.00%
P/T - 42 076	26,919	28,999	(2,080)	-7.17%
OT - 42 080	1,332	1,176	156	13.27%
Diamond Peak - Patients Seen	203	290	(87)	-30.00%
Incline Village Health Clinic (family health clinic)	3,139	2,124	1,015	47.79%



## Board Informational Report

**By: Harry Weis**  
CEO

**DATE: 7/17/18**

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Tahoe Forest Health System continues to have a busy summer relative to nearly all categories of patient volumes.

On an unaudited basis, the Health System has finished the fiscal year ending on June 30, 2018 well above budget, relative to budgeted Net Income. This produces an improved net cash flow for us to be able to continue to reinvest in critical Master Plan projects and other necessary improvements.

One of our most important Health System statistics is provider office visits. They grew 15.1% in fiscal year 2018 versus 67,598 visits in fiscal year 2017. This is a big jump from the 47,000 office visits in fiscal year 2015.

We are extremely happy to welcome several new physicians: Dr. Racca, a Gastroenterologist, Dr. Watson, a locums Otolaryngologist, and Dr. Wainstein in Urology. They have all been exceedingly busy from day one. We remain very hopeful that Dr. Watson will be willing to join us permanently in the next few months.

We continue to have discussions with another medical group in our region.

As we are now eight and a half months since our “go live” of EPIC electronic health record, we are continuing our reviews, audits and performance checks of the system along with a very careful review of all of the applications we have installed. Our focus is on confirming the tools are the right tools for our Health System and that they are performing optimally.

Our team continues to be actively involved with a thoughtful, forward looking strategic plan that looks forward to 2021. A status report will be given at the July board meeting.

We continue to work closely with several district hospital associations and with the California Hospital Association on critical matters that affect Tahoe Forest Health System.

We recently held an Incline Village Community Hospital Foundation fundraiser at the Schumacher home which was well received and very important in our journey to grow philanthropy in that region.

The 10<sup>th</sup> Annual Gene Upshaw Memorial Golf Classic cancer charity event held on July 9, 2018 was a very strong success again this year.

Our Incline Village Community Hospital Auxiliary also held a very successful lobster feed charity fund raiser last week as well! This charity event has been going on approximately 15 years.

The Health System has held 17 Town Hall employee forum meetings in both Truckee and Incline Village. We have an additional three Town Hall meetings scheduled on July 24. The town halls provide critical Health System informational updates to our team members and to receive input and feedback while also answering any questions they may have. The major theme at the town halls is a focus on our important people. We have been reviewing and discussing the optimal ways to have a “true team of one on good days and tough days” across our Health System!

Further, we have recently completed on two back to back half days, important senior leadership, director and manager training which we believe will be very helpful for all of our team.

We are at work on collaborative efforts with another local health system which will be revealed in the near future at an important regional charity event, which really illustrates collaboration and just how much our respective health systems care about the residents and guests in our region along with maintaining and improving a great environment here in the region as well!

Keeping you informed,

Harry



## Board COO Report

**By: Judith B. Newland**

**DATE: July 2018**

### **Just Do It” – Demonstrate measurable improvements annually in both Quality and Patient Satisfaction.**

Tahoe Forest Hospital District (TFHD) continues to anticipate and prepare for multiple unannounced state and accreditation surveys this summer. Preparation for all surveys includes review of regulations, updating policies and procedures as needed and mock surveys in departments to assure compliance of regulations and prepare staff for survey questions.

- The General Acute Care Hospital Relicensing Survey (GACHLRS) was implemented March, 2016 by California Department of Public Health (CDPH). The purpose of the GACHLRS is to promote quality of care in hospitals and verify compliance with State regulations and statutes. This survey is conducted by CDPH at TFH and merged California’s licensing regulations and statute requirements with elements of the former stand-alone Medication Error Reduction Plan (MERP) survey and Patient Safety Licensing Survey (PSLS) into one survey process.
- Our Long Term Care Facility is preparing for their annual CDPH survey.
- Every 2 years our Laboratory Department’s (TFH and IVCH) have an accreditation survey. This year at TFH they will be surveyed by the College of American Pathologists (CAP).

Directors, Managers and Executive Team attended a half day leadership class on Mastering the Art of Leading, Coaching and Influencing Others. This interactive workshop featured leadership speaker Joe Contrera, President and founder of Alive at Work.

Tahoe Forest Health System continues their commitment to creating the Perfect Care Experience for all individuals who receive services throughout the organization. We continue to ask patients and each other “Is there anything else I can do for you?” Thank you to the staff for their dedication and commitment to provide the highest level care and service to those who walk through our doors.

### **Develop solid connections and relationships within the communities we serve.**

The annual Incline Village Community Hospital Auxiliary Appreciation Luncheon was held on June 11th at IVCH. A presentation on IVCH and TFH services and Master Plan was provided. The Auxiliary has contributed over \$400,000 to the purchasing of equipment at IVCH since 1996.

The Incline Village Community Hospital Foundation (IVCHF) had a successful Donor Appreciation Event on June 27th, 2018. The event was held at the Kern Schumacher estate in Incline Village. There were approximately 120 guests in attendance.

### **Creating and implementing a New Master Plan**

Report provided by Dylan Crosby, Manger Facilities and Construction Management

## **Projects in Progress:**

**Project:** TFH Fire Alarm Replacement Project

**Start of Construction:** 3/12/2018

**Estimated Completion:** 7/12/2019

**Summary of Work:** Remove and replace existing Fire Alarm System.

**Update Summary:** Loop transition is 90% complete, Chime and Strobe replacement is 75% complete. When a department's work area is to be effected, engineering will coordinate with the Director. Anticipate early completion fall of 2018.

**Project:** IVCH Lab

**Start of Construction:** 2/12/2018

**Estimated Completion:** 6/29/2018

**Summary of Work:** Reconstruct existing IVCH Lab draw area. ED Exam Room 5 completed and in use.

**Update Summary:** Project is completed.

**Project:** TFHD Pharmacy Clean Room, OSHPD S170926-29-00

**Estimated Start of Construction:** 4/30/2018

**Estimated Completion:** 11/7/2018

**Summary of Work:** To meet new federal USP 800 regulations the surgical special procedures room will be reconstructed to house pharmacy compounding during construction, Phase 1. Phase 2 will be to reconstruct the Pharmacy to meet USP 800 requirements.

**Update Summary:** Construction to the special procedures room is 95% complete and we are awaiting certification of the room.

**Project:** TFHD Retail Pharmacy

**Estimated Start of Construction:** 8/16/2018

**Estimated Completion:** 9/10/2018

**Summary of Work:** To improve security of the Retail Pharmacy. An enclosure and door will be installed to limit access to the medication area of the Pharmacy.

**Update Summary:** Project has been permitted and waiting for materials to arrive.

**Project:** IM Cardiology Expansion

**Estimated Start of Construction:** 6/11/2018

**Estimated Completion:** 8/31/2018

**Summary of Work:** Construct 3 new exam rooms and a MD/MA office in the west end of IM Cardiology to increase access for care.

**Update Summary:** Construction is in progress.

## **Projects in Permitting:**

**Project:** 3<sup>rd</sup> Floor MOB

**Estimated Start of Construction:** 9/5/2018

**Estimated Completion:** 6/10/2019

**Summary of Work:** Phase 1 reconstruct the 3<sup>rd</sup> Floor MOB 2 western suites for increased flexibility and additional exam rooms. Phase 2 reconstruct and integrate the 3<sup>rd</sup> Floor MOB adjacent suite for increased flexibility and additional exam rooms.

**Update Summary:** Comments have been received by the Town and resubmitted for their review.

**Project:** Cancer Center 2<sup>nd</sup> Floor

**Estimated Start of Construction:** 9/5/2018

**Estimated Completion:** 6/10/2019

**Summary of Work:** Construct the 2<sup>nd</sup> floor of the Cancer Center for expansion of Rural Health Clinic Services.

**Update Summary:** Comments have been received by the Town and resubmitted for their review.

**Project:** Administration House Renovation

**Estimated Start of Construction:** 7/30/2018

**Estimated Completion:** 8/27/2018

**Summary of Work:** Renovate the new Administration Services house, old home health house, in preparation for the site improvement project.

**Update Summary:** Plans are under review by the Town.

**Project:** Tahoe City Physical Therapy Expansion

**Estimated Start of Construction:** 8/13/2018

**Estimated Completion:** 10/31/2018

**Summary of Work:** Lease and renovate the remainder of the second floor of existing building.

**Update Summary:** Comments have been received by the County and resubmitted for their review.

**Project:** Tahoe Forest Hospital Site Improvements

**Estimated Start of Construction:** 8/20/2018

**Estimated Completion:** 10/15/2018

**Summary of Work:** Demolish the existing curves building to increase patient parking. Demolish the North Levon Apartments for additional parking and snow storage.

**Update Summary:** Project is in the process of being designed. Entitlement permit is under review from the town.

#### **Projects in Design:**

**Project:** Day tank and Underground Storage tank replacement.

**Estimated Start of Construction:** TBD

**Estimated Completion:** TBD

**Summary of Work:** Remove and replace the 30-year-old underground storage tank and existing day tank.

**Update Summary:** Project is in the process of being designed.

**Project:** Center for Health and Sports Performance Renovation

**Estimated Start of Construction:** 9/10/2018

**Estimated Completion:** 11/16/2018

**Summary of Work:** Transform existing center into open floor concept and provide additional treatment tables.

**Update Summary:** Project is in the process of being designed.



## Board CNO Report

**By: Karen Baffone, RN, MS**  
Chief Nursing Officer

**DATE: July 2018**

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### **Strategy Two: Choosing and implementing the correct new Electronic Health Record for our system that spans all physician, outpatient and inpatient services.**

- All past nursing charges in the Epic System related to blood administration have been captured and reconciled.
- Clinical Analyst working with physician and was able to capture charges for services that have already been provided, but were in EPIC.
- PYXIS system upgrade go-live complete – no interruption in any service.
- Home Health and Hospice are on track for their August 1<sup>st</sup> go live. Staff education as well as billing service education has been completed.

### **Strategy Six: Just Do IT**

- Kings Beach Thrift: Placer County has sold the building that currently houses the Kings Beach Thrift Store. We are in the process of securing a location in Incline Village as a replacement to that location. Move date is yet to be determined.
- The Emergency Departments at both Tahoe Forest Hospital and Incline Village Community Hospital saw a significant influx with over 250 visits on the 4<sup>th</sup> of July. There was significant teamwork by everyone to help provide the medical services that are necessary in our community.
- Tahoe Forest Hospital was recently recognized by Collaborative Alliance for Nursing Outcomes (CALNOC) for achieving the Performance Excellence Award. The organization's award included:
  - Best Performance in Preventing Falls Injury Falls
  - Best Performance in Preventing Hospital Acquired Pressure Ulcers

The Awards Ceremony for this will be held in October this year.

- Wellness Neighborhood participated in this year's Truckee Air Show providing education and health treats to the attendees. The group also has a "nursing moms" station at each Truckee Thursday that has had a very positive impact for moms and their babies.



## Board Informational Report

**By: Jake Dorst**

**DATE:** 07/12/2018

CIIO

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- Pharmacy Pyxis Project: Installed all new medication stations for medication administration for both nursing and Anesthesia. Go live is July 9-13. Also includes a new web-based access from mobile computer carts.
  - Home Health/Hospice Epic Modules: Go live on schedule for August 1<sup>st</sup>.
  - Medication Bar Code Scanning for Immunizations in Peds Office: Go live is this month.
  - MSC Providers Procedure charge training completed for each provider.
  - Mercy established date for major version upgrade. Project started on Mercy end. April 10, 2019 Version upgrade of Epic to 2018 Version.
  - Xcelera (Cardiology PACs) large upgrade project beginning.
  - Cancer Center Varian software virtualization project beginning this month.
  - Dietary Software: DFM project beginning this month.
  - Newly established law for California Parkinsons Registry: Interface project underway.
  - Affiliate Builders for Emergency Department Epic ASAP module, Ambulatory and Laboratory Beaker modules are getting Epic Certified to allow us to handle more of our own build without requiring Mercy
  - Tour of Switch facility in Spark for data center co-location services completed.
  - Print services RFP has received proposals and we are interviewing vendors.
  - Imprivata single sign on contract finalized and will begin project planning this month.
  - Equipment is arriving for the network and security updates, project planning is underway.



## Board Informational Report

**By: Shawni L. Coll D.O., FACOG**  
Chief Medical Officer

**DATE:** July 12, 2018

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**1. GOAL: A complete makeover of our Physician service line**

We seem to have a fairly complete compliment of physicians on staff or in the process of obtaining credentials. Our newest addition is Dr. Mark Weinstein, urologist. We have three family medicine specialists starting in the next month or two, another orthopedic surgeon, and a neurologist. This will help to round out our areas of concern. We have a few other specialties that we would like to expand; however, we are currently constrained with space.

**2. GOAL: Electronic Health Record**

I have met with Mercy Epic to help specific workflow issues and charging concerns. They will put a team together to address these workflow issues to improve efficiencies for certain physician specialties.

**3. GOAL: New Master Space Plan**

Staff along with Medical Staff viewed and gave feedback on the new exam tables, equipment and cabinets.

**4. GOAL: Just Do It**

Medical Staff have been involved in the strategic planning process with the senior leadership team and Board of Directors. We are having an educational session on EMTALA laws to keep the medical staff up to date on specifics to this important law. We are planning a new physician social event for the end of the summer.

## **ABD-12 Guidelines for Business by Tahoe Forest Hospital District Board of Directors**

### **PURPOSE:**

To explain the guidelines for the Board of Directors in conducting business for the District.

To clarify the requirements of state law for public meetings while conducting business and meetings on behalf of the District.

### **POLICY:**

In an effort to make known to any interested party the general guidelines for the conduct of business by the Board of Directors of the Tahoe Forest Hospital District, the following compendium of provisions from the Tahoe Forest Hospital District Bylaws and the Ralph M. Brown Act, hereinafter referred to as the Brown Act, is hereby established.

### **PROCEDURE:**

#### **A. Officers Of The Board of Directors**

1. The officers of the Board of Directors are: President, Vice President, Secretary and Treasurer.
2. The officers shall be chosen every year by the Board of Directors at a Board Meeting in December and each officer shall hold office for a one-year term or until such officer's successor shall be elected and qualified or until such officer is otherwise disqualified to serve. The person holding the office of President of the Board of Directors may serve successive terms by unanimous vote taken at a regularly scheduled meeting. The office of President, Vice President, Secretary and Treasurer shall be filled by members of the Board of Directors.

