



TAHOE FOREST HOSPITAL DISTRICT

# 2015-09-11 Board Governance Committee

September 11, 2015 at 12:00 p.m.

Foundation Conference Room

# Meeting Book - 2015-09-11 Board Governance Committee

## Agenda

09/11/2015 Agenda Page 3

## Approve of Minutes

08/12/2015 DRAFT Minutes Page 5

## Items for Committee Discussion And/Or Recommendation

### 7.1. Policies

7.1.1. AGOV-xx Physician Non-Monetary Compensation Policy Page 9

7.1.2. ABD-3 Board Compensation and Reimbursement Page 19

7.1.3. ABD-4 Board of Director's Qualifications Page 21

7.1.4. ABD-10 Emergency On Call Policy Page 26

7.1.5. ABD-12 Guidelines for the Conduct of Business by the  
TFHD Board of Directors Page 28

7.1.6. ABD-13 Innovation Policy Page 37

7.1.7. ABD-16 Malpractice Policy Page 38

### 7.2. Board Education Program

### 7.3. Retreat Planning



# GOVERNANCE COMMITTEE AGENDA

Friday, September 11, 2015 at 12:00 p.m.  
Foundation Conference Room - Tahoe Forest Health System Foundation  
10976 Donner Pass Rd, Truckee, CA.

1. **CALL TO ORDER**
2. **ROLL CALL**  
Karen Sessler, M.D., Chair; Greg Jellinek, M.D., Board Member
3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**
4. **INPUT – AUDIENCE**
5. **APPROVAL OF MINUTES OF: 08/12/2015**
6. **CLOSED SESSION**
  - 6.1. Approval of Closed Session Minutes: 08/12/15
  - 6.2. Conference with Legal Counsel; Initiation of Litigation (Gov. Code § 54956.9(d)(4)): Exposure to Litigation (Number of Potential Cases: 1)
7. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**
  - 7.1. Policies ..... ATTACHMENT  
Committee will review the proposed project plan for completion of annual review of board policies and discuss potential updates to various policies.
    - 7.1.1. AGOV-xx Physician Non-Monetary Compensation Policy
    - 7.1.2. ABD-3 Board Compensation and Reimbursement
    - 7.1.3. ABD-4 Board of Director’s Qualifications
    - 7.1.4. ABD-10 Emergency On Call Policy
    - 7.1.5. ABD-12 Guidelines for the Conduct of Business by the TFHD Board of Directors
    - 7.1.6. ABD-13 Innovation Policy
    - 7.1.7. ABD-16 Malpractice Policy
  - 7.2. Board Education Program  
The Committee will discuss topics and options for future board education.
  - 7.3. Retreat Planning  
The Committee will discuss agenda for follow-up retreat.
8. **REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**

9. **NEXT MEETING DATE**

10. **ADJOURN**

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

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

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



# GOVERNANCE COMMITTEE

## DRAFT MINUTES

Wednesday, August 12, 2015 at 12:00 p.m.  
Foundation Conference Room - Tahoe Forest Health System Foundation  
10976 Donner Pass Rd, Truckee, CA.

### 1. CALL TO ORDER

Meeting called to order at 12:06 p.m.

### 2. ROLL CALL

Board: Karen Sessler, M.D., Chair; Greg Jellinek, M.D., Board Member

Staff: Jake Dorst, interim CEO/CIO; Judy Newland, CNO/COO; Crystal Betts, CFO; Stephanie Hanson, Compliance Coordinator; Ted Owens, Director Governance and Government Affairs; Patricia Barrett, Clerk of the Board

Other: Cindy Winn, The Fox Group

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

Director Jellinek inquired about No changes.

### 4. INPUT – AUDIENCE

None.

### 5. APPROVAL OF MINUTES OF: 06/10/2015

Recommendation made by Director Sessler, seconded by Director Jellinek, to approve minutes of June 10, 2015. Approved unanimously.

Open session recessed at 12:08 p.m.

### 6. CLOSED SESSION

#### 6.1. Health & Safety Code Section 32155: Quality Report (2 items)

#### 6.2. Government Code Section 54956.9(d)(2): Exposure to Litigation (5 matters)

Discussion was held on a privileged matter

### 7. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

Open Session reconvened at 12:20 p.m.

#### 7.1. Compliance

##### 7.1.1. 2015 Compliance Program 2<sup>nd</sup> Quarter Report

Cindy Winn summarized the 2nd Quarter 2015 Compliance Program activities Open Session report. This report facilitates the Board's monitoring and oversight of the Corporate Compliance Program. Topics included in the report included:

1. Written Policies and Procedures

2. Compliance Oversight / Designation of Compliance Individuals
3. Education & Training
4. Effective Lines of Communication/Reporting
5. Enforcing Standards through well-publicized Disciplinary Guidelines
6. Auditing & Monitoring
7. Responding to Detected Offenses & Corrective Action Initiatives

## 7.2. **Policies**

The Committee reviewed the proposed project plan for completion of annual review of board policies and discussed potential updates to various policies. Each of the policies were reviewed to determine which committee should start with the review.

ABD – 1 Personnel Committee

ABD – 2 Personnel Committee

ABD – 3 Governance Committee, confirm definition of meeting and cap

ABD – 4 Governance Committee

ABD – 5 Finance Committee

ABD – 6 District Counsel when appointed

ABD – 7 District Counsel when appointed

ABD – 8 Finance Committee

ABD – 9 Finance Committee

ABD – 10 Review in Governance to determine if this is Board Policy

ABD – 11 Finance Committee

ABD – 12 Governance Committee

ABD – 13 Review in Governance to determine if this is a Board Policy, initial recommendation is this becomes an AGOV policy in Administration

ABD – 14 Governance Committee and District Counsel

ABD – 15 Finance Committee

ABD – 16 Governance Committee

ABD – 17 Governance Committee

ABD – 18 Governance & Finance Committee

ABD – 19 Governance Committee

ABD – 20 Quality Committee

ABD – 21 Governance Committee

ABD – 22 Governance Committee

The September Governance Committee meeting should include ABD-13, ABD-16, and ABD-10. Mr. Owens will review and present recommendations for ABD-3, and ABD-4.

The committee discussed in greater detail, the following individual policies:

- 7.2.1. *ABD-12 Guidelines for the Conduct of Business by the TFHD Board of Directors*  
 Director Sessler reviewed the comments included in the policy copies provided for committee review.

Discussion took place related to the timing of swearing in of new officers and appointing

committee assignments.

Following certification of the election and no later than December 31st of that calendar year, election of officers and appointment of committee chairs will be completed.

Discussion took place related to the term and term limit of board president. Recommendation made to allow two successive terms as president. To remove potential conflict issue, Director Sessler recommends this not go into effect until after the next election cycle. If it is a second year, it should be unanimous.

ABD-12, Page 2, section 2.3: add clarification that a 2/3 vote of the board requires 4 members. Reference to communication is to include email communication.

ABD-12, Page 2, section 2.6: telecommunication needs further clarification.

ABD-12, Page 4, section 5.0: clarify if email counts

ABD-12, Page 4, section 6.2: insert language to clarify access to digital copy

ABD-12, Page 4, section 7.0: public input needs review by District Counsel. Discussion related to length of public comments not on agenda. Place cap on public comment period. Use timed items.

