



2026-06-03 Special Meeting of the Truckee Surgery Center Board of Managers

Wednesday, June 3, 2026, at 12:00 p.m.

Aspen Conference Room – Tahoe Forest Hospital
10800 Donner Pass Rd., Suite 200, Truckee, CA 96161

2026-06-03 Special Meeting of the Truckee Surgery Center Board of Managers

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**TRUCKEE SURGERY CENTER
SPECIAL MEETING OF THE
BOARD OF MANAGERS
AGENDA**

Wednesday, June 3, 2026, at 12:00 p.m.
Aspen Conference Room – Tahoe Forest Hospital
10800 Donner Pass Rd., Suite 200, Truckee, CA 96161

1. CALL TO ORDER

2. ROLL CALL

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

4. INPUT – AUDIENCE

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

5. APPROVAL OF MINUTES ♦

5.1. 04/08/2026 Regular Meeting Minutes ♦ ATTACHMENT

6. ITEMS FOR BOARD DISCUSSION AND ACTION ♦

6.1. Truckee Surgery Center Administrator Education Plan ♦ATTACHMENT

Truckee Surgery Center Board of Managers will review and consider acceptance of the TSC Administrator Education Plan.

6.2. FY27 Budget ♦ATTACHMENT

Truckee Surgery Center Board of Managers will review and consider approval of the TSC FY27 Budget.

6.3. Contract Review and Approval Process ♦ATTACHMENT

Truckee Surgery Center Board of Managers will review and consider approval of a contracts review and approval process.

6.4. Truckee Surgery Center Utilization ♦ATTACHMENT

Truckee Surgery Center Board of Managers will discuss the utilization of the TSC.

6.4.1 Review Operational Plan.....ATTACHMENT

7. ITEMS FOR BOARD CONSENT

7.1. Financial Reports

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

7.1.1 Q3 FY26 Financial Statement..... ATTACHMENT

7.1.2 Q3 FY26 Balance Sheet ATTACHMENT

7.1.3 Monthly Dashboard – April 2026..... ATTACHMENT

7.2. Administrator Update

The Truckee Surgery Center Administrator will review the update.....ATTACHMENT

Special Meeting of the Truckee Surgery Center Board of Managers
June 3, 2026, AGENDA – Continued

8. CLOSED SESSION

8.1. Approval of Closed Session Minutes ◆

8.1.1. 04/08/2026 Regular Meeting

8.2. Hearing (Health & Safety Code 32155) ◆

Subject Matter: Second Quarter 2026 Infection Control Data Summary

Number of items: One (1)

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

Subject Matter: Second Quarter 2026 Quality Assurance Performance Improvement Data

Number of items: Eight (8)

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

Subject Matter: Medical Staff Credentials

Number of items: Six (6)

9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

10. ITEMS FOR NEXT MEETING

11. ADJOURN

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

A copy of the board meeting agenda is posted on Tahoe Forest Hospital District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting. Materials related to an item on this Agenda submitted to the Board of Managers, or a majority of the Board, after distribution of the agenda are available for public inspection in the District's Administration Office, 10800 Donner Pass Rd., Suite 200, Truckee, CA 96161, during normal business hours.

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

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



TRUCKEE SURGERY CENTER REGULAR MEETING OF THE BOARD OF MANAGERS

DRAFT MINUTES

Wednesday, April 8, 2026, at 12:00 p.m.
Aspen Conference Room – Tahoe Forest Hospital
10800 Donner Pass Rd., Suite 200, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 12:08 p.m.

2. ROLL CALL

Board of Managers: Dr. Jeffrey Dodd, Crystal Felix, Anna Roth, Louis Ward

Board of Managers Absent: None

Staff in attendance: Jan Iida, Chief Nursing Officer; Heidi Fedorchak, Truckee Surgery Center Interim Administrator; Sydney Shelton, Executive Assistant

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

None.

4. INPUT – AUDIENCE

No members of the public were in attendance.

5. CLOSED SESSION

5.1. Approval of Closed Session Minutes

5.1.1 03/11/2026 Regular Meeting
Discussion was held on a privileged item.

5.2. Public Employee Appointment

Discussion was held on a privileged item.

Closed Session adjourned at 12:12 p.m.

6. OPEN SESSION

Open Session convened at 12:13 p.m.

7. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

Item 5.1.1 was approved with a 4-0-0 decision. No action was taken on item 5.2.

8. APPROVAL OF MINUTES

8.1. 03/11/2026 Regular Meeting Minutes

ACTION: Motion made by Manager Dodd, to approve the regular meeting minutes of March 11, 2026, as presented, seconded by Manager Roth.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

9. ITEMS FOR BOARD ACTION ◆

9.1. Truckee Surgery Center Administrator Employment Agreement ◆

Truckee Surgery Center Board of Managers will review and consider approval of the TSC Administrator Employment Agreement.

ACTION: Motion made by Chair Ward, to approve the administrator employment agreement as presented, seconded by Manager Dodd.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

9.2. Consulting Agreement ◆

Truckee Surgery Center Board of Managers will review and consider an extension of consulting agreement.

ACTION: Motion made by Manager Roth, to approve extension of the consulting agreement as presented, seconded by Manager Dodd.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

9.3. Policies for Approval ◆

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

9.3.1 Emergency Operations Plan, EOC – 1902

9.3.2 Quality Assessment and Performance Improvement Plan, QA – 2002

9.3.3 Temperature, Humidity, and Air Exchanges, EOC – 1937

9.3.4 Fire Drills, EOC – 1909

9.3.5 Medication Management and Administration, OH – 1908

ACTION: Motion made by Manager Ward, to approve policies 9.3.1-9.3.5 as presented, seconded by Manager Felix.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

9.4. Review Patient Home Medication List ♦

Truckee Surgery Center Board of Managers will review the Patient Home Medication List.

ACTION: Motion made by Manager Dodd, to approve the Patient Home Medication List as presented, seconded by Manager Felix.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

9.5. Staff Bonus Plan ♦

Truckee Surgery Center Board of Managers will review the Staff Bonus Plan discussed in March.

ACTION: Motion made by Manager Roth, to approve the Staff Bonus Plan contingent on institutionalizing and formatting changes, seconded by Manager Dodd.

AYES: Dodd, Felix, Roth, Ward

Abstention: None

NAYS: None

Absent: None

10. ITEMS FOR NEXT BOARD MEETING

TSC Lease Negotiation

Administrator's Education Plan

Truckee Surgery Center utilization

Review Operations Plan in Partnership with Tahoe Forest Leadership

11. ADJOURN

Meeting adjourned at 12:35pm

Personal Development Plan

Development Objective	Actions	Time Frame for Completion	Date Achieved
Further my understanding of the billing, coding and reimbursement processes within the ASC.	<ul style="list-style-type: none"> • Ambulatory Surgery Center Association (ASCA)- Coding and Reimbursement for ASC's. Six course series 	<ul style="list-style-type: none"> • 12/31/26 	
Increase my knowledge of the financial strategies required to manage an ASC.	<ul style="list-style-type: none"> • ASCA Financial Strategies eight course series. • Attend CASA annual conference- Financial Track • CASA Admin Master Series- ASC Finance 101 	<ul style="list-style-type: none"> • 12/31/26 • Attend 9/2/26-9/4/26 • 8/31/26 	
Ensure TSC is following best practices for credentialing and peer review.	<ul style="list-style-type: none"> • ASCA Credentialing, Privileging and Peer Review; seven course series. 	<ul style="list-style-type: none"> • 12/31/2026 	<ul style="list-style-type: none"> • 5/15/2026
Gain insight into the processes and strategies of payor contract negotiations.	<ul style="list-style-type: none"> • CASA- California ASC Contract Negotiations, Strategies for Success 	<ul style="list-style-type: none"> • 12/31/26 	
Build on my base knowledge of best practices for ASC Governance and oversight.	<ul style="list-style-type: none"> • CASA Admin master series-ASC Governance and How to Make Your Bylaws Work for You • CASA Admin Series- ASC Advocacy: Understanding policy, Legislation & ASC Impact 	<ul style="list-style-type: none"> • 6/1/26 • 7/31/26 	

Truckee Surgery Center, LLC
Statement of Revenue and Expenses
Budget For the Fiscal Year Ending June 30, 2027

Ordinary Income/Expense

Income

Patient Revenue	
Commercial & Government Payors	1,728,000
Medical Record Copy Fee	60
Total Patient Revenue	<u>1,728,060</u>

Refunds

Insurance Refund	(2,500)
Patient Refund	(4,600)
Total Refunds	<u>(7,100)</u>

Total Income	<u>1,720,960</u>
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Gross Profit	<u>1,720,960</u>
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Expense:

Sales Tax	
Service Fee	26,541
Purchased Services	13,550
Bad Debt	103,268

Billing Fee:

Billing Fee - Other	35,891
Total Billing Fee	<u>35,891</u>

Collection Agency Reimbursement:

HELP Refund	4,445
Collection Agency Reimbursement - Other	5,000
Total Collection Agency Reimbursement	<u>9,445</u>

General Office:

Document Destruction	900
Dues and Subscriptions	12,000
Office Supplies	11,940
Postage and Delivery	600
Printing and Reproduction	2,350
General Office - Other	720
Total General Office	<u>28,510</u>

Liability Gen'l, Prof Insurance	7,538
Licenses and Permits	4,800
Linen	21,613

Medical Supplies:

Implants-Tissue Products	16,813
Gas Medical	19,778
Implants	145,581
Instrument Expense	800
Medical Supplies	278,275
Pharmacy	32,193
Patient Nutrition	1,196
Total Medical Supplies Total	<u>494,635</u>

Other Expenses:

Advertising & Promotion	2,400
Bank Charges	1,080
Educational	4,800
Equipment Rental/Lease	3,000
Meals & Entertainment	600
Merchant Fees	7,030
Travel	6,000
Total Other Expenses	<u>24,910</u>

Truckee Surgery Center, LLC
Statement of Revenue and Expenses
Budget For the Fiscal Year Ending June 30, 2027