#### **B. Meetings Of The Board of Directors**

1. Regular Meetings: Regular Meetings of the Board of Directors shall be held the fourth Thursday of each month at 4:00 PM at a location within the Hospital District boundaries. The regular meeting shall begin in Open Session in accordance with the Brown Act and may adjourn to closed session in compliance with law. The notice for meetings of the Board of Directors and Board [standing committees](#) (“Committee(s)”) shall be posted per the requirements of the Brown Act.
2. It is the duty, obligation, and responsibility of the Board President and Board Committee chairpersons to call for Board of Directors and Board Committee meetings and meeting locations. This authority is vested within the office of the Board President or the Board Committee chair and is expected to be used with the best interests of the District, Directors, staff and communities we serve.
3. Special Meetings: Special Meetings of the Board of Directors may be held from time to time as specified in the District Bylaws and with the required 24 hours’ notice as stated in the Brown Act.
  - a. The President of the Board, or three directors, may call a special meeting in accordance with the notice and posting provisions of the Brown Act.
  - b. Special meetings shall be called by delivering written notice to each Board member and to the public in compliance with the Brown Act (to each local newspaper of general circulation and radio or television station requesting notice in writing), including providing a description of the business to be transacted. Board members may dispense with the written notice provision if a written waiver of notice has been filed with the Clerk before a meeting convenes.
  - c. No business other than the purpose for which the special meeting was called shall be considered, discussed, or transacted at the meeting.
4. Emergency Meetings: Emergency meetings may be called in the event of an emergency situation, defined as a crippling disaster, work stoppage or other activity which severely impairs public health, safety or both, as determined by a majority of the Board, or in the event of a dire emergency, defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity so immediate and significant that requiring one hour notice

before holding an emergency meeting may endanger the public health, safety, or both as determined by a majority of the board.

- a. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, then a one (1) hour notice provision as prescribed by the Brown Act is required. In the event telephone services are not working, notice must be given as soon as possible after the meeting.
  - b. No business other than the purpose for which the emergency meeting was called shall be considered, discussed, or transacted at the meeting.
5. Closed Session Meetings: Closed Session meetings of the Board of Directors and Board ~~committees~~ Committees may be held as deemed necessary by members of the Board of Directors or the Chief Executive Officer pursuant to the required notice and the restriction of subject matter as defined in the Brown Act and the Local Health Care District Law.
- a. Under no circumstances shall the Board of Directors order a closed session meeting for the purposes of discussing or deliberating, or to permit the discussion or deliberation in any closed meeting of any proposals regarding:
    - a. The sale, conversion, contract for management, or leasing of any District health care facility or the assets thereof, to any for-profit or nonprofit entity, agency, association, organization, governmental body, person, partnership, corporation, or other district.
    - b. The conversion of any District health care facility to any other form of ownership by the District.
    - c. The dissolution of the District.
  - b. Documentation for Closed Session will be provided on the board portal at least 72 hours prior to the session for regular meetings and 24 hours before special closed session meetings. Once the session has been completed, all documentation will be removed from the portal. Hard copy documentation will be available during the actual closed session but will be returned by all board members at the completion of the closed session.
  - c. As a best practice, closed session will be attended by General Counsel.
6. Teleconferencing: Any regular, special, or emergency meeting at which teleconferencing is utilized shall be conducted in compliance with the provisions of the Brown Act. These include:
- a. All votes taken by teleconference must be taken by roll call.
  - b. Agendas must be posted at all teleconference locations.
  - c. Each teleconference location must be identified in the agenda.
  - d. Each teleconference location must be accessible to the public.
  - e. At least a quorum of the Board must participate from locations within the District boundaries.
  - f. The agenda must provide for public comment at each teleconference location.

7. All meetings of the Board of Directors shall be chaired by members of the Board of Directors in the following order: President, Vice President, and Secretary or in the absence of all officers, another director selected by the Board to do so at the meeting in question.

### **C. Activities/Meetings of Board Committees**

1. Board committees will undertake the activities of the committee as outlined in the Tahoe Forest Hospital District Bylaws. In addition, each ~~standing e~~ Committee will annually establish ~~committee~~ Committee goals, and such goals will be presented to the Board of Directors for approval.

### **D. Meetings Open to the Public**

All meetings of the Board of Directors and Board Committees are open to the public with the exception of the Closed Session portion of such meetings.

### **E. Notices of Meetings of the Board of Directors and Board Committees Supplied to the Public**

Notices of any Regular or Special meeting of the Board of Directors and Board Committees shall be mailed to any interested party who has filed a written request for such notice. The request must be renewed annually in writing.

### **F. Board and Board Committee Agenda Packets for Members of the Public**

1. Board and Board Committee agendas and agenda materials are available for review by any interested party at the administrative offices or at the Board or Board Committee meeting itself.
2. Any requests from the public for Board and Board Committee agenda packets shall be filled within a reasonable amount of time. Any member of the public requesting a Board or Board Committee agenda packet with all attachments shall be charged \$.10 per page for such material. The charge is only intended to capture direct costs associated with complying with public requests for documents provided by the California Public Records Act. In no way does the District profit from this activity; but only seeks to remain fiscally prudent and provide equity of service while maintaining easy access. Additionally, any members of the public being able to demonstrate true indigence shall be exempted from the fee per page charges. An agenda packet with all attachments shall be made available for use by any interested party at all Regular and Special meetings of the Board of Directors and Board Committee meetings. Agenda packets in whole or in part may also posted to the District's website.

### **G. Public Input at Meetings of the Board of Directors and Board Committee Meetings**

On each agenda of Regular and Special Meetings of the Board of Directors and Board Committee meetings, there shall be a provision made for input from the audience. The Board of Directors or Board Committee may impose a time limit for such public input. Pursuant to the Brown Act, items which have not previously been posted on the meeting agenda may not be discussed or acted upon at that meeting by the Board of Directors with the following exceptions:

1. If a majority of the Board of Directors determines that an emergency situation exists as defined under the "Emergency Meetings" section of this policy, or
2. If two-thirds of at least four members of the Board of Directors or Board Committee present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, agree an item ~~needs to be placed on the agenda for~~ requires immediate action and ~~that fact~~ the need for action came to the District's attention ~~of the District~~ after the agenda was posted, or
3. If the item was previously posted in connection with a meeting which occurred no more than 5 days prior to the date on which the proposed action will be taken.

### **H. Preparation Of The Agenda For Board or Board Committee Meetings**

1. Placing of Items On The Agenda:
  - a. As provided for in- the Brown Act pertaining to public input, the District will provide an opportunity for members of the public to address the Board on any matter within their subject matter jurisdiction at monthly, regularly scheduled meetings. It is the desire of the Board of Directors to adhere to legislative requirements and conduct the business of the District in a manner so as to address the needs and concerns of members of the public.
  - b. Members of the public are directed to contact the President of the Board of Directors, a Director of the Board or the Chief Executive Officer at least two weeks prior to the meeting of the Board of Directors at which they wish to have an items placed on the agenda for discussion/action. Requests to Directors of the Board will be referred to the Chief Executive Officer for follow up. While the District values public input, the Board and District staff control meeting agendas and the District has no obligation to agendize a matter requested by a member of the public. If a matter is not agendized, the person seeking to discuss it may raise it in the public comment portion of a meeting.
  - c. No matters shall be placed on the agenda that are beyond the jurisdiction and authority of a Local Health Care District or that are not relevant to hospital district governance.
  - d. Last minute supporting documents by staff put Board members at a disadvantage by diluting the opportunity to study the documents. All late submission of supporting documents must be justified in writing stating the reasons for the late submission. The Clerk will notify the Board of late submissions and their justification when appropriate. Bona fide emergency items involving public health and safety requiring Board action will be excluded.

2. The Chief Executive Officer and Board President, with input from members of the Board, shall prepare the agendas for the meetings of the Board of Directors. The Chief Executive Officer or his or her designee and the Board Committee chairperson shall prepare the agendas for the meetings of the Board Committees. Items to be placed on an agenda should be submitted to the Chief Executive Officer or the Clerk of the Board no later than 10 days prior to the Board meeting.
3. In addition to discussing with the Board President or Chief Executive Officer, a Board member can ask that a topic be placed on next month's agenda for discussion during the appropriate time at a Board meeting. An item will be placed on next month's agenda if a majority of the Board concurs. No more than two items per board member will be considered at a board meeting.
4. The format for agendas of meetings of the Board of Directors will be as follows unless the Board or Chief Executive Officer otherwise directs:
  - a. Call to Order
  - b. Roll Call
  - c. Deletions/Corrections to the Posted Agenda
  - d. Input – Audience
  - e. Closed Session, if necessary
  - f. Acknowledgments
  - g. Medical Staff Executive Committee
  - h. Consent Calendar
  - i. Items for Board Action
  - j. Items for Board Discussion And/Or Action
  - k. Discussion of Consent Calendar Items Pulled, if necessary
  - l. Agenda Input For Upcoming Committee Meetings
  - m. Items for Next Meeting
  - n. Board Members Reports/Closing Remarks
5. The Board of Directors wishes to facilitate input from members of the Medical Staff. When possible, items of concern to the members of the Medical Staff will be placed as a timed item in the agenda as appropriate within the format as detailed above to minimize the demands on the time of the Medical Staff members.
6. The Board President and the Chief Executive Officer will create a "Consent Calendar" for those items on the agenda which are reasonably expected to be routine and non-controversial. The Board of Directors shall consider all of the items on the agenda marked Consent Calendar at one time by vote after a motion has been duly made and seconded. If any member of the Board of Directors or hospital staff requests that a consent item be removed from the list of consent items prior to the vote on the Consent Calendar, such item shall be taken up for separate consideration and disposition. Members of the public may request a Board Member do so on their behalf, or may provide public comment on a particular item before the Board votes on the consent calendar.
  - a. Board members are encouraged to notify the Board President and Chief Executive Officer prior to a meeting if there is intent to pull an item and/or provide questions and concerns. —This will enable proper preparation to address questions and concerns.
  - b. Department Heads, or their designated representative, will be present during the consent calendar to answer any questions. If the Department Head is unable to attend, the Chief Executive Officer will respond to questions and/or the item may be postponed until later in the meeting or a following meeting if necessary.
7. If available, minutes of Board Committee meetings will be included in Board agenda packets. If not available, the agenda for the ~~committee~~ Committee meeting will be included. Recommendations from a Board Committee to the Board of Directors will be highlighted at the beginning of the minutes for ease of presentation.
8. The President of the Board of Directors will approve the agenda before its distribution.

**I. Notification by Board Member of Anticipated Absences**

In the event a Board Member will be out of the area or unable to participate in a meeting, the Board Member is requested to provide notification to the Clerk of the Board with information

including the dates of absence, best method of contact, applicable telephone and fax numbers, and, if possible, a mailing address. If you do not wish to be contacted in the event of an emergency, you must acknowledge that written notices will be provided to your permanent address.

#### **J. Minutes Of Meetings Of The Board Of Directors And Board Committees**

Minutes of meetings of the Board of Directors and Board Committees shall be taken by the Clerk of the Board. The minutes shall be transcribed by the Clerk of the Board and reviewed by the Chief Executive Officer prior to submittal to the Board of Directors or Board Committees for review and approval at their next regularly scheduled meeting.

#### **K. Special Rules/Robert's Rules Of Order**

The Board of Directors has adopted Robert's Rules Of Order, Revised as the framework to guide discussion and actions within the Board of Directors' meetings and its subsidiary committee structure. With acknowledgement that the Tahoe Forest Hospital Board of Directors is somewhat different in form, membership and objective than is captured in Robert's Rules, the placement of "Special Rules" is appropriate to facilitate superior deliberation and decision making. With Robert's Rules providing the basis for debate and action, the following procedures and/or expectations shall take precedence over Robert's Rules of Order, Revised:

#### **L. Discussion/Debate**

1. As is practical, staff oral summaries shall precede motions and public comment on an agendized item.
2. Invited outside presenters, such as our auditors, accountants, and legal counsel shall offer their comments and documentation prior to a motion being introduced by one of the Board Members and public comment on an agendized item.
3. *Brief* questions to fill in knowledge gaps or to provide clarification should be posed prior to motion language being introduced and public input/comments on an agendized item. This is not an opportunity for Board Members to state their views on the substance of a matter.
4. Any Board committee input or recommendations should be presented prior to a motion. Again, *brief* questioning for clarification may be engaged in prior to motions; this is not an opportunity for Board members to state their views on the substance of a matter.
5. Public input/comments regarding items not on the agenda will be sought at the beginning of Board/Board Committee meetings. Public input/comments regarding agendized items will be sought during the consideration of these items, before action is taken, at Board/Board Committee meetings. It is noted that presentations from outside organizations may be referred to a Board Committee by the Board President for the formulation of a recommendation to the Board of Directors.
6. Requests by Board Members during a meeting for the opportunity to speak, for public input, or for additional staff input, should be made through the Board President.

#### **M. Voting/Motions**

1. Any member of the Board of Directors may introduce or second a motion, including the Board President or other currently presiding officer. All members, including the Board President, are encouraged to vote on all motions presented while in attendance unless required to abstain by a conflict of interest or other law. If a Director's vote is not discernible, the vote shall be recorded as in favor of the motion.
2. Amendment of a motion may only be amended by the motion maker with the concurrence of the second.
3. No more than one motion can be considered at a time.
4. Recording of the vote shall be first done by voice vote, with exception going to resolutions that require a roll call vote as a matter of law. Any member may request a roll call vote on any motion; such requests will not require a second and shall be performed at once.
5. Three votes of the Board, unless a greater number is required by law, are required to constitute a Board action. A tie vote on a motion affecting the merits of any matter shall be deemed to be a denial of the matter.
6. Motion of Reconsideration: When additional information has surfaced at a meeting after a motion has duly passed or failed, a motion for reconsideration may be accepted only if advanced or seconded by a Board Member on the original motion. The Board President may reschedule an item if the participating public was present when originally considered and

- departed before reconsideration. Questions from the Board will occur prior to public comment. Items will not be debated by the Board until after public comment has been closed.
7. "Secret ballots" or any other means of casting anonymous or confidential votes are strictly prohibited per law. All votes shall be recorded and be available for public review.
  8. Unless otherwise noted, all Board related business, whether in committee or Board session (open or closed) shall be conducted in a fashion compliant with Robert's Rules of Order, Revised as modified by this Policy. The Board formally adopts this method of conducting business to ensure that all Board affairs are conducted in an equitable, orderly and timely fashion. Parliamentary procedures are seen as a valuable tool for proper conduct in meetings, and should provide a degree of standardization in regards to other governmental interests, facilitating the public's understanding (and other governmental bodies' understanding) our actions.

#### **N. Urgent Decisions**

In the event that an urgent or emergent decision or action is required by the Board prior to a regularly scheduled meeting, the President of the Board, or a majority of the Board members, may call a special board meeting or an emergency meeting to take action.