ABD-12, Page 4, section 7.2: If two-thirds of the board is present, adding items to the agenda at the time of the meeting. The agency just became aware of the item. Urgency clause as well.

ABD-12, Page 4, section 8.1.2: Be clear that public needs to contact the clerk to put an item on the agenda. Define process that the public can make a request. Define route through Board Clerk or CEO. Clarify how input from the board occurs. Simple bullets with less narrative.

ABD-12, Page 5, section 8.3: remove or extremely condense the agenda reference

ABD-12, Page 5, section 8.4: timed items on the agenda add narrative.

ABD-12, Page 5, section 8.5: items pulled from consent will be taken up at the end of the consent calendar. Change to allow the pulled item to be discussed at the end of the meeting or another time during the meeting.

ABD-12, Page 5, section 8.6: minutes of committee meetings revisit or remove. Approve agenda by board president. Mr. Owens has proposed wording.

ABD-12, Page 6, section 10: Review the format of minutes of meetings. Update verbiage to reflect move to action minutes.

ABD-12, Page 6, section 12.6: Committee of the whole needs to be revisited. Supply guidance at retreat on how a meeting should be conducted.

ABD-12, Page 6, section 13.2: Clarification on voice versus roll call vote.

ABD-12, Page 6, section 15: Contingent approval – not to apply to physician contracts

- 7.2.2. *ABD-17 Manner of Governance For The Tahoe Forest Hospital District Board of Directors* Policy will likely change considerable following retreat discussion related to order and decorum. How does the board respond to complaints?

Section 3.12 needs to be changed to president

Section 6.2 need to be changed; agenda for the board meetings. “set forth and distribute”

open to interpretation.

Section 8.0 delegation to CEO. Add word strategic plans versus policies? Wording needs work. Confidentiality – is there any enforceability? New general counsel review.

Appendix A – Quality staff to review to ensure there are no regulatory updates

**7.3. Committee Goals**

The Committee reviewed and updated the status of its 2015 committee goals. See goals document for related updates.

**7.3.1. Advance Best Practices in Governance**

Director of Government and Governance provided an update related to the TFHD application for certification by the Association of California Healthcare Districts (ACHD).

**7.4. Board Education Program**

The Committee will discuss topics and options for future board education.

Recommendation to have full board and additional staff attend Estes Park in March.  
Chari and CEO will identify real time education options.

**7.5. Retreat Planning**

The Committee will discuss agenda for follow-up retreat.

Ted met with facilitator who will be conducting calls with board and staff to follow up on items identify at the 2 day retreat. May have time for additional items. Conduct of meetings.

Annual retreat in January and February.  
Community Outreach

**8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**

Possible meeting at the lake


**9. NEXT MEETING DATE**

The next meeting of the Board Governance Committee is scheduled for September 11, 2015.

**10. ADJOURN**

Meeting adjourned at 2:27 p.m.



	<b>Tahoe Forest Health System</b>				
	<b>Title:</b> Physician Non-Monetary Compensation, Incidental Benefits		<b>Policy/Procedure #:</b> AGOV-1502		
	<b>Responsible Department:</b> Administration				
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	Page 1 of 10
<input checked="" type="checkbox"/>	Administrative	3/15		8/15	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PURPOSE:**

The purpose of this policy is to provide guidelines to Tahoe Forest Hospital District (“TFHD”) outlining:

- 1.0 How compensation in the form of certain items and services is treated under the non-monetary compensation exception and the medical staff incidental benefits exception of the Federal “Stark” law,
- 2.0 How compensation to physicians for services, meetings, activities, etc., where the service, meeting or activity provides a benefit to TFHD is documented and recorded, and
- 3.0 Additionally, to incorporate relevant guidance issued by the Office of Inspector General (“OIG”) with respect to certain arrangements that may potentially implicate the Federal “Anti-Kickback” Statute.

**OVERVIEW:**

- 1.0 Pursuant to federal law, if a hospital has a financial relationship with a physician, the physician may not refer to the hospital for the provision of "designated health services" (including inpatient and outpatient hospital services), and the hospital may not bill for such services, unless an exception is met. There are exceptions to regulations prohibiting non-monetary compensation and medical staff incidental benefits.
- 2.0 Generally, the Non-Monetary Compensation exception may be used to protect items or services up to a limited value that are provided to a physician such as entertainment, meals, and other non-cash equivalent benefits.
- 3.0 The exception for Medical Staff Incidental Benefits applies only to non-cash items and services provided while the physician is on campus.
- 4.0 As TFHD is a not-for-profit government entity governed by statutes and regulations as well as by federal and state governmental agencies that regulate how a tax exempt healthcare organization may direct its resources, it must carefully monitor and control the manner and amount of any award, benefit, or gift (collectively “benefits”) given to members of the Medical Staff.

**POLICY:**

It is the policy of TFHD that compensation provided to physicians must be carefully evaluated and undertaken, and that TFHD will make every effort to develop practices that provide non-

monetary or incidental benefits consistent with its tax exempt/regulated status, and to firmly establish the direct benefit to TFHD when providing compensation to physicians for services, meetings, and activities.

- 1.0 Except for bona fide employment/personal services arrangements with Physicians, all non-monetary compensation or incidental benefits offered to Physicians and/or their immediate family members must meet the guidelines stated in this policy. Nothing in this policy permits the use of a non-monetary compensation or incidental benefit that is intended to induce or reward the referrals of patients or that is intended to induce or reward the purchasing, leasing, ordering, or arranging for any good, facility, service, or item, nor may a non-monetary compensation or incidental benefit be extended to a potential referral source who solicits it.
- 2.0 The federally calculated compensation limits are adjusted each calendar year to the nearest whole dollar as designated by the increase in the Consumer Price Index-Urban All Item (CPI-U) for the 12-month period ending the preceding September 30, in accordance with federal regulations. For the calendar year beginning January 1, 2015, the non-monetary compensation limit is \$392 per year ("**Annual Limit**"), and the value of any Medical Staff incidental benefits to be furnished remains less than \$33 per occurrence of the benefit (the "**Cap**"). This policy shall incorporate and apply annual threshold changes, and all other regulatory amendments, as applicable. The table in Exhibit B displays historical update amounts for past calendar years.

The compensation limit each year is available on the CMS website at: [http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U\\_Updates.html](http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U_Updates.html).

For purposes of external review and TFHD's internal accounting, TFHD will keep a log of Non-Monetary Compensation, Excess Incidental Benefits, and Compensation for Services, Meetings, and Activities which provide benefit to TFHD.

## **DEFINITIONS**

### **1.0 Non-Monetary Compensation**

- 1.1. Compensation from TFHD in the form of items or services (not including cash or cash equivalents) that does not exceed an annual aggregate of the defined threshold (the Annual Limit) if *all* of the following conditions are satisfied:
  - 1.1.1 The compensation is not determined in any manner that takes into account the volume or value of referrals or other business generated by the referring physician.
  - 1.1.2 The compensation may not be solicited by the physician or the physician's practice (including employees and staff members).
  - 1.1.3 The compensation arrangement does not violate the Anti-Kickback Statute or any Federal or State law or regulation governing billing or claims submission.
- 1.2. Where TFHD has inadvertently provided non-monetary compensation to a physician in excess of the Annual Limit, such compensation is deemed to be within the Annual Limit if:
  - 1.2.1 The value of the excess non-monetary compensation is no more than 50 percent of the Annual Limit; and
  - 1.2.2 The physician returns to TFHD the excess non-monetary compensation (or an amount equal to the value of the excess non-monetary compensation) by the end of the calendar year in which the excess non-

monetary compensation was received or within 180 consecutive calendar days following the date the excess non-monetary compensation was received by the physician, whichever is earlier.