Payroll Expenses:	
Voluntary Benefits	2,426
Basic Employee Life AD&D	480
Health Insurance	
Health	247,299
Dental	15,912
Vision	1,984
Total Health Insurance Total	<u>265,195</u>
Employee Benefit	3,200
Payroll Taxes	103,257
Retirement Contribution	20,100
Service Fee	400
Wages	1,269,889
Work Comp	12,773
Payroll Expenses - Other	4,800
Total Payroll Expenses	<u>1,682,119</u>
Professional Fees:	
Consulting	2,000
Pension Fees	2,800
Transcription Services	2,601
Total Professional Fees	<u>7,401</u>
Rent & CAM	192,918
Repairs:	
Building/Equipment Repairs	6,000
Instrument Repairs	1,800
Maintenance-Preventative	36,000
Total Repairs	<u>43,800</u>
Taxes:	
Property	32,000
State	6,800
Total Taxes	<u>38,800</u>
Utilities:	
Alarm Monitor	1,200
Cable	800
Gas and Electric	59,275
Total Utilities	<u>61,275</u>
Depreciation Expense	170,877
Total Expense	<u>2,967,893</u>
Net Ordinary Income	<u>(1,246,933)</u>
Other Income/Expense	
Other Income	
Other Income	-
Interest Income	100
Total Other Income	<u>100</u>
Other Expense	
Amortization Expense	-
Total Other Expense	<u>-</u>
Net Other Income	<u>100</u>
Net Income	<u><u>(1,246,833)</u></u>



Origination 09/2023
Last 05/2026
Approved
Effective 05/2026
Last Revised 05/2026
Next Review 05/2027

Owner Heidi Fedorchak:
Nurse Manager
Department Governance
Applicabilities Truckee
Surgery
Center

Contract Review & Approval, GOV-2301

PURPOSE:

- A. To establish a procedure for the review, approval, and submission of contracts or agreements for services, products and all other circumstances in which the Truckee Surgery Center (TSC) undertakes an obligation or commitment.
- B. To delineate the obligations between two (or more) parties and to provide the basis for legal remedy should one party fail those obligations. A contract will be in written format so that mutual expectations are clear.
- C. To ensure consistency in the formatting and content of all physician and professional service agreements.
- D. To facilitate management of all agreements and to maintain a central repository and database of contracts, including ongoing administration, maintenance, and oversight.
- E. To establish guidelines for monitoring contractor and vendor performance, receipt of work, services, and products, and similar types of review and responsibility.

POLICY:

- A. Written contracts are required for any service for which the Surgery Center will be paying out money that is not through Payroll. All contracts entered into shall receive appropriate administrative, material management, financial, legal compliance, information technology and/or risk management review prior to execution to ensure the contracts contain the required elements. Department Directors and Chiefs from Tahoe Forest Hospital District (TFHD) may be consulted for their expertise. All contracts shall be signed by the appropriate Board Member (or Administrator *if* authorized under limited circumstances by the Board of Managers with signing authority to enter into such agreements). All contracts shall be monitored for performance and fulfillment of contract obligations. All contracts shall be thoroughly reviewed and the contractors' performance evaluated prior to contract renewal.

- B. All agreements or arrangements for providing health care services to TSC patients must be with a provider or supplier that participates in the Medicare program, except in the case of an agreement with a distant-site telemedicine entity. These contracts must contain a provision in which the provider or supplier confirms participation in the Medicare program and agrees to notify TSC in the event participation terminates.

Definitions:

- A. **Contract.** For purposes of this policy, "contracts" shall be defined to include and not be limited to all real estate leases, letters of intent, memorandum of understanding, releases of liability, indemnification agreements, employment contracts or executed offer letters, service agreements, and all other agreements for goods or services creating legally binding obligations on behalf of TSC.
- B. **Execution.** Obtaining authorized signatures by all parties to the contract.
- C. **Service Contracts.** Service contracts are agreements that include within the scope of services provisions covering a contractor's time and effort, rather than for a product or materials, although the use of products and materials may be an incidental aspect of the work/service to be performed. The work performed does not involve the delivery of any specific end product, other than results and reports that are incidental to the required performance. Examples of service agreements are for repairs to equipment, training, or consulting.

PROCEDURE:

A. CONTRACT FORMATION AND REVIEW

1. REVIEW OF NEW CONTRACTS PRIOR TO SIGNATURE

- a. New programs or services which require entering into a contract or other agreement financially committing TSC require completion and appropriate approval of a Business Plan (see Business Plan Development GOV-2302).
- b. All new contracts, amendments and renewals shall be requested in writing either through the Meditract Initiation Phase or by completing a Contract Request Form ("CRF") (see attached).
- c. The Board Member and/or Administrator indicated in Section 2.d. below shall evaluate and review appropriate modifications to all proposed contracts (concept or draft) to ensure it addresses all aspects of the intended relationship.
- d. For low dollar and/or low risk contracts (as determined by legal counsel), the TSC *Contracts Review Checklist* shall be utilized by the requester to evaluate whether the proposed contract includes the required elements (see attached).
- e. The Phase Owner for Document Review in Meditract may add additional reviewers. Redlines and comments will be reviewed and incorporated until the document is approved to be sent to an external party.
- f. The redline version or clean version may be sent to an external party via an electronic link or through email and will be negotiated by the requester

until the final version can be executed,

- g. If Board approval is required to enter into the contract, the Administrator shall complete a *Contract Summary Sheet* (see attached).
- h. Board members and the Administrator shall be responsible for ensuring that all contracts under their authority have received the appropriate review, including by the President of the Board and/or TFHD Chief Financial Officer (CFO), if required, prior to execution. Board Members or the Administrator may obtain additional preliminary review by various department Directors of TFHD for assistance in evaluating specific provisions.
- i. If used, the *TSC Contracts Review Checklist or CRF* shall be attached to the original copy of the executed contract and entered into Meditract. A copy may be retained by the initiating party.
- j. Contracts provided by the Surgery Center will be based on standard draft templates available through In-house Counsel when available.

2. SIGNATURE AND AUTHORIZATION GUIDELINES

- a. Refer to *the chart below* for the designated levels of authority to enter into financial commitments on behalf of TSC.
- b. Refer to Purchase Authorization, GOV-2304 for guidance on:
 - i. The designated levels of authorization for the acquisition of supplies, and for purchase requisitioning authority of repairs and maintenance required for necessary Surgery Center operations.
 - ii. The process to submit purchase orders, purchase requisitions and invoices, and capital equipment requests, including items arising out of contractual agreements addressed by this policy.
- c. Signatory Authority: Contracts/Agreements
 - i. Contracts requiring Board approval, including contacts greater than \$400,000 in value, shall only be signed by the President of the Board or the TFHD CFO.
 - ii. Staff Employment Offer Letters and payroll action forms do not require Board approval, but must be signed by the Administrator.
 - iii. Payor Contracts do not require Board approval, but must be signed by the Administrator.
 - iv. Only the TSC Administrator, In-House Counsel, and the following TSC Board Members; the the President of the Board, the TFHD CFO, and the TFHD COO have the authority to sign contracts.
- d. The assigned review and signature authority of contracts is as follows:

Types Of Contract	Who Reviews	Who Signs
Professional Services (i.e. Physical Therapy; Respiratory Therapy; Laboratory Services; Diagnostic Imaging; Pharmacy; Cancer Center)	Administrator; President of the Board, TFHD COO, TFHD CFO	President of the Board, TFHD CFO, or TFHD COO
Medical Director and Anesthesia Director appointment Letters	Administrator; President of the Board,	President of the Board
Staff Employment Offer Letters	Administrator	Administrator
Payroll Action Forms	Administrator	Administrator
Consultants	Administrator; President of the Board, TFHD COO, TFHD CFO	Administrator, President of the Board, TFHD CFO, TFHD COO or In-House Counsel
Real Property (Purchases / Leases; Construction)	Administrator; TFHD Director of Facilities Management; President of the Board, TFHD CFO	President of the Board, TFHD CFO, TFHD COO or In-House Counsel
Facilities	Administrator; TFHD Director of Facilities Management; President of the Board, TFHD CFO	President of the Board, TFHD CFO, or TFHD COO
Technology	Administrator; TFHD Chief Systems Innovation Officer; President of the Board; TFHD CFO	President of the Board, TFHD CFO, or TFHD COO
Clinical Services	Administrator; TFHD COO; TFHD CFO; President of the Board	President of the Board, TFHD CFO, or TFHD COO
Nutrition & Environmental Services	Administrator; TFHD COO; President of the Board, TFHD CFO	President of the Board, TFHD CFO, or TFHD COO
Payor Contracts	Administrator, TFHD	Administrator or

COPY

Types Of Contract	Who Reviews	Who Signs
	CFO	TFHD CFO
Training Programs	Administrator; President of the Board, TFHD CFO	Administrator, President of the Board or TFHD CFO
Other (i.e. Patient Financial Services; BAAs; Vendors)	Administrator; TFHD COO; President of the Board, TFHD CFO	Administrator, President of the Board, TFHD CFO, TFHD COO or In- House Counsel
ALL CONTRACTS	Legal counsel or designee	

B. CONTRACT RENEWAL, REVIEW, AND REVISIONS

All contracts shall be reviewed *annually* by the Administrator and/or Responsible Party of a contract, regardless of length of the contract term, to evaluate performance by all parties, and to ensure that the agreement remains valid and appropriate for TSC and its mission. The Administrator shall consult with appropriate Board member(s) to address issues or questions regarding the contract, and confirm renewal or revisions. The Administrator and/or Responsible Party of a contract shall retain documentation of the annual review. The Administrator shall retain copies of the contract and all amendments.

1. Annual Review of Service Contracts:

- a. The Administrator and/or Responsible Party of a contract, as indicated in Meditract, shall complete the *Initial & Annual Contract Review Checklist* (see attached) within Meditract for each contract he/she oversees, which will electronically forward to the contract software administrator on an annual basis.
- b. The Administrator and/or Primary Responsible Party identified in Meditract will utilize the *Initial & Annual Contract Review Checklist* to determine whether a contract needs to be altered, renewed, or terminated and to ensure that all necessary documentation, such as a Business Associate Agreement or COI, are attached and up to date.
- c. The contract software administrator shall review each Contract Review Checklist for completeness and accuracy.
- d. The Contract Review Checklist for each year are stored within Meditract.