#### **O. Contingent Approval**

1. In the event the Board approves an item at a Board meeting in which all of the terms, conditions, restrictions, commitments, etc. are clearly defined, but which such provisions have not been formalized in contracts or other appropriate documentation, the Board may give preliminary approval to the Chief Executive Officer to execute the contract or other appropriate documentation, contingent upon the following:
  - a. the terms are not substantively altered from those previously approved,
  - b. all involved parties to the transaction or agreement are notified in writing of the contingent approval of the terms pending ratification by the Board, and
  - c. the final terms and documentation are approved or rejected by the Board at a subsequent Board meeting.
2. If the terms of the supporting documentation are substantively different than those previously approved at the public meeting, then approval must be obtained at a subsequent board meeting.

#### **P. Complaints Addressed to the Board**

Written comments or complaints addressed to any or all members of the Board that are received by board members or an Health System staff member must be forwarded immediately to the Clerk of the Board. The Clerk of the Board will deliver copies of complaints to the Health System's Patient Advocate.

#### **Q. Board Member Request for Information**

1. Individual Board Members may request data from the District by completing a Board of Directors Information Request Form indicating the specific information requested.
  - a. The CEO will review the request to determine material availability, sensitivity, necessary resources and anticipated cost (if any) of production.
  - b. Should the CEO determine that materials are not readily available, sensitive in nature or costly to produce, the CEO may defer to a decision of the Board of Directors to fulfill the request.
  - c. All approved requests by the CEO and/or the Board of Directors will be produced and distributed to each member of the Board of Directors.

Related Policies/Forms: [Inspection And Copying of Public Records ABD-14](#), Board of Directors Information Request Form

References: Ralph M. Brown Act (CA Govt Code §54950), Governance Institute

Policy Owner: Clerk of the Board

Approved by: Chief Executive Officer



## **ABD-xx Chief Executive Officer Succession Plan**

**Purpose:** To ~~provide~~ ensure that there is a formalized Chief Executive Officer (CEO) succession plan in the event of a planned or unplanned ~~Chief Executive Officer~~ CEO vacancy. ~~Such a plan allows for a smooth transition when the leader leaves, provides continuity in leadership and avoids an extended and costly vacancy.~~

**Policy:** It is the responsibility of the Board of Directors to annually review the CEO Succession Plan with the CEO. This ~~a~~ Annual review will take place prior to the CEO evaluation ~~in November~~.

The Board of Directors, on an ongoing basis, will work with the CEO to assess the leadership needs of Tahoe Forest Hospital District and identify potential internal candidates for long term succession planning.

In the event of a vacancy of Chief Executive Officer, the Board of Directors will collaborate with the Chief Human Resource Officer to implement AHR-113 (CEO Succession Plan) ~~in selecting an interim CEO while an Executive Search Committee is formed.~~

## AGENDA ITEM COVER SHEET

<b>ITEM</b>	Resolution 2018-05 – Resolution Directing Placer and Nevada Counties, CA, to Levy a Tax to Pay the Principal of and Interest on the District’s General Obligation Bonds for Fiscal Year 2018-19
<b>RESPONSIBLE PARTY</b>	Crystal Betts, Chief Financial Officer
<b>ACTION REQUESTED?</b>	Roll Call Vote to Approve Resolution 2018-05, Setting the Tax Rate per \$100,000 of Assessed Value for the 2018/19 Fiscal Year

**BACKGROUND:**

In November 2006 a presentation was provided to the Board of Directors in regards to public financing, a.k.a. general obligation bonds (GO Bonds). Gary Hicks, our financial advisor, had provided some estimated calculations of what the tax rate per \$100,000 of assessed value may look like for the taxpayers in order to raise \$98.5 million. These calculations were based upon historical trends of property assessed values including the evaluation of historical growth patterns that had ranged 9%-16%. Based upon assessed values that incorporated an average 8% growth trend, the maximum rate per \$100,000 of assessed value was approximated at \$18.76.

Since the timing of the above noted analysis and passage of the GO Bonds by our community, our nation went through a housing market crisis and a significant economic downturn (see 2010-11 & 2011-12). This impacted our communities property assessed values. The following is a list of Placer and Nevada counties property assessed value growth or declination percentages over previous years:

2008-09: 8.46% growth over 2007-08	2014-15: 4.89% growth over 2013-14
2009-10: 4.27% growth over 2008-09	2015-16: 10.61% growth over 2014-15
2010-11: 4.64% <u>decline</u> over 2009-10	2016-17: 4.71% growth over 2015-16
2011-12: 1.92% <u>decline</u> over 2010-11	2017-18: 5.80% growth over 2016-17
2012-13: 0.67% growth over 2011-12	2018-19: 6.66% growth over 2017-18
2013-14: 2.88% growth over 2012-13	

The District issued the 3<sup>rd</sup> and final series of the 2007 GO Bonds on August 1, 2012. In addition, the District refunded/refinanced the first series, Series A, in May 2015 and the second series, Series B, in May 2016.

The debt service requirement for the 2018/2019 fiscal year will be \$4,994,450.02. Based upon the property assessed values provided to us by Placer and Nevada counties, the rate per \$100,000 would need to be \$23.19 to cover the 2018/2019 debt service requirement. However, due to the receipt of more tax revenues than originally estimated, and after the August 1, 2018 debt payment, the District will still have \$661,094.89 in cash reserves restricted for use for the GO Bond debt service. This reserve can be used in whole, in part, or not at all to reduce the amount collected, or the rate per \$100,000, in the 2018/19 year, and/or future years. Rates per \$100,000 could vary from \$20.13 per \$100,000 up to the full \$23.19 per \$100,000 depending on the level of reserve use. See attached analysis.

Please note, in fiscal years 2011 and 2012, the Board of Directors decided to supplement the GO Bond debt service payment in order to minimize the impact on the community due to the decline in assessed values and the increase necessary to the tax rate per \$100,000. The supplemental payments made by the District from operations in 2011 and 2012 was \$540,000 and \$445,000, respectively. In FY 2013-2016, the Board set the rate at the full amount necessary to cover the debt service payment, with no supplemental payment by the District. In FY 2017 and 2018, the Board elected to use a portion of the cash reserves restricted for use for the GO Bond debt service of \$225,000 and \$853,095, respectively, reducing the rate from the full rate required.

	<p><b>SUMMARY/OBJECTIVES:</b> Set the tax rate per \$100,000 of assessed value for the 2018/19 year in order to secure the appropriate amount of tax revenues to make the required debt service payments during the 2018/19 fiscal year.</p>
	<p><b>SUGGESTED DISCUSSION POINTS:</b> How much, if any, of the cash reserves restricted for use for the GO Bond debt service should be used towards making the 2018/19 GO Bond debts service payments, therefore possibly reducing the tax rate per \$100,000?  Last year’s rate per \$100,000 was \$19.78 and 75% of the reserve was used.</p>
	<p><b>SUGGESTED MOTION/ALTERNATIVES:</b> Set the 2018/19 fiscal year GO Bond tax rate per \$100,000 at \$20.89 and utilize approximately 75% (\$495,821.17) of the reserve (\$661,094.89) to fully cover the 2018/19 debt service requirement of \$4,994,450.02.</p>
	<p><b>LIST OF ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>• Resolution 2018-05</li> <li>• GO Bond Tax Rate Calculation Summary</li> <li>• Analysis of Assessed Values Graphs (2)</li> <li>• County of Nevada Certified 2018/19 Assessed Values</li> <li>• County of Placer Certified 2018/19 Assessed Values</li> <li>• Tax Rate Summaries for GO Bonds – 2015, 2016, And Series C 2012</li> </ul>

**BOARD OF DIRECTORS  
TAHOE FOREST HOSPITAL DISTRICT  
COUNTIES OF PLACER AND NEVADA, STATE OF CALIFORNIA**

**RESOLUTION NO. 2018-05**

**RESOLUTION DIRECTING PLACER AND NEVADA COUNTIES, CALIFORNIA,  
TO LEVY A TAX TO PAY THE PRINCIPAL OF AND INTEREST ON THE  
DISTRICT'S GENERAL OBLIGATION BONDS FOR FISCAL YEAR 2018-19**

WHEREAS, by a resolution (the "Ballot Resolution"), adopted by the Board of Directors (the "Board") of the Tahoe Forest Hospital District (the "District") on June 26, 2007, the Board determined and declared that public interest and necessity demanded the need to raise moneys for the expansion, improvement, acquisition, construction, equipping and renovation of health facilities of the District, including to refinance up to \$3.5 million of existing debt that was incurred for expenditures related to capital purchases or leases to improve hospital facilities (the "Project"), and the Board called a mailed ballot election to be held within the boundaries of the District in accordance with the California Elections Code;

WHEREAS, a special municipal election was held in the District on September 25, 2007, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for \$98,500,000, payable from the levy of an unlimited *ad valorem* tax against all taxable property in the District;

WHEREAS, pursuant to Chapter 4 of Division 23 (commencing with section 32300) of the California Health and Safety Code (the "Act"), the District is empowered to issue general obligation bonds;

WHEREAS, the District issued an initial series of bonds, in the aggregate principal amount of \$29,400,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties, California) General Obligation Bonds, Election of 2007, Series A (2008)" (the "Series A Bonds"), for the purpose of raising funds needed for the Project and other authorized costs on the conditions set forth in a resolution adopted by the Board on June 24, 2008;

WHEREAS, the District issued a second series of bonds, in the aggregate principal amount of \$43,000,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties, California) General Obligation Bonds, Election of 2007, Series B (2010)" (the "Series B Bonds"), for the purpose of raising funds needed for the Project and other authorized costs on the conditions set forth in a resolution adopted by the Board on June 22, 2010;

WHEREAS, the District issued a third series of bonds, in the aggregate principal amount of \$26,100,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties,

California) General Obligation Bonds, Election of 2007, Series C (2012)" (the "Series C Bonds"), for the purpose of raising funds needed for the Project and other authorized costs, on the conditions set forth in a resolution adopted by the Board on June 26, 2012;

WHEREAS, on May 10, 2015, the District issued bonds, in the aggregate principal amount of \$30,810,000, identified its "Tahoe Forest Hospital District (Placer and Nevada Counties, California) 2015 General Obligation Refunding Bonds" (the "2015 Refunding Bonds") to refund the Series A Bonds, on the conditions set forth in a resolution adopted by the Board on February 12, 2015;

WHEREAS, on May 5, 2016, the District issued bonds, in the aggregate principal amount of \$45,110,000, identified its "Tahoe Forest Hospital District (Placer and Nevada Counties, California) 2016 General Obligation Refunding Bonds" (the "2016 Refunding Bonds") to refund the Series B Bonds, on the conditions set forth in a resolution adopted by the Board on March 29, 2016; and

WHEREAS, pursuant to the Act, the District is authorized to direct Placer County ("Placer") and Nevada County ("Nevada" and, with Placer, the "Counties"), California, in which the jurisdiction of the District resides, to levy an unlimited *ad valorem* tax on all taxable property within the District for the payment of the principal of and interest on the Series C Bonds, the 2015 Refunding Bonds and the 2016 Refunding Bonds (collectively, the "Bonds");

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TAHOE FOREST HOSPITAL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

*Section 1. Recitals.* All of the recitals herein are true and correct. To the extent that the recitals relate to findings and determinations of the Board, the Board declares such findings or determinations to be made thereby.

*Section 2. Tax Levy; Tax Rate.*

(a) The Board has determined that the amount needed to be raised by taxes during Fiscal Year 2018-19 is \$4,994,450.02, which is needed to pay the principal of and interest on the Bonds during such period, as shown on Exhibit D attached hereto. The total amount required to be levied for Fiscal Year 2018-19 to pay such principal and interest should be \$4,498,628.85 (which amount reflects the total amount needed to pay the principal of and interest on the Bonds of \$4,994,450.02, less the sum of \$495,821.17 from amounts levied by the Counties in the Fiscal Year 2017-18 but were not used to pay debt service on the Bonds).

(b) Placer has informed the District that, for Fiscal Year 2018-19, the estimated value of all assessed property of the District within Placer to be used for calculating the debt service rate is \$14,391,144,816.

The Board hereby requests and directs Placer, at the time of the fixing of its general tax levy for the County's fiscal year beginning July 1, 2018, and ending June 30, 2019, to fix and levy and collect a tax at the rate of \$20.89 per \$100,000 of assessed valuation which, based upon the

estimated value of all assessed property of the District within Placer, will generate a total amount of \$3,003,767.70.

Said tax shall be in addition to all other taxes levied for District purposes, shall be levied and collected by Placer at the same time and in the same manner as other taxes of the District are levied and collected, and shall be used only for the payment of the Bonds, and the interest thereon.

(c) Nevada has informed the District that, for Fiscal Year 2018-19, the estimated value of all assessed property of the District within Nevada to be used for calculating the debt service rate is \$7,170,197,550.

The Board hereby requests and directs Nevada, at the time of the fixing of its general tax levy for the County's fiscal year beginning July 1, 2018, and ending June 30, 2019, to fix and levy and collect a tax at the rate of \$20.89 per \$100,000 of assessed valuation which, based upon the estimated value of all assessed property of the District within Nevada, will generate a total amount of \$1,496,038.69.

Said tax shall be in addition to all other taxes levied for District purposes, shall be levied and collected by Nevada at the same time and in the same manner as other taxes of the District are levied and collected, and shall be used only for the payment of the Bonds, and the interest thereon.

*Section 3. Request for Necessary County Actions.* The Boards of Supervisors, the treasurer, tax collector and auditor-controller, and other officials of the Counties are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property within the District sufficient to provide for the payment of all principal of, redemption premium (if any), and interest on the Bonds, as the same shall become due and payable, and to transfer the tax receipts from such levy to the District, no later than January 20 and May 18 in each year to permit the District to meet its required principal and interest payments for the Bonds on each February 1 and August 1, as indicated in Exhibits A, B, C and D. The Chief Executive Officer or the Chief Financial Officer of the District is hereby authorized and directed to deliver certified copies of this Resolution to the clerks of the Boards of Supervisors of the Counties, and the treasurer, tax collector and auditor of the Counties.

*Section 4. Ratification.* All actions heretofore taken by officials, employees and agents of the District with respect to the request and direction for the tax levy described herein are hereby approved, confirmed and ratified.

*Section 5. General Authority.* The President and the Vice President of the Board, the Chief Executive Officer and the Chief Financial Officer of the District, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps, which they or any of them might deem necessary or appropriate in order to ensure that the County levies and collects the property taxes as described herein and otherwise to give effect to this Resolution.

Section 6. Effective Date. This resolution shall take effect immediately on and after its adoption.

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THE FOREGOING RESOLUTION is approved and adopted by the Board of Directors of the Tahoe Forest Hospital District this 26th day of July, 2018.