- 1.2.3 This "return" option may be used by TFHD only once every 3 years with respect to the same referring physician.
  - 1.3 In addition to non-monetary compensation up to the Annual Limit, TFHD may provide one local Medical Staff appreciation event per year for the entire Medical Staff. Any gifts or gratuities provided in connection with the Medical Staff appreciation event are subject to the Annual Limit.
  - 1.4 EXAMPLES of non-monetary compensation that must be tracked by TFHD on an annual basis per physician include, but are not limited to:
    - 1.4.1 Events including staff events such as picnics or golf tournaments, meals, gift baskets, birthday movie tickets, "Doctor Day" gifts, food items such as holiday turkeys, tickets to cultural or sporting events, TFHD or TFHD Foundation or Auxiliary functions, concerts, performances, coffee certificates, service awards, and thank you gifts. Gift certificates generally are considered cash equivalents, and therefore, will not fall within the non-monetary compensation exception;
    - 1.4.2 CME seminars held off-campus and all CME seminars held on-campus if the value of the on-campus CME seminar is greater than the Cap per invited physician per occurrence;
    - 1.4.3 Gift certificates that are redeemable for a significant variety of items are considered cash equivalent (prohibited), i.e., a \$10 Wal-Mart gift card may be used to purchase a variety of items, and therefore, it is cash equivalent and does not fall within the non-monetary compensation exception. A punch card worth ten free coffees only redeemable for those ten coffees is not considered cash equivalent, and therefore, may be considered non-monetary compensation.
    - 1.4.4 Non-monetary compensation given to physicians or their immediate family members by TFHD's Foundation or Auxiliary must be reported and tracked as a physician's non-monetary compensation.
- 2.0 **Medical Staff Incidental Benefits**
- 2.1. Compensation in the form of items or services (not including cash or cash equivalents) from the TFHD to a member of the Medical Staff when the item or service is used on the Health System's campus, if *all* of the following conditions are met:
    - 2.1.1. The compensation is offered to all members of the Medical Staff practicing in the same specialty (but not necessarily accepted by every member to whom it is offered) without regard to the volume or value of referrals or other business generated between the parties.
    - 2.1.2. Except with respect to identification of Medical Staff on the TFHD web site or in TFHD advertising, the compensation is provided only during periods when the Medical Staff members are making rounds or are engaged in other services or activities that benefit TFHD or its patients. See Exhibit A for additional provisions related to TFHD advertising.
    - 2.1.3. The compensation is provided by TFHD and used by the Medical Staff members only on the THFD campus. Compensation, including, but not

- limited to, internet access, pagers, or two-way radios, used away from the campus only to access hospital medical records or information or to access patients or personnel who are on the hospital campus, as well as the identification of the Medical Staff on a hospital web site or in hospital advertising, meets this "on campus" requirement.
- 2.1.4. The compensation is reasonably related to the provision of, or designed to facilitate directly or indirectly the delivery of, medical services at the hospital or at one of the Health System locations.
  - 2.1.5. The compensation is of low value (that is, less than the Cap) with respect to each occurrence of the benefit (for example, each meal given to a physician while he or she is serving patients who are hospitalized must be of low value).
  - 2.1.6. The compensation is not determined in any manner that takes into account the volume or value of referrals or other business generated between the parties.
  - 2.1.7. The compensation arrangement does not violate the Anti-Kickback Statute or any Federal or State law or regulation governing billing or claims submission.
- 2.2. Examples of Medical Staff Incidental Benefits exceptions that meet the exception and do not need to be tracked include, but are not limited to, the following:
- 2.2.1. Free or discounted meals (such as served in the physician's lounge), parking and computer/internet access provided in the Hospital, as long as they are provided to all members of the Medical Staff without regard to the volume or value of referrals;
  - 2.2.2. CME seminars held on campus provided the value of the CME seminar is less than the Cap per invited physician per occurrence, or is compliance training held in the local service area regardless of cost;
  - 2.2.3. Governing board or Hospital retreats where the Hospital pays for travel, food and lodging for all its governing board members and the benefit is included as compensation in the member's appointment letter. In addition, the Hospital may pay for leisure activities of its physician governing board members, if applicable, and the physician's spouse provided the benefit is provided to all governing board members and the benefit is included as compensation in the member's agreement;
  - 2.2.4. Meals served at governing board meetings, whether held on-campus or off-campus;
  - 2.2.5. Meals and necessary expenses directly related to a TFHD business activity such as educational service, meeting, activity, and site visit, etc. in which TFHD will realize a benefit from the physician's participation.
  - 2.2.6. Meals provided to an existing member of the Medical Staff and their spouse where the purpose of the meal is to recruit a physician or other provider to the community and the meal is attended by a Hospital representative, the existing physician member and the recruit candidate and is pursuant to an executed agreement furnished by the Health System's Legal Counsel;
  - 2.2.7. Business related meals where the purpose is to discuss the physician's duties under a services agreement with the Hospital where

2.2.7.1.the agreement specifically contemplates such business meals;  
and

2.2.7.2.the meal is modest as judged by local standards and occurs in a  
venue conducive to conducting a meeting;

2.2.8. A holiday party for the Hospital's employees and their spouses where all  
the physicians on the Hospital's Medical Staff are invited; or

2.2.9. A potential referral source who is also the spouse of a facility  
administrator may attend facility social events in his or her capacity as the  
administrator's spouse and such events do not count toward the Cap and  
do not need to be tracked.

### 3.0 **Physician Compensation for Services, Meetings, and Activities Providing Benefit to TFHD**

3.1. Compensation from TFHD to a physician (excluding compensation arising out of  
employment relationships/a bona fide personal service arrangement) when the  
physician participates in a service, meeting, activity, etc., in which TFHD benefits  
from the physician's participation. With proper documentation and justification of  
the physician compensation associated with services, meetings, or activities that  
benefit TFHD, the physician compensation does not have to be recorded as non-  
monetary compensation and incidental medical staff benefits.

3.2. EXAMPLES include TFHD assuming the physician's cost of participation in a  
national credentialing program, Medical Staff leadership education, etc.

### 4.0 **"Solicit"**

4.1. To request or ask for any form of non-monetary compensation or incidental  
benefit. It does not include a situation in which a physician asks for something  
that is commonly known to be available.

### **PROCEDURE:**

#### 1.0 Tracking and Documentation

##### 1.1. Non-monetary Compensation

1.1.1. All benefits for non-monetary compensation to physicians must be  
recorded in a physician benefit documentation log ("Physician Benefit  
Log") maintained by the Medical Staff Department.