C. CONTRACT ADMINISTRATION

1. Contract administration begins once the contract begins:
2. The appropriate Board Member or the Administrator shall be responsible for the day-to-day performance under the contract, including substantiation of payments, as required or applicable.
3. The appropriate Board Member or the Administrator shall be responsible for

obtaining current certificates of insurance and, when possible, a copy of the endorsement naming TFHD/TSC as an additional insured.

4. The contract term and any renewal options will be monitored by the TSC Administrator, as well as by the administrator of the contract management program to allow for advance notice of contract expirations, certificates of insurance expirations, or renewals to permit appropriate action.
5. All modifications to any existing contract must be made in writing and signed by an authorized Board Member/signer and the other party (parties) to the contract.
6. It shall be the responsibility of the Board Member or Administrator to obtain the appropriate documentation for renewals and revisions, and forward to the Legal Department for entry into the contract management program. Original amendments/modifications shall be archived in contract management database, consistent with record retention procedures outlines in the [Record Retention and Destruction Policy, HIM-1901](#), and copies retained with the contract copy by the Administrator in order to maintain accuracy of the original document.
 - a. Contractual disputes should be addressed in the manner decided upon by the Board Member in consultation with the President of the Board or designee, and In-House Counsel if necessary, or as defined in the contract.
 - b. Contract termination by the Surgery Center prior to expiration of the contract term shall be carried out after consultation with the appropriate Board Member.

D. INSURANCE FOR CONTRACTED SERVICES

Certificates of Insurance: Firms or individuals providing services to TSC who are required to provide certificates of insurance will submit evidence of insurance as a condition of contracting for their services as required by the contract. Certificates of insurance may contain an endorsement listing TSC as an additional insured and that insurance cannot be canceled or revoked without prior written notice to TSC. Following are the insurance requirements for general types of service agreements recommended limits. Exceptions to the insurance requirements outlined in this section may be subject to modification by the TFHD CFO, TFHD Risk Manager or In-House Counsel. In such situations, it may be determined that little or no risk is involved in which case the limits may be lowered or the requirement eliminated. Conversely, it may be determined that additional risk is involved in which case the limits may be raised.

1. **General Liability: Comprehensive or Commercial Form (Minimum Limits)** including coverage for premises/operations, contractual, personal/advertising injury, products/completed operations, with limits at least \$1,000,000 per occurrence/\$3,000,000 general aggregate for bodily injury and property damage combined.
2. **Business Automobile Liability: Minimum Limits for Owned, Scheduled, Non-Owned or Hired Automobiles** with combined single limit or not less than \$1,000,000 per occurrence – if the service provider will be operating a motor vehicle on TSC premises or in connection with the provision of services performed.
3. **Workers' Compensation: As required under California State Law** – if the employees of the independent consultant will be on TSC premises. Such other insurance in such

amounts which from time to time may reasonably be required by the mutual consent of TSC and the independent consultant against other hazards relating to performance.

E. RECORDS MANAGEMENT

1. **Original Contracts:**

For purposes of identifying administrative responsibility for records management, the executed contracts, along with all required documentation (amendments, attachments, exhibits, certificates, permits, etc.) and, if used, the *Contract Summary Sheet, or Contract Request Form* will be maintained by the contract software administrator and housed within Meditract. Originating department shall electronically forward a scan of fully executed contracts and any attachments to contract software administrator, and shall deliver any original documents to the contract software administrator, if applicable. The contract software administrator will:

- a. Maintain a contract master list in a database (*Meditract*) of all active and inactive contracts (within the guidelines of Surgery Center's Record Retention and Destruction Policy) which will include such specifics as the names and types of contracts, effective dates, renewal dates, applicabilities, responsible Manager(s), the existence of a business associate agreement, the expiration of certificates of insurance, and any other applicable contract information.
- b. Maintain a database of scanned contracts.
- c. Maintain scanned associated documents.
- d. Will manage Meditract and facilitate notifications or prompts to appropriate responsible party such as the Administrator or a Board Member, regarding contract activities, such as contract termination and/or renewal dates.

2. **Copies:** For purposes of administering contracts, *copies* of all contracts and associate documents (including amendments, attachments, exhibits, certificates, permits, checklists, etc.) shall be maintained by the Administrator.

3. **Retention and Destruction of Contracts:** All originals of contracts, including any amendments, exhibits, attachments, etc. shall be archived by the Business Office in accordance with the Records Retention and Destruction HIM-1901.

Related Policies/Forms: Copy Link

[Administrative Delegation of Authority, GOV-2303](#); [Business Plan Development, GOV-2302](#); [Specialty Item Purchases, GOV-2305](#); [Record Retention & Destruction, HIM-1901](#); [Purchase Authorization, GOV-2304](#)

Attachments

-
- [Contract Request Form](#)
 - [Contract summary Sheet](#)
 - [Initial & Annual Contract Review Checklist](#)
 - [TSC Contract Review Checklist](#)

Approval Signatures

Step Description	Approver	Date
	Heidi Fedorchak: Nurse Manager	05/2026

COPY

**AMENDED AND RESTATED
OPERATING AGREEMENT**

OF

TRUCKEE SURGERY CENTER, LLC

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

This Amended And Restated Operating Agreement (this “**Agreement**”) of Truckee Surgery Center, LLC, a California limited liability company (the “**Company**”), is entered into as of June 3, 2019 (the “**Effective Date**”), and revised as of October 16, 2024 by and among the Company and Tahoe Forest Hospital District, a California local health care district (the “**District**”).

RECITALS

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

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

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

D. District, as a general partner then sold a 1% ownership interest to Dr. Jeff Dodd.

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

E. At the time of this original Agreement, the District held one hundred percent (100%) of the outstanding Units of the Company.

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

**ARTICLE I
DEFINITIONS**

When used in this Agreement, the following terms shall have the meanings set forth below: “**Act**” means the California Beverly-Killea Limited Liability Company Act, as amended
from time to time.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) If there is a:

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

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

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

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

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

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

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

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

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

ARTICLE II ORGANIZATION

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

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

ARTICLE III PRINCIPAL PLACE OF BUSINESS

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

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

ARTICLE IV BUSINESS

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

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

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

ARTICLE V TERM

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

ARTICLE VI MEMBERSHIP INTERESTS; UNITS

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

ARTICLE VII CAPITAL CONTRIBUTIONS: CAPITAL ACCOUNTS; ADDITIONAL MEMBERS

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VIII EXPENSES OF THE COMPANY

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

ARTICLE IX ALLOCATION OF PROFITS AND LOSSES; CASH DISTRIBUTIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE X MANAGEMENT OF THE COMPANY

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

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

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

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

(i) The District shall appoint the Managers.

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

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

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

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

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

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

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

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

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

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

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

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

(ii) A merger or consolidation of the Company;

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

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

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

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

(vii) Dissolve the Company;

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

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

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

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

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

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

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

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

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

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

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

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

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

Need Board approval for payor contracts?

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

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

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

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

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

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

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

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

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

10.6 Budgets. The Board, in consultation with the Administrator or Administrators, shall prepare and adopt an annual budget for the Company (the "Annual Budget") for each Fiscal Year. No later than thirty (30) days prior to the first day of the period covered by such budget, an Annual Budget for such year shall be presented to the entire Board for review, comment and approval. Notwithstanding any other provision hereof, the Board shall approve an Annual Budget only at a duly convened meeting and only after first affording each Manager present a reasonable

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

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

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

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

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

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

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

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

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

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

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

(i) A termination of the Company within the meaning of the Code;

(ii) A violation of any applicable federal or state law; or

(iii) The sale, assignment or transfer of any Unit to, or the admission of, any Person involuntarily excluded or suspended from participation in any federal or state healthcare program, such as Medicare or Medicaid.

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) The conviction of a felony;

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

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

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

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

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

**ARTICLE XII
DISSOLUTION AND WINDING UP OF THE COMPANY**

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

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

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

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

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

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

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

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

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

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

ARTICLE XIV
LIABILITY AND INDEMNIFICATION

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

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

14.3 Duties and Liabilities of Covered Persons.

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

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

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

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

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

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

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

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

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

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

ARTICLE XV MISCELLANEOUS

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

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

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

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

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

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

(b) If by hand, when delivered;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE XVI DISPUTE RESOLUTION PROCESS

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

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

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

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

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

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[Signature Page Follows]

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

“DISTRICT”

“COMPANY”

TAHOE FOREST HOSPITAL DISTRICT

TRUCKEE SURGERY CENTER, LLC

By:
Print

By: Print Name:

Name: Louis

Louis

Ward

Ward

Title:

CEO

Title:

President

its authorized
signatory

its authorized
signatory

“JEFF DODD”

Jeffrey Dodd, M.D.

By: Print

Name: Jeffrey Dodd

5798700.2

Signature Page

EXHIBIT A

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

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

EXHIBIT B
BOARD OF
MANAGERS

Tahoe Forest Hospital District CEO

Tahoe Forest Hospital District CFO

Tahoe Forest Hospital District COO

Dr. Jeffrey Dodd

Strategic Plan- Truckee Surgery Center and Tahoe Forest Hospital Case Volume Migration

Plan:

- Shift appropriate surgical volume from the hospital to Truckee Surgery Center
- **“Right patient, right procedure, right site of care”**

Objective:

- Relieve main OR capacity constraints
- Reduce cost of care for patients
- Improve scheduling access for providers
- Increase surgeon satisfaction
- Preserve hospital resources for higher acuity cases

Current Situation:

- Hospital ORs are capacity constrained
- Elective cases compete with urgent case add on's
- Lower acuity procedures consume expensive hospital resources
- Patients frequently request lower cost options
- Patients are migrating out to other health systems for care

Goal:

- High acuity and inpatient cases remain at hospital
- Appropriate ambulatory procedures migrate to TSC

Plan:

- Identify Candidate Procedures (*completed*)
- Identify patient selection criteria including insurance constraints (*completed*)
- Schedule lower acuity cases at TSC
- Separate TSC from TFH
 - Limiting growth of the surgery center to backfill the hospital impedes growth on both sides.
 - TFH cannot add more services due to the limited capacity in its current state
 - Allow physicians to discuss options with patients and select the location that best suits the situation and needs
 - TSC growth should be isolated from TFH