AYES:

NAYS:

ABSENT:

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President of the Board of Directors

ATTEST:

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Clerk of the Board of Directors

## EXHIBIT A

### DEBT SERVICE SCHEDULE OF THE SERIES C BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	—	\$522,909.38	\$522,909.38	—
08/01/17	\$ 135,000.00	522,909.38	657,909.38	\$1,180,818.75
02/01/18	—	519,196.88	519,196.88	—
08/01/18	175,000.00	519,196.88	694,196.88	1,213,393.75
02/01/19	—	514,384.38	514,384.38	—
08/01/19	220,000.00	514,384.38	734,384.38	1,248,768.75
02/01/20	—	508,334.38	508,334.38	—
08/01/20	265,000.00	508,334.38	773,334.38	1,281,668.75
02/01/21	—	501,046.88	501,046.88	—
08/01/21	310,000.00	501,046.88	811,046.88	1,312,093.75
02/01/22	—	492,521.88	492,521.88	—
08/01/22	360,000.00	492,521.88	852,521.88	1,345,043.75
02/01/23	—	482,621.88	482,621.88	—
08/01/23	415,000.00	482,621.88	897,621.88	1,380,243.75
02/01/24	—	471,209.38	471,209.38	—
08/01/24	465,000.00	471,209.38	936,209.38	1,407,418.75
02/01/25	—	459,003.13	459,003.13	—
08/01/25	525,000.00	459,003.13	984,003.13	1,443,006.25
02/01/26	—	448,503.13	448,503.13	—
08/01/26	580,000.00	448,503.13	1,028,503.13	1,477,006.25
02/01/27	—	439,803.13	439,803.13	—
08/01/27	645,000.00	439,803.13	1,084,803.13	1,524,606.25
02/01/28	—	429,725.00	429,725.00	—
08/01/28	715,000.00	429,725.00	1,144,725.00	1,574,450.00
02/01/29	—	418,106.25	418,106.25	—
08/01/29	795,000.00	418,106.25	1,213,106.25	1,631,212.50
02/01/30	—	404,193.75	404,193.75	—
08/01/30	880,000.00	404,193.75	1,284,193.75	1,688,387.50
02/01/31	—	388,353.75	388,353.75	—
08/01/31	970,000.00	388,353.75	1,358,353.75	1,746,707.50
02/01/32	—	370,893.75	370,893.75	—
08/01/32	1,070,000.00	370,893.75	1,440,893.75	1,811,787.50
02/01/33	—	351,500.00	351,500.00	—
08/01/33	1,175,000.00	351,500.00	1,526,500.00	1,878,000.00
02/01/34	—	328,000.00	328,000.00	—
08/01/34	1,280,000.00	328,000.00	1,608,000.00	1,936,000.00
02/01/35	—	302,400.00	302,400.00	—
08/01/35	1,400,000.00	302,400.00	1,702,400.00	2,004,800.00
02/01/36	—	274,400.00	274,400.00	—
08/01/36	1,525,000.00	274,400.00	1,799,400.00	2,073,800.00
02/01/37	—	243,900.00	243,900.00	—
08/01/37	1,655,000.00	243,900.00	1,898,900.00	2,142,800.00
02/01/38	—	210,800.00	210,800.00	—
08/01/38	1,795,000.00	210,800.00	2,005,800.00	2,216,600.00
02/01/39	—	174,900.00	174,900.00	—
08/01/39	1,940,000.00	174,900.00	2,114,900.00	2,289,800.00
02/01/40	—	136,100.00	136,100.00	—
08/01/40	2,100,000.00	136,100.00	2,236,100.00	2,372,200.00
02/01/41	—	94,100.00	94,100.00	—
08/01/41	2,265,000.00	94,100.00	2,359,100.00	2,453,200.00
02/01/42	—	48,800.00	48,800.00	—
08/01/42	2,440,000.00	48,800.00	2,488,800.00	2,537,600.00

## EXHIBIT B

### DEBT SERVICE SCHEDULE OF THE 2015 REFUNDING BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	—	\$566,712.50	\$566,712.50	—
08/01/17	\$ 310,000	566,712.50	876,712.50	\$1,443,425.00
02/01/18	—	562,062.50	562,062.50	—
08/01/18	370,000	562,062.50	932,062.50	1,494,125.00
02/01/19	—	554,662.50	554,662.50	—
08/01/19	435,000	554,662.50	989,662.50	1,544,325.00
02/01/20	—	545,962.50	545,962.50	—
08/01/20	510,000	545,962.50	1,055,962.50	1,601,925.00
02/01/21	—	535,762.50	535,762.50	—
08/01/21	585,000	535,762.50	1,120,762.50	1,656,525.00
02/01/22	—	521,137.50	521,137.50	—
08/01/22	670,000	521,137.50	1,191,137.50	1,712,275.00
02/01/23	—	504,387.50	504,387.50	—
08/01/23	765,000	504,387.50	1,269,387.50	1,773,775.00
02/01/24	—	485,262.50	485,262.50	—
08/01/24	865,000	485,262.50	1,350,262.50	1,835,525.00
02/01/25	—	463,637.50	463,637.50	—
08/01/25	975,000	463,637.50	1,438,637.50	1,902,275.00
02/01/26	—	439,262.50	439,262.50	—
08/01/26	1,090,000	439,262.50	1,529,262.50	1,968,525.00
02/01/27	—	412,012.50	412,012.50	—
08/01/27	1,210,000	412,012.50	1,622,012.50	2,034,025.00
02/01/28	—	381,762.50	381,762.50	—
08/01/28	1,345,000	381,762.50	1,726,762.50	2,108,525.00
02/01/29	—	361,587.50	361,587.50	—
08/01/29	1,465,000	361,587.50	1,826,587.50	2,188,175.00
02/01/30	—	337,781.25	337,781.25	—
08/01/30	1,590,000	337,781.25	1,927,781.25	2,265,562.50
02/01/31	—	312,937.50	312,937.50	—
08/01/31	1,720,000	312,937.50	2,032,937.50	2,345,875.00
02/01/32	—	284,987.50	284,987.50	—
08/01/32	1,865,000	284,987.50	2,149,987.50	2,434,975.00
02/01/33	—	254,681.25	254,681.25	—
08/01/33	2,010,000	254,681.25	2,264,681.25	2,519,362.50
02/01/34	—	220,762.50	220,762.50	—
08/01/34	2,170,000	220,762.50	2,390,762.50	2,611,525.00
02/01/35	—	182,787.50	182,787.50	—
08/01/35	2,335,000	182,787.50	2,517,787.50	2,700,575.00
02/01/36	—	141,925.00	141,925.00	—
08/01/36	2,515,000	141,925.00	2,656,925.00	2,798,850.00
02/01/37	—	97,912.50	97,912.50	—
08/01/37	2,700,000	97,912.50	2,797,912.50	2,895,825.00
02/01/38	—	50,662.50	50,662.50	—
08/01/38	2,895,000	50,662.50	2,945,662.50	2,996,325.00

## EXHIBIT C

### DEBT SERVICE SCHEDULE OF THE 2016 REFUNDING BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	—	\$774,478.13	\$ 774,478.13	—
08/01/17	\$ 530,000	774,478.13	1,304,478.13	\$2,078,956.25
02/01/18	—	769,178.13	769,178.13	—
08/01/18	600,000	769,178.13	1,369,178.13	2,138,356.25
02/01/19	—	763,178.13	763,178.13	—
08/01/19	675,000	763,178.13	1,438,178.13	2,201,356.25
02/01/20	—	756,428.13	756,428.13	—
08/01/20	755,000	756,428.13	1,511,428.13	2,267,856.25
02/01/21	—	745,103.13	745,103.13	—
08/01/21	840,000	745,103.13	1,585,103.13	2,330,206.25
02/01/22	—	732,503.13	732,503.13	—
08/01/22	935,000	732,503.13	1,667,503.13	2,400,006.25
02/01/23	—	713,803.13	713,803.13	—
08/01/23	1,040,000	713,803.13	1,753,803.13	2,467,606.25
02/01/24	—	699,503.13	699,503.13	—
08/01/24	1,140,000	699,503.13	1,839,503.13	2,539,006.25
02/01/25	—	671,003.13	671,003.13	—
08/01/25	1,260,000	671,003.13	1,931,003.13	2,602,006.25
02/01/26	—	639,503.13	639,503.13	—
08/01/26	1,385,000	639,503.13	2,024,503.13	2,664,006.25
02/01/27	—	604,878.13	604,878.13	—
08/01/27	1,515,000	604,878.13	2,119,878.13	2,724,756.25
02/01/28	—	567,003.13	567,003.13	—
08/01/28	1,655,000	567,003.13	2,222,003.13	2,789,006.25
02/01/29	—	525,628.13	525,628.13	—
08/01/29	1,815,000	525,628.13	2,340,628.13	2,866,256.25
02/01/30	—	480,253.13	480,253.13	—
08/01/30	1,985,000	480,253.13	2,465,253.13	2,945,506.25
02/01/31	—	430,628.13	430,628.13	—
08/01/31	2,165,000	430,628.13	2,595,628.13	3,026,256.25
02/01/32	—	398,153.13	398,153.13	—
08/01/32	2,295,000	398,153.13	2,693,153.13	3,091,306.25
02/01/33	—	363,728.13	363,728.13	—
08/01/33	2,435,000	363,728.13	2,798,728.13	3,162,456.25
02/01/34	—	327,203.13	327,203.13	—
08/01/34	2,580,000	327,203.13	2,907,203.13	3,234,406.25
02/01/35	—	288,503.13	288,503.13	—
08/01/35	2,725,000	288,503.13	3,013,503.13	3,302,006.25
02/01/36	—	247,628.13	247,628.13	—
08/01/36	2,880,000	247,628.13	3,127,628.13	3,375,256.25
02/01/37	—	204,428.13	204,428.13	—
08/01/37	3,055,000	204,428.13	3,259,428.13	3,463,856.25
02/01/38	—	158,603.13	158,603.13	—
08/01/38	3,235,000	158,603.13	3,393,603.13	3,552,206.25
02/01/39	—	110,078.13	110,078.13	—
08/01/39	3,420,000	110,078.13	3,530,078.13	3,640,156.25
02/01/40	—	56,640.63	56,640.63	—
08/01/40	3,625,000	56,640.63	3,681,640.63	3,738,281.25