1.1.2. Individual or Department providing physician non-monetary compensation  
will provide in advance to Medical Staff Director all supporting  
documentation and actual cost of benefit. Medical Staff Director or  
designee will enter individual physician information and compensation  
into tracking data base, the Physician Benefit Log, and determine if the  
amount will exceed either the Annual Limit or Cap. If the Annual Limit or  
Cap will be exceeded as a result of the benefit, Medical Director will notify  
individual or Department, and the benefit may not be given or provided.

1.1.3. TFHD will communicate to physicians whether Non-Monetary  
Compensation constitutes reportable income.

1.1.4. TFHD may not give the Non-Monetary Compensation for no purpose  
other than to ensure that the physician receives the entire annual amount.

1.1.5. The Compliance Officer or designee will periodically audit expenditures  
for appropriateness, monitor that thresholds (per incident and in the  
aggregate) are not exceeded, and to meet reporting obligations.

- 1.2. Medical Staff Incidental Benefits
  - 1.2.1. Medical Staff Incidental Benefits do not need to be tracked.
  - 1.2.2. Incidental Benefit in excess of the annually adjusted Cap amount must be reported as Non-Monetary Compensation.
  - 1.2.3. The Compliance Officer or designee will periodically audit expenditures for appropriateness.
- 1.3. Compensation for Services, Meetings, and Activities providing Benefit TFHD
  - 1.3.1. All benefits for monetary compensation to physicians (excluding those arising out of personal service arrangements) for services, meetings, and activities that provide benefit to TFHD must be recorded in the Physician Benefit Log.
  - 1.3.2. All persons providing benefits must provide detailed information to, and obtain approval from, the CEO or the CFO about the benefit of the service, meeting, or activity provided to TFHD prior to the provision of Benefits.
- 2.0 Access to Physician Benefit Log
  - 2.1. Access to the Physician Benefit Log shall be limited to the Medical Staff Director or designee, the TFHD CEO, CFO, and COO or their designees, the Education Department Clinical Instructor, and the Compliance Officer or designee.
- 3.0 Professional Courtesy
  - 3.1. Professional courtesy discounts, reduced rates, or free care to physician members and their immediate family members for any inpatient admission or outpatient procedure are prohibited.
  - 3.2. Forgiveness or waiver of insurance copayments is prohibited.

Related Policies/Forms:
References: <a href="#">Section 1877 of the Social Security Act (the Act) (42 U.S.C. 1395nn)</a> ; 42 U.S.C. § 1320a-7b(b); 42 C.F.R. § 411.357; Cal Business & Professions Code §§650-650.1; Non-Monetary Compensation and Incidental Benefits: <a href="http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U_Updates.html">http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U_Updates.html</a>
Physician Self Referral: <a href="http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/index.html?redirect=/PhysicianSelfReferral/10_CPI-U_Updates.asp#TopofPage">http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/index.html?redirect=/PhysicianSelfReferral/10_CPI-U_Updates.asp#TopofPage</a>
Policy Owner: Compliance Officer
Approved by: Chief Financial Officer

## Physician Non-Monetary Compensation, Incidental Benefits

### Exhibit A

#### Advertising by TFHD that includes Physicians or other Providers

1. This Exhibit establishes parameters for marketing and advertising related to TFHD physicians and their practices and to provide guidelines for TFHD staff whose responsibilities include such marketing and advertising.
2. TFHD will only pay the entire cost of advertising that mentions TFHD physicians, or provides marketing services to TFHD physicians when one of the following is true:
  - (i) a contract specifying the services to be provided is signed by TFHD and the physician(s) agrees to pay fair market value for the services he/she receives, or
  - (ii) the advertisement or marketing primarily benefits the community or TFHD.
3. An advertisement or promotion may include communication through any medium, including but not limited to print, digital or social media, video, or speaking events.
4. **Advertisements with no contract that promote TFHD or its services.**
  - A. For the purposes of this policy, an advertisement which primarily promotes TFHD or services or procedures offered by TFHD, or community health awareness events does not specifically promote the physician or a private practice. In such cases, TFHD may still pay for the advertisement, even if it includes the image, name and specialty of a physician. The physician is not required to sign a contract or to make any payments in such cases. Such an advertisement should not include the phone number of the physician or physician practice, or encourage viewers to contact the physician.
  - B. TFHD must consider all qualified TFHD physicians for participation in an advertisement, and must use an objective selection process. The selection process should emphasize variety where certain physicians have already participated in previous such advertisements. In no event should a physician's referral value or volume influence TFHD's decision whether to include that physician in the advertisement.
  - C. TFHD will adhere to a consistent method of determining whether an advertisement primarily benefits TFHD, a physician(s), or a private practice. The following guidelines should be used to determine whether an advertisement primarily benefits TFHD or the physician.
    - (1) It always benefits TFHD if (i) the only mention of any physician(s) is no more than a name, title and image, (ii) those items are not the majority of the advertisement, and (iii) the advertisement is intended to promote TFHD or the community, not the physician.
    - (2) It usually primarily benefits the *physician* if the *majority* of the advertisement references the physician or the physician group, including any image, contact information and credentials.
    - (3) It usually primarily benefits the *physician* if the physician's educational history or work history is included in the advertisement, unless the advertisement is a new physician announcement, as further explained below.
    - (4) It may primarily benefit the physician if the physician's office address is included in the advertisement and/or viewers are encouraged to contact the physician for

services. Further analysis and context of the address would have to be considered.

5. If TFHD and a TFHD physician jointly pay for the advertisement and/or marketing, the advertisement must primarily benefit TFHD in a proportion equal to the percentage of the payment made by TFHD, of the total cost of the advertisement.
6. No advertisement funded by TFHD may include specific language that instructs the reader to call a particular physician/physician group, or provide directions to a physician's office. Advertising funded by TFHD may encourage viewers to call TFHD for a list of physicians who may be associated with the service being advertised by TFHD. Callers must be given information on all physicians who have privileges related to the service being advertised by TFHD.
7. Some or all of the cost of advertising to be paid by the physician under a contract or in a non-contract situation, may be counted against the annual non-monetary compensation limit for the physician, up to the remaining non-monetary compensation limit for the year in which the advertising is issued.
8. Examples of circumstances where TFHD may advertise for a physician or physician group without a contract and payment for advertising or marketing services include:
  - a. **Directories.** TFHD may publish and distribute for the community a listing of its medical staff and other physicians credentialed and practicing at TFHD. Distribution may be through a website developed and owned by TFHD, through conventional mail systems to current and new residents in the market area, or through other deliveries to members of the medical staff, directors and administrators. Such listings may include the name, office address, office phone number, education, work history, awards, languages, gender, specialties and managed care plan(s) of each physician listed.
  - b. **New Physician Announcements.** TFHD may send formal announcements to its medical staff, the community, or other interested physicians when new physicians affiliate with TFHD. It should be clearly apparent to the average reader that the purpose of such announcements is to benefit TFHD and the community by notifying them of new physician resources available to assist in patient care. Such announcements should be limited in content to the physician's name, specialty, office address and phone number, and educational/work history. In addition, the announcement should not be published with such frequency that it appears to benefit the physician more than TFHD. The size, frequency, content and medium of the announcement should be consistent for all new physicians.



Exhibit B

[http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U\\_Updates.html](http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/CPI-U_Updates.html).