Truckee Surgery Center
Statement of Revenue and Expenses
For the Nine Months Ended March 30, 2026

	Actual	Budget	Variance
Ordinary Income/Expense			
Income			
Patient Revenue			
Private Pay		22,500.00	(22,500.00)
Commercial & Government Payors	1466795.41	1,296,000.00	170,795.41
Medical Record Copy Fee	45	37.50	7.50
Total Patient Revenue	1466840.41	1,318,537.50	148,302.91
Refunds			
Insurance Refund	-1534	(1,875.00)	341.00
Patient Refund	-3187.99	(13,500.00)	10,312.01
Total Refunds	-4721.99	(15,375.00)	10,653.01
Total Income	1462118.42	1,303,162.50	158,955.92
Gross Profit	1462118.42	1,303,162.50	158,955.92
Expense			
Sales Tax			
Service Fee	21,521.06	31,500.00	(9,978.94)
Purchased Services	51,429.63	11,250.00	40,179.63
Bad Debt	87,658.28	64,800.00	22,858.28
Billing Fee:			
Billing Fee - Other	36,817.82	77,760.00	(40,942.18)
Total Billing Fee	36,817.82	77,760.00	(40,942.18)
Collection Agency Reimbursement			
Collection Agency Reimbursement - Other	3,773.03	6,592.50	(2,819.47)
Total Collection Agency Reimbursement	3,773.03	6,592.50	(2,819.47)
General Office			
Document Destruction	649.13	1,050.00	(400.87)
Dues and Subscriptions	8,333.95	9,000.00	(17,333.95)
Office Supplies	8,134.64	9,000.00	(865.36)
Postage and Delivery	309.96	540.00	(230.04)
Printing and Reproduction	1,600.77	3,375.00	(1,774.23)
General Office - Other	457.31	1,200.00	(742.69)
Total General Office	19,485.76	24,165.00	(4,679.24)
Liability Gen'l, Prof Insurance	5,139.63	5,139.75	(0.12)
Licenses and Permits	2,991.00	1,800.00	1,191.00
Linen	17,472.63	32,963.25	(15,490.62)
Medical Supplies Total:			
Implants-Tissue Products			
Gas Medical	17,321.45	29,007.83	(11,686.38)
Implants	131,282.20	275,574.75	(144,292.55)
Instrument Expense	378.27	1,800.00	(1,421.73)
Medical Supplies	224,990.70	275,574.75	(50,584.05)
Pharmacy	26,025.44	50,763.90	(24,738.46)
Patient Nutrition	967.17	1,450.35	(483.18)
Medical Supplies Total - Other	(28.12)	600.00	(628.12)
Total Medical Supplies Total	400,937.11	634,771.58	(233,834.47)
Other Expenses			
Advertising & Promotion	1,220.80		
Bank Charges	731.26	750.00	(18.74)
Cleaning Supplies	-	180.00	(180.00)
Educational	2,863.05	10,500.00	(7,636.95)
Equipment Rental/Lease	2,174.36	1,650.00	524.36
Meals & Entertainment	358.00	1,125.00	(767.00)
Merchant Fees	6,293.45	9,888.75	(3,595.30)
Travel	1,906.97	5,250.00	(3,343.03)
Total Other Expenses	15,547.89	29,343.75	(13,795.86)
Payroll Expenses			
Voluntary Benefits	1,654.00	1,500.00	154.00
Basic Employee Life AD&D	305.00	360.00	(55.00)
Health Insurance:			
Health	168,612.64	197,687.48	(29,074.84)

Dental	10,849.06	13,229.42	(2,380.36)
Vision	1,352.80	1,628.11	(275.31)
Total Health Insurance Total	180,814.50	212,545.01	(31,730.51)
Employee Benefit	1,791.97	2,400.00	(608.03)
Payroll Taxes	56,429.61	83,655.00	(27,225.39)
Retirement Contribution	14,299.39	17,115.00	(2,815.61)
Service Fee	200.00	300.00	(100.00)
Wages	693,993.51	929,498.63	(235,505.12)
Work Comp	6,980.43	6,937.50	42.93
Payroll Expenses - Other	3,291.88	4,500.00	(1,208.12)
Total Payroll Expenses	959,760.29	1,258,811.14	(299,050.85)
Professional Fees			
Consulting	7,200.00	1,500.00	5,700.00
Pension Fees	332.00	2,100.00	(1,768.00)
Transcription Services	2,208.11	2,637.00	(428.89)
Total Professional Fees	9,740.11	6,237.00	3,503.11
Rent & CAM	139,715.64	143,755.50	(4,039.86)
Repairs:			
Building/Equipment Repairs	3,388.52	18,000.00	(14,611.48)
Flood Damage- Surrounding Tenant			
Instrument Refurbishing		1,350.00	(1,350.00)
Instrument Repairs		2,250.00	(2,250.00)
Maintenance-Preventative	23,962.19	41,250.00	(17,287.81)
Total Repairs	27,350.71	62,850.00	(35,499.29)
Taxes			
Property	25,492.14	27,000.00	(1,507.86)
State	800.00	5,100.00	(4,300.00)
Total Taxes	26,292.14	32,100.00	(5,807.86)
Utilities			
Alarm Monitor	849.69	1,050.00	(200.31)
Cable	581.14	600.00	(18.86)
Gas and Electric	42,339.46	41,250.00	1,089.46
Medical Waste		900.00	(900.00)
Total Utilities	43,770.29	43,800.00	(29.71)
Depreciation Expense	136,235.70	122,287.50	13,948.20
Total Expense	2,005,638.72	2,589,926.97	(584,288.25)
Net Ordinary Income	(543,520.30)	(1,286,764.47)	743,244.17
Other Income/Expense			
Other Income:	138,072.68		
Interest Income	73.13	15.00	58.13
Total Other Income	73.13	15.00	58.13
Other Expense			
Amortization Expense	97857.72	97,857.75	(0.03)
Total Other Expense	97857.72	97,857.75	(0.03)
Net Other Income	40,288.07	(97,842.75)	138,130.82
Net Income	(503,232.23)	(1,384,607.22)	881,374.99

Truckee Surgery Center LLC
Balance Sheet
 As of March 31, 2026

	Mar 31, 26	Dec 31, 25
ASSETS		
Current Assets		
Checking/Savings		
US Bank	93,992.55	178,023.73
Petty Cash	201.80	201.80
Total Checking/Savings	94,194.35	178,225.53
Accounts Receivable		
Accounts Receivable		
Allowance for Doubtful Accounts	-206,696.46	-181,872.94
Accounts Receivable - Other	856,247.91	635,168.27
Total Accounts Receivable	649,551.45	453,295.33
Total Accounts Receivable	649,551.45	453,295.33
Other Current Assets		
Other Receivable	5,093.78	5,093.78
Prepaid Expense		
Franchise Tax Prepaid	19,600.00	19,600.00
Preventative Maint	1,022.48	1,533.74
Worker's Comp	2,189.53	4,379.02
Prepaid Expense - Other	19,814.19	21,103.49
Total Prepaid Expense	42,626.20	46,616.25
Total Other Current Assets	47,719.98	51,710.03
Total Current Assets	791,465.78	683,230.89
Fixed Assets		
Computer/Office Equipment	7,051.91	7,051.91
Furniture & Fixtures	3,087.00	3,087.00
Instruments	27,033.53	27,033.53
Leasehold Improvements	1,053,714.97	1,053,714.97
Machinery & Equipment	100,996.66	100,996.66
Surgical & Medical Equipment	976,172.39	976,172.39
Accumulated Depreciation	-1,140,629.43	-1,095,217.53
Goodwill	3,914,333.00	3,914,333.00
Accumulated Amortization	-3,881,713.34	-3,849,094.10
Total Fixed Assets	1,060,046.69	1,138,077.83
Other Assets		
Rent Deposit	20,256.00	20,256.00
Total Other Assets	20,256.00	20,256.00
TOTAL ASSETS	1,871,768.47	1,841,564.72
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	3,324,908.74	3,186,631.84
Total Accounts Payable	3,324,908.74	3,186,631.84
Credit Cards		
BankCard	274.66	-14.92
Total Credit Cards	274.66	-14.92

Truckee Surgery Center LLC

Balance Sheet

As of March 31, 2026

	Mar 31, 26	Dec 31, 25
Other Current Liabilities		
Due to TFH	2,195,257.17	2,195,257.17
Compensated Absenses	63,532.30	43,772.67
Payroll Liabilities	3,127.13	14,108.77
Pension Payable	-2,557.01	0.00
Total Other Current Liabilities	2,259,359.59	2,253,138.61
Total Current Liabilities	5,584,542.99	5,439,755.53
Total Liabilities	5,584,542.99	5,439,755.53
Equity		
Tahoe Forest Hospital		
Tahoe Forest Hospital Equity	2,986,307.79	2,986,307.79
Total Tahoe Forest Hospital	2,986,307.79	2,986,307.79
Truckee Surgery Center Inc		
Truckee Surgery Cntr Inc Equity	604,650.70	604,650.70
Total Truckee Surgery Center Inc	604,650.70	604,650.70
Retained Earnings	-6,800,500.78	-6,800,500.78
Net Income	-503,232.23	-388,648.52
Total Equity	-3,712,774.52	-3,598,190.81
TOTAL LIABILITIES & EQUITY	1,871,768.47	1,841,564.72



Practice Summary

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT
Beginning AR	\$ 374,922	\$ 419,910	\$ 444,918	\$ 474,319	\$ 451,151	\$ 474,319	\$ 466,136	\$ 654,270	\$ 706,128	\$ 635,168	\$ 672,808	\$ 668,524	\$ 856,248	
Charges	\$ 951,738	\$ 986,315	\$ 1,016,032	\$ 1,048,294	\$ 1,116,992	\$ 782,772	\$ 984,377	\$ 1,181,036	\$ 909,194	\$ 687,917	\$ 1,295,256	\$ 1,161,048	\$ 967,018	\$ 11,081,250
Gross Collections	\$ 103,788	\$ 95,917	\$ 192,595	\$ 130,847	\$ 116,517	\$ 106,178	\$ 85,477	\$ 112,134	\$ 102,606	\$ 86,439	\$ 96,483	\$ 181,404	\$ 256,792	\$ 1,500,279
Refunds	\$ 2,179	\$ -	\$ 110	\$ 2,744	\$ -	\$ 134	\$ -	\$ 584	\$ 225	\$ -	\$ -	\$ -	\$ 164	\$ 3,402
Net Collections	\$ 101,609	\$ 95,917	\$ 192,595	\$ 130,737	\$ 112,273	\$ 105,044	\$ 85,477	\$ 111,549	\$ 102,381	\$ 86,439	\$ 96,483	\$ 181,404	\$ 256,628	\$ 1,546,817
Credit Adjustments	\$ 829,570	\$ 845,390	\$ 844,538	\$ 915,374	\$ 384,551	\$ 665,912	\$ 700,766	\$ 1,017,628	\$ 437,774	\$ 564,138	\$ 1,202,577	\$ 791,919	\$ 604,066	\$ 8,951,704
Ending AR	\$ 374,922	\$ 419,910	\$ 444,918	\$ 451,151	\$ 474,319	\$ 466,136	\$ 654,270	\$ 706,128	\$ 635,168	\$ 672,808	\$ 668,524	\$ 856,248	\$ 957,372	
Cases	37	47	43	48	32	40	41	59	37	40	40	52	49	530
CPI Codes	78	93	65	75	48	51	67	100	48	59	115	81	64	866
Avg CPT per Case	2.11	1.63	1.38	1.74	1.50	1.38	1.63	1.09	1.30	1.79	2.88	1.56	1.31	1.63
Avg Charge per Case	\$ 25,723	\$ 17,804	\$ 21,018	\$ 24,379	\$ 16,116	\$ 19,069	\$ 21,277	\$ 20,018	\$ 13,762	\$ 20,846	\$ 32,381	\$ 22,328	\$ 19,633	\$ 20,908
3 Mo. Gross Charges/Day	\$ 23,238	\$ 31,274	\$ 31,432	\$ 28,288	\$ 28,288	\$ 25,313	\$ 24,044	\$ 31,761	\$ 26,062	\$ 22,228	\$ 27,114	\$ 34,457	\$ 37,461	\$ 30,103
Days in AR	16.13	13.87	13.49	13.49	16.77	18.27	26.72	22.23	21.92	25.80	24.48	24.85	25.56	
3 Mo. Gross Charges/Day	\$ 23,238	\$ 31,274	\$ 31,432	\$ 28,288	\$ 28,288	\$ 25,313	\$ 24,044	\$ 31,761	\$ 26,062	\$ 22,228	\$ 27,114	\$ 34,457	\$ 37,461	\$ 30,103
Days in AR	16.13	13.87	13.49	13.49	16.77	18.27	26.72	22.23	21.92	25.80	24.48	24.85	25.56	
"Avg Days to Bill"	14.11	7.59	7.55	7.55	5.48	7.31	5.06	6.90	9.10	5.33	6.41	6.58	5.48	





Aging by Payer

Financial Class	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS	150 DAYS	180 DAYS	TOTAL	% Total	
CONTRACTED	\$ 46,174	\$ 97,356	\$ 81,077	\$ 50,501	\$ 26,768	\$ 8,914	\$ 377,582	\$ (31,377)	\$ 656,494	69%
MEDICARE	\$ 6,586	\$ 111	\$ 770	\$ 488	\$ 1,866	\$ -	\$ 1,866	\$ (8,756)	\$ 6,635	1%
NON CONTRACTED	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 932	\$ -	\$ 932	0%
SELF PAY	\$ 1,601	\$ 17,337	\$ 6,234	\$ 2,344	\$ 2,999	\$ 1,352	\$ 26,827	\$ (12,360)	\$ 45,934	5%
WORKERS COMP	\$ 110,779	\$ 41,133	\$ 4,440	\$ 10,571	\$ 8,595	\$ -	\$ 76,215	\$ (4,298)	\$ 247,587	29%
Insurance Total	\$ 163,539	\$ 138,800	\$ 85,514	\$ 67,093	\$ 35,134	\$ 9,402	\$ 456,545	\$ (44,800)	\$ 911,638	85%
Patient Total	\$ 1,601	\$ 17,337	\$ 6,234	\$ 2,344	\$ 2,999	\$ 1,352	\$ 26,827	\$ (12,360)	\$ 45,934	5%
Combined Total	\$ 165,140	\$ 156,137	\$ 91,750	\$ 69,437	\$ 37,732	\$ 10,754	\$ 483,412	\$ (56,792)	\$ 957,372	100%
Previous Month Total	\$ 244,725	\$ 171,097	\$ 37,188	\$ 54,589	\$ 26,733	\$ 118,541	\$ 258,371	\$ (56,102)	\$ 856,248	100%



TTM Cases by Provider

Physician	Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Albert, Rick A	ANS - Anesthesia	0	0	0	0	0	0	0	0
Barry, Terille	ANS - Anesthesia	0	0	0	0	0	0	0	0
Condon, David	POD - Podiatry	0	0	0	0	0	0	0	0
Dodd, Jeffrey S	ORT - Orthopaedics	12	11	11	9	5	8	7	13
Foley, John V	ORT - Orthopaedics	0	0	0	0	0	0	0	0
Graham, Camille	DEN - Dental	0	0	0	0	0	0	0	0
Gustafson, Matthew H	PAI - Pain Mgmt	13	15	12	12	13	9	7	11
Hager, Paul R	DEN - Dental	1	2	1	0	0	0	0	3
Hagen, Jonathan T	ORT - Orthopaedics	0	0	0	0	0	0	0	0
Hoff, Stephen R	ENT - Ear Nose Throat	2	16	13	10	3	10	10	10
Jernick, Michael	ORT - Orthopaedics	2	6	3	4	5	2	4	6
Lan, Jie	ANS - Anesthesia	0	0	0	0	0	0	0	0
Lucomb, Thomas A	ANS - Anesthesia	0	0	0	0	0	0	0	0
Nafzulin, Brian	URO - Urology	0	0	0	0	0	0	0	0
Rings, Andrew P	ORT - Orthopaedics	7	7	8	7	6	9	13	13
Rizac, Earl J	PAI - Pain Mgmt	0	0	0	0	0	0	0	2
Szaremski, Alar	ANS - Anesthesia	0	0	0	0	0	0	0	0
Slavick, John M	ANS - Anesthesia	0	0	0	0	0	0	0	0
Taylor, Peter J	OBS - Obstetrics/Gynecology	0	0	0	0	0	0	0	0
Unassigned	No Specialty	0	0	0	0	0	0	0	0
Voss, Justin C	ANS - Anesthesia	0	0	0	0	0	0	0	0
Weinstein, Mark A	URO - Urology	0	0	0	0	0	0	0	0
Ward, Justin T	ANS - Anesthesia	0	0	0	0	0	0	0	0
Watson, Jeffrey B	ENT - Ear Nose Throat	0	0	0	1	0	0	0	0
Zimmer, Anthony	ORT - Orthopaedics	0	0	0	0	0	0	0	0
Total		37	57	47	43	32	40	41	58

Physician	Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Monthly Average
Albert, Rick A	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Barry, Terille	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Condon, David	POD - Podiatry	0	0	0	0	0	0	0	0	0	0	0	0	0	
Dodd, Jeffrey S	ORT - Orthopaedics	10	4	13	13	14	10	10	10	10	10	10	10	10	
Foley, John V	ORT - Orthopaedics	0	0	0	0	0	0	0	0	0	0	0	0	0	
Graham, Camille	DEN - Dental	0	0	0	0	0	0	0	0	0	0	0	0	0	
Gustafson, Matthew H	PAI - Pain Mgmt	14	12	4	10	13	13	11	11	11	11	11	11	11	
Hager, Paul R	DEN - Dental	0	1	3	1	0	1	1	1	1	1	1	1	1	
Hagen, Jonathan T	ORT - Orthopaedics	0	0	0	0	0	0	0	0	0	0	0	0	0	
Hoff, Stephen R	ENT - Ear Nose Throat	5	6	7	11	9	9	9	9	9	9	9	9	9	
Jernick, Michael	ENT - Ear Nose Throat	1	1	1	1	0	1	0	1	0	1	0	1	0	
Lan, Jie	ORT - Orthopaedics	4	5	4	6	7	5	5	5	5	5	5	5	5	
Lucomb, Thomas A	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Nafzulin, Brian	URO - Urology	0	0	0	0	0	0	0	0	0	0	0	0	0	
Rings, Andrew P	ORT - Orthopaedics	3	4	3	8	5	9	8	8	8	8	8	8	8	
Rizac, Earl J	PAI - Pain Mgmt	0	0	0	1	1	1	1	1	1	1	1	1	1	
Szaremski, Alar	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Slavick, John M	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Taylor, Peter J	OBS - Obstetrics/Gynecology	0	0	0	0	0	0	0	0	0	0	0	0	0	
Unassigned	No Specialty	0	0	0	0	0	0	0	0	0	0	0	0	0	
Voss, Justin C	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Weinstein, Mark A	URO - Urology	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ward, Justin T	ANS - Anesthesia	0	0	0	0	0	0	0	0	0	0	0	0	0	
Watson, Jeffrey B	ENT - Ear Nose Throat	0	0	0	1	0	0	1	0	0	0	0	0	0	
Zimmer, Anthony	ORT - Orthopaedics	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total		37	39	40	52	49	53	40	41	41	41	41	41	44	



TTM Charges by Provider

Physician	Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Alpert, Rick A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Biny, Tamiie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Condon, David	POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	\$
Dodd, Jeffrey S	ORT - Orthopaedics	242,209	363,280	210,451	286,721	48,620	289,329	85,683	274,421
Foley, John V	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Gannam, Camille	DEN - Dental	\$	\$	\$	\$	\$	\$	\$	\$
Ganong, Alison	PAL - Pain Mgmt	162,462	164,959	81,032	216,384	181,744	98,396	98,975	140,070
Gustafson, Matthew H	DEN - Dental	1,425	115,760	2,590	2,590	\$	\$	108,972	94,643
Haeder, Paul R	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Hagen, Jonathan T	ORT - Orthopaedics	201,191	285,807	427,808	141,705	73,332	73,586	236,085	266,255
Hoff, Stephen R	ENT - Ear Nose Throat	\$	\$	\$	\$	\$	\$	\$	\$
Jermick, Michael	ORT - Orthopaedics	182,070	46,304	55,881	130,873	47,280	130,531	56,147	158,314
Lan, Jie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Luscomb, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Neffalls, Brian	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$
Riegler, Andrew P	ORT - Orthopaedics	162,181	110,206	238,259	237,060	186,596	170,950	367,535	242,226
Rizzac, Kari J	PAL - Pain Mgmt	\$	\$	\$	\$	\$	\$	\$	8,207
Saarems, Alar	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Stanos, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	Unassigned	\$	\$	\$	\$	\$	\$	\$	\$
Vink, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Wainstein, Mark A	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Watson, Jeffrey B	ENT - Ear Nose Throat	\$	\$	\$	31,571	\$	\$	\$	\$
Zissimos, Anthony	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Total		951,738	886,315	1,016,032	1,048,294	516,892	762,772	954,377	1,181,036

Physician	Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average	Average Charge Per Case
Alpert, Rick A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Biny, Tamiie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Condon, David	POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	N/A
Dodd, Jeffrey S	ORT - Orthopaedics	165,868	138,916	309,950	290,069	223,805	2,584,233	215,353	21,535
Foley, John V	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	N/A
Gannam, Camille	DEN - Dental	\$	\$	\$	\$	\$	\$	\$	N/A
Ganong, Alison	PAL - Pain Mgmt	159,171	208,948	43,804	70,614	212,714	1,676,791	138,733	12,800
Gustafson, Matthew H	DEN - Dental	\$	63,668	112,562	\$	75,744	574,439	47,870	44,188
Haeder, Paul R	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	N/A
Hagen, Jonathan T	ORT - Orthopaedics	64,148	98,398	259,435	238,567	286,079	2,493,225	207,769	22,666
Hoff, Stephen R	ENT - Ear Nose Throat	\$	13,892	\$	35,794	\$	49,666	4,141	16,562
Jermick, Michael	ORT - Orthopaedics	72,342	73,509	178,707	230,781	64,564	1,248,143	103,595	22,199
Lan, Jie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Luscomb, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Neffalls, Brian	URO - Urology	\$	\$	\$	\$	\$	\$	\$	N/A
Riegler, Andrew P	ORT - Orthopaedics	81,236	58,129	350,758	357,335	97,639	2,381,550	198,453	26,171
Rizzac, Kari J	PAL - Pain Mgmt	(2,335)	(2,335)	\$	3,112	1,833	31,041	910	\$
Saarems, Alar	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Stanos, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	N/A
Unassigned	Unassigned	\$	\$	\$	\$	\$	\$	\$	N/A
Vink, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Wainstein, Mark A	URO - Urology	\$	\$	\$	\$	\$	\$	\$	N/A
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
Watson, Jeffrey B	ENT - Ear Nose Throat	(33,571)	31,571	\$	31,571	\$	87,142	5,995	33,571
Zissimos, Anthony	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	N/A
Total		509,194	687,917	1,295,256	1,183,048	862,018	11,083,250	923,438	20,908



TTM Collections by Provider

Physician	Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Alpert, Rick A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Biny, Lemie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Condon, David	POD - Faciality	\$	\$	\$	\$	\$	\$	\$	\$
Dodd, Jeffrey S	ORT - Orthopaedics	14,229 \$	78,481 \$	36,581 \$	16,335 \$	23,031 \$	40,483 \$	16,170 \$	28,034 \$
Foley, John V	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Gamm, Camille	DEN - Dental	270 \$	270 \$	270 \$	270 \$	270 \$	270 \$	270 \$	270 \$
Garing, Allison	PAI - Pain Mgmt	4,854 \$	11,979 \$	11,978 \$	9,911 \$	34,384 \$	7,863 \$	6,820 \$	2,863 \$
Gustafson, Matthew H	DEN - Dental	444 \$	1,620 \$	4,226 \$	390 \$	390 \$	(200) \$	67 \$	1,734 \$
Haeder, Paul R	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Hagen, Jonathan T	ORT - Orthopaedics	39,614 \$	20,470 \$	32,931 \$	69,657 \$	15,885 \$	17,180 \$	17,020 \$	12,825 \$
Hoff, Stephen R	ENT - Ear Nose Throat	2,108 \$	\$	\$	\$	\$	\$	\$	\$
Jernack, Michael	ORT - Orthopaedics	12,353 \$	9,427 \$	18,333 \$	6,547 \$	7,743 \$	12,354 \$	11,274 \$	12,341 \$
Lan, Jia	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Lucas, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Nehfulin, Brian	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$
Ruggins, Andrew P	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Rizack, Kari J	PAI - Pain Mgmt	24,989 \$	23,668 \$	45,160 \$	27,775 \$	27,804 \$	20,307 \$	19,643 \$	48,602 \$
Saarems, Alur	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Stanc, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	No-Specialty	3,423 \$	\$	(7,073) \$	\$	\$	6,308 \$	(6,308) \$	\$
Voss, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Wairstein, Mark A	URO - Urology	6 \$	\$	\$	\$	\$	\$	71 \$	\$
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Watson, Jeffrey B	ENT - Ear Nose Throat	\$	\$	\$	\$	2,996 \$	\$	\$	\$
Zimmov, Anthony	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$
Total		101,608 \$	95,917 \$	342,505 \$	130,737 \$	112,273 \$	105,044 \$	65,477 \$	111,549 \$

Physician	Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Monthly Average	TTMT	Average Cash Per Case
Alpert, Rick A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Biny, Lemie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Condon, David	POD - Faciality	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Dodd, Jeffrey S	ORT - Orthopaedics	41,325 \$	19,937 \$	26,386 \$	34,308 \$	29,091 \$	340,553 \$	28,179 \$	340,553 \$	2,838
Foley, John V	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Gamm, Camille	DEN - Dental	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Garing, Allison	PAI - Pain Mgmt	18,216 \$	10,210 \$	5,353 \$	4,742 \$	9,129 \$	133,671 \$	11,139 \$	133,671 \$	1,020
Gustafson, Matthew H	DEN - Dental	67 \$	2,749 \$	2,335 \$	3,459 \$	70 \$	16,654 \$	1,371 \$	16,654 \$	1,266
Haeder, Paul R	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Hagen, Jonathan T	ORT - Orthopaedics	53,716 \$	15,251 \$	8,190 \$	78,131 \$	95,004 \$	436,921 \$	36,410 \$	436,921 \$	3,972
Hoff, Stephen R	ENT - Ear Nose Throat	611 \$	11,282 \$	611 \$	2,827 \$	8,466 \$	23,777 \$	1,941 \$	23,777 \$	7,926
Jernack, Michael	ORT - Orthopaedics	22,217 \$	13,033 \$	22,440 \$	14,545 \$	96,812 \$	247,016 \$	20,585 \$	247,016 \$	4,411
Lan, Jia	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Lucas, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Nehfulin, Brian	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Ruggins, Andrew P	ORT - Orthopaedics	36,148 \$	11,196 \$	31,128 \$	34,093 \$	19,885 \$	317,508 \$	27,292 \$	317,508 \$	3,599
Rizack, Kari J	PAI - Pain Mgmt	\$	\$	2,573 \$	\$	2,715 \$	10,300 \$	838 \$	10,300 \$	3,373
Saarems, Alur	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Stanc, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Unassigned	No-Specialty	\$	2,291 \$	(2,011) \$	16,774 \$	(8,000) \$	1,940 \$	165 \$	(8,000) \$	N/A
Voss, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Wairstein, Mark A	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Watson, Jeffrey B	ENT - Ear Nose Throat	\$	\$	\$	\$	2,996 \$	6,742 \$	562 \$	6,742 \$	3,371
Zimmov, Anthony	ORT - Orthopaedics	\$	\$	\$	\$	\$	\$	\$	\$	N/A
Total		182,881 \$	86,439 \$	96,463 \$	181,404 \$	256,278 \$	1,546,817 \$	128,901 \$	1,546,817 \$	2,919



TTM Collections by Provider

Physician	Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Alpert, Bicki A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Birny, Taithe	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Connon, David	POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	\$
Dodd, Jeffrey S	ORT - Orthopedics	14,329	28,483	36,581	16,335	23,091	40,483	16,170	28,034
Foley, John V	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$
Gannam, Camille	DEN - Dental	270	270	270	270	270	270	270	270
Ganong, Alison	PAI - Pain Mgmt	4,854	11,979	11,978	9,911	34,384	7,883	6,820	2,863
Gustafson, Matthew H	DEN - Dental	444	1,670	4,276	330	1,000	67	1,734	1,734
Haeber, Paul R	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$
Hagen, Jonathan T	ORT - Orthopedics	39,634	20,470	34,931	89,657	15,985	17,180	17,020	12,825
Hoff, Stephen R	ENT - Ear Nose Throat	2,108	\$	\$	\$	\$	\$	\$	\$
Jermick, Michael	ORT - Orthopedics	12,353	9,427	18,333	6,547	7,743	12,354	11,224	12,341
Lah, Jie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Luskomb, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Narfulin, Brian	URO - Urology	\$	\$	\$	243	\$	\$	771	\$
Rinnes, Andrew P	ORT - Orthopedics	24,088	23,668	45,260	27,773	27,804	20,307	19,643	48,602
Rozac, Eric J	PAI - Pain Mgmt	\$	\$	\$	\$	\$	\$	\$	3,150
Saarems, Alar	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Starnes, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	No Specialty	3,423	\$	(1,073)	\$	\$	6,308	(6,308)	\$
Voss, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Wainstein, Mark A	URO - Urology	6	\$	\$	\$	\$	\$	71	\$
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
Wainstein, Mark A	ENT - Ear Nose Throat	\$	\$	\$	\$	2,996	\$	\$	\$
Zakimas, Anthony	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$
Total		107,608	95,917	143,505	130,737	112,273	105,044	65,477	111,549