**EXHIBIT D**

**DEBT SERVICE SCHEDULE OF ALL BONDS**

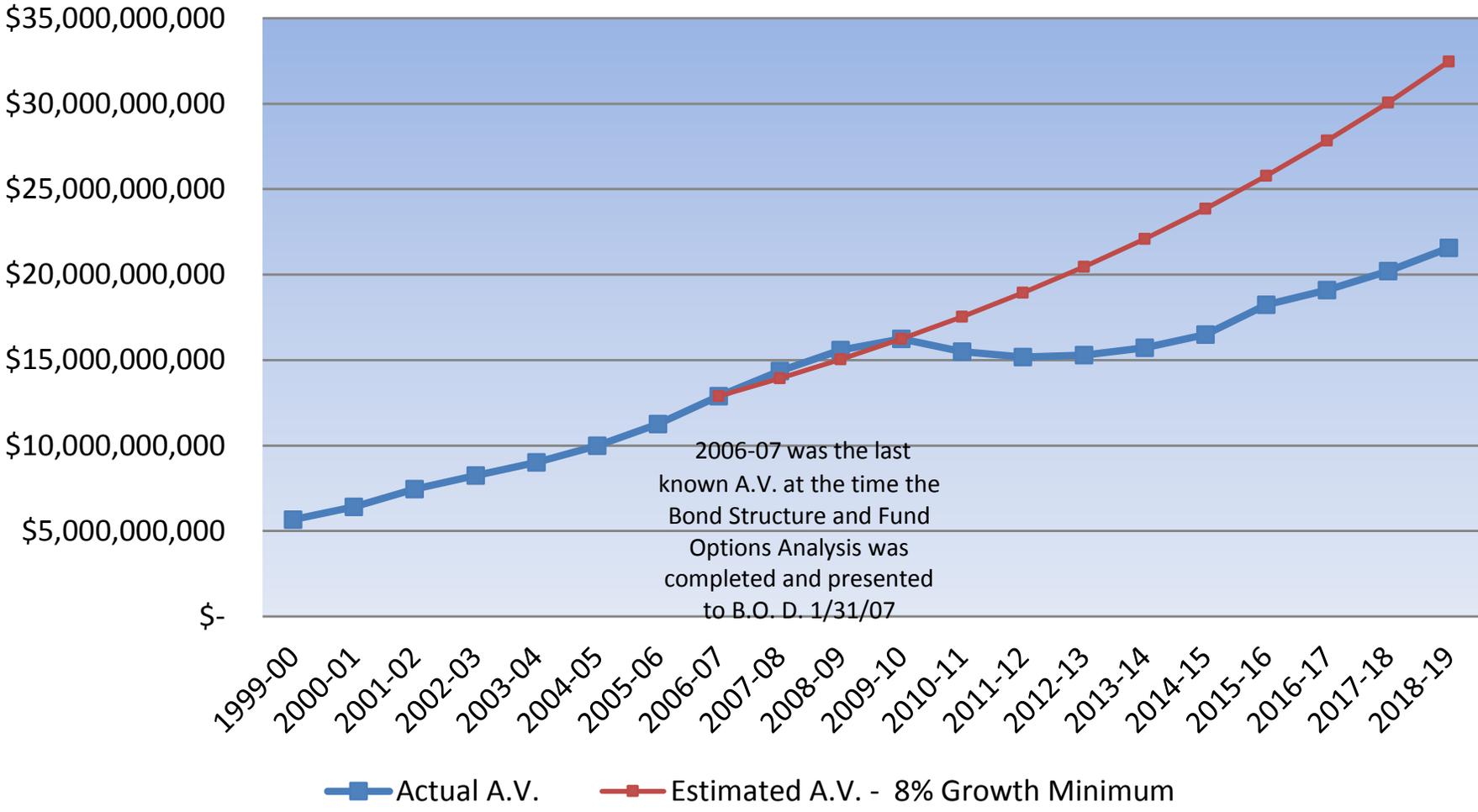
Date	Series C Bonds	2015	2016	Period Total	Annual Total
		Refunding Bonds	Refunding Bonds		
02/01/17	\$ 522,909.38	\$ 566,712.50	\$ 774,478.13	\$ 1,864,100.01	—
08/01/17	657,909.38	876,712.50	1,304,478.13	2,839,100.01	\$4,703,200.02
02/01/18	519,196.88	562,062.50	769,178.13	1,850,437.51	—
08/01/18	694,196.88	932,062.50	1,369,178.13	2,995,437.51	4,845,875.02
02/01/19	514,384.38	554,662.50	763,178.13	1,832,225.01	—
08/01/19	734,384.38	989,662.50	1,438,178.13	3,162,225.01	4,994,450.02
02/01/20	508,334.38	545,962.50	756,428.13	1,810,725.01	—
08/01/20	773,334.38	1,055,962.50	1,511,428.13	3,340,725.01	5,151,450.02
02/01/21	501,046.88	535,762.50	745,103.13	1,781,912.51	—
08/01/21	811,046.88	1,120,762.50	1,585,103.13	3,516,912.51	5,298,825.02
02/01/22	492,521.88	521,137.50	732,503.13	1,746,162.51	—
08/01/22	852,521.88	1,191,137.50	1,667,503.13	3,711,162.51	5,457,325.02
02/01/23	482,621.88	504,387.50	713,803.13	1,700,812.51	—
08/01/23	897,621.88	1,269,387.50	1,753,803.13	3,920,812.51	5,621,625.02
02/01/24	471,209.38	485,262.50	699,503.13	1,655,975.01	—
08/01/24	936,209.38	1,350,262.50	1,839,503.13	4,125,975.01	5,781,950.02
02/01/25	459,003.13	463,637.50	671,003.13	1,593,643.76	—
08/01/25	984,003.13	1,438,637.50	1,931,003.13	4,353,643.76	5,947,287.52
02/01/26	448,503.13	439,262.50	639,503.13	1,527,268.76	—
08/01/26	1,028,503.13	1,529,262.50	2,024,503.13	4,582,268.76	6,109,537.52
02/01/27	439,803.13	412,012.50	604,878.13	1,456,693.76	—
08/01/27	1,084,803.13	1,622,012.50	2,119,878.13	4,826,693.76	6,283,387.52
02/01/28	429,725.00	381,762.50	567,003.13	1,378,490.63	—
08/01/28	1,144,725.00	1,726,762.50	2,222,003.13	5,093,490.63	6,471,981.26
02/01/29	418,106.25	361,587.50	525,628.13	1,305,321.88	—
08/01/29	1,213,106.25	1,826,587.50	2,340,628.13	5,380,321.88	6,685,643.76
02/01/30	404,193.75	337,781.25	480,253.13	1,222,228.13	—
08/01/30	1,284,193.75	1,927,781.25	2,465,253.13	5,677,228.13	6,899,456.26
02/01/31	388,353.75	312,937.50	430,628.13	1,131,919.38	—
08/01/31	1,358,353.75	2,032,937.50	2,595,628.13	5,986,919.38	7,118,838.76
02/01/32	370,893.75	284,987.50	398,153.13	1,054,034.38	—
08/01/32	1,440,893.75	2,149,987.50	2,693,153.13	6,284,034.38	7,338,068.76
02/01/33	351,500.00	254,681.25	363,728.13	969,909.38	—
08/01/33	1,526,500.00	2,264,681.25	2,798,728.13	6,589,909.38	7,559,818.76
02/01/34	328,000.00	220,762.50	327,203.13	875,965.63	—
08/01/34	1,608,000.00	2,390,762.50	2,907,203.13	6,905,965.63	7,781,931.26
02/01/35	302,400.00	182,787.50	288,503.13	773,690.63	—
08/01/35	1,702,400.00	2,517,787.50	3,013,503.13	7,233,690.63	8,007,381.26
02/01/36	274,400.00	141,925.00	247,628.13	663,953.13	—
08/01/36	1,799,400.00	2,656,925.00	3,127,628.13	7,583,953.13	8,247,906.26
02/01/37	243,900.00	97,912.50	204,428.13	546,240.63	—
08/01/37	1,898,900.00	2,797,912.50	3,259,428.13	7,956,240.63	8,502,481.26
02/01/38	210,800.00	50,662.50	158,603.13	420,065.63	—
08/01/38	2,005,800.00	2,945,662.50	3,393,603.13	8,345,065.63	8,765,131.26
02/01/39	174,900.00	—	110,078.13	284,978.13	—
08/01/39	2,114,900.00	—	3,530,078.13	5,644,978.13	5,929,956.26
02/01/40	136,100.00	—	56,640.63	192,740.63	—
08/01/40	2,236,100.00	—	3,681,640.63	5,917,740.63	6,110,481.26
02/01/41	94,100.00	—	—	94,100.00	—
08/01/41	2,359,100.00	—	—	2,359,100.00	2,453,200.00
02/01/42	48,800.00	—	—	48,800.00	—
08/01/42	2,488,800.00	—	—	2,488,800.00	2,537,600.00

**TAHOE FOREST HOSPITAL DISTRICT  
GO BOND TAX RATE CALCULATION SUMMARY  
FOR FISCAL YEAR 2018/2019**

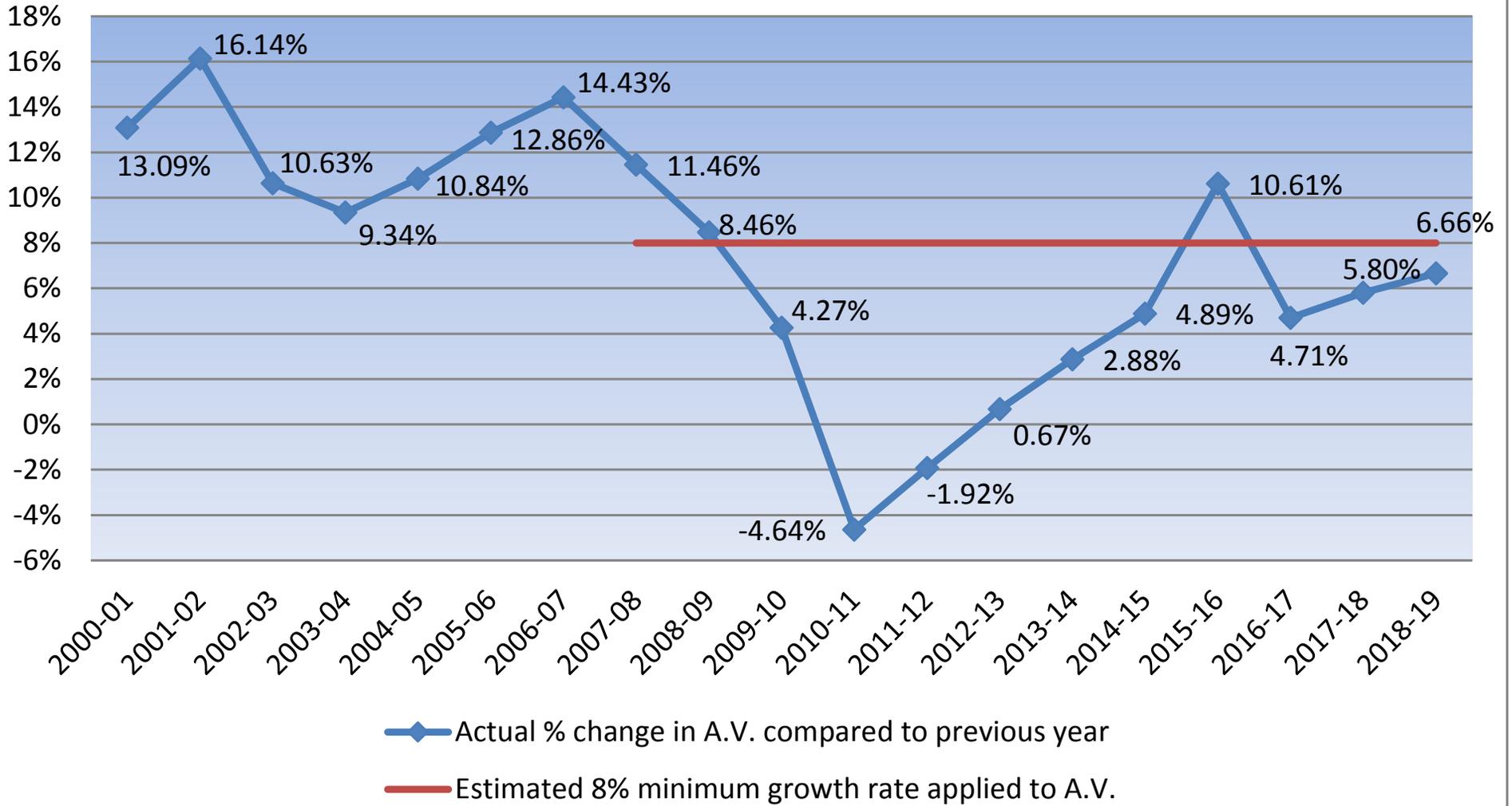
	<b>75% Reserve Use RECOMMENDED</b>	<b>ORIGINAL ESTIMATED MAXIMUM RATE PER \$100,000</b>	<b>100% Reserve Use ALTERNATIVE ONE</b>	<b>75% Reserve Use ALTERNATIVE TWO</b>	<b>50% Reserve Use ALTERNATIVE THREE</b>	<b>25% Reserve Use ALTERNATIVE FOUR</b>	<b>No Reserve Use ALTERNATIVE FIVE</b>
<b>FOR FISCAL YEAR 2017/2018</b>							
SERIES 2015 (Previously Series A)	\$ 4.87	\$ 2.74	\$ 4.11	\$ 4.87	\$ 5.64	\$ 6.41	\$ 7.17
SERIES 2016 (Previously Series B)	\$ 10.22	\$ 10.22	\$ 10.22	\$ 10.22	\$ 10.22	\$ 10.22	\$ 10.22
SERIES C	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80
<b>TOTAL RATE PER \$100,000</b>	<b>\$ 20.89</b>	<b>\$ 18.76</b>	<b>\$ 20.13</b>	<b>\$ 20.89</b>	<b>\$ 21.66</b>	<b>\$ 22.43</b>	<b>\$ 23.19</b>
<b>Required Debt Service Payment</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>	<b>\$ 4,994,450.02</b>
<b>Tax Revenue Generated per Rate/\$100,000</b>	<b>\$ 4,499,806.39</b>	<b>\$ 4,044,907.83</b>	<b>\$ 4,336,098.76</b>	<b>\$ 4,499,806.39</b>	<b>\$ 4,665,668.11</b>	<b>\$ 4,831,529.81</b>	<b>\$ 4,995,237.46</b>
<b>Contribution from FY 2017/2018 Reserve</b>	<b>\$ 495,821.17</b>	<b>\$ 661,094.89</b>	<b>\$ 661,094.89</b>	<b>\$ 495,821.17</b>	<b>\$ 330,547.45</b>	<b>\$ 165,273.72</b>	<b>\$ -</b>
<b>Due to Rounding of the Rate</b>	<b>\$ (1,177.54)</b>	<b>\$ 288,447.30</b>	<b>\$ (2,743.63)</b>	<b>\$ (1,177.54)</b>	<b>\$ (1,765.54)</b>	<b>\$ (2,353.51)</b>	<b>\$ (787.44)</b>
<b>Reserves Remaining for FY 2018/2019</b>	<b>\$ 165,273.72</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 165,273.72</b>	<b>\$ 330,547.45</b>	<b>\$ 495,821.17</b>	<b>\$ 661,094.89</b>
<b>Percentage of Reserves Remaining for FY 2018/2019</b>	<b>25.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>50.00%</b>	<b>75.00%</b>	<b>100.00%</b>

	2014/2015	2015/2016	2016/2017	2017/2018	2016/2017 vs 2017/2018		2018/2019	2017/2018 vs 2018/2019		
					VARIANCE \$	VARIANCE %		VARIANCE \$	VARIANCE %	
<b>COUNTY OF PLACER</b>										
LOCAL SECURED	\$ 10,643,906,597	\$ 12,028,041,926	\$ 12,598,852,503	\$ 13,342,861,859	\$ 744,009,356	5.91%	\$ 14,188,410,978	\$ 845,549,119	6.34%	
UNSECURED	\$ 190,033,123	\$ 192,112,603	\$ 195,131,935	\$ 194,581,614	\$ (550,321)	-0.28%	\$ 202,733,838	\$ 8,152,224	4.19%	
<b>TOTAL ASSESSED VALUES</b>	<b>\$ 10,833,939,720</b>	<b>\$ 12,220,154,529</b>	<b>\$ 12,793,984,438</b>	<b>\$ 13,537,443,473</b>	<b>\$ 743,459,035</b>	<b>5.81%</b>	<b>\$ 14,391,144,816</b>	<b>\$ 853,701,343</b>	<b>6.31%</b>	
<b>COUNTY OF NEVADA</b>										
LOCAL SECURED	\$ 5,532,102,579	\$ 5,896,876,881	\$ 6,183,122,666	\$ 6,550,817,729	\$ 367,695,063	5.95%	\$ 7,025,338,940	\$ 474,521,211	7.24%	
UNSECURED	\$ 130,369,329	\$ 129,938,792	\$ 128,685,617	\$ 125,986,378	\$ (2,699,239)	-2.10%	\$ 144,858,610	\$ 18,872,232	14.98%	
<b>TOTAL ASSESSED VALUES</b>	<b>\$ 5,662,471,908</b>	<b>\$ 6,026,815,673</b>	<b>\$ 6,311,808,283</b>	<b>\$ 6,676,804,107</b>	<b>\$ 364,995,824</b>	<b>5.78%</b>	<b>\$ 7,170,197,550</b>	<b>\$ 493,393,443</b>	<b>7.39%</b>	
<b>COMBINED COUNTIES</b>										
LOCAL SECURED	\$ 16,176,009,176	\$ 17,924,918,807	\$ 18,781,975,169	\$ 19,893,679,588	\$ 1,111,704,419	5.92%	\$ 21,213,749,918	\$ 1,320,070,330	6.64%	
UNSECURED	\$ 320,402,452	\$ 322,051,395	\$ 323,817,552	\$ 320,567,992	\$ (3,249,560)	-1.00%	\$ 347,592,448	\$ 27,024,456	8.43%	
<b>TOTAL ASSESSED VALUES</b>	<b>\$ 16,496,411,628</b>	<b>\$ 18,246,970,202</b>	<b>\$ 19,105,792,721</b>	<b>\$ 20,214,247,580</b>	<b>\$ 1,108,454,859</b>	<b>5.80%</b>	<b>\$ 21,561,342,366</b>	<b>\$ 1,347,094,786</b>	<b>6.66%</b>	

## Analysis of Assessed Values (A.V.)



## Analysis of Assessed Values (A.V.)



State of California  
**C O U N T Y O F N E V A D A**

**MARCIA L. SALTER – Auditor-Controller**

**Auditor-Controller**  
950 Maidu Avenue Suite 230  
Nevada City CA 95959

(530) 265-1244  
Fax: (530) 265-9843  
Email: [auditor.controller@co.nevada.ca.us](mailto:auditor.controller@co.nevada.ca.us)

VIA EMAIL

July 18, 2018

To: Tahoe Forest Hospital District  
From: Linda Sager, Accountant Auditor II

Listed below are the certified 2018/19 assessed values for your district:

	<u>NET VALUATION</u>	<u>HOPTR</u>	<u>TOTAL</u>
Local Secured Roll	\$7,000,297,036	\$22,872,072	\$7,023,169,108
Unitary and Operating Non- Unitary State BOE Roll	\$2,169,832		\$2,169,832
Unsecured Roll	\$144,851,610	\$7,000	\$144,858,610

Please use these values to estimate any voter-approved indebtedness under Article XIII-A Sec 1(b) of the California Constitution.

To view the Assessed Valuation Two-Year Comparison by District report and other property tax reports, go to <https://www.mynevadacounty.com/212/Tax-Reports>.

The annual estimated property tax revenue letter will be mailed in October.

If you have any questions, please contact me at (530) 265-1564.



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
E-mail: [asisk@placer.ca.gov](mailto:asisk@placer.ca.gov)

Nicole C. Howard, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

July 17, 2018

Tax Code 42108

Tahoe Forest Hospital  
P. O. Box 759  
Truckee, CA 96160-0759

This is to certify that the assessed valuation of the Tahoe Forest Hospital is as follows for 2018/19:

ROLLS	NET VALUATION	HOPTR EXEMPT	GROSS VALUE USED FOR TAX COMP PURPOSES
Local Secured	14,172,803,778	15,607,200	14,188,410,978
Unsecured	202,726,838	7,000	202,733,838

Article XIII-A of the California Constitution, Sec 1(b) (enacted by Proposition 13), provides for the levying of property taxes to pay voter approved indebtedness. These are the values to use for this purpose.

Please call if you have any questions concerning the above valuations.

Sincerely,

ANDREW C. SISK, CPA  
AUDITOR-CONTROLLER

By: 

Aurora delCampo  
Accounting Technician

2018/19

**TAHOE FOREST HOSPITAL DISTRICT GO BONDS SERIES 2015 (Previously Series A)**

OCA \_\_\_\_\_ PCA \_\_\_\_\_ Dept \_\_\_\_\_ TAX CODE \_\_\_\_\_  
Fund \_\_\_\_\_ Subfund \_\_\_\_\_

**COMPUTATION OF TAX RATE - SCHEDULE 1**

TOTAL BUDGET REQUIREMENT (Schedule 3)	1,544,325.00
LESS: AVAILABLE FINANCING (Schedule 2)	495,821.17

<b>AMOUNT NEEDED TO BE RAISED - PROP TAX &amp; STATE</b>	<b>1,048,503.83</b>
----------------------------------------------------------	---------------------

	SECURED	UNSECURED
NET SECURED VALUATION-PLACER CO.	14,172,803,778	
NET SECURED VALUATION-NEVADA CO.	7,000,297,036	
UTILITY VALUATION-PLACER CO.	0	
UTILITY VALUATION-NEVADA CO.	2,169,832	
NET UNSECURED VALUATION-PLACER CO. (includes Airplanes)		202,726,838
NET UNSECURED VALUATION-NEVADA CO.		144,851,610
TOTAL NET VALUATION	21,175,270,646	347,578,448
	RATE	
LESS: DELINQUENCY ALLOWANCE-PLACER CO.	6.0000%	Teetered-N/A
LESS: DELINQUENCY ALLOWANCE-NEVADA CO.		12,163,610
LESS: RDA OR OTHER VALUE ADJ		8,691,097
TOTAL NET VALUATION AFTER ADJ	N/A	N/A
	21,175,270,646	326,723,741
ADD: HOPTR EXEMPTION-PLACER CO.	15,607,200	7,000
ADD: HOPTR EXEMPTION-NEVADA CO.	22,872,072	7,000
ADJUSTED VALUATION FOR RATE COMPUTATION	21,213,749,918	326,737,741
UNSECURED TAX RATE (Secured rate from prior year)		<b>0.0048700%</b>
UNSECURED PROPERTY TAX RAISED-PLACER CO.		9,280.43
UNSECURED PROPERTY TAX RAISED-NEVADA CO.		6,631.02
UNSECURED HOPTR RAISED-PLACER CO.		0.00
UNSECURED HOPTR RAISED-NEVADA CO.		0.34
<b>AMOUNT TO BE RAISED ON UNSECURED ROLL</b>		<b>15,911.79</b>

**CALCULATION OF SECURED TAX RATE:**

AMOUNT NEEDED TO BE RAISED (from above)	1,048,503.83
LESS: AMOUNT TO BE RAISED ON UNSEC ROLL (from above)	15,911.79
AMOUNT NEEDED TO BE RAISED FROM SECURED ROLL	1,032,592.05
<b>SECURED TAX RATE</b>	<b>0.0048700%</b>
SECURED PROPERTY TAX RAISED-PLACER CO.	690,215.54
SECURED PROPERTY TAX RAISED-NEVADA CO.	341,020.14
HOPTR RAISED-PLACER CO.	760.07
HOPTR RAISED-NEVADA CO.	1,113.87
<b>TOTAL AMOUNT TO BE RAISED ON SECURED ROLL</b>	<b>1,033,109.62</b>

<b>TOTAL AMOUNT TO BE RAISED ON SEC &amp; UNSEC ROLL</b>	<b>1,049,021.41</b>
----------------------------------------------------------	---------------------

DIFFERENCE BETWEEN AMOUNT NEEDED & AMOUNT RAISED (517.58)

BUDGET: NEVADA CO. = 348,765.36  
BUDGET: PLACER CO. = 700,256.04

2018/19

**TAHOE FOREST HOSPITAL DISTRICT GO BONDS 2016 (Previously SERIES B 2010)**

OCA \_\_\_\_\_ PCA \_\_\_\_\_ Dept \_\_\_\_\_ TAX CODE \_\_\_\_\_  
 Fund \_\_\_\_\_ Subfund \_\_\_\_\_

**COMPUTATION OF TAX RATE - SCHEDULE 1**

TOTAL BUDGET REQUIREMENT (Schedule 3)	2,201,356.26
LESS: AVAILABLE FINANCING (Schedule 2)	0.00

<b>AMOUNT NEEDED TO BE RAISED - PROP TAX &amp; STATE</b>	<b>2,201,356.26</b>
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	SECURED	UNSECURED
NET SECURED VALUATION-PLACER CO.	14,172,803,778	
NET SECURED VALUATION-NEVADA CO.	7,000,297,036	
UTILITY VALUATION-PLACER CO.	0	
UTILITY VALUATION-NEVADA CO.	2,169,832	
NET UNSECURED VALUATION-PLACER CO. (includes Airplanes)		202,726,838
NET UNSECURED VALUATION-NEVADA CO.		144,851,610
TOTAL NET VALUATION	21,175,270,646	347,578,448
	RATE	
LESS: DELINQUENCY ALLOWANCE-PLACER CO.	6.0000%	Teetered-N/A 12,163,610
LESS: DELINQUENCY ALLOWANCE-NEVADA CO.		8,691,097
LESS: RDA OR OTHER VALUE ADJ	N/A	N/A
TOTAL NET VALUATION AFTER ADJ	21,175,270,646	326,723,741
ADD: HOPTR EXEMPTION-PLACER CO.	15,607,200	7,000
ADD: HOPTR EXEMPTION-NEVADA CO.	22,872,072	7,000
ADJUSTED VALUATION FOR RATE COMPUTATION	21,213,749,918	326,737,741
UNSECURED TAX RATE (Secured rate from prior year)		<b>0.0102200%</b>
UNSECURED PROPERTY TAX RAISED-PLACER CO.		19,475.56
UNSECURED PROPERTY TAX RAISED-NEVADA CO.		13,915.60
UNSECURED HOPTR RAISED-PLACER CO.		0.00
UNSECURED HOPTR RAISED-NEVADA CO.		0.72
<b>AMOUNT TO BE RAISED ON UNSECURED ROLL</b>		<b>33,391.88</b>

**CALCULATION OF SECURED TAX RATE:**

AMOUNT NEEDED TO BE RAISED (from above)	2,201,356.26
LESS: AMOUNT TO BE RAISED ON UNSEC ROLL (from above)	33,391.88
AMOUNT NEEDED TO BE RAISED FROM SECURED ROLL	2,167,964.38
<b>SECURED TAX RATE</b>	<b>0.0102200%</b> \$10.22
SECURED PROPERTY TAX RAISED-PLACER CO.	1,448,460.55
SECURED PROPERTY TAX RAISED-NEVADA CO.	715,652.11
HOPTR RAISED-PLACER CO.	1,595.06
HOPTR RAISED-NEVADA CO.	2,337.53
<b>TOTAL AMOUNT TO BE RAISED ON SECURED ROLL</b>	<b>2,168,045.24</b>

<b>TOTAL AMOUNT TO BE RAISED ON SEC &amp; UNSEC ROLL</b>	<b>2,201,437.12</b>
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DIFFERENCE BETWEEN AMOUNT NEEDED & AMOUNT RAISED (80.86)

BUDGET: NEVADA CO. = 731,905.96  
 BUDGET: PLACER CO. = 1,469,531.16

**2018/19**  
**TAHOE FOREST HOSPITAL DISTRICT GO BONDS SERIES C (2012)**

OCA \_\_\_\_\_ PCA \_\_\_\_\_ Dept \_\_\_\_\_ TAX CODE \_\_\_\_\_  
 Fund \_\_\_\_\_ Subfund \_\_\_\_\_

**COMPUTATION OF TAX RATE - SCHEDULE 1**

TOTAL BUDGET REQUIREMENT (Schedule 3)	1,248,768.76
LESS: AVAILABLE FINANCING (Schedule 2)	0.00

<b>AMOUNT NEEDED TO BE RAISED - PROP TAX &amp; STATE</b>	<b>1,248,768.76</b>
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	SECURED	UNSECURED
NET SECURED VALUATION-PLACER CO.	14,172,803,778	
NET SECURED VALUATION-NEVADA CO.	7,000,297,036	
UTILITY VALUATION-PLACER CO.	0	
UTILITY VALUATION-NEVADA CO.	2,169,832	
NET UNSECURED VALUATION-PLACER CO. (includes Airplanes)		202,726,838
NET UNSECURED VALUATION-NEVADA CO.		144,851,610
TOTAL NET VALUATION	21,175,270,646	347,578,448
	RATE	
LESS: DELINQUENCY ALLOWANCE-PLACER CO.	6.0000%	Teetered-N/A 12,163,610
LESS: DELINQUENCY ALLOWANCE-NEVADA CO.		8,691,097
LESS: RDA OR OTHER VALUE ADJ	N/A	N/A
TOTAL NET VALUATION AFTER ADJ	21,175,270,646	326,723,741
ADD: HOPTR EXEMPTION-PLACER CO.	15,607,200	7,000
ADD: HOPTR EXEMPTION-NEVADA CO.	22,872,072	7,000
ADJUSTED VALUATION FOR RATE COMPUTATION	21,213,749,918	326,737,741
UNSECURED TAX RATE (Secured rate from prior year)		<b>0.0058000%</b>
UNSECURED PROPERTY TAX RAISED-PLACER CO.		11,052.67
UNSECURED PROPERTY TAX RAISED-NEVADA CO.		7,897.31
UNSECURED HOPTR RAISED-PLACER CO.		0.00
UNSECURED HOPTR RAISED-NEVADA CO.		0.41
<b>AMOUNT TO BE RAISED ON UNSECURED ROLL</b>		<b>18,950.38</b>

**CALCULATION OF SECURED TAX RATE:**

AMOUNT NEEDED TO BE RAISED (from above)	1,248,768.76
LESS: AMOUNT TO BE RAISED ON UNSEC ROLL (from above)	18,950.38
AMOUNT NEEDED TO BE RAISED FROM SECURED ROLL	1,229,818.38
<b>SECURED TAX RATE</b>	<b>0.0058000%</b>
SECURED PROPERTY TAX RAISED-PLACER CO.	\$5.80
SECURED PROPERTY TAX RAISED-NEVADA CO.	822,022.62
HOPTR RAISED-PLACER CO.	406,143.08
HOPTR RAISED-NEVADA CO.	905.22
<b>TOTAL AMOUNT TO BE RAISED ON SECURED ROLL</b>	<b>1,326.58</b>
<b>TOTAL AMOUNT TO BE RAISED ON SEC &amp; UNSEC ROLL</b>	<b>1,230,397.50</b>

<b>TOTAL AMOUNT TO BE RAISED ON SEC &amp; UNSEC ROLL</b>	<b>1,249,347.88</b>
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DIFFERENCE BETWEEN AMOUNT NEEDED & AMOUNT RAISED (579.12)

BUDGET: NEVADA CO. = 415,367.37  
 BUDGET: PLACER CO. = 833,980.50

## AGENDA ITEM COVER SHEET

<b>ITEM</b>	Resolution 2018-06 – Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Proceeds of an Obligation
<b>RESPONSIBLE PARTY</b>	Crystal Betts, Chief Financial Officer
<b>ACTION REQUESTED?</b>	Roll Call Vote to Approve Resolution 2018-06 Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Proceeds of an Obligation
<p><b>BACKGROUND:</b> At the May 24, 2018 Board of Directors meeting, a presentation was provided by Jake Dorst, CIO, regarding the Security and Network Infrastructure Strategy. The Board unanimously approved moving forward with Hewlett Packard Enterprise. Cost of the project was approximately \$1.8 million. Through continued evaluation of future capital asset needs by the District, and balancing cash reserves, the District would like to <u>explore</u> possible financing mechanisms, such as a municipal lease. Municipal lease interest rates are presently around 3.6% for a 5-7 year note.</p>	
<p><b>SUMMARY/OBJECTIVES:</b> Resolution 2018-06 establishes the District’s official intent to reimburse itself through proceeds of an obligation (debt) <u>if</u> it were to secure such obligation (debt).</p> <p>To simply state, the intent of this resolution is for the following:</p> <ol style="list-style-type: none"> <li>1. Establish a timeline: Any capital asset expenditure that was identified as part of the “Projects” made within 60 days prior to the approved Resolution date, or after the approved Resolution date, would be eligible to be reimbursed to the District through funding from the debt obligation if the District were to secure such debt.</li> <li>2. Define “Projects”: Projects is defined very broadly to cover information technology hardware and software, and other equipment needs for Truckee and Incline Village facility needs.</li> <li>3. Set a debt ceiling at a maximum of \$8 million.</li> </ol> <p><u>The Resolution does not authorize management to secure any debt.</u> It only establishes a timeframe, broad definitions, and debt maximum. Any debt mechanism would be required to come before the Board of Directors at a future meeting. Management intends to explore available options to validate if additional debt is appropriate at this time to help meet the capital asset needs of the District.</p>	
<p><b>SUGGESTED DISCUSSION POINTS:</b> There is no risk to the District by the passage of this Resolution</p>	
<p><b>SUGGESTED MOTION/ALTERNATIVES:</b> Approve Resolution 2018-06 which Expresses the District’s Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Proceeds of an Obligation</p>	
<p><b>LIST OF ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>• Resolution 2018-06</li> </ul>	

**TAHOE FOREST HOSPITAL DISTRICT**

**RESOLUTION NO. 2018-06**

**RESOLUTION OF THE BOARD OF DIRECTORS OF TAHOE FOREST HOSPITAL DISTRICT EXPRESSING OFFICIAL INTENT REGARDING CERTAIN CAPITAL EXPENDITURES TO BE REIMBURSED WITH PROCEEDS OF AN OBLIGATION**

RESOLVED, by the Board of Directors (the “Board”) of Tahoe Forest Hospital District (the “District”), as follows:

WHEREAS, the District has developed a list of capital projects (the “Projects”) described in Exhibit A hereto;

WHEREAS, all or a portion of the expenditures relating to the Projects (the “Expenditures”) (i) have been paid within the sixty days prior to the passage of this resolution or (ii) will be paid on or after the passage of this resolution; and

WHEREAS, the District reasonably expects to reimburse itself for the Expenditures with the proceeds of an obligation the interest on which will be excluded from the gross income of the owner or owners of such obligation;

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

*Section 1.* The District reasonably expects to reimburse all or a portion of the Expenditures with the proceeds of an obligation the interest on which will be excluded from the gross income of the owner or owners of such obligation.

*Section 2.* The maximum principal amount of the obligations expected to be issued for the Projects is \$8,000,000.

*Section 3.* This resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.

*Section 4.* All actions of the officers, agents and employees of the District that are in conformity with the purposes and intent of this resolution, whether taken before or after the adoption hereof, are hereby ratified, confirmed and adopted.

*Section 5.* This resolution shall be in full force and effect immediately upon its adoption.

\* \* \* \* \*

CERTIFICATION

This is to certify that the foregoing is a true copy of a resolution, as the resolution appears on the minute books of the District, adopted by the Board of Directors of Tahoe Forest Hospital District at a meeting of said Board held on July 26, 2018, which was called and held pursuant to and with all notice required by law and the Bylaws of the District and at which meeting a quorum was initially present and a majority of which was acting throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and affixed the seal of the Tahoe Forest Hospital District this July \_\_, 2018.

By \_\_\_\_\_  
Secretary

## **EXHIBIT A**

### **DESCRIPTION OF PROJECTS**

The Project include information technology hardware and software, radiology/imaging equipment, laboratory equipment, surgery equipment, physical therapy equipment, and other equipment inclusive of both computer hardware and software components and related facility improvements for both the Truckee and Incline Village facilities.

## AGENDA ITEM COVER SHEET

<b>ITEM</b>	TFHD Rate Increase Proposal
<b>RESPONSIBLE PARTY</b>	Crystal Betts, Chief Financial Officer
<b>ACTION REQUESTED?</b>	Approve a 5% rate increase in aggregate to be effective 8/1/18.
<p><b>BACKGROUND:</b></p> <p>During the annual budget process, an analysis is conducted regarding hospital charges to determine if any rate increases are necessary. Factors reviewed during this analysis are as follows: 1) inflationary factors regarding labor, purchased services, and supply costs, 2) potential decreases in reimbursement, 3) cash flow requirements for capital investment, and 4) cash flow requirements for start-up of new service lines and/or programs, and growing programs. Benchmark data is also used to gauge how the hospital industry has positioned itself in regards to charges for cost coverage and future growth. Chagemaster data from the Office of Statewide Health Planning and Development (OSHPD) website is the primary source for the benchmark data. The data on this website is one year old (06/01/2017).</p> <p>The analysis and any recommendation for rate increases is usually presented to the Board of Directors during the annual budget presentation in June of each year. Any recommended rate increases are usually effective August 1<sup>st</sup> following the June meeting. However, due to a delay in the preparation of the FY 2019 budget, the presentation isn't scheduled until August 9, 2018. Because of this delay, a separate recommendation for rate increases is being requested outside of the normal budget presentation.</p> <p>In order to remain on track with our customary rate implementation date of August 1<sup>st</sup>, analysis was conducted to determine if a rate increase would be necessary for the 2019 fiscal year budget.</p> <p>Based upon the following factors, it appears a 5% rate increase (in aggregate) would be necessary:</p> <ol style="list-style-type: none"> <li>1. Wage increase for staff, in accordance with the bargaining unit agreements, are a minimum of 2% and as high as 23.6%, and are effective 7/1/18.</li> <li>2. We continue to see shifting in our payor mix towards Medicare and Medi-Cal.</li> <li>3. Inflation estimates for products within each service line reflect increases ranging from 0-4.7%, depending on the type of supply or if its pharmaceuticals.</li> <li>4. The 2019 Capital Budget has been compiled. Between Equipment, IT, EMR, and Facilities/Master Planning projects, the request is for \$34 million.</li> <li>5. Many programs and services continue to be developed within the health system that require investment: Physician Services, Palliative Care, Care Coordination, Patient Navigation, Customer Service, etc.</li> </ol>	

	<p><b>SUMMARY/OBJECTIVES:</b>  Based upon the attached analysis, it is recommended that the Board of Directors approve a 5% in aggregate, rate increase effective 8/1/18. Some areas may see no increase, such as mammography. Others may see a larger increase, such as inpatient room rates and ED visit rates. Increases range from 0 to 18% depending on the service. This increase would help generate an approximate 2.4% in net revenue.</p>
	<p><b>SUGGESTED DISCUSSION POINTS:</b>  If no rate increase is approved, the ability to generate the necessary net income for future reinvestment in our large Phase II Master Plan could be jeopardized.</p> <p>If no rate increase is approved, it is not something that is recoverable in future periods due to the structure of some of our reimbursement contracts.</p> <p>If no rate increase is approved, we would not be covering the inflationary costs for wages, benefits, professional fees, purchased services, and supplies, reducing our net income from what we saw in FY 2018.</p>
	<p><b>SUGGESTED MOTION/ALTERNATIVES:</b>  Approve a 5% rate increase in aggregate to be effective 8/1/18.</p>
	<p><b>LIST OF ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>• Charge Comparison data</li> </ul>

TAHOE FOREST HOSPITAL DISTRICT  
CHARGE COMPARISON  
HOSPITAL TO HOSPITAL WITH OUTPATIENT LOWER TIERED PRICING

	Note Reference	CPT Code	Current TFHD	Proposed Rate Increase Effective 8/1/18 TFHD	Percentile Ranking	Inclusive of TFHD Average Median		CALIFORNIA				NEVADA		6 Hospital Average	6 Hospital Median	6 Hospital Average % Var.	6 Hospital Median % Var.
						Barton Memorial	Sutter Auburn Faith	Marshall Medical	Dignity Sierra Nevada	Renown	St. Mary's Regional						
Emergency Room	Visit - Level 1	(A)	\$ 191	\$ 382	17%	\$ 451	\$ 394	\$ 463	\$ 389	\$ 706	\$ 484	\$ 400	\$ 333	\$ 463	\$ 432	-17.4%	-11.5%
	Visit - Level 2	(A) (B)	\$ 346	\$ 692	17%	\$ 874	\$ 899	\$ 964	\$ 924	\$ 1,051	\$ 962	\$ 874	\$ 654	\$ 905	\$ 943	-23.5%	-26.6%
	Visit - Level 3	(A) (B)	\$ 624	\$ 1,248	17%	\$ 1,442	\$ 1,341	\$ 1,351	\$ 1,819	\$ 1,890	\$ 1,563	\$ 1,332	\$ 893	\$ 1,475	\$ 1,457	-15.4%	-14.3%
	Visit - Level 4	(A) (B)	\$ 1,031	\$ 2,062	17%	\$ 2,301	\$ 2,161	\$ 2,785	\$ 2,090	\$ 2,640	\$ 3,123	\$ 2,231	\$ 1,173	\$ 2,340	\$ 2,436	-11.9%	-15.3%
	Visit - Level 5	(A)	\$ 1,516	\$ 3,032	17%	\$ 3,512	\$ 3,573	\$ 4,016	\$ 3,939	\$ 3,900	\$ 4,803	\$ 3,246	\$ 1,651	\$ 3,592	\$ 3,920	-15.6%	-22.6%
Laboratory	Basic Metabolic Panel	(B)	\$ 107	\$ 118	33%	\$ 179	\$ 144	\$ 337	\$ 170	\$ 112	\$ 65	\$ 232	\$ 216	\$ 189	\$ 193	-37.6%	-39.1%
	Blood Gas Analysis, including O <sub>2</sub> saturation	(B)	\$ 81	\$ 89	50%	\$ 262	\$ 88	N/A	\$ 608	\$ 88	N/A	N/A	N/A	\$ 348	\$ 348	-74.5%	-74.5%
	Complete Blood Count, automated	(B)	\$ 78	\$ 86	33%	\$ 107	\$ 96	\$ 229	\$ 119	\$ 55	\$ 44	\$ 106	\$ 107	\$ 110	\$ 107	-22.0%	-19.5%
	Complete Blood Count, with differential WBC, automated	(B)	\$ 97	\$ 107	33%	\$ 131	\$ 114	\$ 300	\$ 122	\$ 63	\$ 42	\$ 145	\$ 142	\$ 136	\$ 132	-21.3%	-19.3%
	Comprehensive Metabolic Panel	(B)	\$ 132	\$ 145	17%	\$ 204	\$ 190	\$ 319	\$ 198	\$ 181	\$ 67	\$ 214	\$ 305	\$ 214	\$ 206	-32.1%	-29.5%
	Cratine Kinase (CK), (CPK), Total	(B)	\$ 88	\$ 97	33%	\$ 123	\$ 109	\$ 252	\$ 130	\$ 68	\$ 48	\$ 121	\$ 143	\$ 127	\$ 125	-23.7%	-22.8%
	Lipid Panel	(B)	\$ 167	\$ 184	50%	\$ 178	\$ 173	\$ 252	\$ 224	\$ 124	\$ 88	\$ 163	\$ 209	\$ 177	\$ 186	4.1%	-1.1%
	Partial Thromboplastin Time	(B)	\$ 82	\$ 90	33%	\$ 133	\$ 106	\$ 234	\$ 163	\$ 64	\$ 65	\$ 191	\$ 122	\$ 140	\$ 142	-35.4%	-36.6%
	Prothrombin Time	(B)	\$ 54	\$ 59	33%	\$ 74	\$ 64	\$ 123	\$ 77	\$ 55	\$ 50	\$ 68	\$ 86	\$ 77	\$ 73	-22.4%	-18.2%
	Thyroid Stimulating Hormone (TSH)	(B)	\$ 210	\$ 231	83%	\$ 190	\$ 192	\$ 255	\$ 185	\$ 136	\$ 104	\$ 199	\$ 222	\$ 183	\$ 192	26.0%	20.5%
	Troponin, Quantitative	(B)	\$ 192	\$ 211	33%	\$ 233	\$ 218	\$ 376	\$ 278	\$ 149	\$ 81	\$ 312	\$ 224	\$ 237	\$ 251	-10.7%	-15.8%
	Urinalysis, without microscopy	(B)	\$ 34	\$ 37	17%	\$ 53	\$ 46	\$ 73	\$ 52	\$ 29	\$ 39	\$ 73	\$ 64	\$ 55	\$ 58	-32.1%	-35.7%
	Urinalysis, with microscopy	(B)	\$ 41	\$ 45	40%	\$ 66	\$ 45	N/A	\$ 66	\$ 43	\$ 36	\$ 104	\$ 100	\$ 70	\$ 66	-35.4%	-31.7%
Diagnostic Imaging	Xray - Chest two views	(B)	\$ 186	\$ 205	17%	\$ 420	\$ 307	\$ 1,040	\$ 368	\$ 247	\$ 549	\$ 168	\$ 366	\$ 456	\$ 367	-55.2%	-44.3%
	Xray - Lower Back - four views	(B)	\$ 771	\$ 848	33%	\$ 904	\$ 936	\$ 1,040	\$ 663	\$ 1,143	\$ 1,241	\$ 371	\$ 1,023	\$ 914	\$ 1,032	-7.2%	-17.8%
	MRI - Head or Brain without contrast followed by contrast	(B)	\$ 4,051	\$ 4,456	33%	\$ 4,713	\$ 4,651	\$ 5,941	\$ 5,466	\$ 5,779	\$ 3,446	\$ 3,060	\$ 4,845	\$ 4,756	\$ 5,156	-6.3%	-13.6%
	Mammography - Screening, Bilateral	(B)	\$ 418	\$ 418	25%	\$ 484	\$ 468	\$ 573	\$ 336	\$ 574	\$ 518	N/A	N/A	\$ 500	\$ 546	-16.4%	-23.4%
	US - OB, 14 weeks or more, transabdominal	(B)	\$ 767	\$ 844	33%	\$ 897	\$ 873	\$ 1,208	\$ 1,042	\$ 902	\$ 703	\$ 295	\$ 1,284	\$ 906	\$ 972	-6.8%	-13.2%
	US - Abdomen complete	(B)	\$ 767	\$ 844	17%	\$ 1,266	\$ 1,206	\$ 1,995	\$ 1,335	\$ 1,435	\$ 1,625	\$ 553	\$ 1,077	\$ 1,337	\$ 1,385	-36.9%	-39.1%
	CT Scan - Pelvis, with contrast	(B)	\$ 2,339	\$ 2,573	33%	\$ 2,772	\$ 2,585	\$ 4,425	\$ 3,361	\$ 3,690	\$ 2,010	\$ 744	\$ 2,598	\$ 2,805	\$ 2,980	-8.3%	-13.6%
	CT Scan - Head or Brain without contrast	(B)	\$ 1,537	\$ 1,691	17%	\$ 2,450	\$ 2,508	\$ 3,379	\$ 2,709	\$ 2,964	\$ 1,390	\$ 2,540	\$ 2,476	\$ 2,576	\$ 2,625	-34.4%	-35.6%
	CT Scan - Abdomen with contrast	(B)	\$ 2,339	\$ 2,573	33%	\$ 2,869	\$ 2,653	\$ 4,425	\$ 3,369	\$ 4,233	\$ 2,010	\$ 736	\$ 2,734	\$ 2,918	\$ 3,052	-11.8%	-15.7%
Room Rates	Intensive Care Unit		\$ 7,165	\$ 8,455	33%	\$ 8,589	\$ 8,819	\$ 9,923	\$ 12,142	\$ 9,184	\$ 11,434	\$ 4,323	\$ 4,660	\$ 8,611	\$ 9,554	-1.8%	-11.5%
	Medical/Surgical Unit - Private		\$ 3,496	\$ 4,125	33%	\$ 3,747	\$ 4,163	\$ 4,311	\$ 4,265	\$ 4,200	\$ 4,509	\$ 2,522	\$ 2,295	\$ 3,684	\$ 4,233	12.0%	-2.5%
	Nursery Unit		\$ 1,035	\$ 1,221	0%	\$ 2,221	\$ 1,303	\$ 1,303	N/A	\$ 3,570	\$ 2,789	N/A	N/A	\$ 2,554	\$ 2,789	-52.2%	-56.2%
	Skilled Nursing Facility		\$ 490	\$ 490	0%	\$ 1,381	\$ 581	N/A	\$ 2,981	N/A	\$ 672	N/A	N/A	\$ 1,827	\$ 1,827	-73.2%	-73.2%
Average of all 25 common outpatient procedures noted by (B) above			\$ 662	\$ 798	17%	\$ 959	\$ 872	\$ 1,386	\$ 1,035	\$ 1,109	\$ 828	\$ 645	\$ 916	\$ 986	\$ 975	-19.1%	-18.2%

**Note Reference:**

- (A) Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.  
Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing  
Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains  
Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications  
Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

(B) Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.

(C) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Laboratory reflects the Outpatient pricing.

(D) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Diagnostic Imaging reflects the Outpatient pricing.

Charge is lower than TFHD  
 Charge is higher than TFHD  
 TFHDs percentile ranking is lower than the 50th  
 TFHDs percentile ranking is higher than the 50th

**Source:** California Hospitals - Office of Statewide Health Planning and Development (OSHPD) Healthcare Information Division - Annual Financial Data - Hospital Chargemasters ( <http://www.oshpd.ca.gov/Chargemaster> ), charges effective 6/1/2017.  
 Nevada Hospitals - Para data, 2017  
 Charges for Tahoe Forest Hospital District are as of today.

**Definitions:** Median - is the middle value in a list ordered from smallest to largest.  
 N/A - Not Applicable or Not Available



## **Board Informational Report**

**By: Jim Hook**  
Corporate Compliance  
Consultant, The Fox Group

**DATE:** July 26, 2018

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### **2018 Compliance Program 2nd Quarter Report (Open Session)**

The Compliance Committee is providing the Board of Directors (BOD) with a report of the 2nd Quarter 2018 Compliance Program activities (Open Session). This report assists the BOD to meet its obligations to be knowledgeable about the content and operation of the seven components of the Compliance Program.

OPEN SESSION

Period Covered by Report: **April 1, 2018- June 30, 2018**

Completed by: James Hook, Compliance Consultant, The Fox Group

**1. Written Policies and Procedures**

1.1. The Tahoe Forest Hospital District's (TFHD) Corporate Compliance Policies and Procedures are reviewed and updated as needed. The following policies were reviewed or revised by the Compliance Department with recommendations to the Board of Directors:

- 1.1.1. Corporate Compliance Program TFHD, AGOV-31 (Update Risk Areas)
- 1.1.2. Corporate Compliance Violations Suspected AGOV-13 (Updated timelines for investigation and corrective action)

**2. Compliance Oversight / Designation of Compliance Individuals**

2.1. Corporate Compliance Committee Membership as of June 30, 2018:

- 2.1.1. Jim Hook, The Fox Group – Compliance Consultants
- 2.1.2. Judy Newland, RN – Chief Operating Officer
- 2.1.3. Karen Baffone RN- Chief Nursing Officer
- 2.1.4. Harry Weis – Chief Executive Officer
- 2.1.5. Crystal Betts – Chief Financial Officer
- 2.1.6. Jake Dorst – Chief Information and Innovation Officer
- 2.1.7. Alex MacLennan – Chief Human Resources Officer
- 2.1.8. Matt Mushet – In-house Legal Counsel
- 2.1.9. Stephanie Hanson, RN – Compliance Analyst
- 2.1.10. Carl Blumberg, RN, Safety/Risk Management/Privacy Officer
- 2.1.11. Shelley Thewlis, Interim HIM Director

**3. Education & Training**

- 3.1. The Compliance Department furnishes Compliance Program training to new directors, managers and supervisors every quarter.
- 3.2. All new employees will now receive the Tahoe Forest Health System Code of Conduct during preplacement.
- 3.3. All employees will be assigned new HIPAA and Compliance Program training via HealthStream in the 3<sup>rd</sup> quarter of 2018.
- 3.4. Education was on the Compliance Program at TFHD was presented to employees through the Pacesetter articles in April and May 2018.
- 3.5. Compliance Committee was updated on the trends from the 2018 Compliance Institute attended by selected staff in April 2018.
- 3.6. The Tahoe Forest Hospital District Board completed their annual training in April 2018.

OPEN SESSION

**4. Effective Lines of Communication/Reporting**

- 4.1. A Compliance log is maintained for all calls to the Compliance Hotline and other reports made to the Compliance Department. Eight reports were made during the 2<sup>nd</sup> quarter either directly to the Compliance Department or through the hot line.
- 4.2. HIPAA violations are reported to the Privacy Officer. The Privacy Officer maintains a log of reported events and investigations. Two reports were made to the Privacy Officer in the 2<sup>nd</sup> Quarter of 2018.

**5. Enforcing Standards through well-publicized Disciplinary Guidelines**

- 5.1. 91% of the employees' of TFHD completed their corporate compliance modules for the 2<sup>nd</sup> Quarter of 2018.
- 5.2. Attestation statements completed for Code of Conduct training reached 100% by the end of the 2<sup>nd</sup> quarter for all new employees, employees and contracted employees.
- 5.3. All new staff hires, and newly privileged physicians, receive criminal background checks and are checked against the Office of Inspector General (OIG) and General Services Administration (GSA) list of exclusions prior to hiring/appointment. Members of the Medical Staff are checked against the OIG/GSA exclusion lists each month. All employees are screened against the OIG/GSA exclusion list every quarter. All vendors are checked continuously using the vendor credentialing program.

**6. Auditing & Monitoring**

- 6.1. Three audits were completed during the 1<sup>st</sup> and 2<sup>nd</sup> Quarters of 2018 as part of the 2018 corporate compliance work plan.
  - 6.1.1. Physician payment audit (Medical Director/Preceptor): An audit of payments to physician Medical Directors and Preceptor in 1<sup>st</sup> calendar quarter was completed. One payment did not match the amount approved in MediTract TERMS module (\$10 discrepancy); all other amounts were correct (contract vs. TERMS vs. payment).
  - 6.1.2. Annual Multispecialty Clinics/Clinic/Hospitalists/Cancer Center Evaluation & Management (E&M) billing and medical records audit (External Audit): 91% accuracy by outside coders for services coded between January 2017 and April 30, 2018. Claims with coding errors were resubmitted to payors. Changes made in MModal staff based on audit results.

**7. Responding to Detected Offenses & Corrective Action Initiatives**

- 7.1. Investigations of suspected and actual compliance issues incidents were initiated. Some investigations revealed no violations. Remediation measures included: refunds of overpayments, additional staff training, new leases, and updated policies and procedures implemented to prevent further violations.

## TFHD AGENDA ITEM COVER SHEET

<b>ITEM</b>	Just Culture Presentation
<b>RESPONSIBLE PARTY</b>	Shawni L. Coll DO, FACOG Chief Medical Officer
<b>ACTION REQUESTED</b>	For Information Only
<p><b>BACKGROUND:</b> Education to the Board of Directors and our interested public regarding our Culture of safety, use of Just Culture principles and our movement towards being a High Reliability Organization (HRO). This will introduce HRO and go into depth about Just Culture, a journey our organization has been on for about 7-8 years. Just Culture is a key component of a HRO, which will be presented in detail at an upcoming Board of Directors Meeting.</p>	
<p><b>SUMMARY/OBJECTIVES:</b></p> <p>It is of the utmost importance that Just Culture principles be used in all aspects of our organization, from the Board of Directors to Senior Leadership, Directors and Managers to every employee working within our organization. This will instill trust and build a strong team environment. It will also create psychological safety, where people feel safe being vulnerable.</p>	
<p><b>SUGGESTED DISCUSSION POINTS:</b></p> <ol style="list-style-type: none"> <li>1. Learning organization</li> <li>2. Examples of Just Culture in action</li> <li>3. You can't be inquisitive and angry at the same time</li> </ol>	
<p><b>SUGGESTED MOTION/ALTERNATIVES:</b></p> <p>Not applicable.</p>	
<p><b>LIST OF ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>• PowerPoint presentation</li> </ul>	

# JUST CULTURE

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BUILDING A CULTURE OF SAFETY

# MEET KIMBERLY HIATT



A 24-year veteran of Seattle Children's Hospital, she administered 1.4 grams of calcium chloride, rather than correct dose of 140 milligrams. It was the first and only serious medical error she had ever made.

# HIGH RELIABILITY ORGANIZATIONS

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## Just Culture

- The reporting of errors, near misses, mistakes, waste, etc. is relentlessly pursued by the organization.
- The person reporting does so without fear of reprisal or personal risk.
- Reporting becomes the responsibility of all individuals in the organization.
- The errors and events are used to improve performance.
- Personal accountability for behaviors remains.

# 2000 INSTITUTE OF MEDICINE REPORT TO ERR IS HUMAN

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The healthcare community has made significant efforts to shift the paradigm of seeing medical error as a reason for blame to **an opportunity for learning and improvement.**

# CULTURE OF SAFETY

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A key element of a safety culture is the concept of having a “Just Culture”

In a Just Culture, the goal is to strike the right balance in establishing a **blame-free environment** that **acknowledges our human fallibilities** and the role that system deficiencies play in contributing to human error and creating competing priorities.

# SETTING AN EXPECTATION AND VALUES

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- We are a LEARNING institution
- Setting up a justice and accountability environment
- Two things we can influence
  - ✓ System we work in (processes)
  - ✓ Decisions we make (behavior choices)

# OUR SOCIETY HAS AN OUTCOME BIAS

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- Outcome Bias = Level of Actual Harm determines whether discipline or punishment is used
- Exhibited in 2 ways:
  - Punishing or disciplining a person who made a human error or engaged in an at-risk behavioral choice, simply because there was a severe outcome
  - Not addressing the behavior at all when no adverse outcome results, even though harm could have occurred in similar circumstances

# THE BEHAVIORS WE CAN EXPECT

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- **Human Error:**
  - An inadvertent action; inadvertently doing something other than what should have been done; slip, lapse, mistake
- **At-Risk Behavior:**
  - A behavioral choice that increases risk where risk is not recognized. Or is mistakenly believed to be justified.
- **Reckless Behavior:**
  - A behavioral choice to consciously disregard a substantial and justifiable risk.

# HUMAN ERROR

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- Because Human Error is not a choice, punitive or disciplinary action is not warranted
- Console the employee/physician
  - Acknowledge the event, the emotions of the employee and seek to provide an appropriate comforting response
- Most Human Errors are preceded by:
  - System based
  - Behavioral choices
  - Personal Performance Shaping factors



# AT-RISK BEHAVIOR

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- Behavioral choice that increases the risk where risk is not recognized, or is mistakenly believed to be justified.
  - Belief that rules do not apply
  - Lack of enforcement
  - Cutting corners to save time
  - Perception that rule is too restrictive
  - New workers see “routine violation” as the norm
  - Insufficient Staffing, Equipment
  - Think they are safe
- Coach the employee to the risks
  - Driven by perception of minimal consequences and the reward is immediate

# MANAGEMENT OF RECKLESS BEHAVIOR

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- Definition:
  - A conscious disregard of a substantial and unjustifiable risk of causing harm.

Our expectation is that employees will absolutely avoid reckless behavior.

- Employees have to be able to recognize the substantial and unjustifiable risk in order to be able to avoid it.
- Consider disciplinary or punitive action

# The Three Behaviors

## Human Error

*Product of Our Current System Design and Behavioral Choices*

Manage through changes in:

- Choices
- Processes
- Procedures
- Training
- Design
- Environment

**Console**

## At-Risk Behavior

*A Choice: Risk Believed Insignificant or Justified*

Manage through:

- Removing incentives for at-risk behaviors
- Creating incentives for healthy behaviors
- Increasing situational awareness

**Coach**

## Reckless Behavior

*Conscious Disregard of Substantial and Unjustifiable Risk*

Manage through:

- Remedial action
- Disciplinary action

**Discipline**

# THE JUST CULTURE ALGORITHM

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- Tool designed to evaluate individual behavior
  - One bad outcome can have several behavioral choices
- Two or more behaviors may be associated with a single event, must be evaluated separately

# COMPETING VALUES

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# WHY ADOPT THE JUST CULTURE MODEL?

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A **learning** culture

More **reliable** and safer systems

Better **behavioral** choices

Improved **procedures** and **policies**

Effective **accountability** systems

**Trust**

**Fairness**

**Consistent** response to events



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July 17, 2018

TO: Tahoe Forest Healthcare District (TFHD) Board of Directors

FROM: Karma Bass and Erica Osborne  
Via Healthcare Consulting

SUBJECT: Monthly Strategic Planning Project Update

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As you know, the TFHD Strategic Planning process continues to move forward and is largely on schedule. Thank you for your work at the Special Board Session on July 10 to confirm the five draft strategic priorities. The Administrative Council (AC) continues its work on identifying goals, objectives, and metrics to be included in the draft plan.

As you may recall, at the end of the Special Board Session on July 10, the Board discussed a draft "View 2021" that is being added to the Strategic Plan Framework. As a reminder, the "View 2021" is intended to be a "word picture" of what Tahoe Forest will optimally "look like" at the end of its strategic plan, in three years, if it is successful. Because we ran out of time at the July 10 meeting, the Board requested a draft "View 2021" statement be provided at its regular July Board meeting for discussion.

In response to this request, Via has developed the following draft statement. It incorporates Board member language and includes preliminary input from the AC but should not be considered a final draft:

***"Tahoe Forest Health System will remain an innovative 21<sup>st</sup> Century positively differentiated provider of needed specialties and center of medical excellence to the degree possible and is viewed as the community's trusted regional source of high quality care. "***

We recommend the Board include time on the agenda at its July 26 meeting for further discussion of the "View 2021" draft statement, above. AC members will take Board member input provided and incorporate it into a revised draft. We do not recommend that any Board action be taken on July 26; time should be reserved for discussion only. The revised "View 2021" will be provided to the Strategic Planning Task Force (SPTF) at its next meeting for incorporation into the draft strategic plan.

The following are a list of key dates and next steps:

- AC to review draft goals, objectives and metrics: July 26
- AC to conduct feedback sessions with key stakeholders on draft plan: Aug 13-27
- SPTF to review the draft strategic plan: August 27
- Presentation to the full Board: Sept 27