<b>Calendar Year</b>	<b>Non-monetary compensation limit in accordance with §411.357(k)</b>	<b>Medical staff incidental benefit in accordance with §411.357(m)(5)</b>	<b>Percentage Change in the CPI-U</b>
<b>CY 2004</b>	\$300	Less than \$25	N/A
<b>CY 2005</b>	\$308	Less than \$26	+2.5%
<b>CY 2006</b>	\$322	Less than \$27	+4.7%
<b>CY 2007</b>	\$329	Less than \$28	+2.1%
<b>CY 2008</b>	\$338	Less than \$29	+2.8%
<b>CY 2009</b>	\$355	Less than \$30	+4.9%
<b>CY 2010</b>	\$355	Less than \$30	-1.3%
<b>CY 2011</b>	\$359	Less than \$30	+1.1%
<b>CY 2012</b>	\$373	Less than \$31	+3.9%
<b>CY 2013</b>	\$380	Less than \$32	+2.0%
<b>CY 2014</b>	\$385	Less than \$32	+1.2%
<b>CY 2015</b>	\$392	Less than \$33	+1.7%

Exhibit C

Tahoe Forest Hospital District  
Non-Monetary Compensation Form

PHYSICIAN NON-MONETARY COMPENSATION REPORTING FORM

Date provided:

Description of Item/Service:



Value of Item/Service:

Describe how the value was determined:

Recipient:

Physician's Name: \_\_\_\_\_

Requested By:	
Date Requested:	
Approved By:	
Date Approved:	

		<b>Tahoe Forest Health System</b>			
		<b>Title:</b> Board Compensation and Reimbursement		<b>Policy/Procedure #:</b> ABD-03	
		<b>Responsible Department:</b> Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	5/00	1/10; 01/12; 11/13	3/08	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PURPOSE:**

To provide reimbursement to the Board of Directors, consistent with legislative regulations, for the performance of the duties of their office.

**POLICY:**

- 1.0 As allowed by California Health & Safety Code, Section 32103, and Local Health Care District Law, and required by the Political Reform Act (as amended by AB 1234, 2005), the payment of One Hundred Dollars (\$100.00) per meeting not to exceed five (5) meetings a month as further defined below, is authorized as compensation to each member of the Board of Directors. Each member of the Board of Directors shall further be allowed his/her actual necessary traveling and incidental expenses incurred in the performance of official business of the District.
- 2.0 For the purpose of compensation, a meeting is defined as:
  - 2.1 Regular and special Board meetings;
  - 2.2 Board Committee meetings;
  - 2.3 Hospital District meetings at which the Board member is present as a designated Board representative (e.g., Medical Executive Committee, Bioethics Committee, IVCH Foundation, TFHS Foundation, TIRHR Board)
  - 2.4 Meetings of governmental agencies and community organizations, etc. where the Board member is representing the TFHD (i.e., Rotary, Tahoe City Breakfast Club, Truckee Daybreak Club). The Board member must be on the program or speaking to an item on the agenda related to the Hospital District at the request of the Board President or Chief Executive Officer.
  - 2.5 Conferences, seminars and other educational meetings do not qualify for meeting compensation.
- 3.0 Members of the Board of Directors of the Tahoe Forest Hospital District and their eligible dependents shall be eligible to participate in the health, dental, vision and life insurance programs of Tahoe Forest Hospital District in a comparable manner, including appropriate discounts, which this coverage is offered to the Management Staff of the District.



**PROCEDURE:**

- 1.0 Board members are responsible for notifying the Executive Assistant in writing of meetings attended in the prior month, noting the day and purpose of each meeting prior to the last business day of each month.
- 2.0 Board members shall also provide brief reports on meetings attended at the expense of TFHD at the next regular Board meeting.
- 3.0 TFHD provides compensation to Board members per meeting and provides reimbursement for actual and necessary expenses incurred by Board members in the performance of official duties; therefore, all agency officials, including Board members shall receive training in ethics. The ethics training shall last for at least two hours and occur every two years. These ethics courses may be taken at home, in-person, or online.

4.0 **BOARD OF DIRECTORS TRAVEL ALLOWANCE**

- 4.1 Meals will be reimbursed up to a daily per diem rate based on the location of the conference subject to IRS per diem guidelines.
  - 4.2 Air Fare for Board Members only.
  - 4.3 Parking and/or taxi fees and other transportation expenses will be reimbursed.
  - 4.4 If driving, mileage will be reimbursed at current IRS guidelines.
  - 4.5 Hotel room will be covered in full for Board Member.
    - 4.5.1 If, however, the lodging is in connection with a conference or organized educational activity that does not qualify as a meeting and is conducted in compliance with California Government Code, Section 54952.2(c), including ethics training required by California Government Code, Section 53234, then lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor as long as the group rate is available to the Board member at the time of booking. If the group rate is not available, then the Board member shall use comparable lodging.
  - 4.6 Tuition fees for Board Members will be paid in full.
  - 4.7 Conference educational materials (books, audio tapes, etc.) not to exceed \$50.
  - 4.8 Receipts are required for all reimbursable expenses.
  - 4.9 Board members shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.
  - 4.10 All expenses that do not fall within the adopted travel reimbursement policy of the IRS reimbursable rates shall be approved by the Board, in a public meeting before the expense is incurred.
- 5.0 Upon election or appointment to a seat on the Board of Directors of the Tahoe Forest Hospital District, the appropriate paperwork, which is necessary to complete for enrollment, will be given to the Board member by the Human Resources Department. Coverage would begin on the first of the month following election or appointment to the Board of Directors and completion of the necessary enrollment forms.

Related Policies/Forms:
References: California Government Code, §§ 53232.2(d), (e), 53232.3(a), 53235(a), (b) (d)
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		<b>Tahoe Forest Health System</b>			
		<b>Title:</b> Board of Directors Qualifications		<b>Policy/Procedure #:</b> ABD-04	
		<b>Responsible Department:</b> Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	9/23/08	2/10; 01/12; 11/13; 6/14		
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PURPOSE:**

To provide a written list of qualifications for prospective candidates who would like to run for a seat on the hospital board of directors or for the hospital board of directors to use when, in the event of a vacancy, they must appoint a new board member.

**POLICY:**

**1.0 Must be a registered voter. Health and Safety Code**

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

**2.0 Must reside in the District. Health and Safety Code**

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

**3.0 Must not have been convicted of a felony. Government Code**

- 3.1 **1021.** A person is disqualified from holding any office upon conviction of designated crimes as specified in the Constitution and laws of the State.
- 3.2 A “conviction” for purpose of exclusion from public office consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding. Helena Rubenstein Intern. v. Younger.
- 3.3 Although meaning of “convicted” is ambiguous as variously construed by courts and defined by legislature, where a civil liability flows as a consequence of the “conviction,” better rule is to require the entry of judgment, and where legislature has chosen to adopt that meaning for exclusions from public office its interpretation is dispositive.
- 3.4 Within the meaning of Const. Art. 20, § 11, §§ 1770(h), 3000 and this section, a conviction consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding, and the taking of an appeal would not stay or delay the effects of such a conviction.