Physician	Specialty	Dec-25	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Alpert, Bicki A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Birny, Taithe	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Condon, David	POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Dodd, Jeffrey S	ORT - Orthopedics	41,235	19,937	26,586	34,108	29,891	340,553	28,178	\$	\$	\$	\$	\$	\$
Foley, John V	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gannam, Camille	DEN - Dental	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Ganong, Alison	PAI - Pain Mgmt	18,236	10,210	5,335	4,742	9,329	133,671	11,139	\$	\$	\$	\$	\$	\$
Gustafson, Matthew H	DEN - Dental	67	2,749	2,335	3,459	70	16,454	1,371	\$	\$	\$	\$	\$	\$
Haeber, Paul R	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Hagen, Jonathan T	ORT - Orthopedics	53,776	15,751	8,190	28,131	95,004	416,921	36,410	\$	\$	\$	\$	\$	\$
Hoff, Stephen R	ENT - Ear Nose Throat	611	11,283	611	2,807	8,466	23,777	1,981	\$	\$	\$	\$	\$	\$
Jermick, Michael	ORT - Orthopedics	22,217	13,033	21,440	15,545	96,812	247,016	20,585	\$	\$	\$	\$	\$	\$
Lah, Jie	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Luskomb, Thomas A	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Narfulin, Brian	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rinnes, Andrew P	ORT - Orthopedics	26,148	11,196	33,158	24,083	19,386	317,508	27,292	\$	\$	\$	\$	\$	\$
Rozac, Eric J	PAI - Pain Mgmt	\$	\$	\$	2,575	2,575	10,300	838	\$	\$	\$	\$	\$	\$
Saarems, Alar	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Starnes, John M	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Taylor, Peter J	OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	No Specialty	\$	2,291	(2,011)	16,774	(8,000)	1,980	165	\$	\$	\$	\$	\$	\$
Voss, Justin C	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Wainstein, Mark A	URO - Urology	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Ward, Justin T	ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Wainstein, Mark A	ENT - Ear Nose Throat	\$	\$	\$	\$	2,996	\$	\$	\$	\$	\$	\$	\$	\$
Zakimas, Anthony	ORT - Orthopedics	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total		182,381	86,439	96,463	181,404	256,628	1,546,817	126,901	\$	\$	\$	\$	\$	2,939



Report Name: Specialty Analysis
Report Month: April 2026

Specialty Analysis

Specialty	Cases	%	TMPT %	\$	Charges	%	TMPT %	\$	Payments	%	TMPT %
AMS - Anesthesia	0	0%	0%	\$		0%	0%	\$		0%	0%
DNA - Dental	0	0%	1%	\$	75,244	8%	5%	\$	70	0%	1%
ENT - Ear Nose Throat	0	0%	1%	\$		0%	1%	\$	11,463	4%	2%
OBG - Obstetrics/Gynecology	0	0%	0%	\$		0%	0%	\$		0%	0%
ORT - Orthopedics	35	71%	71%	\$	672,227	70%	99%	\$	341,107	4%	0%
PA - Pain Mgmt.	13	27%	25%	\$	212,714	23%	15%	\$	9,329	4%	0%
POD - Podiatry	0	0%	0%	\$		0%	0%	\$		0%	0%
Unassigned	1	2%	0%	\$	1,633	0%	0%	\$	(5,425)	-2%	0%
URO - Urology	0	0%	0%	\$		0%	0%	\$		0%	0%
Total	49	100%	100%	\$	962,018	100%	100%	\$	256,628	100%	100%





Report Name: TTM Cases by Specialty
Report Month: April 2026

TTM Cases by Specialty

Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
ANS - Anesthesia	0	0	0	0	0	0	0	0
DEN - Dental	1	2	1	0	0	2	0	3
ENT - Ear Nose Throat	0	0	0	1	0	0	0	0
GYN - Obstetrics/Gynecology	0	0	0	0	0	0	0	0
ORT - Orthopaedics	23	40	35	30	19	29	34	43
PAI - Pain Mgmt	13	15	11	12	13	9	7	13
POD - Podiatry	0	0	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0	0	0
URO - Urology	0	0	0	0	0	0	0	0
Total	37	57	47	43	31	40	41	59

Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average
ANS - Anesthesia	0	0	0	0	0	0	0
DEN - Dental	0	1	3	1	0	13	1
ENT - Ear Nose Throat	1	1	0	2	0	5	0
GYN - Obstetrics/Gynecology	0	0	0	0	0	0	0
ORT - Orthopaedics	22	19	33	38	35	377	31
PAI - Pain Mgmt	14	12	4	10	13	133	11
POD - Podiatry	0	0	0	0	0	0	0
Unassigned	0	0	0	1	1	2	0
URO - Urology	0	0	0	0	0	0	0
Total	37	33	40	52	49	530	44



TTM Charges by Specialty

Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	\$
DEN - Dental	\$ 1,425	\$ 115,760	\$ 2,550	\$	\$	\$	\$ 109,972	\$ 94,643
ENT - Ear Nose Throat	\$	\$	\$	\$ 30,571	\$	\$	\$	\$
OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	\$
ORT - Orthopaedics	\$ 780,151	\$ 705,596	\$ 932,410	\$ 798,359	\$ 335,748	\$ 664,376	\$ 745,430	\$ 938,116
PA - Pain Mgmt	\$ 152,162	\$ 164,959	\$ 81,032	\$ 216,364	\$ 181,744	\$ 98,396	\$ 98,975	\$ 148,277
POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	\$	\$	\$	\$	\$	\$	\$	\$
LRD - Unclass	\$	\$	\$	\$	\$	\$	\$	\$
Total	\$ 951,738	\$ 986,311	\$ 1,010,032	\$ 1,044,294	\$ 516,992	\$ 762,772	\$ 954,377	\$ 1,181,036

Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average	Average Cash Per Case
ANS - Anesthesia	\$	\$	\$	\$	\$	\$	\$	N/A
DEN - Dental	\$	\$ 61,668	\$ 115,563	\$	\$ 75,144	\$ 574,439	\$ 47,870	\$ 44,188
ENT - Ear Nose Throat	\$ (83,671)	\$ 47,463	\$	\$ 69,365	\$	\$ 116,828	\$ 9,736	\$ 23,366
OBG - Obstetrics/Gynecology	\$	\$	\$	\$	\$	\$	\$	N/A
ORT - Orthopaedics	\$ 388,894	\$ 370,152	\$ 1,138,890	\$ 1,017,752	\$ 672,227	\$ 8,702,150	\$ 725,179	\$ 23,083
PA - Pain Mgmt	\$ 159,171	\$ 206,633	\$ 43,824	\$ 70,614	\$ 212,714	\$ 1,682,683	\$ 140,224	\$ 12,652
POD - Podiatry	\$	\$	\$	\$	\$	\$	\$	\$
Unassigned	\$	\$	\$	\$ 3,317	\$	\$ 5,150	\$ 429	\$ 2,575
LRD - Unclass	\$	\$	\$	\$	\$	\$	\$	N/A
Total	\$ 509,394	\$ 687,917	\$ 1,295,256	\$ 1,161,948	\$ 962,018	\$ 11,081,250	\$ 923,438	\$ 20,908



TTM Collections by Specialty

Specialty	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
ANS - Anesthesia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEN - Dental	\$ 714	\$ 1,890	\$ 4,996	\$ 270	\$ 830	\$ (200)	\$ 67	\$ 1,734
ENT - Ear Nose Throat	\$ 2,108	\$ -	\$ -	\$ -	\$ 2,996	\$ 749	\$ -	\$ -
OBG - Obstetrics/Gynecology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ORT - Orthopaedics	\$ 90,405	\$ 82,048	\$ 133,105	\$ 120,313	\$ 74,563	\$ 90,374	\$ 64,056	\$ 101,802
PAL - Pain Mgmt	\$ 4,954	\$ 11,979	\$ 11,978	\$ 9,911	\$ 34,848	\$ 7,863	\$ 6,870	\$ 8,913
POD - Podiatry	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	\$ 3,823	\$ -	\$ (7,013)	\$ -	\$ -	\$ 6,109	\$ (6,308)	\$ -
URO - Urology	\$ 6	\$ -	\$ -	\$ 243	\$ -	\$ -	\$ 842	\$ -
Total	\$ 101,609	\$ 95,917	\$ 142,995	\$ 180,737	\$ 112,228	\$ 105,044	\$ 65,477	\$ 111,549

Specialty	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average	Average Cash Per Case
ANS - Anesthesia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
DEN - Dental	\$ 67	\$ 2,749	\$ 2,335	\$ 3,459	\$ 70	\$ 17,264	\$ 1,439	\$ 1,328
ENT - Ear Nose Throat	\$ 611	\$ 11,282	\$ 611	\$ 2,807	\$ 11,463	\$ 30,519	\$ 2,543	\$ 6,104
OBG - Obstetrics/Gynecology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
ORT - Orthopaedics	\$ 143,467	\$ 59,948	\$ 90,174	\$ 151,047	\$ 241,192	\$ 1,351,998	\$ 112,667	\$ 3,386
PAL - Pain Mgmt	\$ 18,236	\$ 10,210	\$ 5,355	\$ 4,742	\$ 9,319	\$ 138,821	\$ 11,569	\$ 1,044
POD - Podiatry	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Unassigned	\$ -	\$ 2,291	\$ (2,011)	\$ 19,349	\$ (5,420)	\$ 7,130	\$ 594	\$ 5,565
URO - Urology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,085	\$ 90	N/A
Total	\$ 162,381	\$ 86,439	\$ 96,463	\$ 181,404	\$ 256,628	\$ 1,546,817	\$ 128,801	\$ 2,913



Report Name: Payer Analysis
Report Month: April 2026

Payer Analysis

Financial Class	Cases	%	TTMTN	Charges	%	TTMTN	Payments	%	TTMTN
CONTRACTED	25	51%	50%	\$ 518,065	54%	62%	\$ 200,496	78%	62%
MEDIGARE	14	29%	38%	\$ 230,366	24%	25%	\$ 18,631	7%	11%
NON CONTRACTED	0	0%	0%	\$ -	0%	0%	\$ 111	0%	0%
SELF PAY	4	8%	4%	\$ 5,214	1%	0%	\$ 30,952	12%	14%
WORKERS COMP	6	12%	8%	\$ 208,373	22%	12%	\$ 6,439	3%	14%
Unassigned	0	0%	0%	\$ -	0%	0%	\$ -	0%	0%
Total	49	100%	100%	\$ 962,018	100%	100%	\$ 256,628	100%	100%





Report Name: TTM Cases by Payer
Report Month: April 2026

TTM Cases by Payer

Financial Class	Apr-25	Mar-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
CONTRACTED	17	29	23	17	19	22	20	27
MEDICARE	12	21	18	20	13	13	17	23
NON CONTRACTED	0	0	0	0	0	0	0	0
SELF PAY	5	0	3	2	0	3	0	5
WORKERS COMP	3	7	3	4	1	2	4	4
Unassigned	0	0	0	0	0	0	0	0
Total	37	57	47	43	32	40	41	59

Financial Class	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average
CONTRACTED	16	11	28	29	25	265	22
MEDICARE	17	18	9	17	14	200	17
NON CONTRACTED	0	0	0	0	0	0	0
SELF PAY	1	0	1	2	4	21	2
WORKERS COMP	3	4	2	4	6	44	4
Unassigned	0	0	0	0	0	0	0
Total	37	33	40	52	49	530	44



TTM Charges by Payer

Financial Class	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
CONTRACTED	\$ 754,366	\$ 570,464	\$ 758,072	\$ 564,140	\$ 295,888	\$ 483,196	\$ 580,917	\$ 731,163
MEDICARE	\$ 147,195	\$ 277,041	\$ 164,382	\$ 312,953	\$ 169,590	\$ 191,007	\$ 211,170	\$ 297,742
NON CONTRACTED	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SELF PAY	\$ 23,149	\$ -	\$ 2,590	\$ 4,157	\$ -	\$ 2,292	\$ -	\$ 10,742
WORKERS COMP	\$ 26,626	\$ 198,810	\$ 96,988	\$ 162,649	\$ 51,514	\$ 79,877	\$ 152,230	\$ 142,389
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 951,736	\$ 866,315	\$ 1,018,032	\$ 1,048,894	\$ 516,992	\$ 762,772	\$ 924,377	\$ 1,181,036

Financial Class	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTMT	Monthly Average	Average Charge Per Case
CONTRACTED	\$ 311,786	\$ 282,282	\$ 1,082,164	\$ 453,016	\$ 318,069	\$ 6,920,054	\$ 576,671	\$ 36,113
MEDICARE	\$ 197,166	\$ 316,450	\$ 201,425	\$ 218,788	\$ 230,366	\$ 2,775,576	\$ 231,381	\$ 13,683
NON CONTRACTED	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
SELF PAY	\$ 25,624	\$ 13,892	\$ 18,432	\$ 4,995	\$ -	\$ 54,569	\$ 4,547	\$ 2,589
WORKERS COMP	\$ 59,620	\$ 76,312	\$ 30,089	\$ 82,191	\$ 208,373	\$ 1,390,052	\$ 110,838	\$ 30,728
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Total	\$ 599,194	\$ 687,917	\$ 1,394,256	\$ 1,161,048	\$ 962,018	\$ 11,081,250	\$ 923,438	\$ 20,908



TTM Collections by Payer

Financial Class	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
CONTRACTED	\$ 37,744	\$ 60,283	\$ 64,800	\$ 71,583	\$ 79,602	\$ 46,447	\$ 25,516	\$ 70,815
MEDICARE	\$ 5,336	\$ 8,035	\$ 19,854	\$ 10,792	\$ 17,081	\$ 4,586	\$ 17,095	\$ 15,818
NON CONTRACTED	\$ 182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357	\$ -
SELF PAY	\$ 42,387	\$ 10,772	\$ 21,793	\$ 14,755	\$ 3,091	\$ 27,711	\$ 10,107	\$ 16,300
WORKERS COMP	\$ -	\$ 16,847	\$ 36,059	\$ 33,627	\$ 12,500	\$ 26,800	\$ 12,402	\$ 8,596
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 101,609	\$ 95,917	\$ 142,505	\$ 130,737	\$ 112,273	\$ 105,644	\$ 65,477	\$ 111,549

Financial Class	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	TTM	Monthly Average	Average Cash Per Case
CONTRACTED	\$ 96,661	\$ 41,933	\$ 59,894	\$ 115,470	\$ 700,496	\$ 956,470	\$ 79,706	3,609
MEDICARE	\$ 21,387	\$ 13,597	\$ 15,656	\$ 8,271	\$ 18,631	\$ 170,684	\$ 14,220	853
NON CONTRACTED	\$ -	\$ -	\$ 108	\$ -	\$ 111	\$ 576	\$ 48	N/A
SELF PAY	\$ 14,977	\$ 16,375	\$ 8,794	\$ 34,305	\$ 30,953	\$ 209,933	\$ 17,694	9,997
WORKERS COMP	\$ 26,374	\$ 14,493	\$ 12,011	\$ 3,358	\$ 6,439	\$ 209,204	\$ 17,434	4,755
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Total	\$ 162,381	\$ 86,433	\$ 96,443	\$ 181,404	\$ 1,546,817	\$ 1,546,817	\$ 128,901	2,919



Report Name: Top 10 Procedures by Volume
Report Month: April 2026

Tab: 10 Procedures by Volume - Current Month

CPT Code	Description	Volume	Charges
64483	N/A Asst/Strc/Tlrm/ Epi Lumbar/Sacra 1 Level	6	\$ 34,728
64721	Neuroplasty & Transpos Median Nrv Carpal Tunnel	6	\$ 62,514
64484	N/A Asst/Strc/Tlrm/ Epi Lumbar/Sacra 1-4 Addl	4	\$ 23,152
64484	N/A Dv/Ther Agt/Pvt Facet Jt, Lmb/Sac 2Mid Level	4	\$ 23,152
64483	N/A Dv/Ther Agt/Pvt Facet Jt, Lmb/Sac 1 Level	4	\$ 23,152
26055	Tendon Sheath Incision	3	\$ 24,309
29881	Arthro Knee Surg W/Meniscectomy Med/Lat W/Shog	3	\$ 48,623
23430	Tendodesis Long Tendon Biceps	2	\$ 61,196
29880	Arthro Knee W/Meniscectomy Med/Lat W/Sharing	2	\$ 32,414
29823	Surgical Arthroscopy Shoulder Acromioclavicular Jt	2	\$ 57,682

Prior Month

CPT Code	Description	Volume	Charges
64721	Neuroplasty & Transpos Median Nrv Carpal Tunnel	6	\$ 62,514
26055	Tendon Sheath Incision	6	\$ 48,623
29888	Arthro Added Ant Cruciate Ligm Rpt/Agnul/Retnt	3	\$ 118,077
29828	Surgical Arthroscopy Shoulder Biceps Tenodesis	3	\$ 86,823
29827	Surgical Arthroscopy Shoulder W/Rotator Cuff Rpt	3	\$ 86,823
64447	Injection AaM/Jntd Femoral Nerve	3	\$ 22,578
29881	Arthro Knee Surg W/Meniscectomy Med/Lat W/Shog	2	\$ 32,414
29826	Surgical Arthroscopy Sho W/Crossarm Ligm Rls	2	\$ 23,152
64718	Neuroplasty & Transpos Ulnar Nerve Elbow	2	\$ 70,888
30140	Subscapular Bicep Inferior Turbinate Pstl/Compl	2	\$ 18,892



Report Name: Top 10 Procedures by Gross Charges
Report Month: April 2025

Top 10 Procedures by Gross Charges - Current Month

CPT Code	Description	Volume	Charges
64721	Neuroplasty &/Transpos Medial Nrv, Carpal Tunnel	6	62,514
23430	Tenodesis Long Tendon Biceps	2	60,196
29823	Surgical Arthroscopy Shoulder Xray Diredmt 3+	2	57,882
29881	Arctus Kne Surg W/Menisectomy Med/Lat W/Shng	1	48,621
29888	Arctus Added Ant Cruciate Ligm Rer/Agmnt/Repost	1	39,159
64483	Nix Rad/Strd Trml Esp Lumber/Sacral L Level	6	32,728
29880	Arctus Knees W/Menisectomy Med&Lat W/Shwing	2	32,414
29827	Surgical Arthroscopy Shoulder W/Reactor Cuff Rpr	1	28,941
26955	Tendon Sheath Division	1	24,309
64484	Nix Rad/Strd Trml Esp Lumber/Sacral Es Addl	4	23,152

2/10/2025

CPT Code	Description	Volume	Charges
79888	Arctus Added Ant Cruciate Ligm Rer/Agmnt/Reoct	3	118,077
29828	Surgical Arthroscopy Shoulder Biceps Tenodesis	3	86,823
29827	Surgical Arthroscopy Shoulder W/Reactor Cuff Rpr	3	86,823
64721	Neuroplasty &/Transpos Medial Nrv, Carpal Tunnel	6	62,514
26955	Tendon Sheath Incision	6	48,618
23515	Open Tx, Clavicular Fracture Internal Fixation	1	43,990
77814	Open Treatment Bimalleolar Ankle Fracture	1	40,917
29881	Arctus Kne Surg W/Menisectomy Med/Lat W/Shng	2	32,414
27437	Open Tibial Plate Reconstruction Knee Anterior Cruciate	1	29,941
27698	Repair Secondary Disrupted Ligament Ankle Colln	1	28,941



Administrator Update Q2 2026

Operations:

- Q1 Volume- January: 33 February: 40 March: 52 **Total: 125**
 - Ortho: 90 Pain: 27 Urology: 0 Podiatry: 0 ENT: 3 Dental: 5 GYN: 0 Cosmetic: 0
- ACHC survey complete and plan of correction accepted.
- TSC and TFH leadership have been working together to determine best practices to shift more patients to TSC.

Facility and Equipment

- Sterile Supply Storage Room- door placed and air balance completed to achieve positive pressure.
- Soiled Utility Room- ventilation added for negative pressure requirement.

Payor Contracts:

- Blue Cross- in negotiations. Current situation: Blue Cross has verbalized they no longer negotiate rates with ASC's. Currently, on average we are reimbursed at 117% Medicare rates. Final offer from Anthem is to increase reimbursement rates by 3%. This will not cover most implant procedures. We are looking into partnering with Evolent, who will reimburse implants at 100%.
- Blue Shield- negotiations complete. New rates calculate to an 11% increase over the next three years.

Staff/HR

- Rachel Bourque RN- Accepted Nursing Supervisor Position