- 3.5 Generally, conviction for racketeering, extortion and conspiracy disqualified member of State Board of Equalization from office under constitutional provision disqualifying persons convicted of bribery, perjury, forgery, malfeasance in office, and other high crimes, together with implementing legislation. Lubin v. Wilson.
- 4.0 **May not possess an ownership interest in another hospital serving the same area in the District. Health and Safety Code**
- 4.1 **32110.** (a) Except as provided in subdivision (d), no person who is a director, policymaking management employee, or medical staff officer of a hospital owned or operated by a district shall do either of the following:
- 4.2 Possess any ownership interest in any other hospital serving the same area as that served by the district hospital of which the person is a director, policymaking management employee, or medical staff officer.
- 4.3 Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the district hospital.
- 4.4 For purposes of this section, a hospital shall be considered to serve the same area as a district hospital when more than 5 percent of the hospital's patient admissions are residents of the district.
- 4.5 For purposes of this section, the possession of an ownership interest, including stocks, bonds, or other securities by the spouse or minor children or any person shall be deemed to be the possession or interest of the person.
- 4.6 No person shall serve concurrently as a director or policymaking management employee of a district and as a director or policymaking management employee of any other hospital serving the same area as the district, unless the boards of directors of the district and the hospital have determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the areas served by their respective hospitals, or unless the district and the hospital are affiliated under common ownership, lease, or any combination thereof.
- 4.7 Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.
- 5.0 **Candidate for Director must disclose on the ballot occupation and place of employment if you are have stock in or work for a health care facility that does not serve the same area served by the District. Health and Safety Code**
- 5.1 **32110. (e)** Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.
- 6.0 **May be a physician and provide services to the District under certain circumstances. Health and Safety Code**
- 6.1 **32111. (a)** A member of a health care district's medical or allied health professional staff who is an officer of the district shall not be deemed to be "financially interested," for purposes of Section 1090 of the Government Code, in

any of the contracts set forth in subdivision (b) made by any district body or board of which the officer is a member if all of the following conditions are satisfied:

- 6.1.1 The officer abstains from any participation in the making of the contract.
- 6.1.2 The officer's relationship to the contract is disclosed to the body or board and noted in its official records.
- 6.1.3 If the requirements of paragraphs (1) and (2) are satisfied, the body or board does both of the following, without any participation by the officer:
  - 6.1.3.1 Finds that the contract is fair to the district and in its best interest.
  - 6.1.3.2 Authorizes the contract in good faith.

6.2 Subdivision (a) shall apply to the following contracts:

- 6.2.1 A contract between the district and the officer for the officer to provide professional services to the district's patients, employees, or medical staff members and their respective dependents, provided that similar contracts exist with other staff members and the amounts payable under the contract are no greater than the amounts payable under similar contracts covering the same or similar services.
- 6.2.2 A contract to provide services to covered persons between the district and any insurance company, health care service plan, employer, or other entity that provides health care coverage, and that also has a contract with the officer to provide professional services to its covered persons.
- 6.2.3 A contract in which the district and the officer are both parties if other members of the district's medical or allied health professional staff are also parties, directly or through their professional corporations or other practice entities, provided the officer is offered terms no more favorable than those offered any other party who is a member of the district's medical or allied health professional staff.
- 6.2.4 This section does not permit an otherwise prohibited individual to be a member of the board of directors of a district, including, but not limited to, individuals described in Section 32110 of this code or in Section 53227 of the Government Code. Nothing in this section shall authorize a contract that would otherwise be prohibited by Section 2400 of the Business and Professions Code.
- 6.2.5 For purposes of this section, a contract entered into by a professional corporation or other practice entity in which the officer has an interest shall be deemed the same as a contract entered into by the officer directly.

## 7.0 **May not be an employee of the District. Government Code**



- 7.1 **53227.** (a) An employee of a local agency may not be sworn into office as an elected or appointed member of the legislative body of that local agency unless he or she resigns as an employee. If the employee does not resign, the employment shall automatically terminate upon his or her being sworn into office.

- 7.2 (b) For any individual who is an employee of a local agency and an elected or appointed member of that local agency's legislative body prior to January 1, 1996, this section shall apply when he or she is reelected or reappointed, on or after January 1, 1996, as a member of the local agency's legislative body.
- 8.0 **May not be a Director and simultaneously hold another public office. Government Code**
- 8.1 **1099.** (a) A public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee, or other body, shall not simultaneously hold two public offices that are incompatible. Offices are incompatible when any of the following circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law:
- 8.1.1 Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body.
- 8.1.2 Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties between the offices.
- 8.1.3 Public policy considerations make it improper for one person to hold both offices.
- 8.2 (b) When two public offices are incompatible, a public officer shall be deemed to have forfeited the first office upon acceding to the second. This provision is enforceable pursuant to Section 803 of the Code of Civil Procedure.
- 8.3 (c) This section does not apply to a position of employment, including a civil service position.
- 8.4 (d) This section shall not apply to a governmental body that has only advisory powers.
- 8.5 (e) For purposes of paragraph (1) of subdivision (a), a member of a multimember body holds an office that may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over another office when the body has any of these powers over the other office or over a multimember body that includes that other office.
- 8.6 (f) This section codifies the common law rule prohibiting an individual from holding incompatible public offices.
- 9.0 **As a Director, you may not make, participate in make or in any way attempt to use your position as a Director to influence a decision of the District when you know or have a reason to know that you have a financial interest in the decision. Government Code**
- 9.1 **87100.** No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.
- 10.0 **When you are a director, neither you nor the District may make any contract you are financially interested in. Government Code**



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

Related Policies/Forms: <u>Conflict of Interest Policy ABD-7</u>
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		<b>Tahoe Forest Health System</b>			
		<b>Title:</b> Emergency On Call Policy		<b>Policy/Procedure #:</b> ABD-10	
		<b>Responsible Department:</b> Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	4/01	11/13	3/08; 2/10; 01/12	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PURPOSE:**



Tahoe Forest Hospital Districts has an ethical, moral, and social, and legal responsibility to serve emergency patients. The Board understands, based on EMTALA and CMS regulations, that federal law requires hospitals to provide on-call physicians in appropriate specialties.

**POLICY:**

- 1.0 Patients who present to the Tahoe Forest Hospital District facilities are entitled to timely, quality emergency consultative services regardless of their ability to pay.
- 2.0 The District’s Board of Directors, Administration and Medical Staff leadership will work collaboratively to determine the District’s capabilities for providing 24-hour emergency health care.
- 3.0 Tahoe Forest Hospital District operates Tahoe Forest Hospital and Incline Village Community Hospital.
  - 3.1 Tahoe Forest Hospital, a Critical Access Hospital that has been designated by the State of California as providing “basic” emergency services, will provide 24-hour physician coverage for emergency consultation and services for these specialties to the best of our capabilities:
    - 3.1.1 Emergency Medicine
    - 3.1.2 General Medicine
    - 3.1.3 General Surgery
    - 3.1.4 Radiology
    - 3.1.5 Anesthesia
    - 3.1.6 Pathology
    - 3.1.7 OB/Gyn
    - 3.1.8 Pediatrics
    - 3.1.9 Orthopedics
  - 3.2 Incline Village Community Hospital, Incline Village, Nevada will provide 24-hour physician coverage for Emergency Medicine Services.

- 3.3 Other specialties will provide on-call coverage for emergency consultations and services according to the capabilities of that specialty.
- 4.0 The Chief Executive Officer will work with the Medical Staff to provide emergency consultative coverage that meets federal and state laws, our licensing requirements and the needs of our community. To achieve these goals, the Chief Executive Officer may utilize, but not be limited to:
  - 4.1 Stipends for call coverage
  - 4.2 Contracts for professional services
  - 4.3 Locum tenens privileges
- 5.0 Transfer agreements with other healthcare facilities
- 6.0 At least annually, Tahoe Forest Hospital District Board of Directors will review and approve the level of on-call services available.
- 7.0 In order to provide this coverage, every effort will be made to create a system that is voluntary, fair and equitable without imposing an undue burden on physicians or on the Tahoe Forest Hospital District. Collaboration with current members of the Tahoe Forest Hospital District's Medical Staff will be the preferred method for providing these services, with recruitment of new physicians as needed.
- 8.0 Physicians who seek charity care fund reimbursement at Medicare rates for emergency services provided in the hospital to indigent patients, should refer to *Financial Assistance Program Full Charity Care And Discount Partial Charity Care (ABD-09)* for guidance and distribution criteria. Tahoe Forest Hospital District will keep abreast of other funds, state or otherwise, that might be available for the purpose of providing payment to physicians who treat the under-insured population.
- 9.0 We will utilize the hospital's quality assurance system to monitor emergency on-call practices with annual reports to the Board of Directors on the actual call coverage, effectiveness of these practices, as well as physician, patient and employee satisfaction.
- 10.0 A roster and procedure are in place to address the provision of specialty medical care when services are needed which are outside the capabilities of the Tahoe Forest Hospital District and its Medical Staff.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		<b>Tahoe Forest Health System</b>			
		<b>Title:</b> Guidelines For The Conduct Of Business By The Tahoe Forest Hospital District Board of Directors		<b>Policy/Procedure #:</b> ABD-12	
		<b>Responsible Department:</b> Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	8/90	3/08; 01/12; 11/13	1/10; 6/14; 10/15	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**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 Brown Act, is hereby established.

**PROCEDURE:**

1.0 Officers Of The Board of Directors

- 1.1 The officers of the Board of Directors are: President, Vice President, Secretary and Treasurer.
- 1.2 The officers shall be chosen every year by the Board of Directors at the December meeting of such calendar year and each officer shall hold office for a one year term unless removed from office by an act of the Board of Directors 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 shall not serve more than two successive terms. The office of President, Vice President, Secretary and Treasurer shall be filled by members of the Board of Directors. The office of the Clerk of the Board shall be appointed by the Chief Executive Officer.

2.0 Meetings Of The Board of Directors

- 2.1 Regular Meetings: Regular meetings of the Board of Directors shall be held the last Tuesday of each month at 6:00 PM at a location within the Hospital District Boundaries. The regular meeting shall begin with Open Session business in accordance with California Open Meeting Laws. Regular meetings will adjourn by 10:00 PM unless extended by a majority vote of Board Members present.

Notice of meetings of the Board of Directors and Board Committees shall be posted per the requirements of the Ralph M. Brown Act.

- 2.2 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 Board committee chair and is expected to be used with the best interests of the District, Directors, staff and communities we serve.
- 2.3 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.
  - 2.3.1 If there is a determination by the President of the Board, or by two-thirds (4 of 5 Board Members) of the Board, that there is a need to take immediate action upon an item(s) requiring Board approval, and the need for action comes prior to a regular meeting, then a special meeting shall be called and conducted in accordance with the notice and posting provisions of the Brown Act in order to obtain Board approval.
  - 2.3.2 Special meetings shall be called by delivering written or email 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 prior to the time a meeting convenes.
  - 2.3.3 No business other than the purpose for which the special meeting was called shall be considered, discussed, or transacted at the meeting.
- 2.4 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.
  - 2.4.1 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.
  - 2.4.2 No business other than the purpose for which the emergency meeting was called shall be considered, discussed, or transacted at the meeting.
- 2.5 Closed Session Meetings: Closed Session meetings of the Board of Directors and Board 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 Government Code Section 54950 (Brown Act). 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:

- 2.5.1 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.
- 2.5.2 The conversion of any District health care facility to any other form of ownership by the District.
- 2.5.3 The dissolution of the District.
- 2.6 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:
  - 2.6.1 Teleconferences must comply with the rest of the Brown Act
  - 2.6.2 All votes taken by teleconference must be taken by roll call
  - 2.6.3 Agendas must be posted at all teleconference locations
  - 2.6.4 Each teleconference location must be identified in the agenda
  - 2.6.5 Each teleconference location must be accessible to the public
  - 2.6.6 At least a quorum of the Board must participate from locations within the District boundaries (a Board member outside the geographical location of the District may be counted toward the quorum if fifty percent (50%) of the number of members that would establish the quorum is present within the geographical boundaries)
  - 2.6.7 The agenda must provide for public comment at each teleconference location.
- 2.7 All meetings of the Board of Directors shall be chaired by members of the Board of Directors in the following order: President, Vice President or Secretary.

### 3.0 Activities/Meetings of Board Committees

- 3.1 Board committees will undertake the activities of the committee as outlined in the Tahoe Forest Hospital District Bylaws. In addition, each standing committee will annually establish committee goals, and such goals will be presented to the Board of Directors.
- 3.2 In order that Board standing committees function in the most efficient manner, the length of committee meetings will be kept to a reasonable length. Further, the most critical topics will be placed at the beginning of committee agendas to ensure their review in a timely manner.

### 4.0 Meetings Open To The Public

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

5.0 Notices Of Meetings Of The Board Of Directors And Board Standing Committees Supplied To The Public

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

6.0 Board and Board Standing Committee Agenda Packets For Members Of The Public

6.1 Board and Board standing committee agendas and agenda materials are available for review by any interested party at the administrative offices or at the Board or Board standing committee meeting itself.

6.2 Any requests from the public for Board and Board standing committee agenda packets shall be filled within a reasonable amount of time. There will be no charge to any member of the public requesting a digital copy of a Board or Board standing committee agenda packet. Any member of the public requesting a printed Board or Board standing 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. In no way do we attempt to profit from this activity; but only seek 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 standing committee meetings.

7.0 Public Input At Meetings Of The Board Of Directors And Board Standing Committee Meetings

On each agenda of Regular and Special meetings of the Board of Directors and Board standing committee meetings there shall be a provision made for input from the audience. The Board of Directors or Board standing 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:

7.1 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

7.2 If two-thirds (4 of 5 Board Members) of the Board of Directors' full membership is present and the agency just became aware of an item, and agree an item needs to be placed on the agenda for action after the agenda was posted, or

7.3 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.

8.0 Preparation Of The Agenda For Board or Board Standing Committee Meetings

8.1 Placing of Items On The Agenda By Members Of The Public:

8.1.1 As provided for in Government Code Sections 54950-54962 (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. 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.

- 8.1.2 Members of the public are directed to contact the President of the Board of Directors, a Director of the Board, the Chief Executive Officer, or the Executive Assistant 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.
- 8.2 The Chief Executive Officer and Executive Assistant, with input from members of the Board, shall prepare the agendas for the meetings of the Board of Directors or Board standing committees. Items to be placed on the Board agenda should be submitted to the Chief Executive Officer or the Executive Assistant no later than 10 days prior to the Board meeting.
- 8.3 The format for agendas of meetings of the Board of Directors will be as follows:
  - 8.3.1 6:00 PM Call to Order
  - 8.3.2 Roll Call
  - 8.3.3 Clear the Agenda/ Items Not on the Posted Agenda
  - 8.3.4 Input – Audience
  - 8.3.5 Input – Employee Associations
  - 8.3.6 Acknowledgments
  - 8.3.7 Medical Staff Report
  - 8.3.8 Consent Calendar
  - 8.3.9 Items for Board Discussion And/Or Action
  - 8.3.10 Board Committee Reports / Recommendations for Discussion and/or Action
  - 8.3.11 Informational Reports
  - 8.3.12 Agenda Input For Upcoming Committee Meetings
  - 8.3.13 Items for Next Meeting
  - 8.3.14 Board Members Reports/Closing Remarks
  - 8.3.15 Closed Session if necessary
- 8.4 The Board of Directors 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 early in the agenda as appropriate within the format as detailed above, or as a timed item on the agenda.
- 8.5 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, hospital staff or any interested person in the audience 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 consideration and disposition following action on the remaining items on the Consent Calendar, or at another time during the meeting.

8.6 If available, minutes of Board standing committee meetings will be included in Board agenda packets. If not available, the agenda for the meeting will be included. Recommendations from the Board standing committee to the Board of Directors will be highlighted at the beginning of the minutes for ease of presentation.

8.7 The President of the Board of Directors will approve the finalized agenda prior to its distribution.

#### 9.0 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 Executive Assistant 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 waive your right to be contacted in writing.

#### 10.0 Minutes Of Meetings Of The Board Of Directors And Board Standing Committees

Minutes of meetings of the Board of Directors and Board standing committees shall be taken by the Executive Assistant. The minutes shall be transcribed by the Executive Assistant 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.

#### 11.0 Special Rules/Robert's Rules Of Order

Introduction: 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:

#### 12.0 Discussion/Debate

12.1 As is practical, staff oral summaries shall precede motions.

12.2 Invited outside presenters, such as our auditors, accountants, legal counsel shall offer their comments and documentation prior to a motion being introduced by one of the Board Members.

12.3 *Brief* questions to fill in knowledge gaps or to provide clarification should be posed prior to motion language being introduced.

12.4 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.

12.5 Public input/comments regarding items not on the agenda will be sought at the beginning of Board/Board standing committee meetings. Public input/comments

regarding agenda items will be sought during the consideration of these items, before action is taken, at Board/Board standing 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.

- 12.6 At any point during a Board of Directors meeting any member may request, by motion that the Board go into "Committee of the Whole" to discuss any item on the agenda. Structurally, a motion is made to "go into Committee of the Whole to discuss item "x", a second is received, and a vote is taken. Simple majority rules on the matter. Such discussions are intended to act as an opportunity to present opinions and a fact, and/or receive input from other Board members in the absence of an "action" motion directly under consideration. To leave "Committee of the Whole" discussions and return to the agenda, or to present a motion for action, the Chair can pose that we have exhausted the topic, and by consent adjourn the Committee of the Whole and return to the Board agenda.
  - 12.7 Or, if any member wishes to close the Committee of the Whole discussion, he/she can ask for such action, by motion, and receiving a second the request to move on will be voted upon. Again, simple majority rules on the matter.
  - 12.8 A separate and distinct area of the agenda shall be devoted to discussion items. This section is intended to serve the function of allowing the Directorship an opportunity to engage in free flowing information and opinion exchanges without the necessity of relating one's thoughts to a pending action item or motion. When the Chair calls for this section of the meeting, we are in de-facto "Committee Of The Whole" discussion. Topics such as emerging trends, long range plans, events and the like are most appropriately considered within this format. On each Board agenda there will be, under this section, an "agenda" item asking for member input for future topics.
  - 12.9 A member can ask that a topic be placed on next month's agenda for discussion. The item will be placed on next month's agenda unless another Board Member objects, in which case the simple majority rules.
- 13.0 Voting/Motions
- 13.1 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 obliged to vote on all motions presented while in attendance.
  - 13.2 Recording of the vote shall be first done by voice vote, with exception going to resolutions that require a roll call vote. Any member may request a roll call vote on any motion; such requests will not require a second and shall be performed at once.
  - 13.3 "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.
  - 13.4 Unless otherwise noted, all Board related business, whether in committee or Board session (open or closed) shall be conducted in a fashion conversant with Robert's Rules of Order, Revised. 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.

14.0 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.

15.0 Contingent Approval

15.1 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:



15.1.1 the terms are not substantively altered from those previously approved,

15.1.2 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

15.1.3 the final terms and documentation are approved or rejected by the Board at its next regularly scheduled Board meeting.

15.2 If the terms of the supporting documentation are substantively different than those previously approved at the public meeting, then approval must be obtained at the next regular board meeting, or a special meeting may be called.

Related Policies/Forms: <u>Inspection And Copying of Public Records ABD-14</u>
References: Ralph M. Brown Act (CA Govt Code §54950), Governance Institute
Policy Owner: Clerk of the Board
Approved by: Chief Executive Officer

		<b>Tahoe Forest Health System</b>			
		<b>Title:</b> Innovation Policy		<b>Policy/Procedure #:</b> ABD-13	
		<b>Responsible Department:</b> Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	2/05	03/12; 1/14, 6/14	3/08, 6/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PURPOSE:**

To achieve our vision to be the best mountain community health system in the nation our District must encourage, enable, support, and reward innovation.


**POLICY:**

Innovation is the introduction of something new and useful. Successful organizations have successful research and development programs. The spectrum of an innovation culture includes technological, organizational, clinical, economic, legal, and architectural innovations. Innovation can happen anywhere, at anytime, and by anyone in our organization. Innovation must be an organizational priority and a part of everything we do.

**PROCEDURE:**

- 1.0 To enable a culture of innovation:
- 2.0 The strategic plan will include an explicit strategy for innovation.
- 3.0 Opportunities for mentoring innovators will be created.
- 4.0 An innovation fund will be included in the annual District budget.
- 5.0 Discretion of any funds related to innovation are overseen and approved by the CEO
- 6.0 Incentives will be developed.
- 7.0 Strategies will be developed to facilitate Foundation support of innovation.
- 8.0 Reports will be made to the Board regularly.

Related Policies/Forms:
References:
Policy Owner: Clerk of the Board
Approved by: Bob Schapper, Chief Executive Officer

	<b>Tahoe Forest Health System</b>				
	<b>Title:</b> Malpractice Policy		<b>Policy/Procedure #:</b> ABD-16		
	<b>Responsible Department:</b> Board of Directors				
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	Page 1 of 1
<input checked="" type="checkbox"/>	Board	7/21/86	1/10; 01/12; 11/13	8/04	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

**PROCEDURE:**

It is a mandate of the Tahoe Forest Hospital District Board Of Directors that all Medical Staff members carry malpractice insurance in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer