TAHOE FOREST
HOSPITAL DISTRICT

2026-11-19 REGULAR Meeting of the TFHD Board of Directors (OPEN SESSION)

THURSDAY, NOVEMBER 19, 2026, AT 4:00 PM

Tahoe Forest Hospital - Eskridge Conference Room

10121 Pine Avenue, Truckee, CA 96161

Meeting Book - 2026-11-19 REGULAR Meeting of the Board of Directors (OPEN SESSION)

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TAHOE FOREST
HOSPITAL DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA

TO BE HELD ON

THURSDAY, NOVEMBER 19, 2026, AT 4:00 PM

TAHOE FOREST HOSPITAL – ESKRIDGE CONFERENCE ROOM,

10121 PINE AVENUE, TRUCKEE, CA 96161

Telephonic Location GC 54953(b): 1123 Martis Landing, Truckee, CA 96161

If you would like to view the live meeting or speak on an agenda item, you can access the meeting remotely:
Please use this zoom link: https://tfhd.zoom.us/j/81070388983

Or join by phone:
If you prefer to use your phone, you may call in using the numbers listed:
(669) 900 6833 or (669) 444 9171
Meeting ID: 810 7038 8983

Public comment will also be accepted by email to sarah.jackson@tfhd.com or online at https://www.tfhd.com/board-of-directors/board-meetings/#comment. Please list the item number you wish to comment on and submit your written comments 24 hours prior to the start of the meeting.

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

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**
4. **INPUT – AUDIENCE**
   This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda.
5. **CLOSED SESSION**
   - **5.1. Approval of Closed Session Minutes**◈
     - **5.1.1.** 10/22/2026 Regular Meeting
   - **5.2. Hearing (Health & Safety Code § 32155)**◈
     Subject Matter: Corporate Compliance Report Update
   - **5.3. Public Employee Performance Evaluation (Government Code § 54957)**◈

[3] Denotes Action Item

Title: President & Chief Executive Officer

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

Subject Matter: Medical Staff Credentials

6. **DINNER BREAK**
7. **(APPROXIMATELY 6 P.M.) OPEN SESSION – CALL TO ORDER**
8. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**
9. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**
10. **INPUT – AUDIENCE**

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

11. **INPUT FROM EMPLOYEE ASSOCIATIONS**

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

12. **PRESIDENT & CEO – MONTHLY HIGHLIGHTS**

12.1. Monthly Highlights ..... ATTACHMENT

President & CEO Anna M. Roth will provide an update highlighting key developments, initiatives, and recent activities impacting the District.

13. **MEDICAL STAFF EXECUTIVE COMMITTEE**◈

13.1. Medical Executive Committee (MEC) Meeting Consent Agenda◈ ..... ATTACHMENT

MEC recommends the following for approval by the Board of Directors:

New Privileges

13.1.1. Maternal Fetal Medicine Privileges
13.1.2. Optometrist Privileges

Revised Privileges

13.1.3. Radiology Privileges
13.1.4. Family Medicine Privileges
13.1.5. Urgent Care Privileges

New Consent

13.1.6. Consent to Treat Student-Athlete
13.1.7. Athletic Training Services Consent Form
13.1.8. Outpatient and Clinical Services: Conditions of Admission

New Policies

13.1.9. New Policy Summary
13.1.10. DEH-26 Quantitative Fit Testing and Checking N-95 Mask
13.1.11. ANS-2201 Stroke Alert Standardized Procedure
13.1.12. DTMSC-2104 Standardized Procedure – Electronic Medical Record In-Basket Management by the RN

Policies with Major Changes

13.1.13. Major Policy Changes Summary
13.1.14. ASP-2103 Nurse Refills Standardized Procedures
13.1.15. MSGEN-14 CME Commercial Support
13.1.16. MSGEN-13 – Reasonable Honoraria

Policies with Minor/No Changes

13.1.17. No Changes Policy Summary
13.1.18. MSGEN-1701 Computerized Physician Order Entry (CPOE) [not attached]
13.1.19. MSCP-9 Fellows, Residents, Medical and PA-NP Students [not attached]

14. CONSENT CALENDAR ◈

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

14.1. Approval of Meeting Minutes

14.1.1. 10/13/2026 Joint Meeting ..... ATTACHMENT
14.1.2. 10/22/2026 Regular Meeting ..... ATTACHMENT

14.2. Financial Reports

14.2.1. Financial Report – October 2026..... ATTACHMENT

14.3. Executive Board Reports

14.3.1. Executive Board Report – November 2026 ..... ATTACHMENT

14.4. Approval of Policies

14.4.1. ABD-15, Investment Policy..... ATTACHMENT

15. ITEMS FOR BOARD DISCUSSION

15.1. TFHS AI Readiness & Governance Education ..... ATTACHMENT
The Board of Directors will receive an educational presentation on the development of the Health System's AI Readiness and Governance model.

16. ITEMS FOR BOARD ACTION ◈

16.1. FY 2026 Audited Financial Statements ◈ ..... ATTACHMENT
The Board of Directors will review and consider approval of the Fiscal Year 2026 Audited Financial Statements**.**

16.2. FY 2026 President & CEO Incentive Compensation◈ ..... ATTACHMENT
The Board of Directors will review and consider approval of the Fiscal Year 2026 President & CEO Incentive Compensation.

16.3. Placer County LAFCO Special District Representative Selection◈ .....ATTACHMENT
The Board of Directors will review and consider selecting a nominated candidate for the Placer County Special District Representation on LAFCO.

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

18. BOARD COMMITTEE REPORTS

19. BOARD MEMBERS' REPORTS / CLOSING REMARKS

20. CLOSED SESSION CONTINUED, IF NECESSARY

21. OPEN SESSION

◈ Denotes Action Item

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

23. ADJOURN

AMR:smj

*Denotes material (or a portion thereof) will be distributed at a later date

Tahoe Forest Hospital District has enabled live captioning and live Spanish translation in Zoom. To turn on live captions (subtitles) follow these steps:

1. In your Zoom meeting, look at the bottom toolbar.

You will see one of the following buttons:

- Captions
- Show Captions
- CC / Live Transcript

2. Click the button and select:
   - Show Captions
3. To turn On Spanish Translation (live interpreted captions)
   - Click the small arrow (^) next to the Captions button.
   - Toggle the Translation button to the "on" position.
   - Select: Caption Language
   - Choose: Spanish

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is December 17, 2026 at Tahoe Forest Hospital – Eskridge Conference Room, 10121 Pine Avenue, Truckee, CA, 96161. A copy of the board meeting agenda is posted on the District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting. Materials related to an item on this Agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection in the Administration Office, 10800 Donner Pass Rd, suite 200, Truckee, CA 96161, during normal business hours.

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

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The telephonic meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Clerk of the Board at (530) 582-3583 at least 24 hours in advance of the meeting.

◈ Denotes Action Item

President and CEO Monthly Highlights

Anna M. Roth, RN, MSN, MPH

November 2026

TAHOE FOREST
HEALTH SYSTEM



Health Within Reach

Donations for Mobile Clinic Funding

$1,000,000 – Dr. Priscilla Chan & Mark Zuckerberg +
$1,800,000 - Commitments from IVCHF & TFHSF

Supports our new Mobile Health Program

Will bring primary and preventive care directly into communities that need it

$2.8M

TOTAL DONATIONS TO SUPPORT MOBILE HEALTH



"As a pediatrician, I know how important it is to have access to care, no matter where you live."

- DR. PRISCILLA CHAN

TAHOE FOREST HEALTH SYSTEM

Best Of Culinary Event

Thank You for Supporting Local Care

Held October 30 at North Tahoe Event Center

Proceeds support operating costs for the first three years of the Mobile Health Clinic to be rolled out spring 2027

Thank you to our 220 guests, chefs, wineries, sponsors and volunteers

$445K+

RAISED FOR LOCAL CARE





TAHOE FOREST HEALTH SYSTEM

Health Within Reach

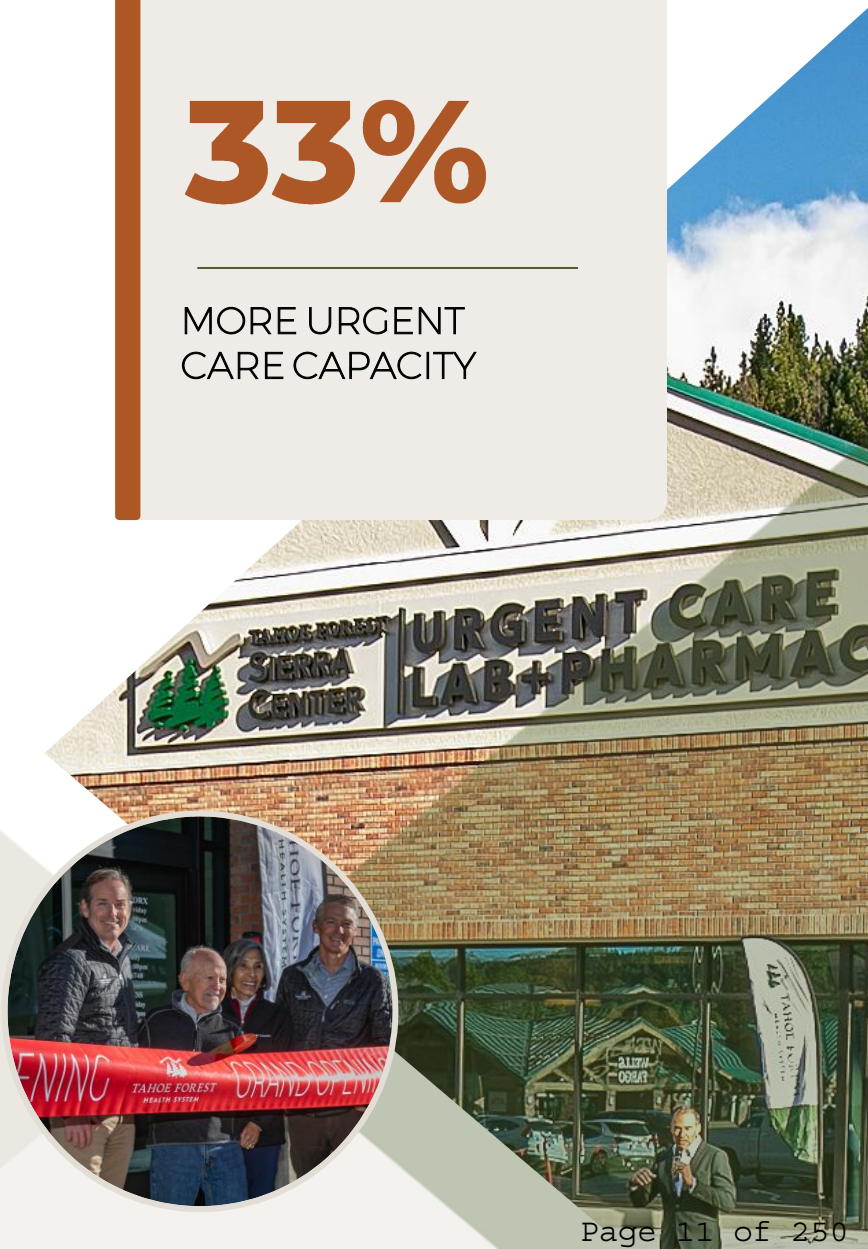
Sierra Center: Bringing Everyday Care Together

Now open: Six services began operating at Sierra Center on October 26: Urgent Care, Lab, Pharmacy, Wellness, Cardiac Rehabilitation and Tahoe WoRx Occupational Health

Care in one location: Patients can see an urgent care provider, have lab work done and pick up a prescription in the same building

33%

MORE URGENT CARE CAPACITY



TAHOE FOREST HEALTH SYSTEM

Health Within Reach

Improving Access to Therapy Services

Fast Pass: Helps fill canceled therapy appointments by connecting patients with available openings, making better use of existing appointment capacity

Expanding access: 1,395 canceled appointment openings filled across Truckee, Tahoe City and Incline Village since implementation in July

~1.4K

CANCELLED APPOINTMENTS FILLED THROUGH FAST PASS



TAHOE FOREST HEALTH SYSTEM

Community Guided

Bringing Breast Screening to Kings Beach

First-time screenings, and women who hadn't been screened in years

No out-of-pocket cost for anyone; **23 women** qualified for Every Woman Counts

Barriers went beyond cost: transportation, work, fear, language, and limited connection to healthcare

Women without a PCP were connected to ongoing care, and **9 were scheduled** for preventative screenings

36

WOMEN SCREENED



Thank you

Community Health, Care Coordination, Health Resource Advocates, Financial Counseling and Community Pharmacy teams and to:

Sierra Community House

California State Parks

Nevada County California Public Health

North Tahoe Event Center

TAHOE FOREST HEALTH SYSTEM

Community Guided

Keeping the Conversation Going

Mountain Health Today returns for a 16-episode season after a successful pilot

Season opens with Chief Strategy Officer Kim McCarl on how 5,000 Voices is shaping our strategy

Listeners are invited to suggest future topics

Upcoming topics include Cochlear implants with Dr. Hoff, IVCH with Natasha Lukasiewich, AI in Healthcare with Dr. Dhaliwal and more



TAHOE FOREST HEALTH SYSTEM

Transformation

Modernizing Clinical Documentation

DAX Copilot uses ambient AI to capture patient-provider conversations and generate draft clinical notes for provider review

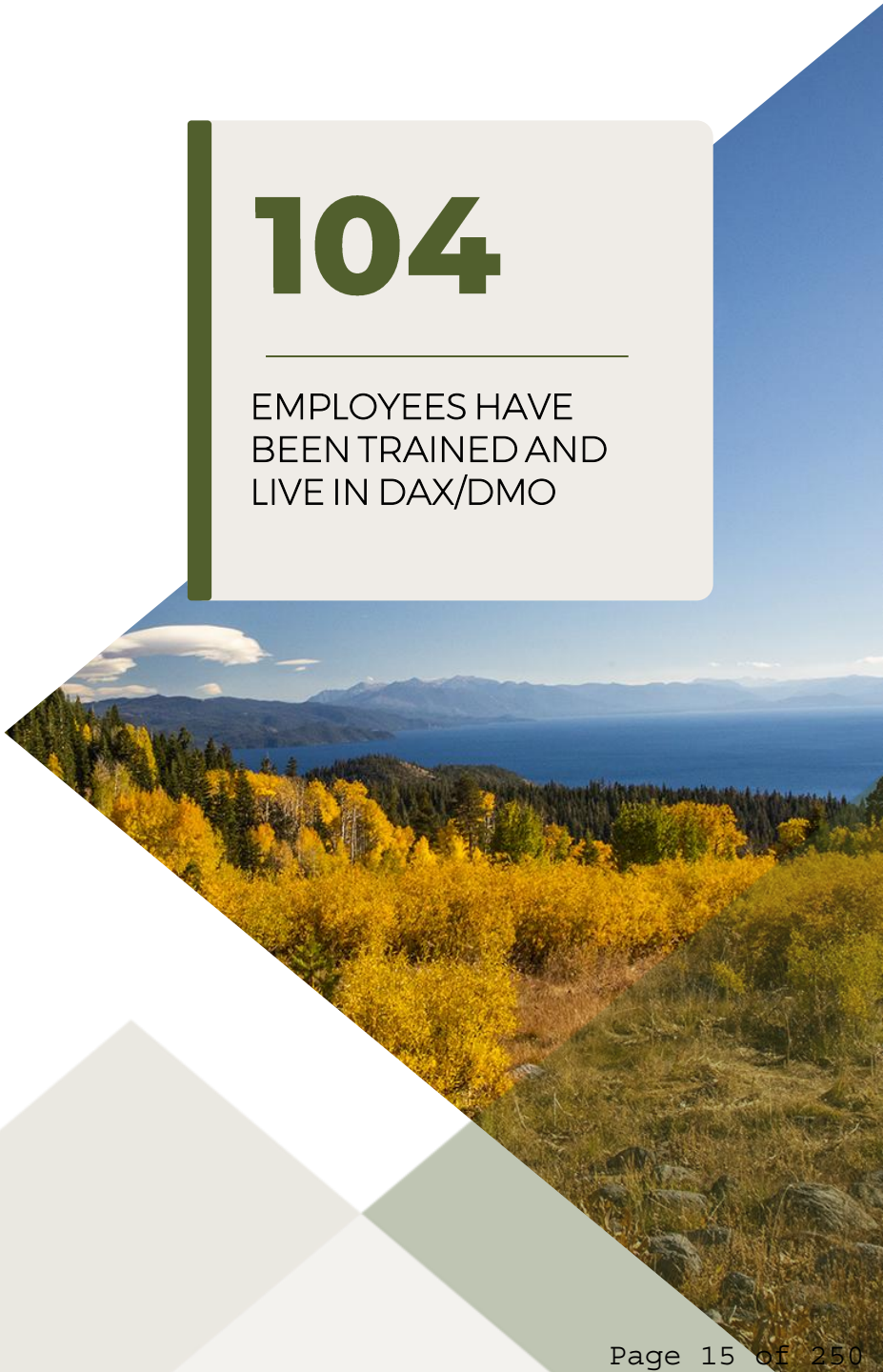
Dragon Medical One enables providers to dictate documentation directly into their workflow. Together, these tools reduce administrative burden

104 medical staff across primary and specialty care are live in DAX/DMO

Looking ahead: All providers expected to be trained and have access by February 2027

104

EMPLOYEES HAVE BEEN TRAINED AND LIVE IN DAX/DMO



TAHOE FOREST HEALTH SYSTEM

TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026	**ITEM:** Medical Executive Committee (MEC) Consent Agenda
DEPARTMENT: Medical Staff	**TYPE OF AGENDA ITEM:** ☐ Action ☒ Consent ☐ Discussion
RESPONSIBLE PARTY: Johanna Koch, MD, Chief of Staff	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☐ Presentation ☐ Resolution ☒ Other **Privilege Form, Consent Forms and Policies**
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A

BACKGROUND:
Respective Departments have reviewed Department Privileges, Consent Forms and Policies, recommended approval to MEC. The MEC has reviewed the Privilege Form, Consent Forms and Policies during the November 12, 2026 Medical Executive Committee meeting, the MEC reviewed and made the following open session consent agenda item recommendations to the Board of Directors for the November 19, 2026 Regular Meeting of the Board of Directors.

SUMMARY/OBJECTIVES:

New Privileges
- Maternal Fetal Medicine Privileges
- Optometrist Privileges

Revised Privileges
- Radiology Privileges
- Family Medicine Privileges
- Urgent Care Privileges

New Consent
- Consent to Treat Student-Athlete
- Athletic Training Services Consent Form
- Outpatient and Clinical Services: Conditions of Admission

New Policies
- New Policy Summary
- DEH-26 Quantitative Fit Testing and Checking N-95 Mask
- ANS-2201 Stroke Alert Standardized Procedure
- DTMSC-2104 Standardized Procedure – Electronic Medical Record In-Basket Management by the RN

Policies with Major Changes
- Major Policy Changes Summary

- ASP-2103 Nurse Refills Standardized Procedures
- MSGEN-14 CME Commercial Support
- MSGEN-13 – Reasonable Honoraria

Policies with Minor/No Changes

- Minor/No Changes Policy Summary
- MSGEN-1701 Computerized Physician Order Entry (CPOE)
- MSCP-9 Fellows, Residents, Medical and PA-NP Students

SUGGESTED DISCUSSION POINTS:

Medical Executive Committee has reviewed the Department recommendations on the privilege forms, consent forms and policies. The committee makes the following open session recommendation for consent agenda to the Board of Directors.

- §485.635(a)(2) The policies are developed with the advice of members of the CAH's professional healthcare staff, including one or more doctors of medicine or osteopathy and one or more physician assistants, nurse practitioners, or clinical nurse specialists, if they are on staff under the provisions of §485.631(a)(1).
- Procedures shall be approved by the Administration and Medical Staff where such is appropriate.
- Medical Staff approval is required when direct patient care/clinical practice is addressed, including contract services for patients, prior to forwarding to the Medical Executive Committee and the Governing Board.

For complete policy refer to: Policy & Procedure Structure and Approval, AGOV-9

SUGGESTED MOTION/ALTERNATIVES:

Move to approve the MEC consent agenda as presented.

Alternative: If a specific Policy, Procedure or Form is pulled from the MEC consent agenda, provide discussion under Item 17 on the Board Agenda. After discussion, request a motion to approve the pulled MEC item as presented.

LIST OF ATTACHMENTS:

New Privileges

- Maternal Fetal Medicine Privileges
- Optometrist Privileges

Revised Privileges

- Radiology Privileges
- Family Medicine Privileges
- Urgent Care Privileges

New Consent

- Consent to Treat Student-Athlete
- Athletic Training Services Consent Form
- Outpatient and Clinical Services: Conditions of Admission

New Policies

- New Policy Summary
- DEH-26 Quantitative Fit Testing and Checking N-95 Mask
- ANS-2201 Stroke Alert Standardized Procedure
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AGENDA ITEM COVER SHEET

Policies with Major Changes

- Major Policy Changes Summary
- ASP-2103 Nurse Refills Standardized Procedures
- MSGEN-14 CME Commercial Support
- MSGEN-13 – Reasonable Honoraria

Policies with Minor/No Changes

- Minor/No Changes Policy Summary
- MSGEN-1701 Computerized Physician Order Entry (CPOE)
- MSCP-9 Fellows, Residents, Medical and PA-NP Students

TAHOE FOREST HOSPITAL DISTRICT
Specialty: Maternal Fetal Medicine
Department of OB/PEDS
Delineated Clinical Privilege Request

SPECIALTY: MATERNAL FETAL MEDICINE **NAME:** _____

Tahoe Forest Hospital (TFH)
□ **Initial** □ **Change in Privileges** □ **Renewal of Privileges**

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Core Education:	MD, DO
Minimum Formal Training:	Successful completion of an ACGME or AOA approved residency training program in Obstetrics and Gynecology, followed by successful completion of an ABOG or AOA approved fellowship in Maternal Fetal Medicine
Board Certification:	Must be Board certified or eligible by the American Board of Obstetrics and Gynecology or the American Osteopathic Board of Obstetrics and Gynecology in General Obstetric and Gynecology and Maternal Fetal Medicine. If not board certified, must achieve board certification within five years of completion of residency for Obstetrics and Gynecology and five year for completion of fellowship training program in Maternal Fetal Medicine. Failure to obtain or maintain board certification may result in termination of privileges in accordance with the Medical Staff Bylaws.
Required Training/ Experience: (required for new applicants)	Provision of care to at least 50 patients, reflective of the scope of privileges requested, in the past 24 months, or successful completion of an ACGME or AOA accredited residency or clinical fellowship within the past 24 months. If training has been completed within the last 5 years; documentation to include letter from program director attesting to competency in the privileges requested including residency/fellowship log. If training completed greater than 5 years ago; documentation will include letter from chairman of department at hospital where you have maintained active staff privileges attesting to competency in the privileges requested. Applicants have the burden of producing information deemed adequate by the Hospital for a proper evaluation of current competence, and other qualifications and for resolving any doubts.
Clinical Competency References: (required for new applicants)	Training director or appropriate chair from another hospital(s) where applicant has been affiliated within the past year; and two additional peer references who have recently worked with the applicant and directly observed professional performance over a reasonable period of time and who will provide reliable information regarding current clinical competence, ethical character and ability to work with others. At least one peer reference should be a Maternal Fetal Medicine Specialist.
Proctoring Requirements:	See “Proctoring New Applicants” listed with procedures for specific proctoring requirements. Where applicable, additional proctoring, evaluation may be required if minimum number of cases cannot be documented.
Other:	• Current, unrestricted license to practice medicine in CA • Malpractice insurance in the amount of $1m/$3m • Current, unrestricted DEA certificate in CA (approved for all drug schedules) • Ability to participate in federally funded program (Medicare or Medicaid)

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence.

TAHOE FOREST HOSPITAL DISTRICT

Specialty: Maternal Fetal Medicine Name:_____

Applicant: Place a check in the **(R)** column for each privilege **Requested.** Initial applicants must provide documentation of the number and types of hospital cases treated during the past 24 months. **Granting of privileges is contingent upon meeting all core, specific, and threshold criteria defined above.**

Recommending individual/committee must note: (A) = Recommend Approval as Requested. **NOTE:** If conditions or modifications are noted, the specific condition and reason for same must be stated on the last page.

(R)	(A)	CORE PRIVILEGES MATERNAL FETAL MEDICINE	Estimate # of procedures performed in the past 24 months	Setting	Proctoring Initial Appointment	Reappointment Criteria
☐	☐	**MATERNAL-FETAL MEDICINE – TELEMEDICINE REMOTE BLOOD CLUCOSE MONITORING AND CONSULTATION** This privilege is limited to telemedicine consultation and remote review and interpretation of blood glucose data. It does not include hands on patient care, procedures, operative services, or deliveries requiring the physical presence of the MFM physician at Tahoe Forest Hospital. • Remote review and interpretation of blood glucose monitoring data for pregnant patients with gestational and pregestational diabetes. • Remote consultation regarding blood glucose control and diabetes management during pregnancy, including communication of recommendations to the patient's obstetric provider and diabetes care team.	_____	TFH	See Proctoring Policy	50 cases/2 years
☐	☐	REMOVAL FROM CORE PRIVILEGES: Should applicant's current practice limitations or current competence exclude performance of any privileges specified in the list of core privileges, please indicate here. Applicant and/or MEC must document reasons for exclusion. _____ _____				
		ADDITIONAL PRIVILEGES: A request for any additional privileges not included on this form must be submitted to the Medial Staff Office and will be forwarded to the appropriate review committee to determine the need for development of specific criteria, personnel & equipment requirements.				
		EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

_____ _____
DATE APPLICANTS SIGNATURE

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

_____ _____
DATE DEPARTMENT CHAIR SIGNATURE

TAHOE FOREST HOSPITAL DISTRICT

Specialty: Maternal Fetal Medicine **Name:_____**

Modifications or Other Comments:

_____

_____

Medical Executive Committee:_____ (date of Committee review/recommendation)

□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

Board of Directors:_____(date of Board review/action)

□ privileges as requested □ with modifications (see attached description of modifications) □ not approved (explain)

Department Review Date:
Medical Executive Committee:
Board of Directors:

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

SPECIALTY: OPTOMETRIST **NAME:** _____
Please print

Check which applies: □ **Tahoe Forest Hospital (TFH)** □ **Incline Village Community Hospital**
Check one: □ **Initial** □ **Change in Privileges** □ **Renewal of Privileges**

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Basic Education, Training, Licensure, and Experience	• Basic Education: Bachelor's degree and OD • Minimum formal training: Successful completion of an ACOE-accredited professional optometric degree program leading to an OD. • AND • A valid state license to practice optometry and appropriate certification by the state board of optometry in the state in which the applicant wishes to practice. • Required current experience: Applicants must be able to demonstrate that they have successfully provided inpatient, outpatient, or consultative optometry services to at least 50 patients of all applicable age groups in the past 24 months, or successful completion of an ACOE-accredited residency or clinical fellowship within the past 12 months.
Clinical Competency References (3): (required for new applicants)	References: A letter of reference must come from the director of the applicant's optometry training program. Alternatively, a letter of reference regarding competence should come from the optometrist's supervisor at the institution where the applicant most recently practiced.
Proctoring/Evaluation:	See "Proctoring New Applicant" listed with procedures for specific proctoring requirements. Where applicable, additional proctoring/evaluation may be required if minimum number of cases cannot be documented.
Other:	• Malpractice insurance in the amount of $1m/$3m • Ability to participate in federally funded program (Medicare or Medicaid)

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence. Any practitioners who hold the following privileges prior to the revision date are grandfathered for those privileges; however, all practitioners must meet any new criteria defined for maintaining privileges if applicable (at reappointment).

TAHOE FOREST HOSPITAL DISTRICT

Department of Medicine

Name: _____

Applicant: Place a check in the **(R)** column for each privilege **Requested.** Initial applicants must provide documentation of the number patients seen/treated during the past 24 months.
Recommending individual/committee must note: (A) = Recommend Approval as Requested. **NOTE:** If conditions or modifications are noted, the specific condition and reason for same must be stated on the last page.

(R)	(A)	GENERAL PRIVILEGES – OPTOMETRY	Estimate # of patients seen in last 24 months	Setting	Proctoring New applicants	Reappointment Criteria
□	□	**CORE PRIVILEGES IN OPTOMETRY** **Core Privileges in Optometry include the following:** • Ability to perform primary eye care examinations, including refraction • Accurate diagnosis of vision problems and eye diseases • Tests of patients' visual acuity, depth and color perception, and ability to focus and coordinate their eyes • Ability to analyze test results and develop a treatment plan • Per- and postoperative care of cataract patients as well as those who have had laser vision correction or other eye surgery • Provision of emergency eye care services • Diagnosis of conditions due to systemic diseases such as diabetes and high blood pressure, and referrals to other health practitioners as needed • Administration of drugs for diagnostic and therapeutic purposes	_____	TFH or IVCH	10 cases	Documented Optometry services of at least 50 patients during the reappointment cycle
(R)	**(A)**	**Special Noncore Privileges in Optometry**	Estimate # of patients seen in last 24 months	Setting	Proctoring New applicants	Reappointment Criteria
□	□	**Special Noncore Privileges in Optometry** For each special request, threshold criteria (e.g., additional training or completion of a recognized course and required experience) must be established. Special requests for optometry include the following procedures if they were not a part of the applicant's optometry training program. • Sensory motor evaluation • Vision therapy/orthoptics • Eikonometry • Ocular Photography • Electrodiagnosis • Ultrasonography • Scanning laser polarimetry	_____		10 Cases	Documented Optometry services of at least 50 patients during the reappointment cycle
□		REMOVAL FROM BASIC PRIVILEGES: Should applicant's current practice limitations or current competence exclude performance of any privileges specified in the list of basic privileges, please indicate here. Applicant and/or MEC must document reasons for exclusion.				

TAHOE FOREST HOSPITAL DISTRICT

Department of Medicine **Name:** _____

		_____ ___ _____ ___				
		ADDITIONAL PRIVILEGES: A request for any additional privileges not included on this form must be submitted to the Medial Staff Office and will be forwarded to the appropriate review committee to determine the need for development of specific criteria, personnel & equipment requirements.				
		EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

_____ _____

Date **Applicant's Signature**

TAHOE FOREST HOSPITAL DISTRICT

Department of Medicine **Name:** _____

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

□ privileges as requested □ privileges with modifications (see modifications below_) □ do not recommend (explain)

_____ _____
Date Department Chair Signature

Modifications or Other Comments:

_____

INTERDISCIPLINARY PRACTICE COMMITTEE (IDPC)

□ privileges as requested □ privileges with modifications (see modifications below_) □ do not recommend (explain)

_____ _____
Date IDPC Chair/Designee Signature

Modifications or Other Comments:

_____

Medical Executive Committee: _____ (date of Committee review/recommendation)
□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

Board of Directors: _____ (date of Board review/action)
□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

Department Review Dates:
IDPC Review Dates:
Medical Executive Committee:
Board of Directors:

EXHIBIT A

ADMITTED CATEGORIES OF ALLIED HEALTH PROFESSIONALS

1. Clinical Psychologists
2. Advanced Practice Nurse
3. Physician Assistants
4. Dental Assistants
5. Audiologists
6. Acupuncturists
7. Licensed Clinical Social Worker
8. Licensed Marriage Family Therapist
~~8.~~9. Optometrist
~~9.~~10. Registered Nurse First Assistant

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Privilege Request

SPECIALTY: DIAGNOSTIC RADIOLOGY **NAME:** _____
Please print

Check which applies: □ **Tahoe Forest Hospital (TFH)** □ **Incline Village Community Hospital (IVCH)**
Check one: □ **Initial** □ **Change in Privileges** □ **Renewal of Privileges**

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Core Education:	MD, DO
Minimum Formal Training:	Successful completion of an ACGME or AOA-approved residency training program in diagnostic radiology.
Board Certification:	Board certified or board eligible by the American Board of Radiology (or AOA equivalent board certification); or attain Board Certification within five years of completion of residency or fellowship training program. Maintenance of Board Certification required.
Required Previous Experience: (required for new applicants)	Applicant must be able to document that he/she has managed radiology care for 200 hospital cases in the past 24 months or be proctored double the number listed. Recent residency or fellowship training experience may be applicable. If training has been completed within the last 5 years, documentation to include letter from program director attesting to competency in the privileges requested including residency/fellowship log. If training completed greater than 5 years ago, documentation will include letter from chairman of department at hospital where you have maintained active staff privileges attesting to competency in the privileges requested.
Clinical References: (required for new applicants)	Training director or appropriate department chair from another hospital where applicant has been affiliated within the past year; and two additional peer references who have recently worked with the applicant and directly observed his/her professional performance over a reasonable period of time and who will provide reliable information regarding current clinical competence, ethical character and ability to work with others. At least one peer reference must be a radiologist.
Proctoring Requirements:	See "additional criteria" listed with procedures for specific proctoring requirements. Where applicable, additional proctoring, evaluation may be required if minimum number of cases cannot be documented.
Other:	• Current, unrestricted license to practice medicine in CA and/or NV • A valid Radiography permit issued by the State of California, Radiography Branch required. • Malpractice insurance in the amount of $1m/$3m • Current, unrestricted DEA certificate in CA (approved for all drug schedules) and/or DEA certificate to practice in NV and unrestricted Nevada State Board of Pharmacy Certificate (if ordering/prescribing, administering and/or dispensing controlled substances. • Ability to participate in federally funded program (Medicare or Medicaid).

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence.

TAHOE FOREST HOSPITAL DISTRICT

Department of Medicine – Diagnostic Imaging Name:

Applicant: Place a check in the **(R)** column for each privilege **Requested.** Initial applicants must provide documentation of the number and types of hospital cases treated during the past 24 months.
Recommending individual/committee must note: (A) = Recommend Approval as Requested. **NOTE:** If conditions or modifications are noted, the specific condition and reason for same must be stated on the last page.

Requested	Approved	GENERAL PRIVILEGES - DIAGNOSTIC RADIOLOGY	Estimate # of procedures performed in the past 24 months	Setting	Proctoring	Reappointment Criteria
☐	☐	Telemedicine privileges	_____	Off site	100% over reads by TFHD radiologists.	Data sent from vRad
☐	☐	**CORE** Privileges include the following: Supervision and Interpretation at IVCH General diagnostic radiology (supervision and interpretation) privileges include consultation and diagnosis for patients of all ages utilizing the following imaging modalities and procedures: • Admit and treatment of patients requiring inpatient care with underlying conditions that require services of a radiologist; H&Ps • Arthrograms • Bone Densitometry • Computerized tomography **(IVCH)** • Fluoroscopy and non-fluoroscopic procedures utilizing non-vascular and vascular contrast agents • Imaging guided biopsy and drainage procedures • Magnetic Resonance Imaging • Myelograms • Nuclear Medicine Imaging and therapy (diagnostic) agents • Plain film radiography interpretation **(IVCH)** • PICC Lines • Ultrasound (diagnostic) with the exception of cardiac ultrasound (echocardiography) **(IVCH)** • Ultrasound (vascular)	_____	IVCH only for those indicated All can be performed at TFH in Radiology	5 cases minimum in addition to dept. policy for overreads	200 cases/2 years
☐	☐	REMOVAL FROM GENERAL PRIVILEGES: Should applicant's current practice limitations or current competence exclude performance of any privileges specified in the list of core privileges, please indicate here. Applicant and/or MEC must document reasons for exclusion. _____ _____ _____				
		SELECTED PROCEDURES **These privileges will require documentation of experience and training prior to approval in addition to requirements outlined above.**	Estimate # of procedures performed in the past 24 months	Setting	Proctoring	Reappointment Criteria
☐	☐	**Intravenous Procedural Sedation** (see attached credentialing criteria)	_____	Radiology TFH	Successful completion of test	Maintain privileges that require Procedural Sedation
☐	☐	**Mammography** • Documentation of training • Meet criteria outlined by MQSA/FDA inc. CME (15 hrs every 3 years) • CME requirement may be waived for applicants who have successfully completed an applicable	_____	IVCH Briner Unit-TFH		Avg. 40/month for dept. over last 2 yrs.

		residency or fellowship program within the preceding two (2) years.				
☐	☐	**PET/CT Scan** • Evidence of continuing medical education for PET/CT • CME requirement may be waived for applicants who have successfully completed an applicable residency or fellowship program within the preceding two (2) years.	_____	TFH	5 overreads	
		ADDITIONAL PRIVILEGES: A request for any additional privileges not included on this form must be submitted to the Medial Staff Office and will be forwarded to the appropriate review committee to determine the need for development of specific criteria, personnel & equipment requirements.				
		EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

_____ _____
Date Applicant's Signature

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend

_____ _____
Date Department Chair Signature

Additional comments:_____

_____

Medical Executive Committee:_____ (date of Committee review/recommendation)
□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend

Board of Directors:_____(date of Board review/action)
privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend

Form Approval/Revision Dates:
Department of Medicine: 8/2019
Medical Executive Committee: 6/20/07; 1/2012; 5/17/2018; 8/2019
Board of Directors: 6/26/07; 1/2012; 5/24/2018, 8/2019

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

SPECIALTY: FAMILY MEDICINE **NAME:** _____
Please Print

Check one or more:
□ **Tahoe Forest Hospital (TFH)** □ **Incline Village Community Hospital (IVCH)** □ **Multi-Specialty Clinics (MSC)**

Check one: □ **Initial** □ **Change in Privileges** □ **Renewal of Privileges**

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Basic Education:	MD, DO
Minimum Formal Training:	Successful completion of an ACGME or AOA-approved residency training program in Family Medicine.
Board Certification:	Board qualification/certification required. Current ABFP Board Certification (or AOA equivalent Board); or attain Board Certification within five years of completion of training program. Maintenance of Board Certification required for reappointment eligibility. ~~*Failure to obtain board certification within the required timeframe, or failure to maintain board certification, will result in automatic termination of privileges.*~~ *Failure to obtain or maintain board certification may result in termination of privileges in accordance with the Medical Staff Bylaws.*
Required Previous Experience: (required for new applicants)	Applicant must be able to document ~~that he/she has managed~~the minimum number of ~~hospital~~ applicable patient~~s~~ cases or clinical experiences required for the requested privileges within the preceding 24 months, as specified by the privileges requested ~~as indicated for each core group within the past 24 months~~. Recent residency or fellowship training ~~experience may be applicable~~may be considered in meeting these requirements. If training has been completed within the last 5 years, documentation ~~will~~ may be requested from program director attesting to competency in the privileges requested including residency or ~~/~~fellowship log. If training was completed greater than 5 years ago, documentation ~~will~~ may be be requested from ~~chairman of department~~the department chair or ther appropriate medical staff representative at a facility where the applicant has maintained active clinical privileges, ~~at hospital where you have maintained active staff privileges~~ attesting to competency in the privileges requested.
Clinical Competency References: (required for new applicants)	Training director or appropriate department chair from another ~~hospital~~ facility where applicant has been affiliated within the past year; and two additional peer references who have recently worked with the applicant and directly observed his/her professional performance over a reasonable period of time and who will provide reliable information regarding current clinical competence, ethical character and ability to work with others. (At least one peer reference must be a Family Medicine practitioner.) The Medical Staff Office will request ~~information~~the required references and supporting information as part of the credentialing process.
Proctoring Requirements:	See "Proctoring New Applicants" listed with procedures for specific proctoring requirements. Where applicable, additional proctoring and evaluation may be required if minimum number of cases cannot be documented.
Other:	• Current, unrestricted license to practice medicine in CA and/or NV • Malpractice insurance in the amount of $1m/$3m • Current, unrestricted DEA certificate in CA (approved for all drug schedules) and/or unrestricted Nevada State Board of Pharmacy Certificate and DEA to practice in NV • Ability to participate in federally funded program (Medicare or Medicaid) • (TFH Only) Hospitalists Only - Eight hours of stroke education annually (16 hours per 2 years) and must include 1 hour of NIHSS (National Institutes of Health Stroke Scale) education annually (2 hours per 2 years)

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence.

Applicant: Place a check in the **(R)** column for each privilege **Requested.** Initial applicants must provide documentation of the number and types of hospital cases treated during the past 24 months. **Unless otherwise noted, privileges are available at both Hospitals, and granting of privileges is contingent upon meeting all general, specific, and threshold criteria defined above.**

Recommending individual/committee must note: (A) = Recommend Approval as Requested. **NOTE:** If conditions or modifications are noted, the specific condition and reason for same must be stated on the last page.

(R)	(A)	GENERAL PRIVILEGES – FAMILY MEDICINE	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME

□	□	**ADULT FAMILY MEDICINE OUTPATIENT CORE PRIVILEGES**
		
		Basic privileges include the ability to review medical records, order outpatient labs and studies, and receive results of inpatient and/or outpatient lab/radiology studies, and records. Must include management of at least 50 adults within the last two years for initial appointment.
		
		OUTPATIENT PROCEDURES:
		• Abscess Incision and Drainage
		• Amine Test
		• Bursa and Trigger Point Injections
		• Cryotherapy
		• Ear Lavage and Cerumen Extraction
		• EKG and Rhythm Strip Analysis
		• Endometrial Biopsy
		• IUD Insertion/Removal
		• Joint Aspiration and Injection
		• Local and Peripheral Regional Block Anesthesia
		• Microscopy
		• Potassium Hydroxide Wet Mount
		• Saline Wet Mount
		• Urinalysis
		• Nail Trephination and Excision
		• Nasal Cautery and Tamponade
		• Nexplanon Insertion/Removal (Certificate of Training Required)
		• Removal of Superficial Foreign Bodies from Skin and Non-Penetrating Foreign Bodies from the Eye, Nose, Ear, or Vagina
		• Simple Fracture and Dislocation Management, Including Splinting and Casting
		• Skin Biopsy or Excision
		• Spirometry/Peak Flows
		• Suture Repair of Lacerations
		• Teaching of Physical Therapy/Rehabilitation Activities
		• Urinary Catheterization
		• Venipuncture and Peripheral IV Insertion
		• Wound Management, Including Debridement and Closure
		
		OUTPATIENT PROCEDURES:
		• ~~Endometrial Biopsy~~
		• ~~I&D (incision and drainage)~~
		• ~~IUD Insertion/Removal~~
		• ~~Microscopy~~
		  ○ ~~Urinalysis~~
		  ○ ~~Saline Wet Mount~~
		  ○ ~~Potassium Hydroxide Wet Mount~~
		• ~~Amine Test~~
		• ~~Nexplanon Insertion/Removal (Certificate of Training Required)~~
		• ~~Removal of non-penetrating foreign body from the eye,~~
			_____	MSC	See proctoring policy	50 cases/ 2 years

		~~nose, ear or vagina~~ • ~~Simple fractures and dislocation management, including splinting and casting~~ • ~~Skin biopsy or excision~~ • ~~Suture lacerations~~ • ~~Anesthetic & Trigger point injections~~ • ~~Spirometry/ Peak Flows~~ • ~~EKG and rhythm strip analysis~~ • ~~Teaching of PT/rehab activities~~ • ~~Urinary Catheterization~~ • ~~Ear lavage and cerumen extraction~~ • ~~FB removal~~ • ~~Joint Aspirations and Injections~~ • ~~Wound Debridement~~ • ~~Venipuncture and IV insertion~~ • ~~Cryotherapy~~				
(R)	**(A)**	**GENERAL PRIVILEGES – FAMILY MEDICINE**	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
□	□	**PEDIATRIC FAMILY MEDICINE <u>OUTPATIENT</u> CORE PRIVILEGES** Basic privileges in pediatric family medicine include the ability to perform histories and physicals, evaluate and provide non-surgical care to patients 14 and under. Must include management of at least 15 pediatric patients within last two years for initial appointment. **<u>Cross out & INITIAL any privilege/s you are not applying for in this set of Basic Privileges</u>** Management of general medical pediatric privileges include: • Anemia • Asthma • Behavior problems / Psychiatric	_____	**MSC**	See Proctoring Policy	15 Cases/ 2 Years

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

(R)	(A)	GENERAL PRIVILEGES – FAMILY MEDICINE	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
		• Failure to thrive • Hyperbilirubinemia in newborn • Hypoglycemia in newborn • Infections • Respiratory distress syndrome • Well Child Care • Contraceptive Management • Trauma • Non-operative fracture management **SURGERY/PROCEDURES** • I&D (incision and drainage) • Removal of non-penetrating foreign body from the eye, nose, ear or vagina • Simple fractures and dislocation management, including splinting and casting • Skin biopsy or excision • Suture lacerations (uncomplicated) • Anesthetic & Trigger point injections • Spirometry/ Peak Flows • EKG and rhythm strip analysis • Teaching of PT/rehab activities • Urinary Catheterization • Ear lavage and cerumen extraction • FB removal • Joint Aspirations and Injections • Venipuncture and IV insertion • Cryotherapy				
□	□	**PEDIATRIC FAMILY MEDICINE <u>INPATIENT</u> CORE PRIVILEGES** Inpatient newborn care privileges which includes admission, evaluation of newborn infant, evaluation of newborn conditions, including but not limited to: • Hypoglycemia • Hyperbilirubinemia • Infection • GBS exposure	_____	**TFH** Newborn admits at TFH only	See Proctoring Policy	15 Cases/ 2 Years
□	□	**FAMILY MEDICINE – ADULT INPATIENT/HOSPITAL CORE PRIVILEGES** Core privileges in Adult Family Medicine Inpatient/Hospital include the ability to evaluate, diagnose, admit, perform histories and physical examinations, develop and manage treatment plans, provide medical consultation, and provide non-surgical medical care to adult patients with acute and chronic illnesses, injuries, and general medical conditions within the practitioner's scope of training, experience, and demonstrated current competence. Must include management of at least 50 patients within the last two years. Privileges include: • Admission and management of adult patients to the hospital. • Performance of histories and physical examinations and comprehensive patient assessments. • Diagnosis, evaluation, and treatment of acute and chronic medical conditions. • Management of medical conditions involving, but not limited to, cardiovascular, pulmonary, gastrointestinal, renal, endocrine, metabolic, neurologic, hematologic,	_____	**TFH/IVCH**	See Proctoring Policy	50 Cases/ 2 years

(R)	(A)	GENERAL PRIVILEGES – FAMILY MEDICINE	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
		infectious, musculoskeletal, genitourinary, and psychiatric systems. • Management of patients with multiple or complex medical conditions. • Medical consultation for hospitalized patients. • Admission and management of patients from the Emergency Department when appropriate. • Management of patients in swing beds and other post-acute care settings, as applicable. • Management of patients in the Extended Care Center or other long-term care settings, as applicable. • Management of patients requiring higher levels of care, including critical care, within the practitioner's demonstrated competence and in accordance with Medical Staff Rules and Regulations and applicable facility policies. • Provision of non-surgical medical care for injuries, including appropriate evaluation and stabilization. • Coordination of care with specialists and other members of the healthcare team when consultation or referral is indicated. • Provision of post-operative medical management when appropriate and within the practitioner's scope of practice.				
□	□	**TELEMEDICINE – ADULT FAMILY MEDICINE INPATIENT/HOSPITAL** Telemedicine privileges in Adult Family Medicine Inpatient/Hospital include the ability to evaluate, assess, diagnose, provide consultation, and participate in the management of adult inpatients through approved telemedicine technology and workflows, consistent with the practitioner's scope of practice, training, experience, and demonstrated current competence. Must include management of at least 50 patients within the last two years. Telemedicine services may include: • Remote patient evaluation and consultation. • Review of medical records, diagnostic studies, laboratory results, and other clinical information. • Participation in the development and modification of treatment plans. • Inpatient medical management and follow-up. • Consultation with bedside practitioners and other members of the healthcare team. • Participation in admission assessments and histories and physical examinations when permitted by applicable law, hospital policy, and telemedicine procedures. • Coordination of specialty consultation and transfer when clinically indicated. Telemedicine privileges are subject to applicable Medical Staff Rules and Regulations, telemedicine policies, credentialing requirements, licensure requirements, and applicable law.	_____	**TFH/IVCH**	See Proctoring Policy	50 Cases/ 2 years

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

(R)	(A)	SPECIALIZED PRIVILEGES – FAMILY MEDICINE	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
		SELECTED PROCEDURES **These privileges will require documentation of experience and training prior to approval in addition to requirements outlined above.**	Estimate # of procedures performed in the past 24 months		Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases, add'l proctoring may be required or privilege specific CME
□	□	**Hospital ECG Stress Test (Inpatient Privileges Required):** • Exercise • Vasodilator • Dobutamine ACLS Certification Required	_____	TFH/IVCH	3 cases proctored	5 cases/1 year ACLS
□	□	**Clinic ECG Stress Test:** • Exercise Only low risk stress testing outside of the hospital. Non-low risk includes: • Moderate to severe aortic stenosis in an asymptomatic or questionably symptomatic patient • Moderate to severe mitral stenosis in an asymptomatic or questionably symptomatic patient • Hypertrophic cardiomyopathy: risk stratification and exercise gradient assessment • History of malignant or exertional arrhythmias, sudden cardiac death. • History of exertional syncope or presyncope • Intracardiac shunts • Genetic channelopathies • Within 7 days of myocardial infarction or other acute coronary syndrome • New York Heart Association class III heart failure • Severe left ventricular dysfunction (particularly patients whose clinical status has recently deteriorated and those who have never undergone prior exercise testing) • Severe pulmonary arterial hypertension • Broader context of potential instability resulting from noncardiovascular comorbidities (e.g., frailty, dehydration, orthopedic limitations, chronic obstructive lung disease) ACLS Certification Required	_____	MSC	3 cases proctored	5 cases/ 1 year ACLS
□	□	**Chest Tube Placement**	_____	TFH/IVCH	1 case proctored	Current demonstrated competence and provision of care
□	□	**Circumcision (Newborn Only)**	_____	TFH	3 cases proctored	5 cases/2 years If insufficient cases, additional proctoring may be required.

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

(R)	(A)	SPECIALIZED PRIVILEGES – FAMILY MEDICINE	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
□	□	**Stool Guaiac Testing**	_____	TFH/IVCH/ MSC	-	-
□	□	**Thoracentesis**	_____	TFH/IVCH	1 case proctored	Current demonstrated competence and provision of care
□	□	**Lumbar Puncture**	_____	TFH/IVCH	1 case proctored	Current demonstrated competence and provision of care
□	□	**Moderate Sedation**	_____	TFH/IVCH	Successfully complete test	**Successfully complete test at reappointment**
□	□	**Moderate Sedation** a. Take a difficult airway management course b. Obtain 35 or more intubations, along with being signed off on intubations by anesthesia providers, on initial appointment. c. Maintain competencies on intubations skills by having at least 10 intubations yearly (which can be done with our anesthesia providers in the OR) d. Maintain Moderate Sedation privileges by taking the test with each re-credentialing.	_____	MSC		
		ADDITIONAL PRIVILEGES: A request for any additional privileges not included on this form must be submitted to the Medial Staff Office and will be forwarded to the appropriate review committee to determine the need for development of specific criteria, personnel & equipment requirements.				
		EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

_____ _____

Date Applicant's Signature

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

□ privileges as requested □ privileges with modifications (see modifications below) □ do not recommend (explain)

_____ _____

Date Department Chair Signature

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

Modifications or Other Comments:

_____

Medical Executive Committee:_____ (date of Committee review/recommendation)
□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

Board of Directors:_____(date of Board review/action)
□ privileges as requested □ with modifications (see attached description of modifications) □ not approved (explain)

Form Approval/Revision Dates:
Board 8/27/20

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

SPECIALTY: URGENT CARE **NAME:** _____
Please Print

Check one or more:
□ **Tahoe Forest Health System Urgent Care**

Check one: □ **Initial** □ **Change in Privileges** □ **Renewal of Privileges**

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Basic Education:	MD, DO
Minimum Formal Training:	Successful completion of an ACGME or AOA-approved residency training program in Family Medicine, Internal Medicine or Emergency Medicine
Board Certification:	Board qualification/certification required. Current ABFP/ABIM/ABEM Board Certification (or AOA equivalent Board); or attain Board Certification within five years of completion of training program. Maintenance of Board Certification required for reappointment eligibility. ~~*Failure to obtain board certification within the required timeframe, or failure to maintain board certification, will result in automatic termination of privileges.*~~ *Failure to obtain or maintain board certification may result in termination of privileges in accordance with the Medical Staff Bylaws.*
Required Previous Experience: (required for new applicants)	Applicant must be able to document that he/she has managed minimum number of urgent care/primary care/ER patients as indicated for each core group within the past 24 months. Recent residency or fellowship training experience may be applicable. If training has been completed within the last 2 years, documentation will be requested from program director attesting to competency in the privileges requested including residency/fellowship log. If training completed greater than 2 years ago, documentation will be requested from ~~chairman of department at hospital where you have maintained active staff privileges~~ the department chair or the appropriate medical staff representative at a facility where the applicant has maintained active clinical privileges, attesting to competency in the privileges requested.
Clinical Competency References: (required for new applicants)	Training director or appropriate department chair from another ~~hospital~~ facility where applicant has been affiliated within the past year; and two additional peer references who have recently worked with the applicant and directly observed his/her professional performance over a reasonable period of time and who will provide reliable information regarding current clinical competence, ethical character and ability to work with others. (At least one peer reference must be an Urgent Care practitioner.) The Medical Staff Office will request ~~the peer evaluation information.~~ the required references and supporting information as part of the credentialing process.
Proctoring Requirements:	See in Proctoring P&P. Where applicable, additional proctoring and evaluation may be required if minimum number of cases cannot be documented, in addition to the proctoring requirements outlined in the proctoring policy.
Other:	• Current, unrestricted license to practice medicine in CA and/or NV • Malpractice insurance in the amount of $1m/$3m • Current, unrestricted DEA certificate in CA (approved for schedules 2-5) and/or unrestricted Nevada State Board of Pharmacy Certificate and DEA to practice in NV • Ability to participate in federally funded program (Medicare or Medicaid) • ACLS – required to provide services at all Urgent Care sites. (ACLS required within 6 months of Initial Appointment and Current Thereafter)

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence.

Applicant: Place a check in the **(R)** column for each privilege **Requested.** Initial applicants must provide documentation of the number and types of clinic cases treated during the past 24 months. **Granting of privileges is contingent upon meeting all general, specific, and threshold criteria defined above.**

Recommending individual/committee must note: (A) = Recommend Approval as Requested. **NOTE:** If conditions or modifications are noted, the specific condition and reason for same must be stated on the last page.

(R)	(A)	GENERAL PRIVLEGES – URGENT CARE	Estimate # of patients in the past 24 months	Setting	Proctoring	Reappointment criteria if no or insufficient cases, add'l proctoring or specific CME may be required
□	□	**URGENT CARE CORE PRIVILEGES** Basic privileges include • The ability to perform a history and physical exam • Review medical records • Order and interpreting appropriate diagnostic tests and results; such as point of care and clinical laboratory tests, plain radiographs, ultrasound, CT, MRI, and electrocardiograms. • Prescribing medications, DME and ordering immunizations • Knowledge in recognizing and initial management of acute medical conditions, such as anaphylaxis, asthma, stroke, and acute coronary syndromes • Use of infection control protocols, including use of appropriate level of PPE • Performing minor medical procedures (see below) • Referring patients to specialists and other healthcare providers to provide comprehensive patient care • Participating in quality improvement initiatives Must include management of at least 50 adults and 10 children (14 and under) within the last two years for initial appointment. • BLS for Healthcare Provider certification • ACLS Required (Certification Required within 6 months of Initial Appointment and Current Thereafter) **CORE PROCEDURES:** • Local and peripheral regional block anesthesia • Nasal cautery and tamponade • Abscess Incision and drainage • Wound management and closure methods • Skin biopsy or excision • Nail trephine and excision • Joint, bursa, and trigger point injection		**Urgent Care Clinic**	Review of 10 representative cases, including 5 trauma cases	Evidence of Current Clinical Competency.

		• Removal of superficial foreign body from skin, and non-penetrating foreign body from eye, nose, ear, and vagina • Splinting limb injuries				

(R)	(A)	**SPECIALIZED PRIVILEGES – URGENT CARE** **These privileges will require documentation of experience and training prior to approval in addition to requirements outlined above.**	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
~~☐~~	~~☐~~	~~Preliminary interpretation of plain radiographs~~	~~_____~~	~~UC~~	~~5 cases~~	~~Current demonstrated competence and provision of care~~
☐	☐	Dislocation/fracture reduction/immobilization techniques		UC	5 cases	Current demonstrated competence and provision of care
☐	☐	Fracture Hematoma block	_____	UC	3 cases	Current demonstrated competence and provision of care
☐	☐	**IUD Insertion**	_____	UC	3 cases	Current demonstrated competence and provision of care
☐	☐	**IUD Removal**	_____	UC	1 case	Current demonstrated competence and provision of care
☐	☐	**Endometrial Biopsy**		UC	1 case	Current demonstrated competence and provision of care
☐	☐	**Nexplanon Implant Removal**		UC	1 case	Current demonstrated competence and provision of care
		ADDITIONAL PRIVILEGES: A request for any additional privileges not included on this form must be submitted to the Medial Staff Office and will be forwarded to the appropriate review committee to determine the need for development of specific criteria, personnel & equipment requirements.**EMERGENCY:** In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

Commented [DP1]: Is it necessary to have this listed in a special procedure. It looks like it is already in core.

TAHOE FOREST HOSPITAL DISTRICT
Department of Medicine
Delineated Clinical Privilege Request

(R)	(A)	**SPECIALIZED PRIVILEGES – URGENT CARE** **These privileges will require documentation of experience and training prior to approval in addition to requirements outlined above.**	Estimate # of patients or procedures performed in the past 24 months (indicate if other than hospital #s)	Setting	Proctoring See below plus add'l cases at discretion of proctor	Reappointment Criteria If no cases or insufficient cases, add'l proctoring may be required or privilege specific CME
		EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.				

I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

_____ _____
Date Applicant's Signature

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

□ privileges as requested □ privileges with modifications (see modifications below) □ do not recommend (explain)

_____ _____
Date Department Chair Signature

Modifications or Other Comments:

_____

Medical Executive Committee:_____ (date of Committee review/recommendation)

□ privileges as requested □ privileges with modifications (see attached description of modifications) □ do not recommend (explain)

Board of Directors:_____(date of Board review/action)

□ privileges as requested □ with modifications (see attached description of modifications) □ not approved (explain)

Form Approval/Revision Dates:
Board 8/27/20, 11/18/2021

TAHOE FOREST
HEALTH SYSTEM

Student-Athlete Health Services Consent Form

*To be read and signed by the Student-Athlete and the Parent /Guardian if the Student-Athlete is under 18 years old.

Request For Treatment

My/my child's school has engaged with Tahoe Forest Health System ("TFHS") to support and provide healthcare services for student-athletes. I give permission for the TFHS Sports Medicine Team (Physicians, athletic trainers, physical/occupational therapists) to provide me/my child with care deemed appropriate by the TFHS Sports Medicine Team. I understand that I have the right to an explanation of the nature of the risks associated with each proposed procedure or treatment option will be provided in accordance with the recognized standards of medical and healthcare practice. If my child is under 18, I confirm that my child can request and receive care on their own from the TFHS Sports Medicine Team and I consent to the TFHS Sports Medicine Team providing that care. I agree the TFHS Sports Medicine Team may refer me/my child to an outside provider and that I/my child may engage in a separate provider-patient relationship.

I agree that the TFHS Sports Medicine Team may require a Healthcare Provider's note prior to the release of me/my child to sport following an injury/incident. This may include, but is not limited to, concussions, suspected fractures, etc. Appropriate healthcare providers include: physicians (MD, DO) and non-physician providers (e.g. ATC, PA, or NP). This excludes chiropractors (DC) as Healthcare Providers from providing a note of release to sport.

Release Of Medical Information

I give permission for Tahoe Forest Health System (TFHS) to share my/my child's medical information related to or arising from the TFHS Sports Medicine Team with other TFHS providers, independent providers, school administration, and other school sports program representatives (such as coaches and school-employed athletic trainers). In the event of an emergency, information may be shared with emergency medical personnel. I understand that TFHS is providing the services under an agreement with the school system, and I agree that the TFHS Sports Medicine Team may share my/my child's information with the school system, which may store information on school system platforms. Reasonable efforts will be made to protect this information. It is understood that once this information is disclosed, it is no longer protected under the Health Insurance Portability and Accountability Act ("HIPAA") and the Family Educational Rights and Privacy Act ("FERPA").

I understand that information disclosed by me/my child may be necessary to determine eligibility for sports. In general, a health care provider may not condition treatment, payment, enrollment, or eligibility for benefits on whether the individual signs the Authorization. In this situation, however, the services provided by the TFHS Sports Medicine Team are being provided for the sole purpose of sharing the information with your school system and their athletic departments. Therefore, this Authorization must be signed before services of the TFHS Sports Medicine Team are provided, except in an emergency.

Date:_____

Signature (Patient or Parent/Guardian if Patient is under 18):

_____

Relationship to patient:

_____

TAHOE FOREST
HEALTH SYSTEM

Athletic Training Services Consent Form

*To be read and signed by the Athlete and the Parent /Guardian if the Student-Athlete is under 18 years old.

Request For Treatment

My/my child's organization has engaged with Tahoe Forest Health System ("TFHS") to support and provide healthcare services for athletes. I give permission for the TFHS Sports Medicine Team (Physicians, athletic trainers, physical/occupational therapists) to provide me/my child with care deemed appropriate by the TFHS Sports Medicine Team. I understand that I have the right to an explanation of the nature of the risks associated with each proposed procedure or treatment option will be provided in accordance with the recognized standards of medical and healthcare practice.

If my child is under 18, I confirm that my child can request and receive care on their own from the TFHS Sports Medicine Team and I consent to the TFHS Sports Medicine Team providing that care. I agree the TFHS Sports Medicine Team may refer me/my child to an outside provider and that I/my child may engage in a separate provider-patient relationship.

I agree that the TFHS Sports Medicine Team may require a Healthcare Provider's note prior to the release of me/my child to sport following an injury/incident. This may include, but is not limited to, concussions, suspected fractures, etc. Appropriate healthcare providers include: physicians (MD, DO) and non-physician providers (e.g. ATC, PA, or NP). This excludes chiropractors (DC) as Healthcare Providers from providing a note of release to sport.

Release Of Medical Information

I give permission for Tahoe Forest Health System (TFHS) to share my/my child's medical information related to or arising from the TFHS Sports Medicine Team with other TFHS providers, independent providers, school administration, and other school sports program representatives (such as coaches and school-employed athletic trainers). In

TAHOE FOREST
HEALTH SYSTEM

Athletic Training Services Consent Form

the event of an emergency, information may be shared with emergency medical personnel. I understand that TFHS is providing the services under an agreement with the school system, and I agree that the TFHS Sports Medicine Team may share my/my child's information with the school system, which may store information on school system platforms. Reasonable efforts will be made to protect this information. It is understood that once this information is disclosed, it is no longer protected under the Health Insurance Portability and Accountability Act ("HIPAA") and the Family Educational Rights and Privacy Act ("FERPA").

I understand that information disclosed by me/my child may be necessary to determine eligibility for sports. In general, a health care provider may not condition treatment, payment, enrollment, or eligibility for benefits on whether the individual signs the Authorization. In this situation, however, the services provided by the TFHS Sports Medicine Team are being provided for the sole purpose of sharing the information with your school system and their athletic departments. Therefore, this Authorization must be signed before services of the TFHS Sports Medicine Team are provided, except in an emergency.

Date:_____

Signature (Patient or Parent/Guardian if Patient is under 18):

_____

Relationship to patient:

_____



Outpatient and Clinic Services: *Conditions of Admission*

1. **Consent for Outpatient and Clinic Services:**
   I consent to the procedures that may be performed while I am an outpatient. These include, but are not limited to, clinic services, laboratory procedures, X-ray examinations, medical or surgical treatment or procedures, telehealth services, anesthesia, or hospital services provided to me under the general or special instructions of my physician, non-physician provider, or surgeon. I understand that the practice of medicine and surgery is not an exact science and that diagnosis and treatment may involve risks of injury or even death. I acknowledge that no guarantees have been made to me regarding the result of examination or treatment in this hospital. I understand that this consent will cover all clinic and outpatient services within Tahoe Forest Health System for a period of one (1) year from the date of signature.
2. **Nursing Care:**
   This hospital provides only general nursing care and care ordered by the provider(s). If I want a private duty nurse, I agree to make such arrangements. The hospital is not responsible for failure to provide a private duty nurse and is hereby released from any and all liability arising from the fact that the hospital does not provide additional care.
3. **Legal Relationship between Hospital and Provider:**
   All physicians and surgeons providing services to me including the radiologist, pathologist, emergency physician, anesthesiologist, are not employees, representatives or agents of the hospital. They have been granted the privilege of using the hospital for the care and treatment of their patients, but they are not employees, representatives or agents of the hospital. They are independent contractors.

   _____ (Patient's or representative's initials)
   I understand that I am under the care and supervision of my attending provider. The hospital and its nursing staff are responsible for carrying out my provider's instructions. My provider is responsible for obtaining my informed consent, when required, to medical or surgical treatment, special diagnostic or therapeutic procedures, or hospital services provided to me under my provider's general and special instructions.
4. **Maternity Patients:**
   If I deliver an infant(s) while a patient of this hospital, I agree that these same Conditions of Admission apply to the infant(s).
5. **Personal Belongings:**
   As a patient, I am encouraged to leave personal items at home. The hospital maintains a fireproof safe for the safekeeping of money and valuables. The hospital is not liable for the loss or damage to any money, jewelry, documents, eyeglasses, dentures, hearing aids, cell phones, laptops, or other personal electronic devices, or other articles that are not placed in the safe. Hospital liability for loss of any personal property deposited with

the hospital for safekeeping is limited by law to five hundred ($500) dollars unless I receive a written receipt for a greater amount from the hospital.

6. **Phone Calls:**
   I authorize Tahoe Forest Hospital District and Tahoe Forest Hospital District's other service providers and their successors, assigns, affiliates, or agents to contact me at any telephone number associated with my account(s), including wireless telephone numbers or other numbers that result in charges to me, whether provided in the past, present or future. I agree that methods of contact may include pre-recorded or artificial voice messages and/or an automatic telephone dialing system, as applicable
7. **Teaching Programs:**
   The hospital participates in educational programs. Under the supervision of the attending physician, persons who are students in such educational programs may observe or participate in the care of the patient as part of an educational program. The ethics committee is available at the request of the patient or his/her representative to consult on ethical questions that arise during hospitalization.
8. **Clinic and Hospital Rules:**
   I understand that my visitors and I must obey all Tahoe forest Hospital District's clinic and hospital rules. I understand that if I or my visitors do not follow the rules, Tahoe Forest Hospital District may pursue corrective action.
9. **Notice of Privacy Practices and Patient Rights and Responsibilities:**
   I acknowledge that I have been provided copies of the Notice of Privacy Practices (NOPP) and Patient Rights and Responsibilities (PRR), which describe when Tahoe Forest Hospital District may use or disclose information for treatment, payment and health care operations. The NOPP and PRR are considered part of this Consent and Agreement by this reference. I understand that the NOPP and PRR are only provided the first time I receive services from the hospital and is otherwise available upon request and on Tahoe Forest Hospital District's website.
10. **Monitoring:**
    I understand that monitoring services may be provided through mobile application, medical device, or other technology. I understand that Tahoe Forest Hospital District facilities may use video monitoring in patient care areas when there is clinical need and in common areas for security purposes. I consent to such technology and video monitoring, with the understanding that any images, audio, or data from the monitoring are not readily available to visitors or the public and will not be disclosed except as required or permitted by law.
11. **Telehealth Services:**
    I consent to services that may be provided through advanced telecommunications technology between one site and at least one other site ("telehealth"). I consent to the telehealth services that may be performed by a Tahoe Forest Hospital District physician or non-physician provider or facility, who may be at a different location than me. I understand that I can withdraw this consent at any time. I also understand and agree to the following: (i) I shall have the option to refuse telehealth services at any time without affecting my right to future care or treatment and without risking the loss or withdrawal of third-party payor benefits to which I am entitled; (ii) I shall be informed of the

alternatives to the telehealth services that are available to me; (iii) I shall have access to the medical information resulting from the telehealth services as provided by law; (iv) I consent to the legally permitted dissemination, storage, and retention of identifiable images or other information from the telehealth service; (v) I shall have the right to be advised of the parties who will be present at the originating site and the distant site during the telehealth services, and I shall have the right to exclude anyone from either site; and (vi) I consent to the legally permitted videotaping or other recording of telehealth services, and I understand that I can withdraw this consent at any time.

Outpatient and Clinic Services: *Guide to Billing and Financial Assistance*

12. **Demographic Information:**
    I have reviewed the demographic information listed for me and confirm that it is correct. I am aware that I need to inform Tahoe Forest Health System of any changes as soon as possible.
13. **Financial Agreement:**
    I agree to promptly pay all hospital bills with the charges listed on the hospital's charge description master and, if applicable, the hospitals charity care and discount payment policies and state and federal law. I understand that I may review the hospital's charge description master before (or after) I receive services from the hospital. A list of services and charges is available on the hospital's website at: https://www.tfhd.com/price-information. I understand that all physician and surgeons, including radiologists, pathologists, emergency physicians, anesthesiologists, and others will bill separately for their services. If any account is referred to an attorney or collection agency for collection, I will pay actual attorney's fees and collection expenses. All delinquent accounts shall bear interest at the legal rate unless otherwise prohibited by law.

_____ (Patient's or representative's initials)

14. **Assignment of All Rights and Benefits:**
    I irrevocably assign and transfer to the hospital all rights, benefits, and any other interests in connection with any insurance plan, health benefit plan, or other source of payment for my care. This assignment shall include assigning and authorizing direct payment to the hospital of all insurance and health plan benefits payable for this hospitalization or for these outpatient services, I agree that the insurer or plan's payment to the hospital pursuant to this authorization shall discharge its obligations to the extent of such payment. I understand I am financially responsible for charges not paid according to this assignment, to the extent as permitted by state and federal law. I agree to cooperate with, and take all steps reasonably requested by, this hospital to perfect, confirm, or validate this assignment.
15. **Health Plan Contracts:**
    This hospital maintains a list of health plans with which it contracts. A list of such plans is available upon request from the financial office and on the hospital website at: https://www.tfhd.com/accepted-health-plans. All physicians and surgeons including the radiologist, pathologist, emergency physician, anesthesiologist, and others, will bill separately for their services. It is my responsibility to determine if the hospital or the

physicians providing services to me contract with my health plan. A list of providers with contact information will be provided upon request from the financial office.

16. **Financial Obligation**:
    I understand that Tahoe Forest Health System Patient Financial Services department will bill most health insurance plans on my behalf. I understand it is my responsibility to review and know my health insurance benefit coverage when seeking care. Each time I receive services within the health system, I will be asked to provide my identification and health insurance card. This is for my protection. After final payment is received from my health insurance plan, I will receive a statement reflecting any remaining balance, which will be considered my responsibility to pay. Accounts are referred to an outside collection agency only after they have become seriously delinquent and all efforts to resolve the situation have been exhausted. For difficulties meeting financial obligations for care received, please communicate with us as we may be able to offer assistance. Tahoe Forest Health System accepts cash, checks, Visa, Master Card, Discover, and American Express. Payments can be made by contacting us at (530) 582-3598 or online by visiting us at https://www.tfhd.com/important-bill-pay-information. We also offer flexible payment plan options.
17. **Financial Assistance:**
    Tahoe Forest Health System provides financial assistance to patients who are uninsured or underinsured and require urgent care. If patients do not have health insurance plan coverage or your insurance did not pay the bill in full, financial assistance may be available. The district has representatives that can assist with the application process for various government sponsored programs, including Medi-Cal, Medicaid, and state disability. These programs can assist with paying hospital, doctor, pharmacy and other medical bills. If financial help through a government program does not meet patient needs, patients may be eligible for the Tahoe Forest Health System Financial Assistance Program. Eligibility is based on family size and income. Depending upon level of qualification, this program may allow for 100% or partially discounted responsibility of the Tahoe Forest Health System bill. An application will need to be completed along with financial information in order to qualify. Please note that the Financial Assistance program applies only to services provided by Tahoe Forest Health System. For assistance, Financial Counselors can be reached at the number listed at the end of this agreement.
18. **Discounts:**
    Tahoe Forest Health System offers significant discounts through its contracts with health insurance plans, Medicare and Medi-Cal. However, because of the many state and national regulations associated with government-sponsored health insurance (Medicare and Medi-Cal) and contractual restrictions with health insurance plans, we are not able to offer discounts, waive a co-payment or deductible, or accept the payment from a health insurance plan as payment in full. However, we do offer a variety of payment options and will work to find the best alternative for each individual circumstance. The only justification for the Health System to waive any payments for insured individuals is in the case of financial hardship. Please see the information on Financial Assistance above. For our patients with no health insurance plan coverage, Tahoe Forest Health

System can extend a 30% discount on estimated charges paid at the time of service. This is an estimate only and any additional charges will be billed to the patient and the same discount will be applied if that balance is paid within 14 days. This only applies to patients who either do not have health insurance or have elected to not bill their health insurance.

A copy of this form shall have the same force and effect as the original. The undersigned is the patient or is duly authorized to act on behalf of the patient to sign for the patient and accept the terms written above. A signed copy of this form was: **provided_____ declined_____.**

I agree to accept financial responsibility for services rendered to the patient and accept the terms of this agreement.

Signature: _____ Date: _____Time: _____

If signed by other than patient, indicate relationship:

_____

Witness: _____ Date: _____Time: _____

For questions, to update patient information, or make a payment please call:
Financial Customer Service Representatives
(530) 582-3598
Monday – Friday 8:00 am – 6:30 pm and Saturday 8:30 am – 5:00 pm

For questions about Financial Assistance or to make payment arrangements please call:
Financial Counselors
(530) 582-6458
Monday – Friday 7:30 am – 5:30 pm

To learn about applying for Medi-Cal and Medicaid programs please call:
Eligibility Patient Advocate
(530) 582-3279
Monday – Friday 8:30 am – 5:00 pm

Title	Department	Last Approved	Next Review	Comments
DEH-26 Quantitative Fit Testing and Checking N-95 Mask	Employee Health	11/1/2026	11/1/2028	Employees who are required to wear an N-95 must be medically cleared, quantitatively fit tested at least annually, pass with a fit factor of ≥100, perform a seal check every time they wear it, and use a PAPR or refrain from the protected patient-care activity if they cannot achieve a proper N-95 fit.
ANS-2201 Stroke Alert Standardized Procedure	Nursing Services	11/1/2026	11/1/2028	The policy establishes a standardized Stroke Alert process for adult patients with possible acute stroke symptoms within 24 hours of onset, requiring prompt activation by qualified staff, use of the Stroke Alert order set and neurology consultation, physician oversight, and EMR documentation to facilitate timely stroke treatment.
DTMSC-2104 Standardized Procedure - Electronic Medical Record In-Basket Management by the RN	MultiSpecialty Clinics	11/1/2026	11/30/2026	The policy allows qualified and trained RNs to manage a provider's outpatient EMR in-basket under the provider's overall direction, including reviewing messages at least every two hours and handling specified refills, referrals, labs, imaging, immunizations, patient messages, and order corrections within established protocols.

Status **Draft** PolicyStat ID **21148052**

Origination Date	N/A
Last Approved	N/A
Effective	N/A
Last Revised	N/A
Next Review	N/A

Department	Employee Health - DEH
Applicabilities	System

Quantitative Fit Testing and Checking N-95 Mask , DEH-26

DRAFT

RISK:

With testing that does not follow protocol and lack of education on the use of N-95 masks, the employee could be at risk of contracting aerosol transmissible diseases.

PURPOSE:

The purpose of this policy is to establish a standardized process for respiratory fit testing to protect healthcare personnel from airborne hazards, including aerosol transmissible diseases (ATDs). This policy ensures compliance with the Occupational Safety and Health Administration (OSHA) Respiratory Protection Standard (29 CFR 1910.134) and Cal/OSHA ATD Standard (Title 8, Section 5199) by outlining the procedures for quantitative fit testing of tight-fitting N95 filtering facepiece respirators.

SCOPE:

This policy applies to all workforce members (licensed and non-licensed) who are required by their job duties, exposure risk assessment, and the facility's written Respiratory Protection Program to wear a tight-fitting N95 respirator.

DEFINITIONS:

Fit Test: A formal, standardized test using an OSHA-accepted protocol to evaluate the fit of a respirator on an individual.

Quantitative Fit Test (QNFT): An assessment of the adequacy of respirator fit by numerically measuring the amount of leakage into the respirator. TFHS uses an ambient aerosol condensation nuclei counter (CNC) instrument (PortaCount).

Fit Factor: A quantitative estimate of the fit of a particular respirator to a specific individual. For N95 respirators, a fit factor of at least 100 is required to pass.

User Seal Check: An action conducted by the respirator wearer to determine if the respirator is properly seated to the face. This is performed every time the respirator is donned and is not a substitute for a fit test.

POLICY:

A. Employee health performs fit testing and fit checking education for employees in designated job categories as part of pre-placement, annually and on an as needed basis when risk identified for any employee requiring respiratory protection through use of the N-95 mask to perform their job tasks safely.

B. Medical Clearance: Employees shall not use a tight-fitting N95 respirator or undergo fit testing until they have completed medical evaluation and received clearance from Employee Health/ Occupational Health in accordance with the Respiratory Protection Program.

    A. Using a respirator may place physiological burden on employees depending on the work place conditions and the medical status of the employee.The minimum requirement for evaluation is the **OSHA Respirator Medical Evaluation Questionnaire (Appendix C to 1910.134).**This form or a medical evaluation which obtains the same information in sections 1 and 2 Part A of Appendix C.

        a. Information in the questionnaire is not provided to the employer but is provided directly to the Employee Health care provider where it is kept confidential as part of the employee health record.

C. Fit Test Frequency: Quantitative fit testing shall be completed:

    1. Before an employee's initial use of a respirator in the workplace.
    2. At least annually thereafter.
    3. Whenever a different respirator make, model, style, or size is used.
    4. Whenever the employee reports, or the employer observes, physical changes that could affect respirator fit (e.g., significant weight change, major dental work, facial scarring, or cosmetic surgery).

D. Testing Equipment and Protocols: Fit testing shall be conducted quantitatively using a PortaCount ambient aerosol CNC instrument. Testing must strictly follow an OSHA-accepted fit test protocol supported by the device, such as the standard CNC protocol or the modified OSHA-accepted CNC protocol for filtering facepiece respirators (FAST protocol).

E. Prohibition of Facial Hair: Fit testing shall not be conducted if there is any facial hair that comes between the sealing surface of the facepiece and the face, or that interferes with valve function.

PROCEDURE:

A. Performing the Fit Test:

    1. Preparation and Setup

DRAFT

a. The Fit Test Administrator shall verify the employee's identity, medical clearance status, and department.

b. Set up the PortaCount according to current manufacturer instructions, including daily checks.

c. Select the appropriate OSHA-accepted protocol in the software (e.g., OSHA Modified CNC protocol for N95s).

2. Pre-Test Instructions

a. Ensure the employee presents wearing the exact make, model, style, and size of N95 respirator they will use in the workplace.

b. Instruct the employee on proper donning, positioning, and adjusting of the respirator.

c. Have the employee wear the respirator for the OSHA-required observation period (e.g., 5 minutes for standard protocols) to assess comfort and fit.

d. Instruct the employee to perform a user seal check. If the employee cannot achieve a successful seal check, a different respirator model or size must be selected.

3. Executing the Quantitative Test

a. Connect the probed N95 respirator to the PortaCount tubing.

b. Initiate the fit test exactly as directed by the selected OSHA-accepted protocol software prompts.

c. Monitor the employee to ensure exercises are performed correctly (e.g., normal breathing, deep breathing, head movements, talking, bending over).

4. Pass/Fail Outcomes

a. Pass: If the overall fit factor is 100 or greater, the employee passes. Provide the employee with documentation of their approved respirator make, model, and size.

b. Fail: If the fit factor is less than 100, the test fails. Retrain the employee on donning and positioning, and retest. If they fail again, trial another approved N95 make, model, style, or size.

B. User Seal Check:

1. Employees shall perform a user seal check each time they don an N95 respirator, prior to entering a hazardous environment.

2. The user seal check shall be performed according to the respirator manufacturer's instructions.

3. A user seal check does not replace the requirement for formal fit testing.

C. Alternative Respiratory Protection: PAPR

1. Employees who fail quantitative fit testing for all available N95 respirator options, or who cannot wear a tight-fitting respirator because of an interfering facial condition or other fit limitation, shall be evaluated for use of an alternative respirator such as a

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loose-fitting PAPR, when clinically and operationally appropriate. Personnel who are unable to be properly fit-tested will be instructed to only use PAPRs. If PAPR is not available, employee who fails the fit-test should not care for the patient that requires respiratory protection for care. Issue the **Respirator N-95 NON-FIT Verification and Training Form.**

2. A loose-fitting PAPR hood or helmet does not require fit testing under OSHA/NIOSH guidance.
3. Selection, issuance, training, and maintenance of PAPRs shall be governed by the facility's comprehensive PAPR policy and broader Infection Prevention and Respiratory Protection Program requirements.

D. Documentation and Recordkeeping
    1. Fit test records must be retained in the employee's health record until the next fit test is administered (at minimum).
    2. Documentation must include: Employee name/ID, date of test, test administrator name, specific respirator tested (make, model, style, size), testing method/ instrument used (PortaCount), protocol used, and the final fit factor result (pass/ fail).

E. Upon successful completion of the fit test. The **Respirator Issuance and Training Form** is completed, the employee and the examiner signs it. A copy given to the employee and a copy is part of the employee health record.

F. Education about the N-95 mask is provided to the employee at the time of the initial/annual fit testing and more often if needed. Topics include:
    1. Why the N-95 is needed, maintenance of the mask, when to obtain new mask.
    2. Limitations of the mask, If a qualitative fit test is not established, the PAPR is to be used
    3. How do do a quick check
    4. Retraining should occur if there are changes in the work place or if an employee does not seem to understand the safe use of the respirator.
    5. A medical evaluation will be done on any employee indicating pertinent medical conditions exist; e.g. employees who may have difficulty wearing the Respiratory Protective Device (RPD) while performing his/her duties or when adverse health effects may result.

G. A face **FIT CHECK** should be performed before every use of the respirator mask and entering the patient's room. If Respiratory Protection Mask is not available in your department, contact nursing leadership to obtain supplies.
    1. See separate Fit-check poster.
        a. To perform a negative pressure fit-check, the wearer positions his/her hands over the entire surface of the filter respirator and inhales deeply to create a negative pressure inside the face piece. If negative pressure is not maintained because face seal leakage is occurring, the respirator wearer re-positions the respirator until a seal is achieved. To perform a positive-pressure fit-check, the wearer positions his/her hands over the

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entire surface of the filter respirator and exhales to create a positive pressure inside the face piece. If positive pressure is not maintained because face seal leakage is occurring, the respirator wearer adjusts the nosepiece as follows:

i. Using two hands mold the nosepiece to the shape of the nose by pushing inward while moving fingertips down both sides of the nosepiece. Pinching the nosepiece using one hand may result in less effective respirator performance.

ii. If air leaks at respirator edges, adjust the straps back along the sides of your head and re-check.

iii. When performing a fit-check, do not press down too hard on the respirator, because the pressure can alter the face seal and render the fit-check unreliable.

iv. If a proper fit cannot be achieved, do not enter the isolation or treatment area and see your supervisor.

v. See manufacturer's directions on box for additional assistance.

H. N95 respirators may be reused by the same health care worker for the same patient as long as the respirator:

1. Continues to fit properly.
2. Is properly stored when not in use i.e. kept in a paper bag.
3. Is not soiled or moist/wet.
4. N95 respirators should be disposed of after one week if not reused. The Cal/OSHA Consultation Service in Sacramento is an excellent reference for respiratory protection questions.

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I. Clinical Competency for the fit testing skill is done at the time of hire and periodically or as needed.

1. Fit Test operator Competence Evaluation form is attached to this policy.

References:

Occupational Safety and Health Administration (OSHA), 29 CFR 1910.134, Respiratory Protection.

OSHA, 29 CFR 1910.134 Appendix A, Fit Testing Procedures (Mandatory).

Cal/OSHA Title 8, Section 5199, Aerosol Transmissible Diseases (ATD) Standard.

OSHA Final Rule: Additional Ambient Aerosol CNC Quantitative Fit Testing Protocols (2019).

Current manufacturer instructions for PortaCount operation and testing protocols.

Attachments

- Annual Respirator Questionnaire 11.24.docx
- Appendix C to 1910.134 OSHA Respirator Medical Evaluation Questionnaire.pdf
- facialhairwmask11282017-508.pdf
- Fit Test operator Competence Evaluation.docx
- N 95 3M Wear It Right poster.pdf
- Respirator Issuance and Training Form.pdf
- RespNonFitN95mask05.2020.docx

Approval Signatures

Step Description	Approver	Date

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Status **Draft** PolicyStat ID **21233173**

Origination Date	05/2022
Last Approved	N/A
Effective	N/A
Last Revised	N/A
Next Review	N/A
Department	Nursing Services - ANS
Applicabilities	System

Standardized Procedure - Stroke Alert ANS-2201

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RISK:

Delays in treatment for patients presenting with symptoms of stroke (CVA) is known to contribute to poor patient outcomes.

SETTING:

A. This standardized procedure applies to any patient ≥18 years old presenting to the Tahoe Forest Hospital and Incline Village Community Hospital Emergency Departments for evaluation with stroke symptoms for less than 24 hours and admitted patients with acute stroke symptoms (<24 hrs from symptom onset).
    1. Individuals with stroke symptoms who are not admitted to the hospital or current Emergency Department patients:
        a. Visitors, staff, or hospital outpatients in ASD/PACU, OB, Diagnostic Imaging/Interventional Radiology, Lab or any other area of the hospital should trigger a Code 250 and/or be escorted directly to the emergency department for appropriate management.

PERSONNEL:

A. Experience, Training and Educational Requirements for qualified RNs:
    1. Completed orientation and submission of completed skills checklist.
    2. Successful completion of stroke related competencies.
    3. Current BLS, ACLS, PALS, and NIHSS certifications.

B. A list of all qualified RNs is maintained by Tahoe Forest Health System's Human Resources

(Education) and reviewed annually.

SUPERVISION AND SUPERVISING INSTRUCTIONS:

A. The ED physician on duty or the attending physician will assume all responsibility for stroke orders placed by the RN under the guidelines of this standardized procedure.

B. Prior to initiating any orders, the RN will immediately inform physician of any patient presenting with emergent or critical symptoms requiring prompt medical intervention.

C. The RN will confer with the physician at any point with questions, concerns or need for clarification.

REQUIREMENTS TO INITIATE STANDARDIZED PROCEDURE:

A. In the event of pre-hospital notification, presentation of a stroke patient to the ED or admitted patient, physicians and nurses will follow the Stroke Alert activation and response system.

B. Stroke Alert activation will notify the stroke team of the acute stroke patient in the ED or hospital. Stroke Alert activation may be initiated by prehospital alert, qualified registered nurse (RN), or physician.

PROCEDURE:

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A. A Stroke Alert activation is required for patients ≥18 years old with signs and symptoms identified as a possible acute stroke (<24 hrs from symptom onset).

B. The staff will follow the correct procedure for activating a Stroke Alert and following the Stroke Alert guidelines.

   1. See Emergency Department Stroke Alert Clinical Practice Guidelines
   2. See Hospital Stroke Alert Clinical Practice Guidelines

C. The Stroke Alert order set will be entered by a qualified evaluator.

   1. A qualified evaluator is the physician or a qualified RN.
   2. The Stroke Alert Order Set will be entered into the Electronic Medical Record (EMR).
   3. See Stroke Alert Order Set Clinical Practice Guidelines

D. Neurology Consult

   1. 24/7 TeleSpecialist Neurology Service will be available to offer Stroke Alert consultation via the TeleSpecialist E-Alert (link available via Intranet home page web link). If TeleSpecialist Neurologist is not on the monitor within 10 minutes of E-Alert (or for any other trouble activating consult via E-Alert system), please call 1-888-392-1090.

E. The individual roles of the team members are subject to change based on the needs of the patient and resources available.

F. Stroke Alert guidelines are at the physician's discretion and are subject to modification in the best interest of the patient and available resources in the ED and hospital system.

G. Current guidelines are available via the TFHS Stroke Program intranet page.

RECORD KEEPING:

A. All documentation will be completed in the EMR.

PERIODIC REVIEWS:

A. Patient Record Review – The responsible physician will review the patient record in a timely manner and co-sign the stroke order set

B. Chart reviews – These reviews will be done monthly with quality performance measures in place for all patients meeting stroke criteria.

C. The consulting neurologist will complete a formal written consultation with recommendations in a timely manner.

D. This standardized procedure will be reviewed ~~annually~~biennially by Stroke Team leadership, Interdisciplinary Practice Council (IDPC), Nursing Leadership, and Emergency Medicine Committee.

DEVELOPMENT AND APPROVAL:

A. This standardized procedure was developed through the Stroke Operations Committee and collaboration between Nursing Leadership, Diagnostic Imaging, Education, Vituity Emergency Physicians group, Tahoe Forest Neurology Department, and the Tahoe Forest Health District Emergency Departments.

B. Policy and guidelines developed on American Heart Association Get with the Guidelines and ACHC Primary Stroke Center certification recommendations.

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INCLINE VILLAGE COMMUNITY HOSPITAL (IVCH)

A. IVCH will follow the above policy with the exceptions of limitations of available hospital services.

1. Radiology and laboratory technicians' response time during call hours will be 30min.

RELATED POLICIES/FORMS:

See Stroke Clinical Practice Guidelines for other supporting practices on stroke intra-net site;

Rapid Response Team, ANS-99

Code 250 - Hospital Emergency Response Team, AGOV-2201

REFERENCES:

American Heart Association (2018) Guidelines for the Early Management of Patients with Acute Ischemic Stroke

American Heart Association Get With The Guidelines – Stroke (2025)

ACHC Stroke Ready Certification Manual (2024)

Approval Signatures

Step Description	Approver	Date

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Status **Active** PolicyStat ID **19900647**

Origination Date	11/2021
Last Approved	04/2026
Effective	04/2026
Last Revised	11/2023
Next Review	04/2028

Department: Tahoe Multi-Specialty Clinics - DTMSC

Standardized Procedure - Electronic Medical Record In-Basket Management by the Registered Nurse, DTMSC-2104

COPY

RISK:

Electronic medical record (EMR) in-basket messages must be reviewed and acted upon in a timely manner by clinical staff in order to provide safe and effective care to ambulatory patients. Registered nurse (RN) assistance with in-basket management will lead to more timely patient care.

POLICY:

The RN will assist outpatient and/or multi specialty clinic (MSC) provider with in-basket management as outlined in this standardized procedure.

SETTING:

A. This standardized procedure applies to qualified and trained RNs in the MSC and outpatient clinic setting.

SUPERVISION:

A. EMR in-basket management process is under the provider's overall direction and control, but may be delegated to qualified and trained RNs.

B. If at any time the RN requires clarification or provider assistance, they may confer in person or via EMR in-basket message.

PERSONNEL:

A. EMR in-basket management must be performed by an RN or providers of higher licensure.

TRAINING/EDUCATION:

A. In order to activate this standardized procedure, the RN must complete the following:
    1. Department-specific orientation
    2. EMR training modules specific to ambulatory setting.

PROCEDURE:

A. The RN will review in-basket messages for their assigned provider at minimum of every 2 hours during business hours and address patient needs as described below.

B. Refill requests
    1. All medication refill requests will be managed per Standardized Procedure - Nurse Refills, DTMSC-2103

C. Diagnostic Imaging (DI)
    1. Order reflex tests as directed by radiology
    2. Order lab tests per DI protocols for studies that utilize contrast (BUN, creatinine)
    3. Reorder expired imaging originally ordered within a scheduled appointment and not done within appropriate time-frame.

D. Referrals
    1. If specialty referral requires precursor referral and subsequent provider visit, the RN may order (i.e. ENT visit requires audiology referral prior to being seen by ENT provider).
        a. RN may discuss required precursor referrals with specialty clinic staff prior to submitting referral.
    2. Change location of existing referral (i.e. patient changes mind and would like to be seen in a different city or clinic).
    3. Reorder expired referrals if appropriate to patient's care plan.
    4. If referrals department needs additional work up (e.g. labs, imaging, etc.) prior to accepting the referral, they may be ordered by the RN.

E. Laboratory
    1. Screening labs as detailed by preemployment or school forms.
    2. Order required pre-procedure tests (i.e. COVID test prior to surgery, PFT or ETT prior to treadmill)
    3. Reorder expired labs if appropriate.
    4. RN may order wound culture as requested by wound care.

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F. Immunizations
    1. Immunization requests will be managed per MSC Vaccine Screening by the RN Standardized Procedure, DTMSC-1801.

G. Messages
    1. RN to address My Chart messages within their scope and provide patient support as needed.

H. The RN may order labs or imaging for existing orders that are required per laboratory or DI protocol.
    1. Laboratory and DI protocols are found in their corresponding departments.

I. The RN may correct/fix any order that was entered incorrectly or ordered in error (i.e. incorrect laterality).

RECORD KEEPING:

A. All documentation will be completed in the EMR.

PERIODIC REVIEW:

A. This policy was created in collaboration with Medicine, MSC Leadership, Nursing Leadership, DI, Laboratory

B. This policy will be reviewed annually by MSC Leadership and the Interdisciplinary Practice Council

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Related Policies/Forms:

MSC Vaccine Screening by the RN Standardized Procedure, DTMSC-1801; Standardized Procedure - Nurse Refills, DTMSC-2103

All Revision Dates

11/2023, 11/2021

Approval Signatures

Step Description	Approver	Date
	Sandra Walker: Director of Operations	04/2026
	Sandra Walker: Director of Operations	04/2026

Title	Department	Last Approved	Next Review	Comments
ASP-2103 Nurse Refills Standardized Procedure	Ambulatory Standardized Procedure	11/1/2026	11/1/2028	Major Revisions: Substantially modernizes the nurse-refill procedure by giving trained RNs clearer authority to process routine and recurrent medication refills—including appropriate refill duration and certain administrative corrections—while establishing more explicit clinical screening, monitoring, escalation, documentation, and competency requirements.
MSGEN-13 - CME Reasonable Honoraria	Medical Staff	11/1/2023	11/30/2026	Major Revisions: Clarified speaker selection and honorarium approval, reasonable compensation and expense reimbursement, commercial grant handling, documentation, record retention, and compliance oversight.
MSGEN-14 - CME Commercial Support	Medical Staff	11/1/2023	11/30/2026	Major Revisions: Expanded requirements for financial disclosures and conflict of interest mitigation, written commercial support agreements, educational independence, separation of CME from marketing, evaluation, and compliance monitoring.

Status Draft PolicyStat ID 20538978

Origination Date	11/2021
Last Approved	N/A
Effective	N/A
Last Revised	N/A
Next Review	N/A

Department: Standardized Procedure - ASP

Standardized Procedure - Nurse Refills, ASP-2103

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RISK:

~~Access to prescription refills promotes patient care, prevents worsening of chronic conditions and limits potential harm to patients and their health.~~

~~POLICY:~~

~~To provide guidelines for the registered nurse (RN) in the outpatient and multispecialty clinics (MSC) for refilling medications. Qualified and trained RNs are authorized to refill medications within the Tahoe Forest outpatient setting, on behalf of the provider as specified in this standardized procedure when a patient requests a refill prior to their next provider visit.~~

Timely access to authorized medication refills supports continuity of care, helps prevent worsening of chronic conditions, and reduces potential harm associated with interruptions in treatment. A standardized refill process promotes patient safety, consistent practice, and appropriate provider oversight.

SETTING:

~~This policy pertains to RNs in the outpatient setting.~~

~~EXPERIENCE, TRAINING, AND EDUCATION:~~

~~A. The requirements of the RN:~~

~~1. Completion of unit-specific MSC or outpatient clinic orientation.~~

~~2. Completion of on-site training with one-on-one proctoring by a clinician experienced~~

~~in using this protocol.~~

~~3. Review of this standardized procedure upon hire and annually thereafter.~~

~~B. A list of qualified and trained RNs will be kept in MSC and outpatient clinic administration office.~~

A. This procedure applies to qualified and authorized RNs working in designated Tahoe Forest outpatient and multispecialty clinic settings.

B. Use of this procedure is limited to approved settings and functions within the RN's training, competency, and authorization.

PERSONNEL:

A. The requirements of the RN:

1. Complete applicable outpatient or multispecialty clinic orientation.
2. Complete training on this standardized procedure, including eligibility criteria, exclusions, medication-safety considerations, documentation, and escalation requirements.
3. Complete supervised practice or competency validation as determined by nursing leadership and the applicable clinical department.
4. Review this standardized procedure upon initial authorization and at least annually thereafter.
5. Demonstrate and maintain competency in the functions authorized by this procedure.

B. A current record of RNs authorized to perform this standardized procedure will be maintained by the designated nursing or clinic administration department. Additional training or competency validation may be required for specialty-specific medication categories or workflows.

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SUPERVISION & SUPERVISING INSTRUCTIONS:

~~The RN will work under the direction of the provider on duty and may consult with provider at any time for clarification of this standardized procedure or as specified in Procedure below.~~

~~DEFINITIONS:~~

A. The RN will perform refill functions under the direction and supervision established by this standardized procedure and the applicable organizational governance structure.

B. An authorized provider must be available through an established consultation pathway when provider review or clarification is required.

C. The RN must seek provider guidance when a request falls outside the criteria of this procedure, the existing treatment plan is unclear, or clinical concerns arise. The RN may not independently resolve clinical questions that require provider assessment or authorization beyond the functions granted by this procedure.

REQUIREMENTS TO INITIATE STANDARDIZED PROCEDURE:

A. Routine Ongoing Medication: Routine ongoing medications are medicines previously prescribed by an MSC or outpatient clinic provider and taken consistently for the treatment of an ongoing need.

    1. Examples include, but are not limited to: medications for hypertension, diabetes, high cholesterol, hypothyroid, hormone replacement, osteoporosis, benign prostatic hyperplasia, gout, asthma, chronic skin conditions, contraceptives, etc.

B. Episodic Recurrent Treatment: These medicines are for episodic treatment of a recurrent chronic condition that is clearly documented in the EMR and prescribed previously by the provider. These medicines need to be taken as soon as possible for efficacy.

    1. Examples include, but are not limited to: acute migraine, herpes simplex virus outbreak, etc.

C. Exclusion criteria - This standardized procedure excludes the following:

    1. Controlled substances (scheduled substances II through V)
    2. Short course antibiotics or antifungals
    3. Short course oral corticosteroids
    4. Chemotherapeutic agents
    5. Warfarin will be addressed per Outpatient RN Anticoagulation Protocol, APH-1701.
    6. Indications that the patient may be experiencing side effects and/or drug interactions from the medication.
    7. Evidence of non-adherence, including overuse or underuse of the medication.
    8. Request to change from brand name to generic medication when brand is specifically requested by provider.
    9. Additional medications may be excluded at the practice level per provider preference.

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PROCEDURE:

~~A. Before completing any refill requests, the RN will review the last clinic note in the electronic medical record (EMR) to ensure that the patient is not overdue for follow up.~~

    ~~1. Patients should be seen at least annually by their provider (or more frequently if described in visit notes)~~
    ~~2. RN will direct patient to schedule follow up appointment when refill is requested if needed.~~
    ~~3. Only one RN refill is allowed as patient must be seen prior to repeat activation of this standardized procedure. Bridge may be extended using nursing judgment if the visit was rescheduled by the provider or by the patient for reasonable cause.~~

~~B. The RN will review and assess patient information pertinent to the medication refill request, including the decision support tools available (i.e. Refill Protocols) in the EMR (Appendix A),~~

~~Micromedex, or UpToDate~~

1. ~~Information reviewed may include, but is not limited to:~~
    a. ~~Patient's name, medical record number, date of birth, patient's designated primary care provider.~~
    b. ~~Medication dose, amount requested, and date of last refill.~~
    c. ~~Whether medication falls into exclusion criteria above and/or provider consultation is needed.~~
    d. ~~Recent provider progress notes related to the medication request.~~
    e. ~~Medication allergies.~~
    f. ~~Medication adherence history.~~
    g. ~~Medical history as relevant to the medication requested.~~

C. ~~Medications to be refilled only apply to medications the MSC or outpatient clinic has previously prescribed.~~

D. ~~The medicine must be either a routine ongoing medication or an episodic recurrent treatment for a need as defined above.~~

1. ~~For routine ongoing need or episodic condition without any recent changes, the RN may give medications until next appointment.~~
    a. ~~If insurance dictates duration of use, RN may adjust prescription as requested by insurance, pharmacy, or patient.~~
    b. ~~RN may transfer prescriptions as written for non-controlled medications from one pharmacy to another.~~
    c. ~~RN may send short fills for routine ongoing medications for existing active prescriptions or longstanding episodic medications to cover patients affected by delays with mail order or lost or forgotten medications for travel. Short fills are defined as 2 weeks or less and must include sig as written by provider. RN may not transfer or short fill controlled medications.~~
    d. ~~RN may reorder a discontinued medication when it is clear in provider notes that medication is routine or ongoing or has expired unintentionally due to incorrectly entered end date or if it is discontinued by support staff in error.~~

E. ~~The RN may consult with the provider with questions, need for clarification, and/or the pharmacy request is not covered by this policy. Additionally, if there are any clinical concerns, RN will contact the provider on duty for clarification or advise patient to be seen either acutely, or prior to their need for refills on the medicines in question.~~

A. Before authorizing a refill, the RN will review the request and relevant information in the electronic medical record (EMR) to determine whether the request meets the requirements of this standardized procedure.

B. The RN will use approved organizational decision-support resources, including medication-specific refill criteria and specialty protocols, when applicable. Electronic health record tools such as Epic refill protocols, may assist with screening requests but do not replace the RN's

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assessment or the requirements of this standardized procedure. The RN must address applicable screening failures before authorizing a refill and obtain provider clarification when a screening result or clinical circumstance requires review.

1. Information reviewed may include, but is not limited to:
    a. Patient identifiers and designated primary care or specialty provider.
    b. Medication name, dose, route, frequency, quantity requested, and date of the most recent refill.
    c. Relevant clinical documentation and the medication-specific follow-up and monitoring plan.
    d. Whether provider follow-up, laboratory testing, or other monitoring is due or required.
    e. Medication allergies and relevant adverse reactions.
    f. Available medication adherence information, including concerns about overuse, underuse, or repeated early refill requests.
    g. Whether the request meets the eligibility criteria and exclusions in this procedure.
2. The RN will review the most recent relevant clinical documentation and other information necessary to determine whether the request can be processed within the authority granted by this procedure.

C. Refill Eligibility and Authorization:

1. For routine ongoing medications or episodic recurrent treatments without recent changes or unresolved clinical concerns, the RN may authorize refills consistent with the medication-specific follow-up and monitoring plan, provided the request meets the criteria of this procedure.
2. The RN must not authorize a refill when required monitoring is overdue, the treatment plan is unclear, the medication is excluded, or the request otherwise falls outside the approved criteria. Such requests must be referred to an authorized provider for review.

D. Follow-Up and Monitoring:

1. The RN will assess whether provider follow-up or medication-specific monitoring is due or required before authorizing a refill.
2. When follow-up is indicated, the RN will direct the patient to schedule the appropriate appointment and communicate applicable monitoring requirements.
3. Refill authorization must be consistent with the medication-specific follow-up and monitoring plan. An unrelated upcoming appointment does not, by itself, determine or limit the appropriate refill duration.

E. Refill Duration and Continuity of Therapy:

1. The RN may authorize a refill quantity and duration consistent with the existing provider-established treatment regimen, medication-specific follow-up and monitoring plan, and applicable organizational requirements.

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2. For routine ongoing medications or episodic recurrent treatments without recent changes, the RN may provide refills consistent with the medication-specific follow-up and monitoring plan, provided applicable criteria are met.
3. Refills are not automatically limited to the date of the patient's next scheduled appointment. The appropriate refill duration must be determined by the applicable criteria for the medication and established treatment plan.
4. When a follow-up appointment is delayed or rescheduled, an extension of a bridge refill may be considered when permitted by the applicable criteria and approved workflow. Provider review is required when the request falls outside those criteria or requires a clinical decision beyond the RN's authorized functions.
5. Temporary Medication Availability Issues: When a prescribed medication is unavailable or in limited supply, the RN may coordinate refill-related options consistent with the existing treatment plan and approved organizational guidance. Any change to the prescribed medication, strength, dose, route, frequency, or administration schedule must be authorized by an authorized provider unless the specific change is expressly permitted by an approved procedure or office protocol. The RN will document the action taken and obtain provider review when an alternative regimen or other clinical decision is required.

F. Additional Refill Processing Activities:

1. As part of processing an eligible medication refill request, the RN may perform appropriate refill-related administrative functions consistent with the existing prescription, provider-established treatment plan, this standardized procedure, applicable medication-specific criteria, and organizational policy. These functions may include, but are not limited to:
    a. Processing eligible refill requests and quantities consistent with the existing prescription and applicable criteria.
    b. Coordinating prescription transfers between pharmacies when permitted by applicable law and organizational policy.
    c. Processing limited supplies to address temporary medication access issues when permitted by the existing prescription and applicable criteria.
    d. Correcting or addressing administrative prescription discrepancies, including unintentionally expired prescriptions or erroneous discontinuation entries, when the record clearly supports that the medication remains part of the established treatment plan.
    e. Coordinating with pharmacies, patients, providers, and other members of the care team to resolve refill-related issues.
    f. The RN may not independently order a new medication, change the provider-established treatment plan, or make prescribing decisions beyond the authority granted by this standardized procedure.
    g. Actions involving controlled substances, excluded medications, changes to the treatment regimen, or other matters requiring prescribing-provider authorization must follow applicable law, organizational policy, and

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established approval processes.

h. When the requested action cannot be completed within the authority and criteria established by this procedure, the RN must consult an authorized provider or follow the applicable escalation pathway.

RECORD KEEPING:

~~A. All request and refills will be documented in the EMR.~~

~~B. Any relevant patient care information will be documented in the EMR.~~

A. All refill requests, actions taken, and refill authorizations will be documented in the EMR in accordance with organizational policy.

B. Documentation must include, as applicable:

1. The medication and refill request reviewed.
2. Relevant assessment findings and criteria used.
3. Required follow-up or monitoring identified.
4. The refill action taken or reason for referral or denial.
5. Patient instructions and follow-up recommendations.

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DEFINITIONS AND REFERENCES:

Developing Standing Orders to Help Your Team Work to the Highest Level, American Academy of Family Physicians (2018); Standardized Procedure - Registered Nurse in SFHN Primary Care Clinic (2019)

DEVELOPMENT AND APPROVAL:

A. This policy was developed in collaboration with Medicine, Pharmacy, MSC Leadership, Nursing Leadership, Information Technology, and Nursing.

B. ~~This standardized procedure will be reviewed annually by MSC Leadership and the Interdisciplinary Practice Council.~~This standardized procedure was approved by the Primary Care department chair, IDPC, Medical Executive Committee and the TFHS Board.

~~REFERENCES:~~

~~*Developing Standing Orders to Help Your Team Work to the Highest Level*, American Academy of Family Physicians (2018); Standardized Procedure - Registered Nurse in SFHN Primary Care Clinic (2019)~~

~~RELATED POLICIES:~~

~~Outpatient RN Anticoagulation Protocol, APH-1701~~

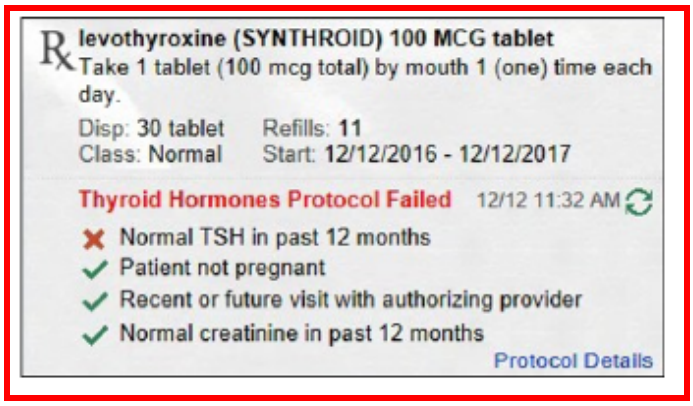
PERIODIC REVIEW:

A. This standardized procedure will be reviewed every 2 years by Nursing, MSC Leadership, the Interdisciplinary Practice Council, and Medical Executive Committee.

Appendix A: Decision Support Tool - Epic Refill Protocols

~~A refill protocol is an InBasket display tool that allows providers and other clinicians to more efficiently process refill requests by seeing at a glance whether a refill request likely meets the necessary criteria for approval. This tool does not replace clinical judgment.~~

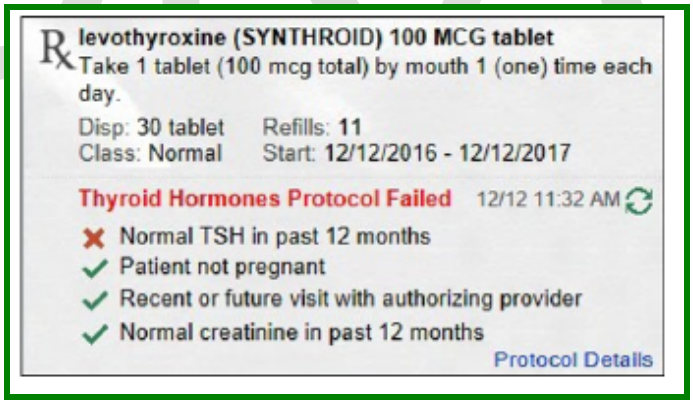
~~The RN will address screening failures prior to authorizing refill if indicated and will discuss with provider when clarification is needed.~~



A. A refill protocol is an InBasket display tool that allows providers and other clinicians to more efficiently process refill requests by seeing at a glance whether a refill request likely meets the necessary criteria for approval. This tool does not replace clinical judgment.

B. The RN will address screening failures prior to authorizing refill if indicated and will discuss with provider when clarification is needed.

C.



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Approval Signatures

Step Description	Approver	Date
	Sandra Walker: Director of Operations	04/2026

Sandra Walker: Director of Operations	04/2026

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RISK:

~~Violation of AAFP regulations for CME if policy is not followed.~~Failure to maintain independence, scientific integrity, appropriate disclosure, and separation of accredited CME activities from commercial influence may result in noncompliance with applicable AAFP/ACCME requirements, loss of CME credit, and diminished confidence in the CME program.

POLICY:

The Medical Education Committee is responsible for the content, quality, educational integrity, and scientific integrity of all CME activities sponsored or provided by Tahoe Forest Hospital District, including activities for which commercial support is received.

All accredited CME activities shall comply with current American Academy of Family Physicians (AAFO) requirements and applicable Accreditation Council for Continuing Medical Education (ACCME) Standards for Integrity and Independence in Accredited Continuing Education.

CME activities shall be independent from commercial influence and shall provide evidence-based, balanced education that is free from marketing and promotion.

~~A. Program planning decisions will be based upon, but not limited to, findings from the Quality Assurance Committee, Department/Section meeting recommendations, Medical Staff needs assessment, the opinions and experiences of the members of the CME Committee and the results of program evaluations.~~

~~B. Commercial supporters may suggest topics and speakers, but the decision whether or not to offer a course will be made by the Medical Education Committee.~~

~~C. The Medical Education Committee will monitor all presentations that receive commercial support so that they offer a balanced view of therapeutic options.~~

~~D. Research findings will be offered with appropriate documentation of the scientific objectivity of the presentation.~~

~~E. The CME Program will assume all responsibility for funding of commercially supported CME activities. Funds from commercial source will be in the form of an educational grant made payable to Tahoe Forest Hospital District.~~

~~F. Tahoe Forest Hospital District will make payments of honorariums and out-of-pocket expenses directly to the speaker in accordance with departmental procedures.~~

~~G. All speakers for CME activities, particularly those whose CME activity received commercial support, will be required to disclose any affiliation or financial interest they may have with the commercial supporter. Any such affiliation will then be published on the CME calendars, flyers and evaluation forms (including brand and generic drugs manufactured by the particular commercial supporter which might be mentioned by the speaker.~~

~~H. Advice or services concerning speakers, invitees and other educational matters, including content, shall not be among the conditions of providing commercial support.~~

~~I. All commercial support shall be in accordance with the most current AAFP Standards. Pharmaceutical representatives will not be allowed to be present in the conference room during CME programs.~~

PROCEDURE:

A. **Program Planning**

1. Program planning decisions shall be based upon identified educational needs and may include, but are not limited to::
    - Quality Assurance/Performance Improvement findings
    - Department or Section recommendations
    - Medical Staff needs assessments
    - Opinions and experiences of the members of the Medical Education Committee
    - Results of program evaluations
    - Current clinical evidence and practice needs
2. Commercial supporters may suggest educational topics; however, the Medical Education

Committee shall independently determine whether a CME activity is offered.

3. The Medical Education Committee shall retain control over the educational content, learning objectives, and selection of speakers for accredited CME activities.

B. **Educational Content**

1. The Medical Education Committee shall monitor accredited CME presentations to ensure that they provide scientifically valid, evidence-based, and balanced information.
2. Presentations shall provide a balance view of appropriate therapeutic and management options when multiple reasonable options exist.
3. Research findings shall be presented with appropriate documentation and scientific support.
4. Accredited CME presentations and educational materials shall not contain commercial advertising, marketing, or promotional content.

C. **Financial Relationships and Conflict of Interest**

1. Individuals involved in the planning, development, delivery, or evaluation of accredited CME shall disclose relevant financial relationships with ineligible companies in accordance with current AAFP/ACCME requirements.
2. Financial relationships shall be reviewed before the individual participates in the CME activity.
3. Relevant financial relationships shall be mitigated in accordance with current AAFP/ACCME requirements before the individual participates in the activity.
4. An individual who refuses to disclose required financial relationships, provides inaccurate disclosure information, or has an unmitigated relevant financial relationship shall not participate in the accredited CME activity in a role that controls education content.
5. Disclosure to learners shall occur before the learner engages in the accredited educational content and shall comply with current AAFP/ACCME requirements.
6. Disclosure information shall identify relevant financial relationships as required by shall not constitute advertising or promotion of a commercial product or service.

D. **Commercial Support**

1. Financial or in-kind support from an ineligible company shall be accepted and administered only by TFHD through the CME Program.
2. Commercial support shall be documented through a written agreement between the commercial supporter and TFHD before the CME activity begins.
3. The written agreement shall identify the amount or type of support and the permitted educational purpose of the support.
4. The commercial supporter shall not pay faculty, planners, content developers, learners, or other individuals involved in the accredited CME activity directly.
5. TFHD shall retain control over the receipt, disbursement, and accounting of commercial support.
6. Commercial support may be used for allowable educational expenses, including eligible faculty honoraria and travel expenses, consistent with current AAFP/ACCME requirements.
7. Commercial support shall not be conditioned upon the inclusion of particular content, faculty, products, services, or educational recommendations.
8. TFHD shall maintain documentation of commercial support received and how the support was used.

E. **Faculty Compensation and Expenses**

1. TFHD shall make payments of approved honoraria and allowable out-of-pocket expenses directly to faculty in accordance with applicable TFHD procedures.
2. Faculty compensation shall not be paid directly by an ineligible company for participation in an accredited CME activity.
3. Faculty compensation shall not be contingent upon promoting, recommending, or favoring a commercial product or service.

F. **Educational Materials and Presentations**

1. 1.CME presentations shall be evidence-based, scientifically valid, and balanced.
2. 2. Presentations shall not contain commercial advertising, marketing, or promotional materials.

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3. Educational materials, including slides, handouts, evaluation forms, and other CME materials, shall not contain commercial company logos, product advertising, trade names, or product-specific promotional messaging when prohibited by current AAFP/ACCME requirements.
4. When brand-name products are discussed for legitimate educational purposes, the presentation shall include appropriate generic or nonproprietary terminology and shall provide balanced clinical information consistent with current accreditation requirements.
5. Research finding shall be presented with appropriate scientific documentation and identification of the supporting evidence.

G. Separation of CME from Commercial Marketing

1. Commercial exhibits, sales activities, advertising, or other promotional activities shall be clearly separated from accredited CME.
2. Commercial representatives shall not be present in the educational space during accredited CME activities when their presence would constitute marketing, sales, or commercial influence.
3. Pharmaceutical, medical device, or other commercial representatives shall not participate in accredited CME sessions as exhibitors, presenters, moderators, or educational participants unless their participation is specifically permitted under applicable AAFP/ACCME requirements and does not involve commercial influence.
4. Commercial marketing or promotional activities shall not interfere with the presentation of accredited CME.
5. Learners shall be able to distinguish clearly between accredited CME and any nonaccredited commercial activity associated with the event.

H. Commercial Supporter Role

1. Commercial supporters may provide financial or in-kind support but shall not control or influence:
    - CME needs assessments
    - Educational objectives
    - Content
    - Faculty selection
    - Instructional methods
    - Presentation materials
    - Evaluation
    - Learner assessment
    - Other educational decisions
2. Advice or services concerning speakers, invitees, educational content, or other educational matters shall not be a condition of receiving commercial support.
3. Commercial support shall not be used to create an endorsement by TFHD, the Medical Education Committee, or individual faculty members of a commercial entity, product, or service.

I. Evaluation and Quality Improvement

1. Accredited CME activities shall include an evaluation process appropriate to the activity.
2. Evaluation results shall be reviewed by the Medical Education Committee and may be used to identify future educational needs and opportunities for improvement.
3. The Medical Education Committee shall monitor supported CME activities for education quality, scientific integrity, balance, compliance with disclosure requirements, and separation from commercial influence.

J. ACGME-Sponsored or GME-Related Education

1. When an accredited CME activity is incorporated into or provided in conjunction with an ACGME accredited residency or fellowship program, the program shall maintain appropriate educational independence and environment conducive to resident/fellow learning.
2. Residents and fellows shall not be required to participate in commercial marketing or promotional activities as a condition of their education participation.
3. Commercial support shall not influence resident/fellow curriculum, faculty selection, educational objectives, assessment, or clinical learning experiences.

4. The Program Director, Designated Institutional Official (D()), or other appropriate GME leadership shall be consulted when a CME activity is incorporated into the formal curriculum of an ACGME-accredited program, as applicable.

K. Compliance Review

1. The Medical Education Committee shall review CME activities for compliance with this policy and applicable AAFP/ACCME requirements.
2. Noncompliance shall be reported to the appropriate Medical Education Committee leadership and addressed promptly.
3. The CME program shall maintain documentation necessary to demonstrate compliance with applicable accreditation requirements.
4. This policy shall be reviewed and revised as necessary when, AAFP, ACCME, ACGME, federal, state, or other applicable requirements change.

SPECIAL INSTRUCTIONS / DEFINITIONS:

Accredited CME: Continuing medical education that is provided through an accredited CME provider and for which accredited CME credit is awarded.
Commercial Support: Financial or in-kind support provided by an ineligible company for the purpose of supporting accredited continuing education, as defined by current ACCME/AAFP requirements.
Ineligible Company: An entity that meets the current ACCME definition of an ineligible company.
Relevant Financial Relationship: A financial relationship that meets the current AAFP/ACCME definition and must be disclosed and, when applicable, mitigated.
Commercial Influence: Influence or control by a commercial entity over the planning, content, faculty, delivery, evaluation, or other educational decisions of accredited CME.

RELATED POLICIES / FORMS:

- CME Disclosure/Financial Relationship Form
- CME Commercial Support Agreement
- CME Faculty/Speaker Agreement
- CME Program Evaluation Form
- Medical Education Committee Charter/Policy
- Conflict of Interest Policy
- ACGME Graduate Medical Education policies, as applicable
- Applicable TFHD PolicyStat policies governing education, Medical Staff, and GME

REFERENCES:

1. American Academy of Family Physicians (AAFP), **CME Credit Eligibility Requirements**.
2. American Academy of Family Physicians (AAFP), **Faculty/Speaker CME Handbook**.
3. Accreditation Council for Continuing Medical Education (ACCME), **Standards for Integrity and Independence in Accredited Continuing Education**.
4. Accreditation Council for Graduate Medical Education (ACGME), **Common Program Requirements**, current version.
5. ACGME specialty-specific Program Requirements, as applicable.
6. Tahoe Forest Health System, **Policy & Procedure Structure and Approval, AGOV-9**.

RISK:

~~Violation of AAFP regulations for CME if policy is not followed.~~ Failure to appropriately manage speaker compensation, reimbursement of expenses, or commercial support may result in noncompliance with applicable AAFP CME accreditation requirements, ACCME Standards for Integrity and Independence in Accredited Continuing Education, applicable laws and regulations, and Tahoe Forest Hospital District (TFHD) policies.

POLICY:

~~Payment of reasonable honoraria and compensation of speakers for reimbursement of out-of-pocket expenses is customary and proper as outlined by the most current AAFP CME Accreditation Standards. The CME Program will be responsible for all payments to speakers for expenses associated with educational activities.~~

Tahoe Forest Hospital District (TFHD), through its Medical Education Committee and designated CME personnel, may provide reasonable compensation and reimbursement of allowable expenses to individuals who provide educational services for TFHD-sponsored continuing medical education (CME) activities.

All honoraria, reimbursements, and commercial support shall be administered in a manner that preserves educational independence, prevents commercial influence over educational content and faculty selection, and complies with applicable accreditation standards, laws, regulations, and TFHD policies.

TFHD shall retain control over the receipt and disbursement of commercial support and all decisions regarding the planning, development, delivery, and evaluation of accredited CME activities.

PROCEDURE:

~~A. Management of Honoraria and Out-of-Pocket Expenses~~

~~1. Attempt will be made to secure speakers that do not require an honorarium.~~
~~2. The Medical Education Committee will approve all honorarias.~~
~~3. Depending upon the distance traveled, time away from practice, quality of speaker, reputation, and specificity of request by department or committee, it is possible for the honoraria to reasonably be $1,000.00 or more plus travel expenses. if legally allowable under federal requirements and TFHD employment policies and/or agreements.~~
~~4. Funds from commercial sources, in the form of an educational grant, will allow the Medical Education Committee to approve honoraria in a greater amount.~~
~~5. Under special circumstances, the Medical Education Committee Chair or Medical Education Coordinator will have the authority to transcend these guidelines and report to the Medical Education Committee any substantial reasons for this deviation.~~
~~6. TFH and IVCH Staff members and other local physicians who present a lecture for a Medical Education program will receive a small gift from the Medical Staff as a token of appreciation, when allowable.~~

~~B. Management of Educational Grants from Commercial Companies~~

~~1. All funds from commercial companies will be in the form of an unrestricted educational grant. Payment shall be made directly to Tahoe Forest Hospital District as the provider.~~
~~2. Upon receipt of grant payment, the Medical Education Coordinator will submit a check request to compensate the speaker to the TFHD Accounts Payable Department for payment for honoraria and out-of-pocket expenses including transportation, accommodations,~~

~~meals, etc. as appropriate.~~

1. ~~After the lecture and disbursement of funds to the speaker, the Medical Education Coordinator will prepare an Education Grant Verification Form and forward it to the commercial supporter, documenting the disbursement of funds as applicable.~~

1. Management of Honoraria and Out-of-Pocket Expenses

1.1. **Speaker Selection.** Speakers shall be selected based on their qualifications, expertise, and relevance to the educational objectives. The availability or amount of an honorarium shall not be the sole determining factor in speaker selection.

1.2. **Approval of Honoraria.** Honoraria shall be approved in advance by the Medical Education Committee or its authorized designee, consistent with applicable TFHD financial approval and contracting requirements. Approval shall be documented before a commitment to compensate the speaker is made.

1.3. **Determination of Reasonable Compensation.** Honoraria shall be reasonable and proportionate to the services provided. Considerations may include the scope of the presentation, preparation time, subject-matter expertise, length of the educational activity, specialized knowledge required, and customary compensation for comparable services.

The availability of commercial support shall not, by itself, justify an increase in the amount of an honorarium.

1.4. **Travel and Other Expenses.** Reasonable, necessary, and allowable out-of-pocket expenses may be reimbursed in accordance with applicable TFHD policies and approved arrangements. Expenses may include transportation, lodging, and meals, as applicable. Reimbursement shall be supported by appropriate documentation and shall not exceed applicable limits.

1.5. **Exceptions.** Exceptions to established honorarium or reimbursement guidelines shall be documented with the rationale for the exception and approved by the appropriate authority under TFHD's financial approval and contracting requirements. The Medical Education Committee shall be informed of material exceptions, as appropriate.

1.6. **TFHD Employees and Local Physicians.** Compensation or reimbursement for TFHD employees, medical staff members, and other local physicians who participate as speakers shall comply with applicable employment agreements, medical staff requirements, conflict-of-interest policies, and other TFHD policies. Any gift or token of appreciation shall be handled separately in accordance with applicable TFHD policies.

2. Management of Commercial Support for CME Activities

2.1. **Acceptance of Commercial Support.** Commercial support shall be accepted and administered by TFHD in accordance with applicable accreditation standards and TFHD policies. Support shall not be conditioned on the selection of a particular speaker, the inclusion or exclusion of educational content, or the promotion of a product, service, or commercial interest.

2.2. **Written Agreements.** The terms, conditions, and purpose of commercial support shall be documented in a written agreement between TFHD and the commercial supporter before the educational activity begins. The agreement shall identify the amount or nature of support and establish that TFHD retains control over educational decisions and the disbursement of funds.

2.3. **Receipt and Disbursement of Funds.** Commercial support shall be payable to TFHD as the CME provider and processed through established TFHD financial procedures. Commercial supporters shall not directly pay speakers or cover expenses associated with the accredited educational activity outside the provider-controlled process.

2.4. **Payment Processing.** After the required approvals and supporting documentation have been obtained, the Medical Education Coordinator or other authorized personnel shall submit the appropriate payment request to TFHD Accounts Payable for approved honoraria and allowable expenses.

2.5. **Independence of Educational Content.** TFHD shall retain responsibility for speaker selection, educational planning, content development, and delivery. Commercial supporters shall not control or influence these decisions. Accredited CME shall be free of commercial promotion and marketing.

2.6. **Financial Documentation and Reconciliation.** The Medical Education Coordinator or designee shall maintain records of commercial support received, approved honoraria, reimbursed expenses, and the disposition of funds. Following the activity, the Coordinator or designee shall complete the applicable grant verification or reconciliation documentation and provide it to the commercial supporter when

required by the agreement.

2.7. **Record Retention.** Agreements, approval records, payment documentation, expense receipts, and commercial-support reconciliation records shall be maintained in accordance with applicable accreditation requirements and TFHD record-retention policies.

3. Compliance and Oversight

3.1. All individuals involved in planning or delivering accredited CME shall comply with applicable financial relationship disclosure and conflict-of-interest requirements.

3.2. The Medical Education Committee and designated CME personnel shall ensure that compensation and commercial-support practices are consistent with applicable AAFP requirements, ACCME Standards for Integrity and Independence in Accredited Continuing Education, and relevant TFHD policies.

3.3. Questions regarding the applicability of accreditation requirements, financial approval authority, or exceptions to this policy shall be referred to the appropriate TFHD administrative or compliance authority before a commitment is made.

REFERENCES

- American Academy of Family Physicians (AAFP), applicable CME accreditation and eligibility requirements.
- Accreditation Council for Continuing Medical Education (ACCME), Standards for Integrity and Independence in Accredited Continuing Education.
- Accreditation Council for Graduate Medical Education (ACGME), applicable Common Program Requirements and Institutional Requirements, when relevant to the educational activity.
- Applicable TFHD financial approval, expense reimbursement, contracting, conflict-of-interest, and record-retention policies.

RESPONSIBILITY

Medical Education Committee; Medical Education Coordinator or designee; applicable TFHD administrative and financial authorities.

Title	Department	Last Approved	Next Review	Comments
MSGEN-1701 Computerized Physician Order Entery (CPOE)	Medical Staff	11/1/2025	11/1/2026	No Changes
MSCP-9 - Fellows; Residents; Medical and PA-NP Students	Credentialing and Privileging	11/1/2026	11/30/2026	No Changes

Joint Town Council and Tahoe Forest Hospital District DRAFT Meeting Minutes

Tuesday, October 13, 2026 at 5:30 p.m.
Town Hall – Administrative Center
10183 Truckee Airport Road, Truckee, CA

1. CALL TO ORDER
Meeting was called to order at 5:30 p.m.

2. ROLL CALL
Town of Truckee Council Members: Lindsay Romack, Dave Polivy, Jan Zabriskie, Vice-Mayor Courtney Henderson, and Mayor Anna Klovstad.

Absent: None

Staff Present: Chris Hardy, Chief Information Security and Technology Officer; Denyelle Nishimori, Community Development Director; Sarah Ring, Deputy Town Clerk; Andy Morris, Town Attorney; Hilary Hobbs, Assistant Town Manager; Danny Renfrow, Chief of Police; Jen Callaway, Town Manager; Becky Bucar, Public Works Director/Town Engineer; Giovanni Espinosa, IT Technician; and Paul Bancroft, Neighborhood Services & Sustainability Director.

Tahoe Forest Hospital District Directors: Mary Brown (zoom), Dale Chamblin, Alyce Wong, and Dr. Robert Darzynkiewicz, Chair Michael McGarry

General Counsel, David Ruderman advised that Board Member Mary Brown [attending via teleconference due to Just Cause. "[a] caregiving need." (Gov. Code, § 54953.8.3, subd. (c)(2).]

Absent: None

Staff in attendance: Anna Roth, President & CEO; Louis Ward, Chief Operating Officer; Ted Owens, Executive Director Governance; Crystal Felix, Chief Financial Officer; Dylan Crosby, Interim Chief of Clinic Operations & Facilities; Kim McCarl, Chief Strategy Officer; David Ruderman, General Counsel; Sarah Jackson, Clerk of the Board; Devon Kim, Executive Assistant

3. PLEDGE OF ALLEGIANCE:
Recited in unison.

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

In Person public comment: Criag Schaffer
Remote public comment: None

Mayor Klovstad introduced the meeting procedures. The order of business was then explained.

5. JOINT MEETING

5.1. Tahoe Truckee Homeless Action Coalition Recommendations for Continuation of the Pilot Navigation Center and Year-Two Funding Recommendation

Recommendation: That Town Council and Tahoe Forest Hospital District:

Truckee Town Council

A. Accept Tahoe Truckee Homeless Action Coalition's (TTHAC) recommended continuation of the Navigation Center at the current Deerfield location for another year and continue to refine the Good Neighbor Policy.
B. Accept TTHAC's funding recommendations and Authorize the Town Manager to execute a contract with Nevada County, in an amount not to exceed $235,000 in one-time funds for Year-Two operations of the Navigation Center.
C. Authorize budget adjustment up to $235,000 from General Fund excess revenues over expenditures to facilitate interim and shelter housing for up to 16 shelter individuals with the possibility of a 25-bed surge model (24/7, year-round~~)~~ at 12315 Deerfield Drive, Truckee.
D. Direct staff to work with Nevada County, Placer County, the TTHAC Neighborhood Representative and Tahoe Forest Hospital to define "surge model".
E. Provide staff with direction regarding future year funding parameters.
F. Pause future work executing the Tahoe Truckee Regional Homeless Action Plan and focus efforts on supporting the Navigation Center, local businesses, and Coldstream neighborhood.
G. Direct staff to work with TTHAC partners to convene three meetings throughout the next 18-month period for the TTHAC group to monitor navigation center success and problem solve any challenges. Meeting dates would be approximately February 2027, June 2027, December 2027.

Tahoe Forest Hospital District

A. Authorize the President & CEO to execute a contract with Nevada County, not to exceed $235,000 to support Year-Two of the Navigation Center to facilitate interim and shelter housing for up to 16 shelter individuals with the possibility of a 25-bed surge model (24/7, year-round) at 12315 Deerfield Drive, Truckee.
B. Direct staff to bring forward a mid-year budget adjustment aligned with the Board's strategic priorities.
C. Support defining a "surge model" in conjunction with Nevada County, Placer County, the TTHAC Neighborhood Representative and the Town of Truckee.
D. Support the development of future year funding parameters.
E. Pause future work executing the Tahoe Truckee Regional Homeless Action Plan and focus efforts on supporting TTHAC in convening three meetings throughout the next 18-month period.

Ted Owens, Executive Director of Governance of Tahoe Forest Hospital District and Danny Renfrow, Chief of Police reviewed the staff presentation.

Justin Jones, Shelter Manager of the Navigation Center and representative from Volunteers of America (VOA), provided additional review of the staff presentation.

Ryan Gruver, Director of Health & Human Services-Nevada County, provided additional information.

Town Council and TFHD Directors held joint discussions on operations, neighborhood concerns, utilization affect on TFH Emergency Department and staff hours, police response, criteria for the proposed surge bed model, grant dependent funding and the Community Impact Officer position.

Town Council Members and TFHD Directors concurrently offered commentary. Extensive discussion was held.

Mayor Klovstad and Chair McGarry opened the item for public comment at 6:54 p.m.

Written Comment was received from:
Tricia Terrell, Robin Terrell, Michelle Anderson, Reverand Claire Novak, Dr. Aaron Gladman, Cindy Basso, Lauren Ben-Shoshan, Madeline Leh, Nancy & Owens Wallis, Anne Rarik, Ruth Cross, Paul Zarubin, Petition Form signed by 64 individuals with 18 comments, James Bartlett, Jessica Penman, Teresa Crimmens, Alison Schwedner, Cathie Foley, and Shannon Decker.

In Person Verbal Comment was received from:
Peter James, Lynn Zarubin, Cathy Foley, Reverend Claire Novak, Deanne Hartzell, Pastor Rebecca Ireland, Maeve Donovan, Ben Stewart, Katie Lamb, Hillary Bayliss, Cheryl Shultz, Bruce Kapsack, Holly Verbeck, Chris Terrell, Sonia Ritzlaff-Huggins, Cindy Basso, and Hardy Bullock.

Online Public Comment:
None

Public comment was closed at 7:43 p.m.

Mayor Klovstad called a brief recess at 7:43 p.m.
Mayor Klovstad reconvened the joint meeting at 7:54 p.m.

Mayor Klovstad asked for additional or follow-up questions from Town Council and the District Board.

Additional joint discussion involved identification of options for potential funding shortfalls, dates of Year-Two contract, law enforcement response, neighborhood concerns, mailbox locations, municipal code updates, ongoing evaluations of cost, and detailed outcome data.

Prior to Town deliberations, Mayor Klovstad requested verbal disclosures of conversations on this topic.

Mayor Klovstad disclosed conversations, personal property proximity, and work location proximity to Navigation Center.

Council Member Romack disclosed conversations held regarding the Navigation Center.

Vice-Mayor Henderson disclosed conversations held regarding the Navigation Center.

Council Member Polivy disclosed conversations held regarding the Navigation Center.

Council Member Zabriskie disclosed conversations held regarding the Navigation Center.

Town Council and Hospital District joint deliberation was held:

The Town Council noted revisions to Town of Truckee items A, B, C, D, and E.

The TFHD Directors noted revisions to Tahoe Forest Hospital District items A, C and E.

Revised recommendations are noted below in bold italics.

Town Council Direction:

Accept the Tahoe Truckee Homeless Action Coalition's (TTHAC) recommended continuation of the Navigation Center at the current Deerfield location for another year and continue to refine the Good Neighbor Policy.

A. Accept TTHAC's funding recommendations and authorize the Town Manager to execute a contract with Nevada County in an amount not to exceed $235,000 in one-time funds for Year-Two operations of the Navigation Center, ***conditioned on award and acceptance of the CDBG grant.***

B. Authorize a budget adjustment of up to $235,000 from General Fund excess revenues over expenditures to facilitate interim and shelter housing for up to 16 individuals, with the possibility of a 25-bed surge model, ~~***(24/7, year-round)***~~ at 12315 Deerfield Drive, Truckee.
C. Direct staff to work with Nevada County, Placer County, the TTHAC Neighborhood Representative, Tahoe Forest Hospital, ***and VOA*** to define the "surge model."
D. Provide staff with direction regarding future-year funding parameters**, *as summarized under Council discussion.***
E. ~~***Pause future work executing the Tahoe Truckee Regional Homeless Action Plan***~~ ***Direct staff*** to focus efforts on supporting the Navigation Center, local businesses, and Coldstream neighborhood.
F. Direct staff to work with TTHAC partners to convene three meetings over the next 18 months to monitor Navigation Center success and address challenges, approximately in February, June, and December 2027.

Additionally,

- **Support staff investigating the movement of the mailboxes with the appropriate parties and working with the neighborhood to present what is viable.**
- **Support adding the municipal code changes in a future workplan discussion at the Council retreat.**
- **Support conversations around future funding with potential agencies.**

ACTION: **Moved by Council Member Zabriskie to approve the amended Truckee Town Council Recommendation as noted, seconded by Vice-Mayor Henderson, and adopted with the following roll-call vote:**

AYES: Council Member Zabriskie Council Member Romack, Council Member Polivy, Vice-Mayor Henderson, and Mayor Klovstad.
Abstention: None
NAYS: None
Absent: None

The motion passed unanimously.

Tahoe Forest Hospital District:

A. Authorize the President & CEO to execute a contract with Nevada County, not to exceed $235,000 to support Year-Two of the Navigation Center to facilitate interim and shelter housing for up to 16 shelter individuals with the possibility of a 25-bed surge model ~~***(24/7, year-round)***~~ at 12315 Deerfield Drive, Truckee ***conditioned on award and acceptance of the CDBG Grant***
B. Direct staff to bring forward a mid-year budget adjustment aligned with the Board's strategic priorities.
C. Support defining a "surge model" in conjunction with Nevada County, Placer County, the TTHAC Neighborhood Representative, ***VOA,*** and the Town of Truckee.
D. Support the development of future year funding parameters.

E. ~~***Pause future work executing the Tahoe Truckee Regional Homeless Action Plan and***~~ ***Direct Staff to*** ~~***focus efforts on supporting***~~ ***support*** TTHAC in convening three meetings throughout the next 18-month period.

ACTION: **Director Darzynkiewicz moved to approve the amended Tahoe Forest Hospital District Recommendation, seconded by Director Wong, and authorized with the following roll-call vote:**

AYES: Director Brown (zoom), Director Chamblin, Director Darzynkiewicz, Director Wong, Chair McGarry.
Abstention: None
NAYS: None
Absent: None

The motion passed unanimously.

6. ADJOURN

Meeting adjourned at 8:52 p.m.

TAHOE FOREST
HOSPITAL DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS
DRAFT MINUTES

Thursday, October 22, 2026 at 4:00 p.m.
Tahoe Forest Hospital – Eskridge Conference Room
10121 Pine Avenue, Truckee, CA 96161

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

2. ROLL CALL
Board in Attendance: Mary Brown, Treasurer (zoom); Alyce Wong, Secretary; Dr. Robert Darzynkiewicz, Vice Chair; Michael McGarry, Chair; Dale Chamblin, Board Member

Board Member Mary Brown [attending via teleconference due to Just Cause. "[a] caregiving need." (Gov. Code, § 54953.8.3, subd. (c)(2).]

Staff in attendance: Anna Roth, President & CEO; Crystal Felix, Chief Financial Officer, Matt Mushet, In-House Counsel; Janet Van Gelder, Executive Director Quality, Regulation & Oncology Services (zoom); Sarah Jackson, Clerk of the Board;

Other: David Ruderman, General Counsel;

3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA
None.

4. INPUT AUDIENCE
None.

Open Session recessed at 4:03 p.m.

5. CLOSED SESSION

5.1. Public Employee Performance Evaluation (Government Code § 54957)◈
Title: President & Chief Executive Officer
Discussion was held on a privileged item.

5.2. Hearing (Health & Safety Code § 32155)◈
Subject Matter: 2nd and 3rd Quarter CY 2026 Corporate Compliance Report
Discussion was held on a privileged item.

5.3. Hearing (Health & Safety Code § 32155)◈
Subject Matter: Clinical Contracts Quality Report

-smj-

Number of items: One (1)

Discussion was held on a privileged item.

5.4. Approval of Closed Session Minutes

5.4.1. 08/27/2026 Regular Meeting

5.4.2. 09/24/2026 Regular Meeting

5.4.3. 09/24/2026 Special Meeting

Discussion was held on a privileged item.

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

Subject Matter: Medical Staff Credentials

Discussion was held on a privileged item.

6. DINNER BREAK

APPROXIMATELY 6:00 P.M.

7. OPEN SESSION – CALL TO ORDER

Open Session reconvened at 6:02 p.m.

Board Member Mary Brown [attending via teleconference due to Just Cause. "[a] caregiving need." (Gov. Code, § 54953.8.3, subd. (c)(2).]

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

General Counsel reported out from Closed Session. Items 5.1. There were no reportable actions. Item 5.2 through 5.5 were accepted or approved with a 5-0 vote.

9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

10. INPUT – AUDIENCE

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

None.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

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

None.

-smj-

12. PRESIDENT & CEO – MONTHLY HIGHLIGHTS

12.1. Monthly Highlights

President & CEO Anna M. Roth provided an update highlighting Health Within Reach, Community Guided, Transformation, key developments, initiatives, and recent activities impacting the District.

Discussion was held.

8. MEDICAL STAFF EXECUTIVE COMMITTEE

8.1. Medical Executive Committee (MEC) Meeting Consent Agenda

MEC recommends the following for approval by the Board of Directors:

Privileges with Changes

8.1.1. Anesthesia Privileges

New Policies and Procedures

8.1.2. New Policies and Procedures – Summary

Policies with Major Changes

8.1.3. Policies with Major Changes – Summary

8.1.4. DWFC-1504-Anti-Immune Globulin Administration

8.1.5. DWFC-1506 Neonate – Neonatal Hypoglycemia Management - Draft

8.1.6. DWFC-1802 Perinatal Screening by RN

8.1.7. DWFC-1803 Healthy Newborn Admission

Policies with No or Minor Changes

8.1.8. No or Minor Changes Policies – Summary

Dr. Koch, Chief of Staff reviewed the MEC consent agenda.

Discussion was held.

Director Brown departed the meeting at 6:18 p.m.

ACTION: Motion made by Director Wong to approve the Medical Executive Committee Consent Agenda as presented, seconded by Director Darzynkiewicz.
Roll Call Vote:
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

14. CONSENT CALENDAR

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

-smj-

14.1. Approval of Meeting Minutes
- 14.1.1. 08/27/2026 Regular Meeting
- 14.1.2. 09/24/2026 Regular Meeting
- 14.1.3. 09/24/2026 Special Meeting

14.2. Financial Reports
- 14.2.1. Financial Report – August 2026
- 14.2.2. Financial Report – September 2026

14.3. Executive Board Reports
- 14.3.1. Executive Board Report – October 2026

14.4. Approval of Policies
- 14.4.1. ABD-2603, Governing Body Records Retention and Destruction
- 14.4.2. ABD-2604, Board Committee Advisory Member
- 14.4.3. AGOV-1901, Service Animals & Pet Assisted Therapy
- 14.4.4. AGOV-1602, Peer Support (Care for the Caregiver)
- 14.4.5. Administration Policy & Procedure Manual - Table of Contents

14.5. Acceptance of Board Reports
- 14.5.1. FY 2026 Annual Quality Report
- 14.5.2. 2nd and 3rd Quarter CY 2026 Corporate Compliance Report

14.6. Ratify Board Finance Committee Advisory Member
- 14.6.1. Michael Blaszyk

Discussion was held.

ACTION: Motion made by Director Chamblin to approve the Consent Agenda as presented, seconded by Director Darzynkiewicz.
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

15. ITEMS FOR BOARD ACTION ◈

15.1. True North Governance Recommendation Report and Implementation Plan ◈

The Board of Directors will review and consider approval of the True North Governance Recommendation Report and Implementation Plan.

Larry Gage of Alston & Bird, Governance Consultant presented the True North Governance Recommendation Report and Implementation plan.

Extensive discussion was held.

-smj-

ACTION: Motion made by Director Darzynkiewicz to accept the Governance Recommendation Report and approve the ongoing work of the implementation plan as presented, seconded by Director Chamblin.
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

15.2. FY 2026 Culture of Safety SCOR Survey Summary Report ◈

The Board of Directors will review and consider acceptance of the annual Culture of Safety SCOR survey.

Erin Madewell, Director of Quality presented the FY 2026 Culture of Safety summary report.

Discussion was held.

Public Comment was made by Dr. Haven Ritchie

ACTION: Motion made by Director Wong to accept the FY 2026 Culture of Safety report as presented, seconded by Director Darzynkiewicz.
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

15.3. FY 2027 President & CEO Incentive Compensation Plan and Metrics ◈

The Board of Directors will review the Board Executive Compensation Committee's recommendations and consider approval of updates to the incentive plan trigger and Fiscal Year 2027 President & CEO Incentive Compensation goals/metrics.

Lisa Foust, CHRO presented the FY 2027 President & CEO Incentive Compensation plan and metrics as recommended by the Board Executive Compensation Committee.

Extensive Discussion was held.

Public Comment was made by Dr. Haven Ritchie.

ACTION: Motion made by Director Wong to approve the revised incentive plan triggers and the recommended FY 2027 President & CEO goals/metrics, seconded by Director Chamblin.
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

-smj-

15.4. California Rural Health Transformation Grant

The Board of Directors will review and consider acceptance of a potential California Rural Health Transformation grant award.

Dylan Crosby, CCOF and Karli Bunnell, Executive Director of Foundations, presented the California Rural Health transformation grant. A record of a Board motion is required to accept the grant.

Discussion was held.

ACTION: Motion made by Director Darzynkiewicz, seconded by Director Wong.

Tahoe Forest Hospital District authorizes the execution of the grant agreement with the California Department of Health Care Access and Information (HCAI), and confirms that the Tahoe Forest Hospital District has the authority to accept, receive, and expend the sub-awarded grant funds pursuant to the applicable Request for Applications (RFA), including an amount up to the applicable maximum subaward of Nine Hundred Ninety-Eight Thousand Two Hundred Eight Dollars ($998,208.00) per award funding cycle, subject to the terms and conditions of the grant agreement and applicable laws and regulations.

The Board further authorizes the District's President & CEO or designee to execute the grant agreement and any related documents necessary to carry out the purposes of the grant, consistent with the terms approved by the District and applicable legal requirements.

AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

15.5. Resolution 2026-06, Supporting Measure P, the Tahoe Truckee Unified School District Local Education Funding Measure

The Board of Directors will review a recommendation from Board Community Engagement Committee and consider approval of Resolution 2026-06 supporting Measure P.

Louis Ward, COO reviewed Resolution 2026-06 as recommended by the Board Community Engagement Committee.

The Resolution was read into record. Discussion was held.

ACTION: Motion made by Director Darzynkiewicz to approve Resolution 2026-06, Supporting Measure P, as presented, seconded by Director Chamblin.

AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None

-smj-

Absent: Brown

15.6. Resolution 2026-07, Recognizing Breast Cancer Awareness Month and Honoring Those Affected by Breast Cancer, and the Excellence, Compassion, and Dedication of Healthcare Professionals and Staff Who Support Patients Diagnosed with Breast Cancer ◈

The Board of Directors will review and consider approval of Resolution 2026-07 recognizing Breast Cancer Awareness Month.

Louis Ward, COO reviewed Resolution 2026-07 recognizing Breast Cancer Awareness Month.

The Resolution was read into record. Discussion was held.

ACTION: Motion made by Director 2026-07 to approve Resolution 2026-07 as presented , seconded by Director Wong.
AYES: Directors Chamblin, Darzynkiewicz, Wong, McGarry.
Abstention: None
NAYS: None
Absent: Brown

16. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY
None.

17. BOARD COMMITTEE REPORTS
Director Darzynkiewicz provided a report on the Board Community Engagement Committee and the Joint Meeting with the Town of Truckee regarding the Navigation Center.

Direct Wong provided a report on the Board Executive Compensation Committee.

Director Chamblin provided a report on the IVCH Foundation Board Meeting.

18. BOARD MEMBERS' REPORTS/CLOSING REMARKS
Chair McGarry provided closing remarks including a reminder about the Best Of event.

19. CLOSED SESSION CONTINUED

20. OPEN SESSION

21. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

22. ADJOURN
Meeting Adjourned at: 8:17 p.m.

-smj-

TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026 – Regular Meeting of the Board of Directors	**ITEM:** 14.2 Financial Reports 14.2.1 Financial Report – October 2026
DEPARTMENT: Finance	**TYPE OF AGENDA ITEM:** ☐ Action ☒ Consent ☐ Discussion
RESPONSIBLE PARTY: Crystal Felix, Chief Financial Officer	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☐ Presentation ☐ Resolution ☒ Other
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A

BACKGROUND:
Within the Bylaws of the Board of Directors of Tahoe Forest Hospital District, the Board has financial responsibilities outlined in Article II, Section 2, Item E. Item E.4 states, "Receives and reviews periodic financial reports. Considers comments and recommendations of its Finance Committee and management staff."

Consent Agenda Item 14.2.1 Financial Report – October 2026 is being provided to the Board of Directors to assist them in fulfilling their financial responsibilities.

SUMMARY/OBJECTIVES:
To provide the Board information about the District's monthly financial status in a meaningful format to assist them in fulfilling their financial responsibilities as Board members.

SUGGESTED DISCUSSION POINTS:
Opportunity to pull the Financial Report – October 2026 from Consent agenda to allow further discussion, clarification, or commentary under Board Agenda Item 17 Discussion of Consent Calendar Items Pulled, If Necessary.

SUGGESTED MOTION/ALTERNATIVES:
Motion to accept the Financial Report – October 2026 as part of the Consent agenda.

Alternative:
If pulled from Consent agenda, provide discussion under Item 17 on the Board agenda. After discussion, request a motion to approve the Financial Report – October 2026 as presented.

LIST OF ATTACHMENTS: Financial Report – October 2026

TAHOE FOREST HOSPITAL DISTRICT
OCTOBER 2026 FINANCIAL REPORT
INDEX

PAGE	DESCRIPTION
2 - 3	FINANCIAL NARRATIVE
4	STATEMENT OF NET POSITION
5	NOTES TO STATEMENT OF NET POSITION
6	CASH INVESTMENT
7	TFHD STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
8 - 9	TFHD NOTES TO STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
10	IVCH STATEMENT OF REVENUES AND EXPENSES
11 - 12	IVCH NOTES TO STATEMENT OF REVENUES AND EXPENSES
13	STATEMENT OF CASH FLOWS

Board of Directors

Of Tahoe Forest Hospital District

OCTOBER 2026 FINANCIAL NARRATIVE

The following is the financial narrative analyzing financial and statistical trends for the four months ended October 31, 2026.

Activity Statistics

- TFH acute patient days were 366 for the current month compared to budget of 432. This equates to an average daily census of 11.8 compared to budget of 13.9.

- TFH Outpatient volumes were above budget in the following departments by at least 5%: Emergency Department visits, Home Health visits, Laboratory tests, Diagnostic Imaging, Radiation Oncology, and PET CT.

- TFH Outpatient volumes were below budget in the following departments by at least 5%: Hospice visits, Surgery cases, Oncology Lab, Blood units, EKGs, Nuclear Medicine, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, Wound Care, Tahoe City Physical Therapy, Physical Therapy Aquatic, and Outpatient Speech & Occupational Therapies.

Financial Indicators

- Net Patient Revenue as a percentage of Gross Patient Revenue was 45.47% in the current month compared to budget of 44.37% and to last month's 44.62%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 45.59% compared to budget of 44.49% and prior year's 46.26%.

- EBIDA was $2,488,803 (3.5%) for the current month compared to budget of $2,500,455 (3.4%), or $(11,652) (-.1%) below budget. Year-to-date EBIDA was $15,439,745 (5.1%) compared to budget of $7,551,571 (2.6%), or $7,888,174 (2.6%) above budget.

- Net Income was $2,982,221 for the current month compared to budget of $1,904,867 or $1,077,354 above budget. Year-to-date Net Income was $12,329,209 compared to budget of $5,152,312 or $7,176,897 above budget.

- Cash Collections for the current month were $31,530,358 which is 97% of targeted Net Patient Revenue.

- EPIC Gross Accounts Receivables were $134,062,408 at the end of October compared to $132,814,674 at the end of September.

Balance Sheet

- Working Capital is at 17.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 176.3 days. Working Capital cash decreased a net $2,501,000. Net decrease in Cash is related to: Accounts Payable decreased $9,938,000, Accrued Payroll & Related Costs decreased $264,000, Capital Project and Equipment expenditures totaled $2,892,000, and the District received $9,536,000 for participating in the District Hospital Directed Payment program and IGT program and remitted $3,152,000 to Fidelity for the funding of the semi-annual employer pension contribution. Cash Collections were below target by 3%.

- Net Patient Accounts Receivable increased a net $21,000. Cash collections were 97% of target. EPIC Days in A/R were 54.0 compared to 52.7 at the close of September.

- Estimated Settlements, Medi-Cal & Medicare decreased a net $7,600,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal QIP programs and recorded $9,536,000 received from the District Hospital Directed Payment program and IGT program.

- Unrealized Gain/(Loss) Cash Investment Fund increased $1,366,000 after recording the unrealized market gains in its funds held with Chandler Investments for the month of October.

- GO Bond Tax Revenue Fund increased $117,000 after recording receipt of property tax revenues from Placer County.

- Investment in TSC, LLC decreased $60,000 after recording the estimated loss for October and truing up the losses for September.

- To comply with GASB No. 96, the District recorded Amortization Expense for October, decreasing its Right-To-Use Subscription asset $371,000.

- Accounts Payable decreased $9,938,000 due to the timing of the final check run in October and payment on construction invoices recorded at the end of September.

- Accrued Payroll & Related Costs decreased a net $264,000. We saw increases in Accrued Payroll days and Paid Leave & Long-term Sick accruals and the District remitted its semi-annual employer pension contribution to Fidelity, reducing the Deferred Comp Employer Portion liability.

- To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for October, decreasing the liability by $361,000.

- Estimated Settlements, Medi-Cal & Medicare decreased $112,000 after recording receipt of funds from the State for our FY22 and FY24 RHC Rate Reconciliation reports.

Operating Revenue

- Current month's Total Gross Revenue was $70,620,556 compared to budget of $72,703,229 or $2,082,673 below budget.

- Current month's Gross Inpatient Revenue was $7,526,577 compared to budget of $7,887,753 or $361,176 below budget.

- Current month's Gross Outpatient Revenue was $63,093,979 compared to budget of $64,815,476 or $1,721,497 below budget.

- Current month's Gross Revenue Mix was 42.56% Medicare, 16.80% Medi-Cal, 2.16% Other, and 38.48% Commercial Insurance compared to budget of 42.81% Medicare, 16.84% Medi-Cal, 1.21% Other, and 39.14% Commercial Insurance. Last month's mix was 45.44% Medicare, 16.24% Medi-Cal, 1.98% Other, and 36.34% Commercial Insurance. Year-to-Date Gross Revenue Mix was 45.02% Medicare, 15.84% Medi-Cal, 1.67% Other, and 37.47% Commercial Insurance compared to budget of 42.81% Medicare, 16.92% Med-Cal, 1.31% Other, and 38.96% Commercial.

- Current month's Deductions from Revenue were $38,503,012 compared to budget of $40,438,594 or $1,935,582 below budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with .25% decrease in Medicare, a .04% decrease to Medi-Cal, a .95% increase in Other, and Commercial Insurance was below budget .66%, 2) Revenues were below budget 2.90% and 3) Charity Care and Bad Debt were below budget $1,417,000.

DESCRIPTION	October 2026 Actual	October 2026 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	13,747,006	13,650,415	(96,591)	
Employee Benefits	4,777,419	4,159,515	(617,904)	Funds remitted to Fidelity for catchup contributions and Physician Productivity bonuses created a negative variance in Employee Benefits.
Benefits – Workers Compensation	70,535	103,455	32,920	
Benefits – Medical Insurance	2,401,189	3,171,368	770,179	The District has a self-insured plan and expense is based on actual claims paid.
Medical Professional Fees	727,377	586,055	(141,322)	Radiology, Hospitalist, and Emergency Department Physician fees created a negative variance in Medical Professional Fees.
Other Professional Fees	434,181	635,836	201,655	Human Resource Advisory consulting, Therapist fees for Medical Oncology, Consulting fees for Radiation Oncology, Transformation Consulting fees, and Professional fees provided by Mercy Health were below budget, creating a positive variance in Other Professional Fees.
Supplies	6,150,737	5,903,413	(247,324)	Flu and Covid vaccine purchases and Other Non-Medical Supplies were above budget, creating a negative variance in Supplies.
Purchased Services	2,418,450	2,396,954	(21,496)	Outsourced billing and collection services for the Business Office, AI-Powered security services and a Speech Recognition platform, and Employee Health screenings were above budget, creating a negative variance in Purchased Services.
Other Expenses	1,164,605	1,247,384	82,779	Insurance, Human Resources Recruitment, Utilities, and Outside Training & Travel were below budget, creating a positive variance in Other Expenses.
Total Expenses	31,891,499	31,854,395	(37,104)	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
OCTOBER 2026

	Oct-26	Sep-26	Oct-25	
ASSETS				
CURRENT ASSETS				
* CASH	$ 19,016,818	$ 21,518,314	$ 47,422,221	1
PATIENT ACCOUNTS RECEIVABLE - NET	63,271,154	63,249,835	54,501,322	2
OTHER RECEIVABLES	14,402,776	14,055,806	11,926,275	
GO BOND RECEIVABLES	1,865,545	1,443,014	1,812,004	
ASSETS LIMITED OR RESTRICTED	16,518,570	22,275,589	15,392,913	
INVENTORIES	7,860,336	7,858,367	7,338,121	
PREPAID EXPENSES & DEPOSITS	4,768,742	5,277,116	4,816,673	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	36,559,493	44,159,709	33,670,178	3
TOTAL CURRENT ASSETS	164,263,433	179,837,750	176,879,706	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	74,318,485	74,318,485	74,318,485	1
* CASH INVESTMENT FUND	93,803,130	93,966,034	93,885,701	1
UNREALIZED GAIN/(LOSS) CASH INVESTMENT FUND	9,857,343	8,491,158	8,143,629	4
MUNICIPAL LEASE 2025	2,219,851	2,219,851	4,593,879	
TOTAL BOND TRUSTEE 2017	24,248	24,180	23,439	
TOTAL BOND TRUSTEE 2015	569,232	431,484	628,892	
GO BOND TAX REVENUE FUND	1,287,312	1,170,364	1,338,953	5
GATEWAY WEST ESCROW ACCOUNT	886,378	884,874	-	
DIAGNOSTIC IMAGING FUND	3,700	3,700	3,700	
DONOR RESTRICTED FUND	1,202,658	1,202,658	1,202,651	
WORKERS COMPENSATION FUND	51,449	36,963	(16,165)	
TOTAL	184,223,787	182,749,750	184,123,164	
LESS CURRENT PORTION	(16,518,570)	(22,275,589)	(15,392,913)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	167,705,217	160,474,161	168,730,251	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(6,403,205)	(6,343,283)	(5,874,885)	6
PROPERTY HELD FOR FUTURE EXPANSION	1,716,972	1,716,972	1,716,972	
PROPERTY & EQUIPMENT NET	238,364,803	237,094,039	204,110,027	
GO BOND CIP, PROPERTY & EQUIPMENT NET	2,679,205	2,635,830	1,889,548	
TOTAL ASSETS	568,326,425	575,415,468	547,451,620	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	142,225	145,457	181,013	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	36,106	36,106	221,741	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	3,612,617	3,636,322	3,897,074	
GO BOND DEFERRED FINANCING COSTS	351,894	354,215	379,744	
DEFERRED FINANCING COSTS	83,222	84,262	95,705	
INTANGIBLE LEASE ASSET NET OF ACCUM AMORTIZATION	13,114,446	13,315,419	13,941,546	
RIGHT-TO-USE SUBSCRIPTION ASSET NET OF ACCUM AMORTIZATION	19,919,856	20,291,246	22,727,316	7
TOTAL DEFERRED OUTFLOW OF RESOURCES	$ 37,260,366	$ 37,863,027	$ 41,444,140	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	11,106,852	21,044,646	$ 13,523,106	8
ACCRUED PAYROLL & RELATED COSTS	37,431,241	37,695,060	39,324,710	9
INTEREST PAYABLE	217,405	168,951	243,079	
INTEREST PAYABLE GO BOND	682,358	454,905	720,233	
SUBSCRIPTION LIABILITY	22,021,113	22,382,274	24,683,311	10
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	6,440,634	6,552,768	3,647,687	11
HEALTH INSURANCE PLAN	5,717,445	5,717,445	4,128,800	
WORKERS COMPENSATION PLAN	2,998,513	2,998,513	2,315,069	
COMPREHENSIVE LIABILITY INSURANCE PLAN	3,135,382	3,135,382	2,876,447	
CURRENT MATURITIES OF GO BOND DEBT	3,030,000	3,030,000	2,730,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	4,805,652	4,805,652	5,139,974	
TOTAL CURRENT LIABILITIES	97,586,597	107,985,596	99,332,416	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	27,944,778	28,201,748	31,191,587	
GO BOND DEBT NET OF CURRENT MATURITIES	81,006,052	81,024,008	84,551,520	
DERIVATIVE INSTRUMENT LIABILITY	36,106	36,106	221,741	
TOTAL LIABILITIES	206,573,533	217,247,458	215,297,264	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS	397,810,600	394,828,380	372,395,845	
RESTRICTED	1,202,658	1,202,658	1,202,651	
TOTAL NET POSITION	$ 399,013,258	$ 396,031,037	$ 373,598,496	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
OCTOBER 2026

1. Working Capital is at 17.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 176.3 days. Working Capital cash decreased a net $2,501,000. Net decrease in Cash is related to: Accounts Payable decreased $9,938,000 (See Note 8), Accrued Payroll & Related Costs decreased $264,000 (See Note 9), and Capital Project and Equipment expenditures totaled $2,892,000. The District recorded receipt of funds from the District Hospital Directed Payment program and IGT program in the amount of $9,536,000 and remitted $3,152,000 to Fidelity for the funding of the semi-annual employer pension contribution. Cash Collections were below target by 3% (See Note 2).

2. Net Patient Accounts Receivable increased a net $21,000. Cash collections were 97% of target. EPIC Days in A/R were 54.0 compared to 52.7 at the close of September.

3. Estimated Settlements, Medi-Cal & Medicare decreased a net $7,600,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal QIP programs and recorded $9,536,000 received from the District Hospital Directed Payment program for CY24 and CY25 and IGT program for CY24-25.

4. Unrealized Gain/(Loss) Cash Investment Fund increased $1,366,000 after recording the unrealized market gains in its funds held with Chandler Investments for the month of October.

5. GO Bond Tax Revenue Fund increased $117,000 after recording receipt of property tax revenues from Placer County.

6. Investment in TSC, LLC decreased $60,000 after recording the estimated loss for October and trueing up the losses for September.

7. To comply with GASB No. 96, the District recorded Amortization Expense for October, decreasing its Right-To-Use Subscription asset $371,000.

8. Accounts Payable decreased $9,938,000 due to the timing of the final check run in October and payment on construction invoices recorded at the end of September.

9. Accrued Payroll & Related Costs decreased a net $264,000. We saw increases in Accrued Payroll days and Paid Leave & Long-term Sick accruals and the District remitted its semi-annual employer pension contribution to Fidelity, reducing the Deferred Comp Employer Portion liability.

10. To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for October, decreasing the liability by $361,000.

11. Estimated Settlements, Medi-Cal & Medicare decreased $112,000 after recording receipt of funds from the State for our FY22 and FY24 RHC Rate Reconciliation reports.

Tahoe Forest Hospital District
Cash Investment
October 31, 2026

WORKING CAPITAL				
US Bank	$ 17,294,866	3.52%		
US Bank/Incline Village Thrift Store	90,654			
US Bank/Truckee Thrift Store	564,318			
US Bank/Payroll Clearing	-			
Umpqua Bank	1,066,979	1.61%		
Total			$	19,016,818
BOARD DESIGNATED FUNDS				
US Bank Savings	$ 886,378			
Chandler Cash Portfolio Fund	-	0.00%		
Chandler Investment Fund	93,803,130	VAR		
Total			$	94,689,507
Building Fund	$ -			
Cash Reserve Fund	74,318,485	4.01%		
Local Agency Investment Fund			$	74,318,485
Municipal Lease 2018			$	2,219,851
Bonds Cash 2017			$	24,248
Bonds Cash 2015			$	569,232
GO Bonds Cash 2008			$	1,287,312
DX Imaging Education	$ 3,700			
Workers Comp Fund - B of A	51,449			
Insurance				
Health Insurance LAIF	-			
Comprehensive Liability Insurance LAIF	-			
Total			$	55,149
TOTAL FUNDS			$	192,180,603
RESTRICTED FUNDS				
Gift Fund				
US Bank Money Market	$ 8,394	0.09%		
Foundation Restricted Donations	27,309			
Local Agency Investment Fund	1,166,955	4.01%		
TOTAL RESTRICTED FUNDS			$	1,202,658
TOTAL ALL FUNDS			$	193,383,261

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OCTOBER 2026

CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	CURRENT MONTH VAR$	CURRENT MONTH VAR%		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VAR$	YEAR TO DATE VAR%		PRIOR YTD OCTOBER 2026
				OPERATING REVENUE						
$ 70,620,556	$ 72,703,229	$ (2,082,673)	-2.9%	Total Gross Revenue	$ 300,423,035	$ 285,596,059	$ 14,826,976	5.2%	1	$ 265,546,601
				Gross Revenues - Inpatient						
$ 3,783,740	$ 4,228,337	$ (444,597)	-10.5%	Daily Hospital Service	$ 16,304,308	$ 16,131,644	$ 172,664	1.1%		$ 15,002,772
3,742,837	3,659,416	83,421	2.3%	Ancillary Service - Inpatient	18,161,730	16,952,059	1,209,671	7.1%		18,052,217
7,526,577	7,887,753	(361,176)	-4.6%	Total Gross Revenue - Inpatient	34,466,038	33,083,703	1,382,335	4.2%	1	33,054,989
63,093,979	64,815,476	(1,721,497)	-2.7%	Gross Revenue - Outpatient	265,956,997	252,512,356	13,444,641	5.3%		232,491,612
63,093,979	64,815,476	(1,721,497)	-2.7%	Total Gross Revenue - Outpatient	265,956,997	252,512,356	13,444,641	5.3%	1	232,491,612
				Deductions from Revenue:						
37,345,654	37,864,675	519,021	1.4%	Contractual Allowances	157,158,814	148,427,803	(8,731,011)	-5.9%	2	139,123,705
378,174	1,455,575	1,077,401	74.0%	Charity Care	2,142,211	5,715,580	3,573,369	62.5%	2	1,271,003
779,184	1,118,344	339,160	30.3%	Bad Debt	4,129,830	4,386,773	256,943	5.9%	2	2,286,372
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2	-
38,503,012	40,438,594	1,935,582	4.8%	Total Deductions from Revenue	163,430,855	158,530,156	(4,900,699)	-3.1%		142,681,080
116,341	134,102	17,761	13.2%	Property Tax Revenue- Wellness Neighborhood	413,139	535,854	122,716	22.9%		366,139
2,146,417	1,956,113	190,304	9.7%	Other Operating Revenue	7,799,715	7,607,178	192,537	2.5%	3	7,923,549
34,380,302	34,354,850	25,452	0.1%	TOTAL OPERATING REVENUE	145,205,034	135,208,935	9,996,099	7.4%		131,155,209
				OPERATING EXPENSES						
13,747,006	13,650,415	(96,591)	-0.7%	Salaries and Wages	53,287,016	54,504,268	1,217,252	2.2%	4	48,946,928
4,777,419	4,159,515	(617,904)	-14.9%	Benefits	18,223,208	17,376,893	(846,315)	-4.9%	4	15,512,304
70,535	103,455	32,920	31.8%	Benefits Workers Compensation	368,379	413,820	45,441	11.0%	4	664,269
2,401,189	3,171,368	770,179	24.3%	Benefits Medical Insurance	13,846,487	12,685,472	(1,161,015)	-9.2%	4	12,343,665
727,377	586,055	(141,322)	-24.1%	Medical Professional Fees	2,998,941	2,340,631	(658,310)	-28.1%	5	2,341,349
434,181	635,836	201,655	31.7%	Other Professional Fees	1,899,324	2,481,918	582,594	23.5%	5	1,329,706
6,150,737	5,903,413	(247,324)	-4.2%	Supplies	24,268,618	22,814,110	(1,454,508)	-6.4%	6	20,068,673
2,418,450	2,396,954	(21,496)	-0.9%	Purchased Services	9,669,852	10,153,914	484,062	4.8%	7	8,236,230
1,164,605	1,247,384	82,779	6.6%	Other	5,203,465	4,886,338	(317,127)	-6.5%	8	4,222,022
31,891,499	31,854,395	(37,104)	-0.1%	TOTAL OPERATING EXPENSE	129,765,289	127,657,364	(2,107,925)	-1.7%		113,665,146
2,488,803	**2,500,455**	**(11,652)**	**-0.5%**	**NET OPERATING REVENUE (EXPENSE) EBIDA**	**15,439,745**	**7,551,571**	**7,888,174**	**104.5%**		**17,490,063**
				NON-OPERATING REVENUE/(EXPENSE)						
902,277	884,516	17,761	2.0%	District and County Taxes	3,661,335	3,538,619	122,716	3.5%	9	3,364,013
481,005	481,005	(0)	0.0%	District and County Taxes - GO Bond	1,924,019	1,924,019	(0)	0.0%		1,874,102
320,410	329,996	(9,586)	-2.9%	Interest Income	1,286,395	1,319,141	(32,746)	-2.5%	10	1,704,078
84,383	128,174	(43,791)	-34.2%	Donations	268,233	512,694	(244,461)	-47.7%	11	538,907
(59,921)	(102,864)	42,943	41.7%	Gain/(Loss) on Joint Investment	(424,232)	(411,455)	(12,777)	-3.1%	12	(464,570)
1,233,657	270,000	963,657	356.9%	Gain/(Loss) on Market Investments	369,308	1,080,000	(710,692)	-65.8%	13	1,660,347
-	-	-	0.0%	Gain/(Loss) on Lease Termination	61,465		61,465	0.0%	14	-
125,647	-	125,647	0.0%	Gain/(Loss) on Disposal of Assets	125,647	-	125,647	0.0%	14	20,732
-	-	-	0.0%	Gain/(Loss) on Sale of Equipment	-	-	-	0.0%	15	-
-	-	-	100.0%	Gain/(Loss) on Split Dollar Cash Accumulation Values	-	-	-	100.0%	15	-
(2,162,437)	(2,156,821)	(5,616)	-0.3%	Depreciation	(8,637,472)	(8,627,285)	(10,187)	-0.1%	16	(7,838,019)
(196,080)	(194,071)	(2,009)	-1.0%	Interest Expense	(790,518)	(780,275)	(10,243)	-1.3%	17	(847,013)
(235,523)	(235,523)	0	0.0%	Interest Expense-GO Bond	(954,715)	(954,717)	2	0.0%		(1,003,965)
493,417	(595,588)	1,089,005	182.8%	TOTAL NON-OPERATING REVENUE/(EXPENSE)	(3,110,536)	(2,399,259)	(711,277)	-29.6%		(991,388)
$ 2,982,221	**$ 1,904,867**	**$ 1,077,354**	**56.6%**	**INCREASE (DECREASE) IN NET POSITION**	**$ 12,329,209**	**$ 5,152,312**	**$ 7,176,897**	**139.3%**		**$ 16,498,675**
				NET POSITION - BEGINNING OF YEAR	**386,684,048**					
				NET POSITION - AS OF OCTOBER 31, 2026	**$ 399,013,258**					
3.5%	**3.4%**	**0.1%**		**RETURN ON GROSS REVENUE EBIDA**	**5.1%**	**2.6%**	**2.5%**			**6.6%**

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
OCTOBER 2026

		Variance from Budget Fav / <Unfav>	
		OCT 2026	YTD 2027
1) Gross Revenues			
Acute Patient Days were below budget 15.28% or 66 days. Swing Bed days were above budget 283.33% or 17 days.	Gross Revenue -- Inpatient	$ (361,176)	$ 1,382,335
	Gross Revenue -- Outpatient	(1,721,497)	13,444,641
	Gross Revenue -- Total	$ (2,082,673)	$ 14,826,976
Outpatient volumes were 5% or more below in the following departments: Hospice visits, Surgery cases, Oncology Lab, Blood Units, EKGs, Nuclear Medicine, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, Wound Care, Tahoe City Physical Therapy, Physical Therapy Aquatic, and Outpatient Speech & Occupational Therapies.			
Outpatient volumes were above budget 5% or more in the following departments: Emergency Department visits, Home Health visits, Laboratory tests, Diagnostic Imaging, Radiation Oncology, and PET CT.			
2) Total Deductions from Revenue			
The payor mix for October shows a .25% decrease to Medicare, a .04% decrease to Medi-Cal, .95% increase to Other, and a .66% decrease to Commercial when compared to budget. Revenues were below budget 2.90%.	Contractual Allowances	$ 519,021	$ (8,731,011)
	Charity Care	1,077,401	3,573,369
	Bad Debt	339,160	256,943
	Prior Period Settlements	-	-
	Total	$ 1,935,582	$ (4,900,699)
3) Other Operating Revenue	Community Pharmacy	$ 61,893	$ 189,986
Community Pharmacy revenues were above budget 5.73%.	Miscellaneous	49,788	(13,467)
	Oncology Drug Replacement	-	-
The quarterly Outpatient Small Rural Hospital stipend and Medicare Incentive Bonuses created a positive variance in Miscellaneous.	Hospice Thrift Stores	(18,159)	(57,021)
	Grants	88,000	59,000
	The Center (non-therapy)	3,866	(6,599)
Hospice Thrift Store revenues were below budget 14.18%.	IVCH ER Physician Guarantee	31,670	78,658
	Children's Center	(26,753)	(58,019)
The District received funding for participation in the Partnership HealthPlan Rural Provider recruitment program, creating a positive variance in Grants.	Total	$ 190,304	$ 192,537
IVCH ER Physician Guarantee is tied collections, coming in above budget in October.			
Children's Center revenues were below budget 13.39%.			
4) Salaries and Wages	Total	$ (96,591)	$ 1,217,252
Employee Benefits	PL/SL	$ 248,923	$ (180,406)
We saw decreased use of Paid Leave and Long-term Sick, creating a positive variance in PL/SL. This is lending to the negative variance in Salaries and Wages.	Other	18,590	71,030
	Pension/Deferred Comp	(565,498)	(565,498)
	Standby	(7,422)	76,872
The District remitted funds to Fidelity for catchup contributions, creating a negative variance in Pension/Deferred Comp.	Nonproductive	(312,497)	(248,313)
	Total	$ (617,904)	$ (846,315)
Physician Productivity Bonuses were above budget, creating a negative variance in Nonproductive.			
Employee Benefits - Workers Compensation	Total	$ 32,920	$ 45,441
Employee Benefits - Medical Insurance	Total	$ 770,179	$ (1,161,015)
The District has a self-insured plan and expense is based on actual claims paid.			
5) Professional Fees	Miscellaneous	$ (99,444)	$ (328,578)
Radiology Physician Fees and consulting fees for Quality created a negative variance in Miscellaneous.	TFH Locums	(64,252)	(161,519)
	Human Resources	43,662	(43,381)
	Multi-Specialty Clinics Administration	(25,267)	(38,375)
Hospitalist Physician fees and Emergency Department Physician fees created a negative in TFH Locums.	Multi-Specialty Clinics	35,392	(19,777)
	IVCH ER Physicians	(10,208)	(11,765)
	Corporate Compliance	-	-
Human Resources Advisory consulting work was below budget, creating a positive variance in Human Resources.	Patient Accounting/Admitting	-	-
	Marketing	6,508	13,173
	Medical Staff Services	8,554	15,505
Work performed on the Physician Compensation model created a negative variance in Multi-Specialty Clinics Administration.	Managed Care	6,698	27,901
	Financial Administration	16,917	47,561
	Oncology	35,150	65,947
We saw positive variances in Locums coverage in Primary Care and Pediatrics, creating a positive variance in Multi-Specialty Clinics.	Administration	47,431	122,842
	Information Technology	59,191	234,749
	Total	$ 60,333	$ (75,716)
Stroke alert monitoring created a negative variance in IVCH ER Physicians.			
Therapist fees for Medical Oncology and consulting fees for Radiation Oncology were below budget, creating a positive variance in Oncology.			
Transformation consulting fees were below budget, creating a positive variance in Administration.			
Professional services provided by Mercy Health for EPIC module support were below budget, creating a positive variance in Information Technology.			

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
OCTOBER 2026

		Variance from Budget Fav / <Unfav>	
		OCT 2026	YTD 2027
6) Supplies	Pharmacy Supplies	$ (181,472)	$ (1,946,398)
Purchases of Flu and Covid vaccines created a negative variance in Pharmacy Supplies.	Other Non-Medical Supplies	(27,988)	(58,646)
	Food	(8,752)	(16,276)
Other Non-Medical Supplies were above budget in Surgery, Human Resources, and Community Pharmacy.	Office Supplies	(3,225)	(195)
	Minor Equipment	(13,673)	10,401
	Patient & Other Medical Supplies	(12,213)	556,606
	Total	$ (247,324)	$ (1,454,508)
7) Purchased Services	Medical Records	$ 9,572	$ (54,261)
Outsourced billing and collections services for the Business Office were above budget, creating a negative variance in Patient Accounting.	Pharmacy IP	1,790	(33,546)
	Patient Accounting	(82,102)	(21,703)
	Information Technology	(43,816)	(19,311)
AI-Powered device security services and an AI Speech Recognition platform created a negative variance in Information Technology.	Laboratory	2,744	(7,691)
	Multi-Specialty Clinics	(6,998)	(1,237)
	Community Development	(33)	(130)
We saw positive variances in Department repairs in Facilities, Information Technology, and Business Intelligence.	Home Health/Hospice	(2,711)	740
	The Center	6,316	12,002
	Department Repairs	52,609	73,437
Radiology Reads were below budget, creating a positive variance in Diagnostic Imaging - All.	Diagnostic Imaging Services - All	29,818	113,821
	Human Resources	(17,319)	147,348
	Miscellaneous	28,633	274,595
Employee Health screenings were above budget, creating a negative variance in Human Resources.	Total	$ (21,496)	$ 484,062
Outsourced referral services for Central Scheduling, Community Health Index pilot program costs, and Strategic assistance services were below budget, creating a positive variance in Miscellaneous.			
8) Other Expenses	Miscellaneous	$ (7,353)	$ (582,811)
Membership dues for the Sierra Health Collaborative created a negative variance in Dues and Subscriptions.	Equipment Rent	6,227	(92,690)
	Dues and Subscriptions	(39,527)	(52,470)
	Marketing	(25,855)	(51,091)
Media Branding and Website maintenance created a negative variance in Marketing.	Multi-Specialty Clinics Equip Rent	(1,931)	(9,300)
	Physician Services	-	-
Natural Gas/Propane, Electricity, and Telephone costs were below budget, creating a positive variance in Utilities.	Multi-Specialty Clinics Bldg. Rent	1,736	13,605
	Other Building Rent	19,694	49,915
	Insurance	16,838	63,716
	Human Resources Recruitment	18,495	71,248
	Utilities	43,739	72,806
	Outside Training & Travel	50,716	199,944
	Total	$ 82,779	$ (317,127)
9) District and County Taxes	Total	$ 17,761	$ 122,716
10) Interest Income	Total	$ (9,586)	$ (32,746)
Interest earnings on the funds held with US Bank and Chandler Investments were below budget, creating a negative variance in Interest Income.			
11) Donations	IVCH	$ (3,606)	$ (70,298)
	Operational	(40,185)	(174,163)
	Total	$ (43,791)	$ (244,461)
12) Gain/(Loss) on Joint Investment	Total	$ 42,943	$ (12,777)
A true-up of losses in TSC, LLC for September created a positive variance in Gain/(Loss) on Joint Investment.			
13) Gain/(Loss) on Market Investments	Total	$ 963,657	$ (710,692)
Gain on Market Investments was above budget, creating a positive variance in Gain/(Loss) on Market Investments.			
14) Gain/(Loss) on Lease Termination	Total	$ -	$ 61,465
15) Gain/(Loss) on Sale or Disposal of Equipment	Total	$ 125,647	$ 125,647
The District received insurance funds for the loss of anesthesia equipment in OR Room 4.			
16) Depreciation Expense	Total	$ (5,616)	$ (10,187)
17) Interest Expense	Total	$ (2,009)	$ (10,243)

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
OCTOBER 2026

CURRENT MONTH					YEAR TO DATE					PRIOR YTD OCTOBER 2025
ACTUAL	BUDGET	VAR$	VAR%		ACTUAL	BUDGET	VAR$	VAR%		
				OPERATING REVENUE						
$ 5,297,469	$ 5,293,523	$ 3,946	0.1%	Total Gross Revenue	$ 23,479,585	$ 21,719,316	$ 1,760,269	8.1%	1	$ 20,474,362
				Gross Revenues - Inpatient						
$ -	$ -	$ -	0.0%	Daily Hospital Service	$ -	$ -	$ -	0.0%		$ -
-	-	-	0.0%	Ancillary Service - Inpatient	-	-	-	0.0%		-
-	-	-	0.0%	Total Gross Revenue - Inpatient	-	-	-	0.0%	1	-
5,297,469	5,293,523	3,946	0.1%	Gross Revenue - Outpatient	23,479,585	21,719,316	1,760,269	8.1%		20,474,362
5,297,469	5,293,523	3,946	0.1%	Total Gross Revenue - Outpatient	23,479,585	21,719,316	1,760,269	8.1%	1	20,474,362
				Deductions from Revenue:						
2,483,922	2,681,043	197,121	7.4%	Contractual Allowances	11,683,496	10,900,428	(783,068)	-7.2%	2	10,243,961
64,489	105,868	41,379	39.1%	Charity Care	221,994	432,407	210,413	48.7%	2	341,995
87,851	79,401	(8,450)	-10.6%	Bad Debt	557,949	324,305	(233,644)	-72.0%	2	452,792
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2	-
2,636,262	2,866,312	230,050	8.0%	Total Deductions from Revenue	12,463,440	11,657,140	(806,300)	-6.9%	2	11,038,748
95,471	64,459	31,012	48.1%	Other Operating Revenue	334,288	271,775	62,513	23.0%	3	288,615
2,756,678	2,491,670	265,008	10.6%	TOTAL OPERATING REVENUE	11,350,434	10,333,951	1,016,483	9.8%		9,724,229
				OPERATING EXPENSES						
976,758	903,647	(73,111)	-8.1%	Salaries and Wages	3,758,913	3,763,536	4,623	0.1%	4	3,366,268
268,232	227,797	(40,435)	-17.8%	Benefits	1,039,709	1,010,232	(29,477)	-2.9%	4	906,465
6,248	4,736	(1,512)	-31.9%	Benefits Workers Compensation	24,992	18,944	(6,048)	-31.9%	4	16,474
141,846	191,078	49,232	25.8%	Benefits Medical Insurance	817,959	764,312	(53,647)	-7.0%	4	733,545
185,588	175,380	(10,208)	-5.8%	Medical Professional Fees	713,285	701,520	(11,765)	-1.7%	5	714,011
6,432	8,139	1,707	21.0%	Other Professional Fees	24,438	31,440	7,002	22.3%	5	19,860
160,738	164,189	3,451	2.1%	Supplies	812,764	719,896	(92,868)	-12.9%	6	515,673
87,873	80,405	(7,468)	-9.3%	Purchased Services	424,434	404,764	(19,670)	-4.9%	7	372,435
134,618	123,040	(11,578)	-9.4%	Other	512,957	498,071	(14,886)	-3.0%	8	473,539
1,968,333	1,878,411	(89,922)	-4.8%	TOTAL OPERATING EXPENSE	8,129,451	7,912,715	(216,736)	-2.7%		7,118,270
788,345	**613,259**	**175,086**	**28.6%**	**NET OPERATING REV(EXP) EBIDA**	**3,220,982**	**2,421,236**	**799,746**	**33.0%**		**2,605,959**
				NON-OPERATING REVENUE/(EXPENSE)						
18,625	22,231	(3,606)	-16.2%	Donations-IVCH	18,625	88,923	(70,298)	-79.1%	9	132,513
-	-	-	0.0%	Gain/ (Loss) on Lease Termination	61,465	-	61,465	0.0%	10	-
(185,995)	(190,180)	4,185	2.2%	Depreciation	(748,163)	(760,719)	12,556	1.7%	11	(824,766)
(2,005)	(2,856)	851	29.8%	Interest Expense	(8,998)	(11,571)	2,573	22.2%	12	(12,712)
(169,375)	(170,805)	1,430	0.8%	TOTAL NON-OPERATING REVENUE/(EXP)	(677,072)	(683,367)	6,295	0.9%		(704,965)
$ 618,970	**$ 442,454**	**$ 176,516**	**39.9%**	**EXCESS REVENUE(EXPENSE)**	**$ 2,543,911**	**$ 1,737,869**	**$ 806,042**	**46.4%**		**$ 1,900,994**
14.9%	**11.6%**	**3.3%**		**RETURN ON GROSS REVENUE EBIDA**	**13.7%**	**11.1%**	**2.6%**			**12.7%**

INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
OCTOBER 2026

		Variance from Budget Fav<Unfav>	
		OCT 2026	**YTD 2027**
1) Gross Revenues			
Acute Patient Days were at budget at 0 days.	Gross Revenue -- Inpatient	$ -	$ -
	Gross Revenue -- Outpatient	3,946	1,760,269
Outpatient volumes were above budget in the following departments: Emergency Department visits, Surgery cases, EKGs, Mammography, Drugs Sold to Patients, Oncology Drugs Sold to Patients, and Gastroenterology cases.	Total	$ 3,946	$ 1,760,269
Outpatient volumes were below budget in the following departments: Lab Send Out tests, Diagnostic Imaging, Ultrasounds, Cat Scans, Physical Therapy and Speech Therapy.			
2) Total Deductions from Revenue			
We saw a shift in our payor mix with a 0.17% decrease in Medicare, a 0.16% decrease in Medicaid, a 0.60% decrease in Commercial insurance, and a 0.93% increase in Other. Revenues were above budget 0.1%.	Contractual Allowances	$ 197,121	$ (783,068)
	Charity Care	41,379	210,413
	Bad Debt	(8,450)	(233,644)
	Prior Period Settlement	-	-
	Total	$ 230,050	$ (806,300)
3) Other Operating Revenue			
IVCH ER Physician Guarantee is tied to collections, exceeding budget in October.	IVCH ER Physician Guarantee	$ 31,670	$ 78,658
	Miscellaneous	(658)	(16,145)
	Total	$ 31,012	$ 62,513
4) Salaries and Wages	Total	$ (73,111)	$ 4,623
We saw increases in RN, Physicians, and Management Salaries.			
Employee Benefits	PL/SL	$ 5,641	$ (17,983)
The District remitted funds to Fidelity for catchup contributions, creating a negative variance in Pension/Deferred Comp.	Other	(6,345)	(1,404)
	Standby	3,435	17,292
	Pension/Deferred Comp	(37,639)	(37,639)
	Nonproductive	(5,526)	10,257
	Total	$ (40,435)	$ (29,477)
Employee Benefits - Workers Compensation	Total	$ (1,512)	$ (6,048)
Employee Benefits - Medical Insurance	Total	$ 49,232	$ (53,647)
The District has a self-insured plan and expense is based on actual claims paid.			
5) Professional Fees	IVCH ER Physicians	$ (10,208)	$ (11,765)
Stroke alert monitoring created a negative variance in IVCH ER Physicians.	Multi-Specialty Clinics	-	-
	Miscellaneous	-	-
	Foundation	457	2,002
	Administration	1,250	5,000
	Total	$ (8,500)	$ (4,763)
6) Supplies	Pharmacy Supplies	$ (7,693)	$ (105,170)
Drugs Sold to Patients and Oncology Drugs Sold to Patients revenues were above budget 2.82%, creating a negative variance in Pharmacy Supplies.	Patient & Other Medical Supplies	2,830	(7,924)
	Non-Medical Supplies	(19)	(7,296)
	Food	285	892
We saw positive variances in Minor Equipment purchases in Med/Surg, Emergency Department, and Diagnostic Imaging.	Office Supplies	(55)	1,577
	Minor Equipment	8,103	25,054
	Total	$ 3,451	$ (92,868)

INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
OCTOBER 2026

		Variance from Budget Fav<Unfav>	
		OCT 2026	YTD 2027
7) Purchased Services	Laboratory	$ (1,752)	$ (10,658)
Outsourced laboratory testing created a negative variance in Laboratory.	EVS/Laundry	(945)	(6,669)
	Department Repairs	(7,765)	(4,496)
Generator repairs created a negative variance in Department Repairs.	Multi-Specialty Clinics	(1,845)	(3,306)
	Foundation	(607)	(3,077)
Carpet cleaning in the Ophthalmology office created a negative variance in Multi-Specialty Clinics.	Pharmacy	(237)	(1,925)
	Diagnostic Imaging Services - All	479	193
	Engineering/Plant/Communications	2,147	2,401
A reclassification of Registry costs to Salaries & Wages created a positive variance in Miscellaneous.	Miscellaneous	3,057	7,868
	Total	$ (7,468)	$ (19,670)
8) Other Expenses	Utilities	$ (2,807)	$ (12,033)
Electricity and Telephone costs were above budget, creating a negative variance in Utilities.	Multi-Specialty Clinics Bldg. Rent	(3,789)	(11,515)
	Equipment Rent	(3,085)	(9,916)
	Marketing	(6,287)	(8,181)
The removal of a lease agreement from the GASB 87 schedule created a negative variance in Multi-Specialty Bldg Rent.	Dues and Subscriptions	(475)	(83)
	Other Building Rent	200	400
	Insurance	11	1,886
Oxygen tank rentals created a negative variance in Equipment Rent.	Miscellaneous	(1,419)	2,721
	Outside Training & Travel	6,074	21,835
Internet and consumer magazine media campaigns created a negative variance in Marketing.	Total	$ (11,578)	$ (14,886)
9) Donations	Total	$ (3,606)	$ (70,298)
10) Gain/(Loss) on Lease Termination	Total	$ -	$ 61,465
11) Depreciation Expense	Total	$ 4,185	$ 12,556
12) Interest Expense	Total	$ 851	$ 2,573

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS

	AUDITED FYE 2026		**BUDGET** FYE 2027	PROJECTED FYE 2027	ACTUAL OCT 2026	PROJECTED OCT 2026	DIFFERENCE	PROJECTED 1ST QTR	PROJECTED 2ND QTR	PROJECTED 3RD QTR	PROJECTED 4TH QTR
Net Operating Rev/(Exp) - EBIDA	32,308,941		13,394,772	21,294,353	$ 2,488,803	$ 2,500,455	$ (11,652)	12,962,347	1,765,803	3,401,228	3,164,974
Interest Income	4,530,573		3,800,000	3,800,168	787,097	775,000	12,097	938,070	962,097	950,000	950,000
Property Tax Revenue	12,114,979		12,225,000	12,208,964	171,060	135,000	36,060	597,904	171,060	6,800,000	4,640,000
Donations	1,789,202		8,938,082	8,774,229	149,865	128,174	21,691	198,976	406,212	384,521	7,784,521
Emergency Funds	-		-	-	-	-	-	-	-	-	-
Debt Service Payments	(3,554,952)		(3,380,396)	(3,375,837)	(220,508)	(220,508)	0	(1,324,056)	(661,525)	(728,730)	(661,525)
Property Purchase Agreement	(541,285)		-	-	-	-	-	-	-	-	-
Municipal Lease 2025	(1,000,929)		(1,000,932)	(1,000,931)	(83,411)	(83,411)	0	(250,232)	(250,233)	(250,233)	(250,233)
2017 VR Demand Bond	(790,102)		(734,295)	(729,737)	-	-	-	(662,532)	-	(67,205)	-
2015 Revenue Bond	(1,222,636)		(1,645,169)	(1,645,169)	(137,097)	(137,097)	0	(411,292)	(411,292)	(411,292)	(411,292)
Physician Recruitment	(171,333)		(150,000)	(149,999)	(33,333)	(33,334)	1	(50,000)	(33,333)	(33,333)	(33,333)
Investment in Capital											
Equipment	(6,466,623)		(6,238,750)	(10,252,066)	(300,927)	(1,559,046)	1,258,119	(2,698,128)	(3,419,019)	(2,141,560)	(1,993,360)
Municipal Lease Reimbursement	2,374,027		2,287,591	2,287,591	-	-	-	-	-	-	2,287,591
IT/EMR/Business Systems	-		(5,659,758)	(1,646,442)	-	-	-	-	-	(1,391,117)	(255,325)
Building Projects/Properties	(38,878,229)		(58,553,840)	(58,553,840)	(2,590,811)	(7,332,902)	4,742,091	(12,728,536)	(17,256,614)	(17,714,841)	(10,853,849)
Change in Accounts Receivable	7,243,787	N1	(289,055)	(2,257,904)	(21,320)	1,081,996	(1,103,316)	(4,016,542)	3,262,429	(1,259,751)	(244,039)
Change in Settlement Accounts	(9,007,509)	N2	3,242,000	3,437,138	7,488,083	7,807,220	(319,137)	(8,348,445)	(1,383,417)	4,551,750	8,617,250
Change in Other Assets	(12,206,515)	N3	(4,000,000)	(3,597,819)	(57,861)	(300,000)	242,139	(3,239,958)	(757,861)	(1,900,000)	2,300,000
Change in Other Liabilities	3,062,646	N4	(5,220,000)	(7,956,795)	(10,524,548)	(1,650,000)	(8,874,548)	637,753	(11,424,548)	(255,000)	3,085,000
Change in Cash Balance	(6,835,244)		(39,604,353)	(35,988,260)	(2,664,400)	1,332,055	(3,996,455)	(17,070,615)	(28,368,717)	(9,336,834)	18,787,905
Beginning Unrestricted Cash	214,054,647		207,219,404	207,219,404	189,802,833	189,802,833		207,219,404	190,148,789	161,780,072	152,443,238
Ending Unrestricted Cash	207,219,404		167,615,051	171,231,144	187,138,432	191,134,888	(3,996,455)	190,148,789	161,780,072	152,443,238	171,231,144
Operating Cash	207,219,404		167,615,051	171,231,144	187,138,432	191,134,888	(3,996,455)	190,148,789	161,780,072	152,443,238	171,231,144
Expense Per Day	988,862		1,056,151	1,061,954	1,061,429	1,044,208	17,221	1,070,307	1,057,734	1,061,883	1,061,954
Days Cash On Hand	210		159	161	176	183	(7)	178	153	144	161

Footnotes:

Budget - Beginning Unrestricted Cash amount for Budget FYE 2027 has been restated to match the Ending Unrestricted Cash from Audited FYE 2026.

N1 - Change in Accounts Receivable reflects the 30 day delay in collections.
N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.
N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.

TAHOE FOREST
HOSPITAL DISTRICT

Executive Board Report
November 2026

By:
Anna M. Roth, RN, MSN, MPH – President & CEO

Executive Summary

Recent progress across the True North aims includes the opening of Sierra Center, new funding for mobile healthcare and expanded use of tools that help patients access available appointments. Community outreach brought mammography services to Kings Beach, while philanthropic support is advancing mobile healthcare and cancer care. Other updates include the return of employee Town Halls, clinical documentation tools and work on AI oversight. Recruitment remains a challenge for planned Primary Care expansion, with the spring launch of weekend and after-hours services at risk.

Health Within Reach

Access, choice, lower cost & convenience

Key Updates

- Sierra Center opened to patients on October 26, bringing Urgent Care, Lab Services, Retail Pharmacy, Tahoe WoRx Occupational Health, Wellness and Cardiac Rehabilitation together in Truckee. Urgent Care capacity increased by 33% at the new location.
- A $1 million gift from Dr. Priscilla Chan and Mark Zuckerberg, together with $1.8 million in commitments from the Incline Village Community Hospital and Tahoe Forest Health

System Foundations, brings support for the Mobile Health Program to $2.8 million. The program will bring primary and preventive care directly to rural mountain communities.
- Therapy Services filled 1,395 cancelled appointments through Fast Pass between July 27 and October 24 across Truckee, Tahoe City and Incline Village. Behavioral Health also expanded video visits, reporting 41 in September and 47 in October, its two highest months to date.
- Recruitment for Primary Care telehealth positions has generated strong interest, with interviews underway. Interest in weekend, after-hours and onsite advanced practice provider positions has been limited. The spring launch of weekend and after-hours services is at risk, and the team is considering recruitment changes and potential funding incentives.

Community Guided

Sustain world-class care shaped by community

Key Updates

- The Health System hosted its first Mobile Mammography event in Kings Beach, where 36 women received screenings with no out-of-pocket costs; 23 qualified for Every Woman Counts. Women without a Primary Care provider were connected to ongoing care, and nine were scheduled for preventive screenings.
- The Best Of Culinary Event brought 220 guests to the North Tahoe Event Center on October 30 and raised more than $445,000 for local care. Proceeds will support the first three years of operating costs for the Mobile Health Clinic, planned to launch in spring 2027.
- The Foundation is nearly 75% of the way toward completing the $500,000 matching gift from Lynn and Ken Weakley to support replacement of radiation therapy equipment at the Gene Upshaw Memorial Tahoe Forest Cancer Center.
- Following a six-episode pilot, Mountain Health Today is moving forward with a 16-episode podcast season. Planned topics include how 5,000 Voices feedback is shaping Health System strategy and the new cochlear implant surgery service. Listener suggestions are being sought to help guide future topics.

Transformation

Shared decision, stronger accountability

Key Updates

- The Health System resumed employee Town Halls on November 12 after a hiatus, with in-person and virtual sessions. Employees submitted questions in advance and heard directly from senior leaders. Quarterly Town Halls will provide True North 2030 updates and opportunities for employee questions.
- Eighty-seven Medical Staff members across Primary Care and specialty services are piloting DAX Copilot and Dragon Medical One. DAX generates draft clinical notes from patient-provider conversations for provider review, while Dragon supports dictation within the clinical workflow. All providers are expected to be trained and have access by February 2027.
- The Health System developed an interim framework for reviewing proposed AI uses before deployment. Pending AI Governance Committee approval, it would establish documentation, review and oversight requirements while external advisors are evaluated to help develop the long-term governance program.
- Clinical teams are evaluating point-of-care decision support tools, and work is underway to secure an enterprise license for OpenEvidence. Feedback from physicians, advanced practice providers, nurses and pharmacists, along with actual utilization, will inform future platform decisions under Clinical Innovation Committee oversight.
- Ambulatory Surgery is introducing a process for employees to propose an improvement during annual evaluations. Ideas will be captured, tracked and supported through implementation, with follow-up intended to show employees how their input is being used.

Appendix

CCOF Board Report – November 2026
CMO Board Report – November 2026
CNO Board Report – November 2026
COO Board Report – November 2026

TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026,	**ITEM:** 14.4.1. Investment Policy, ABD-15
DEPARTMENT: Finance	**TYPE OF AGENDA ITEM:** ☐ Action ☒ Consent ☐ Discussion
RESPONSIBLE PARTY: Crystal Felix, CFO	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☐ Presentation ☐ Resolution ☒ Other **Policy**
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A

BACKGROUND:

Investment Policy, ABD-15 was last reviewed and updated in January 2024. Due to changes related to SB 1438 and 1439 that become effective on January 1, 2027, the District's investment advisors, Chandler Asset Management, Inc., are recommending changes to the Investment Policy, ABD-15 effective January 1, 2027, to be sure the District's policy remains in compliance to both California Government Code, California Health Code, as well as best practices. The summarized recommended changes and best practices are as follows:

Code Updates

1. **SB 1438,** which will become effective January 1, 2027, includes the following revisions to California Government Code:
    1. Reorganizes and renumbers California Government Code from Section 53601 to 53603
    2. Explicitly authorizes the purchase of commercial paper issued by a federally or state-chartered bank or federally or state-licensed branch of a foreign bank
    3. Removes the sunset dates on provisions allowing public agencies with at least $100 million in investable assets to invest up to 40% of the portfolio in commercial paper and for the purchase of securities issued or guaranteed by the US government with zero or negative-interest accruals during periods of negative interest rates
    4. Adds the Inter-American Investment Corporation (IDB Invest) to the list of eligible supranational securities for California public agencies

- **SB 827 (effective 1/1/2026)**, added biennial fiscal and financial training requirements to "covered individuals"
- **SB 858/595 (effective 1/1/2026)**, Extends the CP maximum maturity to increase from 270 days to 397 days
- **AB 2618 (effective 01/01/2025)**, Extended sunset provision for Placement Service Deposits to 20231.
- **SB 882 (effective 1/1/2024)**, Clarified language for pass through securities (ABS/MBS/CMO) are related to private issuers, not US government issuers.

- **SB 998 (2023) Commercial Paper:** Eliminate the "No more than 10% of the outstanding commercial paper of any single issuer" language as it was replaced by the 10% max CP/corporates language.
- **SB 1489 (2022),** Extended reporting from 30 days to 45 days for quarterly reports. CGC does not expressly state the number of days for monthly reports.

Best Practices

- **Scope.** Clarified retirement plans are out of scope for the policy.
- **Authorized Investments.**
    - Updated "portfolio" to "total portfolio" to reflect compliance is assessed across the entire client relationship [New CDIAC LAIG FAQ 2024]
    - Added Placement Deposit Services, along with corresponding bank information, as an authorized investment given it was previously listed as CDARS in the appendix.
    - Clarification of the three kinds of Local Government Investment Pools available under California Government Code: LAIF, JPAs, and County Investment Pools (listed under other).
- **Glossary:** Added term to glossary that often is an FAQ; removed terms not utilized in the policy.

SUMMARY/OBJECTIVES:
To provide the Board of Directors with a revised Investment Policy, ABD-15, which adheres to California Government Code, California Health Code, as well as best practices, inclusive of requirements from SB 1438 and 1439 that become effective January 1, 2027.

SUGGESTED DISCUSSION POINTS:
Review suggested (redline) changes to Investment Policy, ABD-15, provided by Chandler Asset Management, Inc., along with their whitepaper discussing SB 1438 and 1439.

Board Finance Committee reviewed the revised policy on 11/04/26 and recommended approval by the Board at this meeting.

SUGGESTED MOTION/ALTERNATIVES:
Motion to approve the revised ABD-15 policy as presented as part of the consent agenda.

Alternative:
If pulled from Consent agenda, provide discussion under Item 17 on the Board agenda. After discussion, request a motion to approve the revised policy as presented.

LIST OF ATTACHMENTS:
Investment Policy, ABD-15 (redline)
Whitepaper SB 1438 and SB 1439 provided by Chandler Asset Management, Inc.

Status **Pending** PolicyStat ID **21800554**

Origination Date	01/1990
Last Approved	N/A
Effective	Upon Approval
Last Revised	11/2026
Next Review	3 years after approval
Department	Board - ABD
Applicabilities	System

Investment Policy, ABD-15

COPY

RISK:

This policy is to establish Tahoe Forest Hospital District cash investment objectives, authority and responsibility, approval, instrument limitations (Appendix A, California Health & Safety Code Section 32127), concentrations, terms, reporting, judgment and care, and District Treasurer's, Chief Executive Officer and Chief Financial Officer (CFO) liability for all of its funds. The risk associated with not establishing this policy~~,~~ is the District could make inappropriate investments or investments that violate California Health & Safety Code Section 32127.

This investment policy was endorsed and adopted by the District's Board of Directors and is effective as of the ~~24th~~1st day of ~~February~~January, ~~2022~~2027, and replaces any previous versions.

SCOPE:

This policy covers all funds and investment activities under the direct authority of the District, as set forth in the State Government Code, Sections 53600 et seq., with the following exceptions:

- ~~Proceeds of debt issuance shall be invested in accordance with the District's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.~~
- ~~Any other funds specifically exempted by the Board.~~

~~POOLING OF FUNDS:~~

A. Proceeds of debt issuance shall be invested in accordance with the District's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.

B. CalPERS, OPEB trusts, and the investment of employees' deferred compensation funds invested pursuant to Government Code Section 53602(q).

C. Any other funds specifically exempted by the Board.

POOLING OF FUNDS:

Except for cash in certain restricted and special funds, the District will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

~~FOUNDATION FUNDS:~~

FOUNDATION FUNDS:

This policy covers cash investments of the Tahoe Forest Health System Foundation and the Incline Village Community Hospital Foundation. Longer term investment that are identified by the District's Board of Directors may be exempt from this policy.

POLICY:

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~~1. **OBJECTIVE**~~
~~The District's investment objective is to maximize the return on invested cash while minimizing risk of capital loss, providing sufficiently liquidity to meet all operating requirements that may be reasonably anticipated, and adhering to the investment policy as allowed for herein.~~

~~2. **AUTHORITY AND RESPONSIBILITY**~~
~~The Board of Directors is responsible for the management of the District's funds, including the administration of this investment policy. The District Treasurer shall have the authority and responsibility to purchase and invest prudently. The Chief Executive Officer is delegated the authority and responsibility by the District Treasurer to purchase and invest within the limitations defined below. Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the Prudent Investor Standard:~~

A. **OBJECTIVE**
The District's investment objective is to maximize the return on invested cash while minimizing risk of capital loss, providing sufficiently liquidity to meet all operating requirements that may be reasonably anticipated, and adhering to the investment policy as allowed for herein.

B. **AUTHORITY AND RESPONSIBILITY**
The Board of Directors is responsible for the management of the District's funds, including the administration of this investment policy. The District Treasurer shall have the authority and responsibility to purchase and invest prudently. The Chief Executive Officer is delegated the authority and responsibility by the District Treasurer to purchase and invest within the limitations defined below. Pursuant to California Government Code, Section 53602 (b), all persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the Prudent Investor Standard:

"…all governing bodies of local agencies or persons authorized to make investment decisions on behalf

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

Additionally, the Agency shall, in compliance with California Government Code Section 53238 et seq., ensure covered individuals complete required biennial training within six (6) months of assuming the qualifying responsibilities. Documentation of training completion shall be maintained in accordance with applicable law.

The District may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the District's investment portfolio in a manner consistent with the District's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.

~~LIMITATIONS ON INSTRUMENTS~~

LIMITATIONS ON INSTRUMENTS

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

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PROCEDURE:

A. **CONCENTRATION OF INVESTMENTS**

1. Unlimited investments in the State Of California Local Agency Investment Fund.
2. Unlimited investment in the U.S. Government guaranteed investments.
3. Sufficient principal funds in any single bank or savings should comply with the regulatory collateralization requirements.
   No more than $250,000 principal in any single bank or savings and loan association with insurance through FDIC or FSLIC, when FDIC or FSLIC is applicable.
4. Banks or savings and loan associations must also have consistently profitable operations, and must have net worth ratios which exceed their regulatory requirements.
5. No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer except US Treasuries, agencies, supranationals, ~~LAIF~~LGIPs, money market mutual funds, mutual funds, or unless otherwise specified in this investment policy.

B. **TERMS OF INVESTMENTS**

1. Limited to the terms specified in Government Code Section ~~53601~~53603 or if not specified:

2. Maximum terms of any investment to 5 years.
3. Board of Directors' approval required for terms in excess of 5 years for Treasuries, Agencies or Municipal Securities.
4. Investments must be redeemable prior to maturity, even if with a penalty, or salable in an established secondary market.

C. **REPORTING**

The District Treasurer or CFO shall report, at a minimum, the following to the Board of Directors of the District:

~~MONTHLY REPORTS~~

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the Board of Directors ~~within 30 days of the end of the reporting period~~ in accordance with California Government Code Section ~~53607~~53602(o).

~~QUARTERLY REPORTS~~

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the Board of Directors which provides full disclosure of the District's investment activities within 45 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the District's portfolio:

• An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date and interest rate.

• Transactions for the period.

• A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; ~~investment pools~~LGIPs, outside money managers and securities lending agents)

• A one-page summary report that shows:

- Average maturity of the portfolio and modified duration of the portfolio;
- Maturity distribution of the portfolio;
- Percentage of the portfolio represented by each investment category;
- Average portfolio credit quality; and,
- Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the District's market benchmark returns for the same periods;

• A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.

• A statement that the District has adequate funds to meet its cash flow requirements for the next six months.

~~ANNUAL REPORTS~~

ANNUAL REPORTS

A comprehensive annual report will be presented to the Board of Directors. This report will include comparisons of the District's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

D. **REVIEW OF INVESTMENT POLICY**

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The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.
Any recommended modifications or amendments shall be presented by Staff to the Board of Directors for their consideration and adoption.

E. **AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS**
To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The District's Treasurer will determine which financial institutions are authorized to provide investment services to the District. It shall be the District's policy to purchase securities only from authorized institutions and firms. The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the District. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the District are reputable and trustworthy, knowledgeable, and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).
In accordance with Section ~~53601.5~~53602(h), institutions eligible to transact investment business with the District include:
• Institutions licensed by the state as a broker-dealer.
• Institutions that are members of a federally regulated securities exchange.
• Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
• Nationally or state-chartered banks.
• Savings association or federal association (as defined in Section 5102 of the Financial Code).
• The Federal Reserve Bank.
• Direct issuers of securities eligible for purchase.
Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the District, except where the District utilizes an external investment adviser in which case the District may rely on the adviser for selection.
All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 et seq. and the District's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.
Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.
Selection of broker/dealers used by an external investment adviser retained by the District will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling

COPY

group offer those securities at the same original issue price

F. **DELIVERY, SAFEKEEPING AND CUSTODY**
DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.
SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments, and maturity proceeds, all cash and securities in the District's portfolio shall be held in safekeeping in the District's name by a third party custodian, acting as agent for the District under the terms of a custody agreement executed by the bank and the District. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the District from the custodian listing all the securities held in safekeeping with current market data and other information.
The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit; and (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

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

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

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LIMITATION ON INSTRUMENTS APPENDIX A

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

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

C. Government Code Section ~~53601~~53603 provides that the legislative body of a local agency having money in a sinking fund or surplus money in its treasury not required for immediate necessities of the local agency may invest in the following categories ~~based on Government Code Section 53601.~~:

1. Bonds issued by the District;
2. U.S. Treasury Notes, bonds or certificates of indebtedness;

3. Warrants, treasury notes or bonds issued by the State of California or by any department, board, agency or authority of the state;
4. Bonds, notes, warrants or other evidences of indebtedness of any local agency in California;
5. Obligations, participation or other instruments of, or issued by, a federal agency including Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (FHLMC) and Federal National Mortgage Association (FNMA). No more than 30% of the total portfolio may be invested in any single Agency/GSE issuer. The maximum percent of agency callable securities in the total portfolio will be 20%.
6. Bankers' acceptances provided that such documents may not exceed 180 days maturity and no more than 30 percent of ~~surplus funds~~total portfolio may be invested in the bankers' acceptances of any one commercial bank and 40 percent of the ~~surplus funds~~ total ~~in such investments~~portfolio;
7. Commercial paper of prime quality or the highest rating category by Moody's or Standard and Poor's, ("A-1" or higher) provided that issuing corporations must have total assets in excess of $500,000,000. Purchases of eligible commercial paper may not exceed ~~270~~397 days maturity ~~or represent more than 10~~, and purchases of commercial paper may not exceed 25 percent ~~of the outstanding paper of any issuing corporation, and purchases of commercial paper may not exceed 25 percent~~ of the agency's ~~surplus money~~total portfolio. ~~Under a provision sunsetting on January 1, 2026, no~~If the Agency has more than ~~40% of the portfolio may be invested in Commercial Paper if the Agency's investment assets under management are greater than~~ $100,000,000 assets under management, then the agency may invest no more than 40% of the total portfolio in eligible commercial paper.
8. Negotiable certificates of deposit issued by nationally or state chartered banks or savings and loan associations or state license branches of a foreign bank, provided that purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's ~~surplus money~~total portfolio (and certificates of deposit may not exceed the shareholder's equity of any depository bank or the total net worth of any depository savings and loan association);
9. Repurchase agreements or reverse repurchase agreements of any securities authorized by Section ~~53601~~53603, provided the term of repurchase agreements shall be one year or less.
10. Medium-term notes with a maximum remaining maturity of five years issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized statistical rating organization (NRSRO). Purchases of medium-term notes may not exceed 30 percent of the agency's ~~surplus money~~total portfolio which may be invested pursuant to this section.
11. (1) Shares of beneficial interest issued by diversified management companies, investing in the securities and obligations as authorized by subdivisions (a) to (k) inclusive, or subdivision (m) to (q), inclusive, of Government Code section

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~~53601~~53603, and which comply with the investment restriction of Article 1 (commencing with Section 53600) and Article 2 (commencing with Section 53630). (2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to paragraph (1), these companies shall either: (A) Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSROs, or (B) Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized by subdivisions (a) to (k), inclusive or subdivisions (m) to (q), inclusive, of Government Code section ~~53601~~53603 and with asset under management in excess of $500,000,000. (4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500,000,000. The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the agency's ~~surplus money~~total portfolio which may be invested pursuant to this section. However no more than 10 percent of the ~~surplus funds~~total portfolio may be invested in shares of beneficial interest of any one mutual fund and no more than 20% may be invested in any one money market mutual fund pursuant to this paragraph.

12. Notwithstanding anything to the contrary contained in this section, Section 53635 or any other provision of law, monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale or other agreement of a local agency, or certificates of participation in those bonds, indebtedness or lease installment sale, or other agreements may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture or agreement of the local agency providing for the issuance.
13. Notes, bonds or other obligations which are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirement of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
14. Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer

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receivable passthrough certificate or consumer receivable-backed bond~~. Securities eligible for~~ from issuers not defined in sections 3 and 5 of the authorized investment ~~under~~section of this ~~subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's surplus money~~policy, provided that ~~may be invested pursuant to this section.~~:

15. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's total portfolio that may be invested pursuant to this section.
16. Supranational issues that are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, ~~or~~ Inter-American Development Bank, or Inter-American Investment Corporation ("IDB Invest"). The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO. No more than 30% of the total portfolio may be invested in these securities and no more than 10% of the total portfolio may be invested in any single issuer.
17. Placement Service Deposits, provided that the full amount of each deposit along with accrued interest must at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). No more than 30% of the total portfolio may be invested in a combination of qualifying placement service deposits. Under a provision sunsetting on January 1, 2031, no more than 50% of the portfolio may be invested in deposits through a placement service, including Certificates of Deposit, if the Agency is a city, district or local agency that does not pool money with other local agencies.
18. Local Government Investment Pools (LGIP)
    a. State of California Local Agency Investment Fund (LAIF), created by California Government Code Section 16429.1, provided that The Agency may invest up to the maximum amount permitted by LAIF.
    b. Shares of Beneficial Interest Issued by a Joint Powers Authority (JPA), provided that the JPA is organized pursuant to California Government Code Section 6509.7 and invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA. The JPA has retained an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53603, subdivisions (a) to (q).
    c. Other Local Government Investment Pools (LGIP) permitted by the agency (such as a County Pool as defined by California Government Code Section

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27000.3). No more than 20% of the total portfolio may be invested in LGIPs other than LAIF and JPAs.

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

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

20. The District shall not invest in inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual ~~if held to maturity. Under a provision sunsetting on January 1, 2026,~~with the exception of any securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity during and for the duration of a period of negative market interest rates are permitted.
21. The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation shall not apply to the District investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section ~~53601~~53603.
22. The District shall not purchase of a security with a forward settlement date exceeding 45 days from the time of the investment.

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GLOSSARY OF INVESTMENT TERMS

AGENCIES. Shorthand market terminology for any obligation issued by a government-sponsored entity (GSE), or a federally related institution. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "Freddie Mac" issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "Fannie Mae," issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as "Ginnie Mae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

~~AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.~~

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The indicated price at which a buyer is willing to purchase a security or commodity.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate.

~~CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than $250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than $250,000 each, so that FDIC coverage is maintained.~~

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED BANK DEPOSIT. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COLLATERALIZED TIME DEPOSIT. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the

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Federal Deposit Insurance Corporation.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

~~DEBENTURE. A bond secured only by the general credit of the issuer.~~

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

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DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

FEDERALLY INSURED TIME DEPOSIT. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

FIDUCIARY. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the other's best interests.

JOINT POWERS AUTHORITY (JPA). An entity created by two or more public agencies that share a common goal in order to jointly exercise powers common to all members through a joint powers agreement or contract.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MATURITY. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MONEY MARKET MUTUAL FUND. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at $1 per share.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of

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securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

~~NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO).~~

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CERTIFICATE OF DEPOSIT (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

OFFER (ASK). An indicated price at which market participants are willing to sell a security. Also referred to as the “ask price”.

PLACEMENT SERVICE DEPOSITS. A private service that allows local agencies to invest in FDIC-insured deposits with one or more banks, savings and loans, and credit unions located in the United States. IntraFi (formerly known as CDARS) is an example of an entity that provides this service.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

SECURITIES AND EXCHANGE COMMISSION (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

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SECURITIES AND EXCHANGE COMMISSION SEC) RULE 15C3-1. An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

~~STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.~~

STRUCTURED NOTE. Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

THIRD PARTY CUSTODIAN. An independent, third-party custodial safekeeping provider that has a fiduciary responsibility for safekeeping their client's assets to minimize the risk of a fraudulent transaction.

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TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

All Revision Dates

11/2026, 01/2024, 03/2022, 06/2021, 03/2019, 11/2015, 01/2014, 01/2012, 03/2010

Approval Signatures

Step Description	Approver	Date
	Anna Roth: President & CEO	Pending
	Sarah Jackson: Clerk of the Board	11/2026

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California Senate Bills 1438 and 1439:

A New Structure for Local Agency Investment Law

By Steve Huntley, CPFO, *Senior Portfolio Strategist*
Chandler Asset Management



Executive Summary

Effective January 1, 2027, the implementation of SB 1438 and 1439 will restructure significant parts of California Government Code (CGC or Code) related to local agency investing. Understanding the new organizational structure in these sections is vital to identifying which references should change in your agency's various policies and other documents so you can stay compliant. These changes will be more intensive than in past years because they require a comprehensive review of all documents that reference CGC. This whitepaper will serve as a resource to navigate the necessary policy revisions. Your investment adviser can also assist you with this process to help your agency understand changes and update your policy to align with the reorganized CGC.

Senate Bill 1438 substantially reorganizes the California Government Code (CGC) provisions governing local agency investments and deposits. The legislation centralizes definitions in Section 53600, retains the statewide-concern finding in Section 53601, consolidates governance requirements in Section 53602, relocates the eligible investment list to Section 53603, and moves deposit-placement services to Section 53604. Most core investment authorities remain intact, but the section numbers and many internal cross-references change. The bill also makes targeted substantive changes.

It expands qualifying commercial paper issuers to include federally or state-chartered banks and federally or state-licensed branches of foreign banks; adds the Inter-American Investment Corporation to the list of qualifying supranational issuers; removes the January 1, 2031 sunset for the higher commercial paper limit applicable to certain local agencies with at least $100 million in investment assets; and removes the sunset for the exception on zero-interest accruals for certain U.S. government securities during negative-rate periods.

Senate Bill 1439 serves primarily as a companion technical-corrections measure. For local agency investments, it updates and conforms statutory references affected by the SB 1438 reorganization and helps ensure that reporting requirements, cross-references, and related provisions remain consistent with the new statutory structure established by SB 1438, but it does not materially expand or restrict local investment authority. It does include language allowing certain qualifying institutions to use a letter of credit issued through the institution's regional Federal Home Loan Bank.

Accordingly, local agencies should review both SB 1438 and SB 1439 together, as SB 1438 contains the substantive reorganization and policy changes while SB 1439 contains companion conforming amendments necessary to fully implement the new statutory framework.



What changes under SB 1438 and SB 1439?

A reorganized statutory framework

Existing provisions formerly spread across Sections 53600 through 53610 are regrouped by function. This is more than a simple renumbering exercise because policies, delegation resolutions, procedures, reports, contracts, and cross-references may cite sections that are re-sequenced. ***See table 1 on the next page for organization changes.***

Commercial paper authority

Commercial paper authority moves from Section 53601(h) to Section 53603(h) and 53603(r). The issuer framework expands to include an entity organized as a federally or state-chartered bank or a federally or state-licensed branch of a foreign bank. The scheduled 2031 reduction from 40% to 25% for certain local agencies with at least $100 million in investment assets is now removed. The 2031 start date for allowing investments in commercial paper issued from public banks (as defined in section 57600) was removed and is eligible as of January 1, 2027.

Supranational obligations

The eligible supranational list moves from Section 53601(q) to Section 53603(q) and adds the Inter-American Investment Corporation, subject to the statutory conditions. This is the fourth supranational allowed as an eligible investment.

Zero-interest bond exception

The prohibition and exceptions formerly in Section 53601.6 move to Section 53602(i). The bill removes the January 1, 2031 sunset (now a permanent part of the law) for the exception of zero-interest accruals applicable to qualifying United States government securities during a period of negative market interest rates.

Deposits and collateral

Updates related cross-references and allows certain out-of-state headquartered eligible banks used by pooled public agencies to use a letter of credit drawn on the bank's regional Federal Home Loan Bank, subject to the statute.

The new statutory architecture

There are several changes to CGC because of these new bills, but it is the reorganization and resequencing of CGC that may be the most impactful. Understanding the new organizational structure will be important to understand what references should change in policies and other documents. The primary structure is detailed below; a line-by-line crosswalk is included in the Appendix.

New section	Primary purpose	Selected content
§ 53600	Definitions	Centralizes defined terms, including corporation, counterparty, local agency, repurchase agreement, securities lending agreement, and related terms.
§ 53601	Statewide concern	Retains the legislative finding regarding local-agency solvency, creditworthiness, deposits, and investments.
§ 53602	Governance	Consolidates safety, liquidity, and return objectives; fiduciary and prudent-investor duties; maturity and delivery rules; prohibited investments; delegation; safekeeping; and related administration.
§ 53603	Eligible investments	Houses the consolidated list of authorized investments.
§ 53604	Banking investments	Contains deposit-placement service authority formerly located in Section 53601.8.

For educational purposes only.

Recommended policy-review approach

Chandler Asset Management (Chandler) recommends a systematic approach to the potentially time-intensive project of addressing the re-sequenced section numbers. Actions include:

- Creating a complete inventory of citations to Sections 53600 through 53610 in the investment policy statement, delegation resolution, procedures, investment reports, custody documents, and related templates.
- Updating each citation using the consolidated crosswalk in Appendix A rather than relying on a blanket replacement. Several former sections are split among new subdivisions or combined with other provisions and re-using existing code section numbers.
- Separating substantive policy decisions from technical renumbering. The expanded commercial paper and supranational authorities are permissive. A local agency may continue to adopt limits that are more restrictive than CGC.
- Confirming that descriptions, concentration limits, maturity limits, credit standards, eligible issuers, and prohibited-investment language remain internally consistent after the section references change.
- Obtaining legal and compliance review before adoption, particularly when an agency is making substantive authority changes after evaluating step 3 above, rather than only updating statutory citations.

Best practices

An Investment Policy Statement should remain clear enough for staff, governing bodies, auditors, counterparties, and the public to understand the agency's objectives, authorities, limits, and controls. Chandler recommends reviewing the policy at least annually and whenever statutory changes affect eligible investments, governance requirements, reporting, delegation, or cross-references. Agencies should preserve policy restrictions that reflect their own liquidity needs, risk tolerance, and operational capabilities, even when state law permits broader authority.

Article Sources

- California Senate Bill 1438, Chapter 715, Statutes of 2026, chaptered September 27, 2026.
- California Legislative Counsel's Digest and chaptered bill text for SB 1438.

Disclosures

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Questions? Please contact Chandler at info@chandlerasset.com or 800-317-4747 regarding investment management solutions for public entity investment programs.

Appendix A: Consolidated SB 1438 Crosswalk

New subdivision	Current location	Change	Description
§ 53600	§ 53600	Amended; retained	Centralized definitions.
§ 53602(b)	§ 53600.3	Repealed	Prudent-investor and fiduciary provisions.
§ 53602(a)	§ 53600.5	Renumbered	Safety, liquidity, and return objectives.
§ 53601	§ 53600.6	Renumbered	Statewide-concern finding.
§ 53603	§ 53601	Renumbered	Eligible investments; administration principally moves to § 53602.
§ 53603(s)	§ 53601.1	Repealed	Financial futures and options.
§ 53600(a)	§ 53601.2	Repealed	Corporation definition.
§ 53602(h)	§ 53601.5	Repealed	Permissible sources and counterparties.
§ 53602(i)	§ 53601.6	Repealed	Prohibited investments and zero-interest provisions.
§ 53604	§ 53601.8	Renumbered	Deposit-placement services.
§ 53602(j)	§ 53602	Repealed	Savings-bank rule and county exception.
§ 53602(k)	§ 53603	Repealed	Direct-purchase authority.
§ 53602(l)	§ 53604	Repealed	Sale, exchange, and reinvestment.
§ 53602(m)	§ 53605	Repealed	Sale when proceeds are needed.
§ 53602(n)	§ 53606	Repealed	Agency's own bonds.
§ 53602(o)	§ 53607	Repealed	Delegation and monthly reporting.
§ 53602(p)	§ 53608	Repealed	Safekeeping.
§ 53602(q)	§ 53609	Repealed	Deferred compensation.
§ 53600(d); § 53603(t)	§ 53610	Repealed	Proposition 1A definition and authority.

For educational purposes only.

Appendix B: Line-by-line SB 1438 Crosswalk

Definitions

New subdivision	Current location	Description
§ 53600(a)	§ 53601.2	"Corporation," including a limited liability company
§ 53600(b)	§ 53601 intro	"Counterparty"
§ 53600(c)	§ 53600	"Local agency"
§ 53600(d)	§ 53610(a)	"Proposition 1A receivable"
§ 53600(e)	§ 53601(j)	"Repurchase agreement"
§ 53600(f)	§ 53601(j)	"Reverse repurchase agreement"
§ 53600(g)	§§ 53601 and 53608	"Savings association or federal association"
§ 53600(h)	§ 53601(j)	"Securities" for repurchase purposes
§ 53600(i)	§ 53601(j)	"Securities lending agreement"
§ 53600(j)	§ 53601(j)	"Significant banking relationship"
§ 53600(k)	§ 53601(j)	"Spread"

For educational purposes only.

Local Government Concern

New subdivision	Current location	Description
§ 53601	§ 53600.6	Statewide-concern finding concerning local-agency solvency, creditworthiness, deposits, and investments

For educational purposes only.

Governance

New subdivision	Current location	Description
§ 53602(a)	§ 53600.5	Safety, liquidity, and return objectives
§ 53602(b)	§ 53600.3	Trustee, fiduciary, and prudent-investor standard
§ 53602(c)(1)	§ 53601 intro	Delivery of securities
§ 53602(c)(2)	§ 53601 intro	Book-entry and physical-delivery arrangements
§ 53602(d)	§ 53601 intro	Percentage limits measured at purchase
§ 53602(e)(1)	§ 53601 intro	Maturity measured settlement to final maturity; 45-day forward-settlement limit
§ 53602(e)(2)	§ 53601 intro	Five-year maturity limit and express-authority exception
§ 53602(f)	§ 53601(i)	Credit-union negotiable certificate of deposit conflict restriction
§ 53602(g)	§ 53601(j)	Local-agency pool base value
§ 53602(h)	§ 53601.5	Permissible sources or counterparties
§ 53602(i)(1)	§ 53601.6(a)	Prohibited inverse floaters, range notes, and mortgage-derived interest-only strips
§ 53602(i)(2)	§ 53601.6(b)	Zero-interest restriction and exceptions ***Change to law:*** *removes 2031 sunset*
§ 53602(j)	§ 53602	Savings-bank limitation and county exception
§ 53602(k)	§ 53603	Direct-purchase authority
§ 53602(l)	§ 53604	Sale, exchange, and reinvestment
§ 53602(m)	§ 53605	Sale when proceeds are needed
§ 53602(n)	§ 53606	Agency's own bonds
§ 53602(o)	§ 53607	One-year delegation and monthly reporting
§ 53602(p)	§ 53608	Deposit and safekeeping
§ 53602(q)	§ 53609	Deferred-compensation funds

For educational purposes only.

Appendix B: Line-by-line SB 1438 Crosswalk (cont.)

Eligible Investments

New subdivision	Current location	Description
§ 53603(a)	§ 53601(a)	Investing agency's bonds
§ 53603(b)	§ 53601(b)	United States Treasury and full-faith-and-credit obligations
§ 53603(c)	§ 53601(c)	California warrants, notes, and bonds
§ 53603(d)	§ 53601(d)	Other-state obligations
§ 53603(e)	§ 53601(e)	California local-agency obligations
§ 53603(f)	§ 53601(f)	Federal agency and government-sponsored enterprise obligations
§ 53603(g)	§ 53601(g)	Bankers' acceptances
§ 53603(h)	§ 53601(h)	Commercial paper; expanded issuers ***Changes to law:*** *Removes 2031 Sunset, Expanded to federal-chartered, state-chartered, or federally or state licensed branches of foreign banks*
§ 53603(i)	§ 53601(i)	Negotiable certificates of deposit
§ 53603(j)	§ 53601(j)	Repurchase, reverse repurchase, and securities-lending agreements
§ 53603(k)	§ 53601(k)	Medium-term notes
§ 53603(l)	§ 53601(l)	Mutual funds and money market mutual funds
§ 53603(m)	Existing § 53601(p)	Qualifying joint powers authority shares
§ 53603(n)	Existing § 53601(m)	Trustee or fiscal-agent investments
§ 53603(o)	Existing § 53601(n)	First-priority collateralized obligations
§ 53603(p)	Existing § 53601(o)	Mortgage pass-through, collateralized mortgage, and asset-backed securities
§ 53603(q)	§ 53601(q)	Supranationals ***Change to law:*** *Adds Inter-American Investment Corporation to eligible list*
§ 53603(r)	§ 53601(r)	Public-bank obligations ***Change to law:*** *Removes delayed effective date/sunset framework to immediately incorporate public-bank investments.*
§ 53603(s)	§ 53601.1	Financial futures and options
§ 53603(t)	§ 53610(b)-(c)	Proposition 1A receivables

For educational purposes only.

Banking Investments

New subdivision	Current location	Description
§ 53604	§ 53601.8	Deposit-placement services

For educational purposes only.

Sources and important considerations

- California Senate Bill 1438, Chapter 715, Statutes of 2026, chaptered September 27, 2026.
- California Legislative Counsel's Digest and chaptered bill text for SB 1438.

TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: 11/19/2026	**ITEM: 15.1. AI Readiness**
DEPARTMENT: Information Technolgy	**TYPE OF AGENDA ITEM:** ☐ Action ☐ Consent ☒ Discussion
RESPONSIBLE PARTY: Kyle Kittell, Dr. Aaron Gladman	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☒ Presentation ☐ Resolution ☐ Other
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☒ No ☐ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☒ No ☐ N/A

BACKGROUND:

AI is increasingly becoming part of TFHS clinical, operational, and administrative workflows. To provide responsible oversight during this period of adoption, TFHS has developed an interim AI governance foundation that includes a cross-functional governance structure, draft guiding framework, RIDGE assessment method, AI inventory, intake concepts, and a centralized Governance Center. This work gives TFHS a practical bridge for reviewing current use cases, identifying risk, and clarifying accountability while a durable enterprise model is developed.

SUMMARY/OBJECTIVES:

The work completed to date is intended as interim scaffolding rather than the final governance program. The next phase is to partner with an experienced external professional advisor to validate the foundation, identify gaps, incorporate healthcare industry practices, and help TFHS craft a sustainable long-term solution. The desired outcome is an operating model that TFHS can own internally and maintain as AI capabilities, regulatory expectations, Mercy alignment, and Epic dependencies continue to evolve.

SUGGESTED DISCUSSION POINTS:

- TFHS has established a practical interim foundation so AI use cases can be reviewed consistently while the long-term model is being developed.
- Current work includes cross-functional governance participation, draft guiding principles, the RIDGE assessment method, an AI inventory, intake and review concepts, and a centralized Governance Center.
- The interim approach is deliberately conservative and focused on clinical safety, privacy, security, compliance, operational value, ownership, and ongoing monitoring.
- External professional guidance will help independently validate the work, close gaps, define decision rights, and convert the current foundation into a sustainable enterprise program.
- The long-term model should align with TFHS priorities while remaining adaptable to Mercy's developing governance direction, Epic capabilities, and changes in healthcare AI oversight.
- The partnership should emphasize knowledge transfer so TFHS retains ownership and does not create an ongoing dependency on outside consulting.

SUGGESTED MOTION/ALTERNATIVES:

No motion – education and discussion only.

LIST OF ATTACHMENTS:

TFHS AI Readiness & Governance Education

TAHOE FOREST
HEALTH SYSTEM

AI READINESS

Interim Governance

Kyle Kittell, Director, Information Technology
Dr. Aaron Gladman, ER Physician
November 19, 2026

AI governance is still developing across healthcare



63% of surveyed health systems describe their AI strategy as developing or ad hoc.

72% of surveyed organizations deploy AI without formal IT approval at least occasionally.

What this means for TFHS

We have a working foundation. Committee approval and independent validation are the next steps.

TAHOE FOREST HEALTH SYSTEM

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A working foundation for consistent AI review

AI ideas and vendor features prompted a consistent review pathway across TFHS.

1

RECOGNIZE

- Identify the need for consistent AI oversight.

2

CONVENE

- Bring clinical and functional expertise into the committee.

3

BUILD

- Define the framework and RIDGE assessment tool.

4

ENABLE

- Give staff an advisory Governance Center.

Ready for committee review and approval for interim use. Permanent adoption comes later.

TAHOE FOREST HEALTH SYSTEM

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A clear path from staff question to decision

1

LEARN & PREPARE

Use the Governance Center to understand requirements. Submit ideas through Tahoe Forest Project Central.

2

SUBMIT & ASSESS

Clinical Innovation Committee and EPMO coordinate intake. The AI Governance Committee assesses with RIDGE.

3

DECIDE & OVERSEE

Authorized leaders decide. Clinical and functional gate owners retain responsibility through monitoring and retirement.

Non-Negotiables
Unresolved safety, privacy, security, legal or regulatory requirements pause review, regardless of the RIDGE assessment.

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The TFHS AI Governance Center

A clear place for staff to learn about TFHS AI governance.

WHAT IT IS

An AI-powered guide grounded in the written framework.

Helps staff understand how TFHS reviews, approves, monitors and manages AI.

HOW IT HELPS STAFF

- ✓ Ask questions in everyday language
- ✓ Find framework information and requirements
- ✓ Understand the governance approach
- ✓ Get consistent guidance across departments

ADVISORY ONLY

Advisory guidance only. No RIDGE scoring, product approvals or ticketing. People retain decision authority.

TAHOE FOREST HEALTH SYSTEM

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The bridge to a permanent program

Use a controlled interim process while outside advisors help define a sustainable program.

NOW

CONTROLLED INTERIM USE

- After committee approval, support current and FY2028 evaluations and document lessons.

NEXT

INDEPENDENT ASSESSMENT

- Retain advisors to assess gaps, clarify ownership and define operating resource needs.

Review Suggested Candidate
In Progress

THEN

FORMAL TRANSITION

- Complete the engagement and transition to a TFHS-approved, sustainable successor.

10 Weeks
Once Engagement Begins

ULTIMATE GOAL Retain outside expertise, complete the engagement and transition to a validated, sustainable program.

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Clear ownership

Humans retain accountability.

AI OWNERSHIP AT TFHS

1. **Executive leadership sponsors the program**
Establishes decision authority and organizational support.

2. **AI Governance Committee oversees review**
Coordinates assessment within its approved authority.

3. **Each AI use has a named owner**
A business or clinical owner is accountable for use, outcomes and monitoring.

Clinical Innovation Committee, IT and EPMO coordinate the pathway with clinical and functional support.

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Engaged as artificial intelligence evolves

Tahoe Forest Health System has engaged with artificial intelligence laws, healthcare requirements and standards.

FEDERAL – LAW & REGULATION

CALIFORNIA – STATE LEGISLATION

HEALTHCARE – STANDARDS & GLOBAL FRAMEWORKS

INDUSTRY – RESEARCH & REGIONAL INPUT

Laws apply by use case; guidance is not certification or endorsement. We will keep monitoring as requirements change.

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TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026	**ITEM:** 16.1. FY 2026 Audited Financial Statements
DEPARTMENT: Finance	**TYPE OF AGENDA ITEM:** ☒ Action ☐ Consent ☐ Discussion
RESPONSIBLE PARTY: Crystal Felix, Chief Financial Officer	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☒ Presentation ☐ Resolution ☒ Other **Audit**
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A

BACKGROUND:
Within the Bylaws of the Board of Directors of Tahoe Forest Hospital District, the Board has financial responsibilities outlined in Article II, Section 2, Item E. Item E.5. states, "Receives and reviews reports of the District's auditors, which reports shall be published annually under Health and Safety Code section 32133."

Agenda item for Action 16.1. requests the Board of Directors review and consider for approval the Fiscal Year 2026 Audited Financial Statements.

SUMMARY/OBJECTIVES:
To provide the Board information about the District's annual combined financial statement audit to assist them in fulfilling their financial responsibilities as Board members.

SUGGESTED DISCUSSION POINTS:

SUGGESTED MOTION/ALTERNATIVES:
Move to approve the Fiscal Year Audited Financial Statements as presented

LIST OF ATTACHMENTS:
TFHD Board Presentation by BakerTilly
Communications with the Board of Directors TFHD – June 30, 2026
Report of Independent Auditors and Combined Financial Statements TFHD June 30, 2026 and 2025

Tahoe Forest Hospital District

Discussion with the Board of Directors / 2026 Audit Results

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Agenda

01 / Scope of Services

02 / Auditor Opinion and Reports

03 / Significant Risks Identified

04 / Matters to be Communicated to the Board of Directors

05 / Financial Highlights

06 / 2026 Executive Health Care Conference

07 / Executive Session

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Scope of Services

Annual Audit

- Annual combined financial statement audit as of and for the year ended June 30, 2026

Non-Attest Services

- Assist management with drafting the District's combined financial statements and related footnotes as of and for the year ended June 30, 2026
- Review of Form 990 and other tax returns prepared by management as of and for the year ending June 30, 2026
- Assist management with process improvement over grant compliance

Auditor Opinion and Report

Unmodified Opinion

- Combined financial statements as of and for the year ended June 30, 2026, are presented fairly and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).



Significant Risks Identified

During the planning of the audit, we have identified the following significant risks:

Significant Risks	Procedures
Valuation of Patient Accounts Receivable and Patient Service Revenue	We performed a lookback analysis to determine if management's estimate was materially correct at 6/30/2025, based upon cash collections. We also analyzed subsequent cash collections on 6/30/2026, accounts receivable and performed analytical procedures on 6/30/2026, accounts receivable and net patient service revenue. Finally, we performed test procedures on management's patient accounts receivable allowance model. Revenue recognition and valuation of patient accounts receivable are considered appropriate
Cutoff of Net Patient Service Revenue	We analyzed patient charges posted during the last month of fiscal year 2026 and first month of fiscal year 2027 to determine that patient charges as of 6/30/2026 contains proper cutoff based on the dates of service. Cutoff of net patient service revenue is considered appropriate.
Management Override of Controls	We performed inquiries of accounting and operational personnel, performed risk assessment procedures, and tested risk-based manual journal entry selections. Testing did not result in any observed instances of management override.

Matters to be Communicated to the Board of Directors



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Our Responsibility Under U.S. Generally Accepted Auditing Standards

1. To express our opinion on whether the combined financial statements prepared by management with your oversight are fairly presented, in all material respects, and in accordance with U.S. GAAP. However, our audit doesn't relieve you or management of your responsibilities.

2. To perform an audit in accordance with generally accepted auditing standards issued by the AICPA and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts and design the audit to obtain reasonable, rather than absolute, assurance about whether the combined financial statements are free of material misstatement.

3. To consider internal control over financial reporting as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.

4. To communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we aren't required to design procedures for the purpose of identifying other matters to communicate to you.

Matters Required to be Communicated with the Board of Directors

Planned scope & timing of the audit:

It's the auditor's responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence and to communicate with those charged with governance an overview of the planned scope and timing of the audit.

The planned scope and timing of the audit was communicated to you in our planning letter dated July 24, 2026.

Matters Required to be Communicated with the Board of Directors

Significant Accounting Policies & Unusual Transactions:

The auditor should determine that the Board of Directors is informed about the initial selection of and changes in significant accounting policies or their application. The auditor should also determine the Board of Directors is informed about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there's a lack of authoritative guidance or consensus.

Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in the notes to the combined financial statements. Throughout the course of an audit, we review changes, if any, to significant accounting policies or their application, and the initial selection and implementation of new policies.

During fiscal year 2026, the District adopted Governmental Accounting Standards Board Statement No. 103, *Financial Reporting Model Improvements*, and Statement No. 104, *Disclosure of Certain Capital Assets*.

There have been no other new accounting policies adopted and there were no changes in the application of existing policies during fiscal year 2026.

Matters Required to be Communicated with the Board of Directors

Management Judgments & Accounting Estimates:

The Board of Directors should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates.

Management's judgments and accounting estimates are based on knowledge and experience about past and current events and assumptions about future events. We apply audit procedures to management's estimates to ascertain whether the estimates are reasonable under the circumstances and don't materially misstate the combined financial statements.

Significant management estimates impacting the combined financial statements include the following: net patient service revenue, allowance for contractual and doubtful accounts receivable, third-party payor settlements, uninsured losses for medical malpractice liabilities, liabilities for worker's compensation claims, right-to-use lease assets and liabilities, subscription assets and liabilities, and useful lives of capital assets.

We deemed them to be reasonable.

Matters Required to be Communicated with the Board of Directors

Management Judgments & Accounting Estimates:

Our views about qualitative aspects of the District's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures.

The disclosures in the combined financial statements are clear and consistent. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users; however, we don't believe any of the footnotes are particularly sensitive. The most sensitive disclosures affecting the combined financial statements were disclosures relating to net patient service revenue, assets limited as to use and investments, fair value measurement of financial instruments, patient accounts receivable, capital assets, long-term debt and lease obligations, right-to-use assets and lease liabilities, and subscription-based information technology arrangements in Note 1, Note 2, Note 3, Note 4, Note 5, Note 6, Note 7, Note 13, and Note 14 to the combined financial statements, respectively.

Matters Required to be Communicated with the Board of Directors

Significant Audit Adjustments & Immaterial Unadjusted Differences:

The Board of Directors should be informed of all significant audit adjustments arising from the audit. Consideration should be given to whether an adjustment is indicative of a significant deficiency or a material weakness in the District's internal control over financial reporting, or in its process for reporting interim financial information, that could cause future combined financial statements to be materially misstated.

The Board of Directors should also be informed of uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the combined financial statements as a whole.

There were no misstatements detected as a result of our audit procedures and corrected by management.

There were no uncorrected misstatements identified as a result of our audit.

Other Required Communications

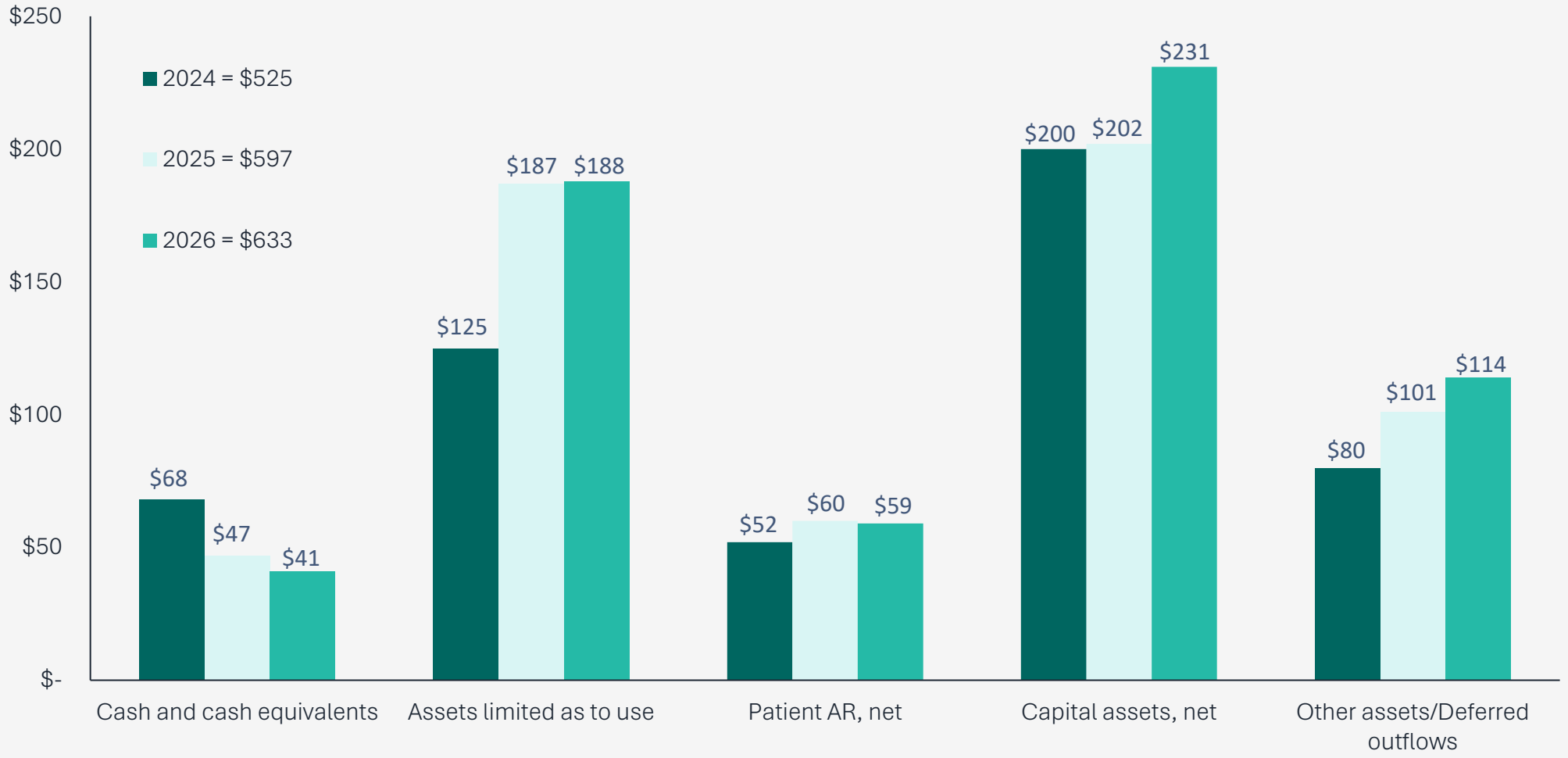
- Significant difficulties encountered during the audit
- Disagreements with management
- Circumstances affecting content of auditor’s report
- Management’s consultation with other accountants
- Management representation letter
- Other significant findings or issues

Financial Highlights



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Asset and Deferred Outflows Composition (in millions) without TSC, LLC



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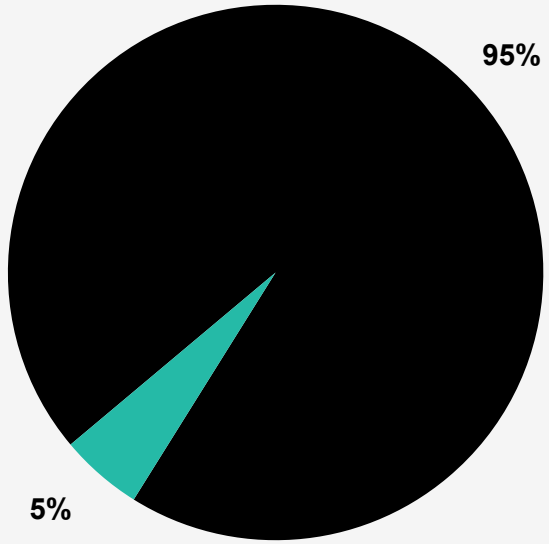
Liabilities & Net Position (in millions) without TSC, LLC

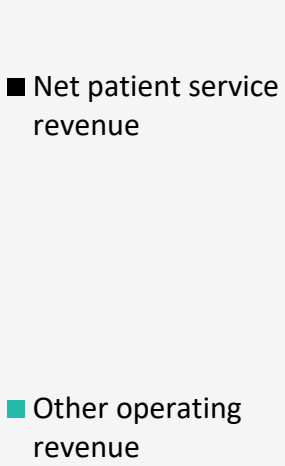


Statements of Revenues, Expenses, and Changes in Net Position – Year to Year Comparison without TSC, LLC

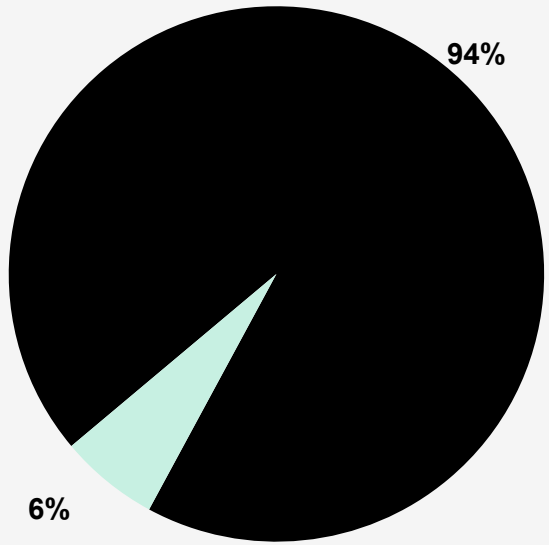
Total Operating Revenues (in millions)

June 30, 2026
$388,828,840





June 30, 2025
$382,671,331

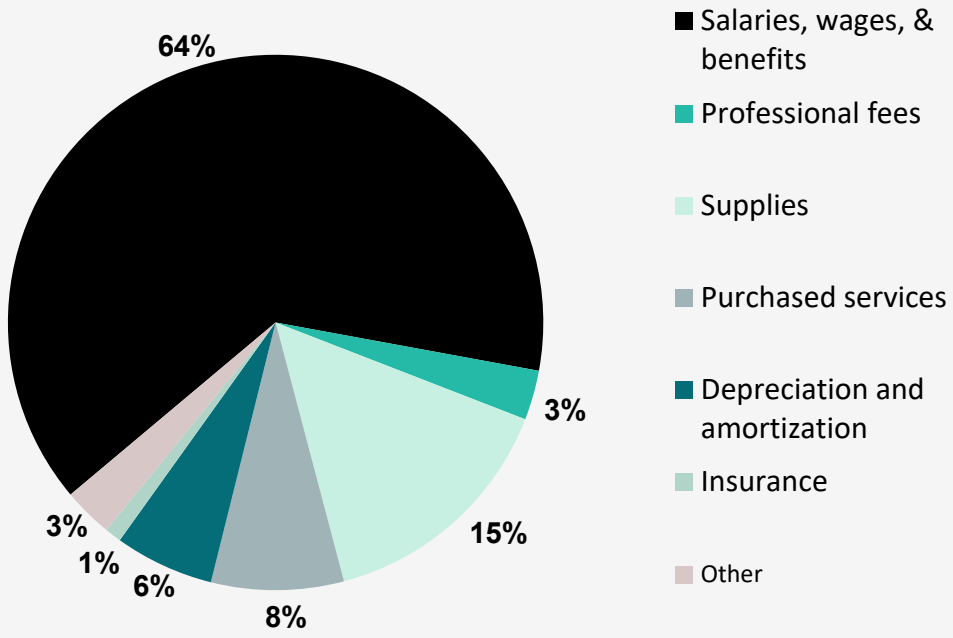


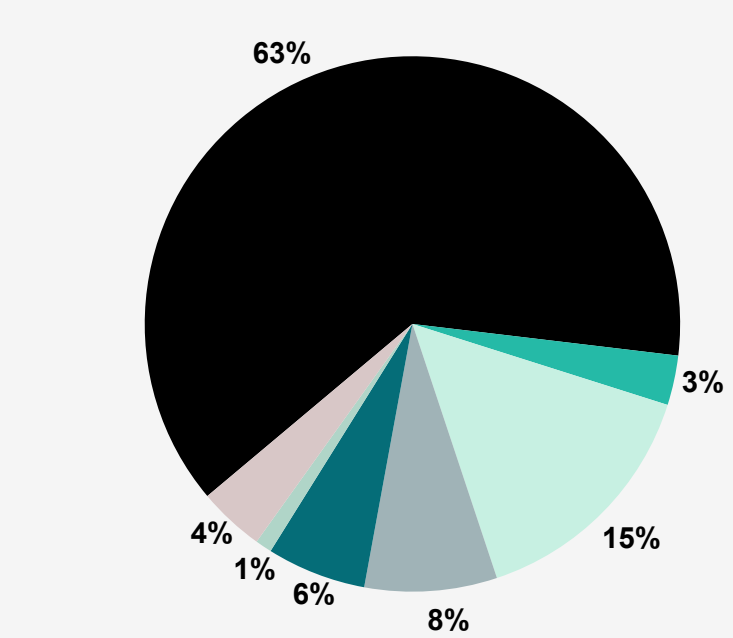
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Statements of Revenues, Expenses, and Changes in Net Position – Year to Year Comparison without TSC, LLC

Total Operating Expenses (in millions)

June 30, 2026
$384,427,515

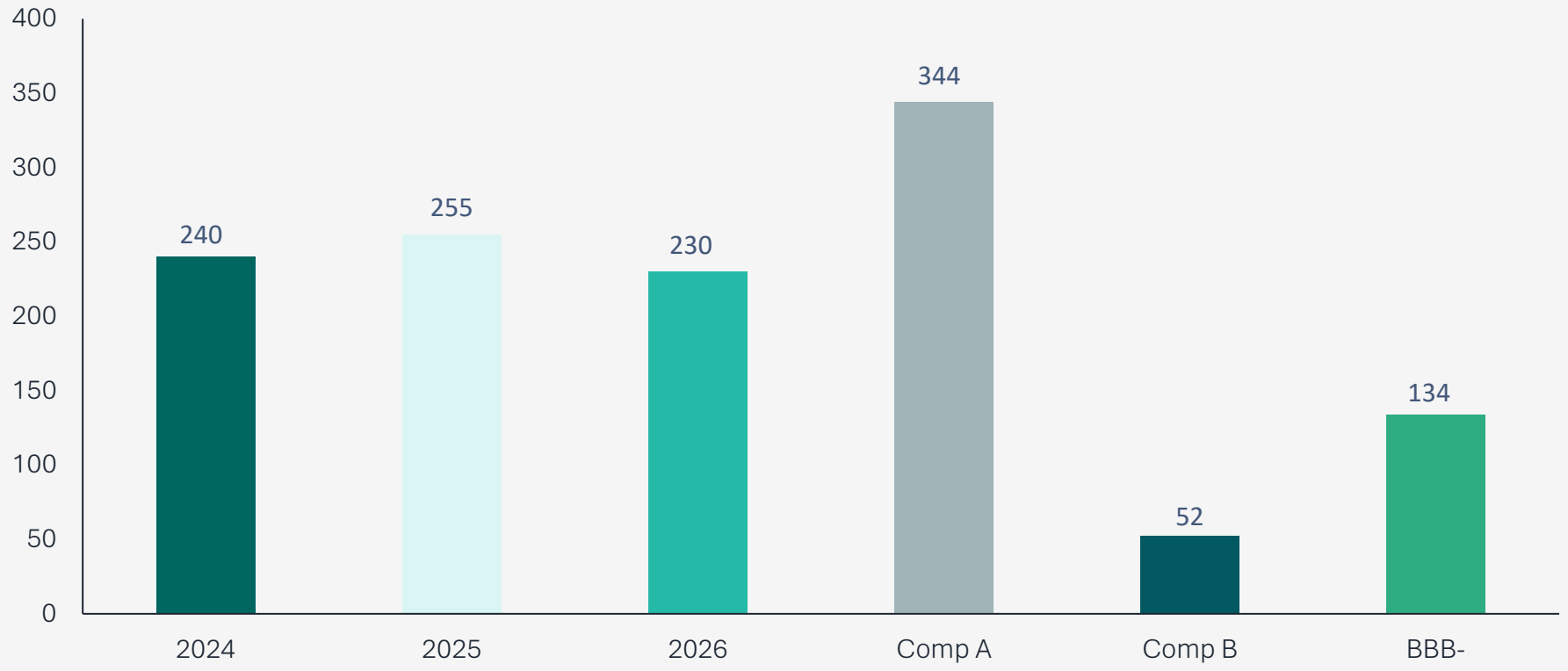




June 30, 2025
$356,810,488

Days Cash and Investments Ratio without TSC, LLC

- Measures the ability of an organization to sustain operations with existing cash and investments
- The higher the number – the more cash reserves available for the District

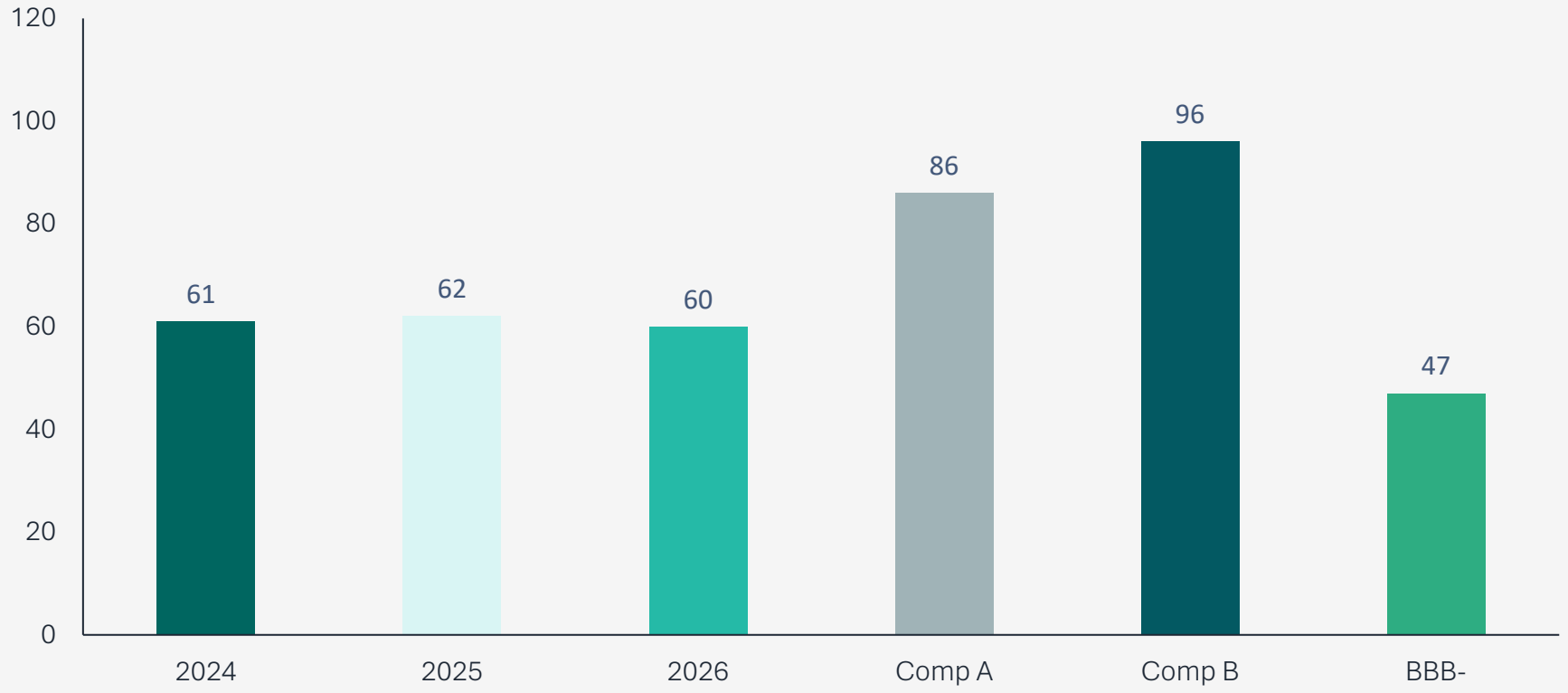


S&P - U.S. Not-for-Profit Health Care Stand-Alone Hospital Median Financial Ratios - 2025

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Days in Accounts Receivable Ratio without TSC LLC

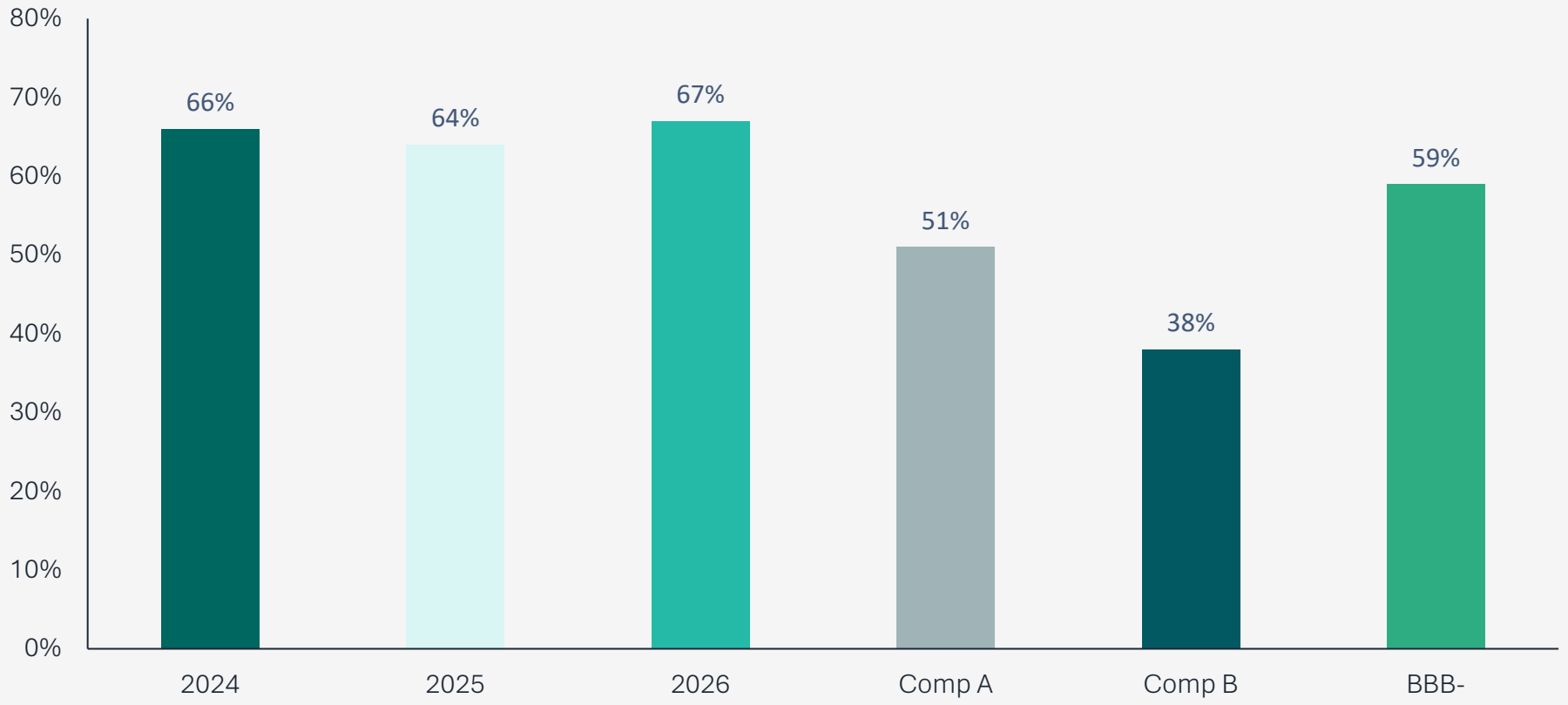
- Measures the average number of days that accounts receivable are outstanding
- The lower the number – indicates outstanding balances are being collected in a shorter duration



S&P - U.S. Not-for-Profit Health Care Stand-Alone Hospital Median Financial Ratios - 2025

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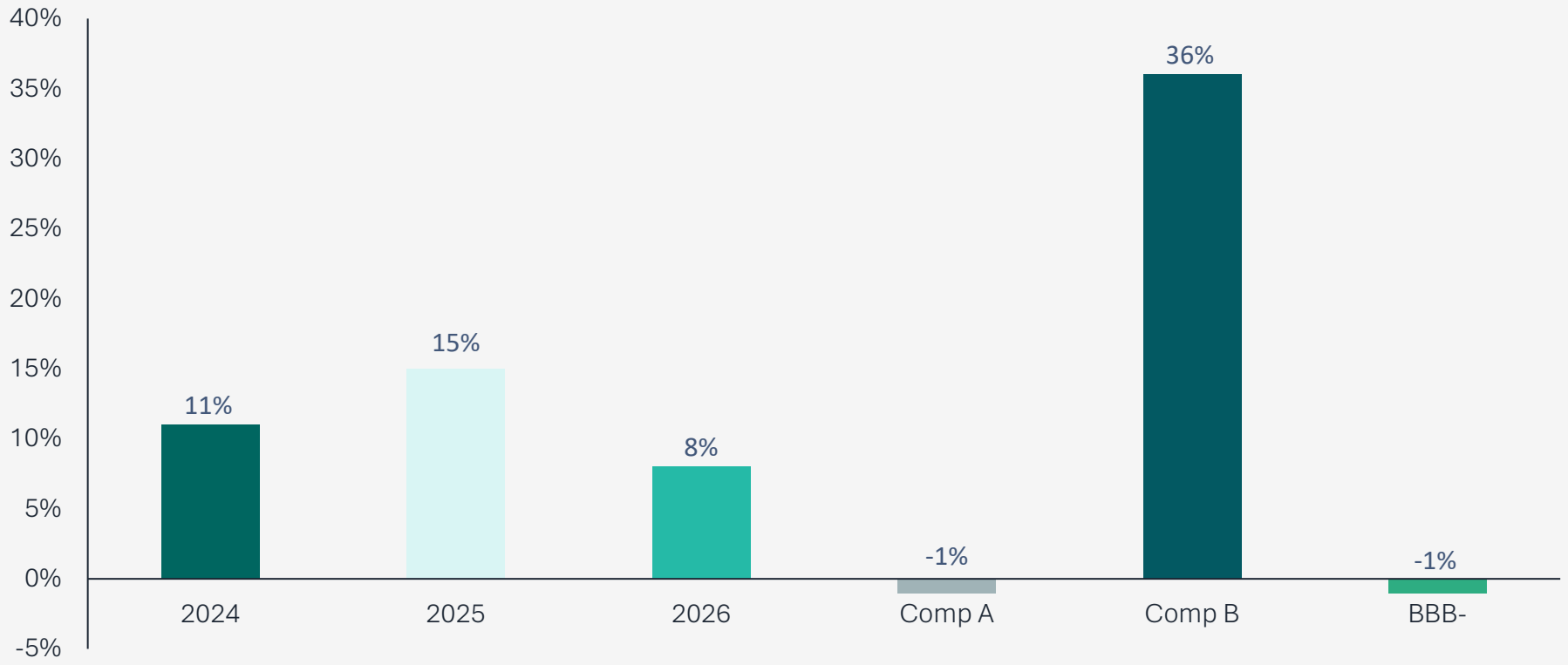
Salaries & Benefits as a Percentage of Net Revenue without TSC, LLC



S&P - U.S. Not-for-Profit Health Care Stand-Alone Hospital Median Financial Ratios - 2025

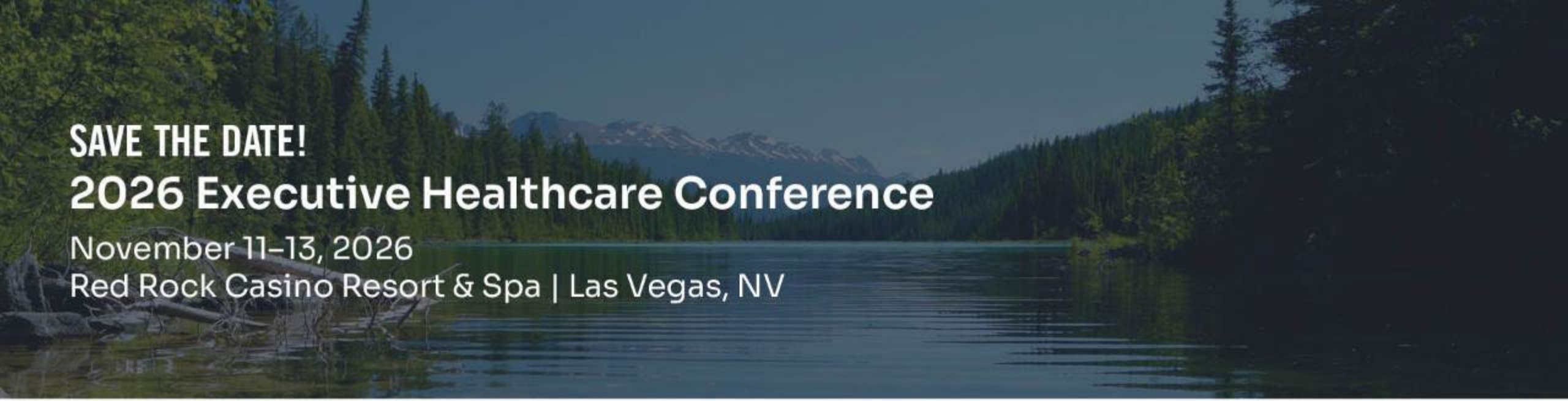
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Operating Margin (Operating Income/Total Operating Revenue) without TSC, LLC



S&P - U.S. Not-for-Profit Health Care Stand-Alone Hospital Median Financial Ratios - 2025

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SAVE THE DATE!

2026 Executive Healthcare Conference

November 11–13, 2026
Red Rock Casino Resort & Spa | Las Vegas, NV

Join C-suite professionals from across the healthcare ecosystem to discuss the state of the industry and prepare leaders for 2026.

HIGHLIGHTS

Nov. 11: Women's Executive Healthcare Leadership Forum

Nov. 12–13: Executive Healthcare Conference

State of the Union
Political Point-Counterpoints
Reception with Keynotes
Economic Forecast

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Executive Session



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Thank you.

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Communications with
the Board of Directors

Tahoe Forest Hospital District

June 30, 2026

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Communications with the Board of Directors

To the Board of Directors
Tahoe Forest Hospital District

We have audited the combined financial statements of Tahoe Forest Hospital District, and its discretely presented component unit, Truckee Surgery Center, LLC, collectively (the District) as of and for the year ended June 30, 2026, and have issued our report thereon dated November ___, 2026. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated April 10, 2026 (for fiscal year ends: 2026, 2027, and 2028), we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the combined financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Purpose Districts. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Tahoe Forest Hospital District, and its discretely presented component unit, Truckee Surgery Center, LLC's internal control over financial reporting. Accordingly, we considered Tahoe Forest Hospital District, and its discretely presented component unit, Truckee Surgery Center, LLC's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the combined financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

The supplementary information was subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves.

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Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our planning letter to the Board of Directors dated July 24, 2026.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Tahoe Forest Hospital District, and its discretely presented component unit, Truckee Surgery Center, LLC are described in Note 1 to the combined financial statements. During fiscal year 2026, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*, and Statement No. 104, *Disclosure of Certain Capital Assets*. The adoption of GASB Statement No. 103 resulted in changes to the presentation and classification of certain revenues and expenses in the combined financial statements, including the presentation of noncapital subsidies. Prior-year amounts were reclassified to conform to the current-year presentation. The adoption of GASB Statement No. 104 had no significant impact on the District's combined financial statements. There have been no other new accounting policies adopted and there were no changes in the application of existing policies during fiscal year 2026. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the combined financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the combined financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the combined financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the combined financial statements were*:*

- Management's estimate of net patient service revenue is based on management's estimates of net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. We evaluated the key factors and assumptions used to develop the estimated net realizable amounts. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimate of the value of allowances for contractual and uncollectible accounts receivable is based on management's estimates of collectability by payor class, considering the historical payment and collection experience from each payor class. Management records the net collectible amount as the actual accounts receivable for the combined financial statements. We have gained an understanding of management's estimate methodology and examined the documentation supporting this methodology. We found management's basis to be reasonable in relation to the combined financial statements as a whole.

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- Management's estimate of the value of assets and liabilities for the expected eventual settlements of claims with both Medi-Cal and Medicare, in total the "estimated amounts due to or from third-party payors," is based on management's estimate of each individual settlement on an issue by issue basis. Historical trends and other information, such as communications with fiscal intermediaries, are also considered. We evaluated the key factors and assumptions used to develop the value of amounts due to or from third-party payors. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimate of uninsured losses for professional liability has been accrued as liabilities in the accompanying combined financial statements. We evaluated the key factors and assumptions used to develop the estimate of uninsured losses for professional liabilities. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimate of the liability for workers' compensation claims is recognized based on management's estimate of historical claims experience and known activity subsequent to year end. We evaluated the key factors and assumptions used to develop the estimate of the liability for workers' compensation claims. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimate of the District's operating lease right-to-use assets and lease liabilities is based on the discount rate, useful lives, and lease terms used. We have gained an understanding of management's key factors and assumptions and examined the documentation supporting the estimates. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimate of the District's subscription assets and subscription liabilities is based on the discount rate, subscription terms, and other assumptions used. We have gained an understanding of management's key factors and assumptions and examined the documentation supporting the estimates. We found management's basis to be reasonable in relation to the combined financial statements as a whole.
- Management's estimates of the useful lives of capital assets are based on the intended use and is within accounting principles generally accepted in the United States of America. We evaluated the key factors and assumptions used to develop the estimates of the useful lives of capital assets. We found management's basis to be reasonable in relation to the combined financial statements as a whole.

Financial Statement Disclosures

The disclosures in the combined financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's combined financial statements were disclosures of significant accounting policies, net patient service revenue, assets limited as to use and investments, fair value measurement of financial instruments, patient accounts receivable, capital assets, long-term debt and lease obligations, right-to-use assets and lease liabilities, and subscription-based information technology arrangements in Note 1, Note 2, Note 3, Note 4, Note 5, Note 6, Note 7, Note 13, and Note 14 to the combined financial statements, respectively.

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Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of the District's combined financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the District's combined financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the combined financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with U.S. GAAS and the California Code of Regulations, Title 2 Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. There were no circumstances that affected the form and content of the auditor's report.

Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements identified by us as a result of audit procedures and uncorrected by management that are material, either individually or in the aggregate, to the combined financial statements as a whole.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter dated November ___, 2026.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's combined financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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Other Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Board of Directors and management of Tahoe Forest Hospital District, and its discretely presented component unit, Truckee Surgery Center, LLC, and is not intended to be, and should not be, used by anyone other than these specified parties.

Santa Rosa, California
November ___, 2026

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Report of Independent Auditors and
Combined Financial Statements

Tahoe Forest Hospital District

June 30, 2026 and 2025

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Management Discussion & Analysis

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Tahoe Forest Hospital District
Management's Discussion and Analysis
For the Years Ended June 30, 2026, 2025, and 2024

Tahoe Forest Hospital District (the District) is a public entity organized under Local Hospital District Law as set forth in the Health and Safety Code of the State of California. The District includes the following component units, which are included as blended component units of the District's combined financial statements: Tahoe Forest Health System Foundation (TFHSF) and Incline Village Community Hospital Foundation (IVCHF). The District is located in Truckee, California, and Incline Village, Nevada.

Our discussion and analysis of the District financial performance provides an overview of the District's financial activities for the years ended June 30, 2026, 2025, and 2024. Please read this in conjunction with the District's combined financial statements and accompanying notes, which begin on page 14. Our discussion and analysis of the District does not include Truckee Surgery Center, LLC, which is a discretely presented component unit.

Overview of the Combined Financial Statements

The District's combined financial statements consist of the combined statements of net position; combined statements of revenues, expenses, and changes in net position; combined statements of cash flows; and accompanying notes. Together, these statements provide information about the District's financial position, results of operations, and cash flows as of and for the fiscal years ended June 30, 2026 and 2025.

The combined statements of net position report the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at fiscal year-end. The combined statements of revenues, expenses, and changes in net position report all revenues and expenses using the accrual basis of accounting, regardless of when cash is received or paid. The combined statements of cash flows explain cash receipts, cash payments, and net changes in cash from operating, noncapital financing, capital and related financing, and investing activities. The notes provide additional detail necessary to understand the amounts reported in the combined financial statements.

One of the most important questions asked about the District's finances is whether the District, as a whole, is better off or worse off as a result of the year's activities. Changes in net position are one indicator of financial health; however, readers should also consider nonfinancial factors such as changes in the patient base, service volumes, quality measures, and local economic conditions.

Effective for the year ended June 30, 2026, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. The Statement changes the presentation of the combined statements of revenues, expenses, and changes in net position by requiring noncapital subsidies to be reported in a separate category immediately following operating income and before other nonoperating revenues and expenses, and it revises the definitions of nonoperating revenues and expenses. The Statement also revised the required content and presentation of Management's Discussion and Analysis, including an increased focus on explaining significant changes in financial position and results of operations. As a result, certain fiscal year 2025 amounts have been reclassified to conform to the fiscal year 2026 presentation. The reclassifications did not change previously reported total net position or the previously reported increase in net position for fiscal year 2025.

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Financial Summary

Financial highlights for fiscal year 2026, include the following:

- The District's increase in net position was $34.9 million for 2026 as compared to a $63.1 million increase for 2025.
- Total operating revenue increased $6.2 million to $388.8 million, while total operating expenses increased $27.6 million to $384.4 million.
- The District reported operating income of $4.4 million in 2026 as compared to operating income of $25.9 million in 2025.
- Total noncapital subsidies increased $2.3 million to $20.1 million, while total nonoperating revenues decreased $9.0 million to $10.5 million.

Summary of Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (in thousands):

	As of June 30,		
	2026	2025	2024
Current assets	$ 166,085	$ 159,802	$ 159,058
Capital assets	230,787	201,828	200,341
Other noncurrent assets	232,461	231,538	161,157
Total assets	629,333	593,168	520,556
Deferred outflows of resources	3,932	4,323	4,593
Current liabilities	89,871	79,212	69,329
Long-term liabilities	133,181	142,988	143,604
Total liabilities	223,052	222,200	212,933
Net investment in capital assets	136,916	103,242	97,427
Restricted - expendable	15,029	13,318	4,247
Restricted - nonexpendable	604	604	604
Unrestricted	257,664	258,128	209,939
Total net position	$ 410,213	$ 375,291	$ 312,216

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Summary of Revenues, Expenses, and Changes in Net Position (in thousands):

	Fiscal years ended June 30,		
	2026	2025	pre-GASB 103* 2024
Operating revenues			
Net patient service revenues	$ 367,805	$ 358,076	$ 306,941
Other operating revenues	21,023	24,595	21,988
Total operating revenues	388,828	382,671	328,929
Operating expenses			
Salaries and wages	158,443	147,238	133,867
Employee benefits	86,289	80,001	67,793
Professional fees	12,569	10,741	9,255
Supplies	59,390	55,265	46,679
Purchased services	29,872	27,732	24,394
Depreciation and amortization	22,966	21,756	20,445
Other operating expenses	14,899	14,079	11,994
Total operating expenses	384,428	356,810	314,427
Income from operations	4,400	25,861	14,502
Noncapital subsidies			
Property tax revenue	12,131	11,394	-
Noncapital contributions	7,928	6,372	-
Total noncapital subsidies	20,059	17,766	-
Total income from operations and noncapital subsidies	24,460	43,627	14,502
Nonoperating revenue (expenses)			
Property tax revenue	-	-	10,804
Property tax revenue - general obligation bonds	5,907	5,718	5,581
Interest expense	(5,487)	(5,444)	(5,636)
Capital transfers	(1,141)	(1,071)	(642)
Other nonoperating revenues	11,182	20,245	13,294
Total nonoperating revenues	10,462	19,448	23,401
Increase in net position	$ 34,922	$ 63,075	$ 37,903

**Fiscal year 2024 amounts are presented on the basis originally reported and have not been reclassified to conform to the fiscal year 2026 presentation under GASB Statement No. 103. Accordingly, certain fiscal year 2024 classifications are not directly comparable to fiscal years 2025 and 2026.*

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Detailed Analyses

Analysis of Financial Position

At June 30, 2026, total assets were $629.3 million, an increase of $36.2 million, or 6.1%, from June 30, 2025. Current assets increased $6.3 million. Cash and cash equivalents decreased $6.0 million, patient accounts receivable decreased $0.5 million, while other receivables increased $10.0 million, and assets limited as to use and investments increased $5.3 million. Capital assets increased $29.0 million and right-to-use assets and subscription assets decreased $1.3 million and $2.6 million, respectively. Deferred outflows of resources related to the deferred loss on defeasance and the fair value of hedging derivative decreased $0.4 million.

The decrease in cash and cash equivalents was anticipated, and primarily due to investments in capital assets. Capital assets increased primarily due to four major construction projects, Gateway West RHC Expansion - $11.3 million, North Shore Clinic - $4.2 million, Sierra Center - $14.6 million, Seismic and Mechanical upgrades - $6.4 million, as well as equipment of - $6.6 million. The increase in other receivables was primarily due to anticipated funding from the District Hospital Directed Payment Program (DHDP) of $8.7 million.

Total liabilities increased $0.9 million, or 0.4%, to $223.1 million. Long-term debt and lease obligations decreased $6.0 million. Lease liabilities decreased $1.1 million and subscription liabilities decreased $2.4 million. Those decreases were partially offset by a $6.7 million increase in accounts payable and accrued expenses, primarily due to $7.2 million of invoices related to the construction projects noted above, and a $2.5 million increase in self-insured liabilities.

Total net position increased $34.9 million to $410.2 million. Net investment in capital assets increased $33.7 million, restricted expendable net position increased $1.7 million, and unrestricted net position decreased $0.5 million.

From June 30, 2024 to June 30, 2025, total assets increased $72.6 million, total liabilities increased $9.3 million, and total net position increased $63.1 million.

Results of Operations

Net Patient Service Revenue

Net patient service revenue increased $9.7 million, or 2.7%, to $367.8 million in 2026. Gross patient service revenue increased $53.5 million, or 7.2%, to $797.4 million. Daily hospital services revenue increased $3.0 million, inpatient ancillary services revenue decreased $0.7 million, and outpatient services revenue increased $51.0 million. Contractual allowances and the provision for bad debts increased $43.8 million, partially offsetting the growth in gross revenue.

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The increase in net patient service revenue in 2026 is due to robust outpatient activity. Outpatient charges increased to $699.5 million in 2026 from $648.6 million in 2025 and as a percentage of total charges, outpatient charges were 87.8% as compared to 87.2%, respectively. The increase in outpatient revenues was primarily driven by the following volume increases: 8% in outpatient surgical cases, 8% in lab tests, 8% in oncology procedures, 5% in PET CT scans, 1% in outpatient clinic visits, and MRI imaging volumes including 7% in MRI, 18% in ultrasound, 8% in CT scans, 4% in x-ray and mammography. See *Supporting Operating Indicators* section below.

Inpatient charges increased by $2.3 million to $97.6 million in 2026 from $95.3 million in 2025. Patient days increased to 4,855 in 2026 from 4,696 in 2025 primarily due to increases in the average length of stay from 3.19 days in 2025 to 3.27 days in 2026.

Contractual allowances and the provision for bad debt increased in 2026 due to the increase in gross revenues, but also due to shifts in payor mix. The District experienced a 3% decrease in gross patient service revenue derived from commercial insurance and a 3% increase derived from Medicare in 2026 when compared to 2025.

The District also saw an increase in funding related to DHDP. In calendar year 2025, the overall DHDP program grew from approximately $200 million annually to $842 million annually for all district hospitals. For the District, the growth of this program created additional funding of $2.1 million for 6 months of fiscal year 2025 (January - June 2025) and $4.9 million for fiscal year 2026.

Other Operating Revenues

Other operating revenues decreased $3.6 million, or 14.5%, to $21.0 million and was primarily due to less funding from the Quality Incentive Program (QIP) in 2026 which was $2.8 million compared to $5.0 million in 2025.

Operating Expenses

Operating expenses increased $27.6 million, or 7.7%, to $384.4 million. The most significant changes were as follows:

- Salaries, wages, and benefits increased $17.5 million, or 7.7%, to $244.7 million. Staffing as measured by paid full-time equivalents (FTEs), was 1,220 in 2026 and 1,122 in 2025. Employee benefits totaled $86.3 million in 2026 and $80.0 million in 2025. Salaries and wages per paid FTE decreased to $199,800 in 2026 from $202,530 in 2025.

- Professional fees increased $1.8 million, or 17.0%, to $12.6 million. This increase was primarily driven by physician professional fees for emergency department, hospitalist, anesthesia, pediatric, cardiology and urology services.

- Supplies increased $4.1 million, or 7.5%, to $59.4 million. This increase was primarily driven by surgical implant costs ($1.1 million), patient chargeable supply items ($2.3 million), and pharmaceuticals ($0.7 million). Higher utilization of supplies directly correlates with the increased patient volumes discussed within the net patient service revenue section above.

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- Purchased services increased $2.1 million, or 7.7%, to $29.9 million. This increase was primarily driven by revenue cycle support services ($0.9 million), community health indexing services ($0.2 million), laboratory and imaging maintenance and support services ($0.6 million), and plant maintenance services ($0.3 million).

- Depreciation and amortization increased $1.2 million, or 5.6%, to $23.0 million, reflecting changes in the depreciable, right-to-use, and subscription asset bases.

- Other operating expenses increased $0.8 million, or 5.8%, to $14.9 million, primarily driven by professional liability, malpractice and other insurance ($0.9 million).

Noncapital Subsidies

As required by GASB Statement No. 103, noncapital subsidies are presented separately following income from operations. District tax revenue increased $0.7 million, or 6.5%, to $12.1 million. The District property tax revenues are levied by the County on the District's behalf during the year and are intended to help finance the District's activities during the same year. Noncapital contributions increased $1.6 million to $7.9 million. Incline Village Community Hospital Foundation received $1.9 million more in contributions in 2026 when compared to 2025, which can be used for areas of greatest need.

Nonoperating Revenues and Expenses

Combined investment income and net increase in the fair value of investments decreased $2.8 million to $8.3 million. Contributions, net decreased $7.3 million, or 83.2%, to $1.5 million due to contributions received in 2025 related to the Incline Village Surgical Enhancement project that were not received in 2026.

Liquidity and Cash Flows

Net cash provided by operating activities decreased $10.6 million. Cash used in capital and related financing activities increased $38.3 million, reflecting $55.5 million of capital purchases, scheduled debt, lease, and subscription payments.

Cash and cash equivalents decreased $6.0 million to $40.5 million. Total assets limited as to use and investments increased $5.3 million to $208.0 million; therefore, combined cash, assets limited as to use, and investments decreased approximately $0.7 million to $248.5 million. Because portions of those investments are restricted or board designated, they are not all available for general operations.

Fiscal Year 2025 Compared with Fiscal Year 2024

Net patient service revenue increased $51.1 million, or 16.7%, in 2025 due to a combination of changes in volumes, changes in payor mix, a charge increase, less requests for patient financial assistance, and additional reimbursements related to prior periods. Inpatient census days decreased in 2025 to 4,696 from 4,795 in 2024. Adjusted patient days were up 8.3% in 2025 as compared to 2024. Inpatient charges increased by $3.9 million to $95.3 million in 2025 from $91.4 million in 2024. Outpatient charges increased by $95.5 million to $648.6 million in 2025 from $553.1 million in 2024, and as a percentage of total charges, outpatient charges increased to 87.2% of the total in 2025 from 85.8% in 2024.

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Operating expenses increased by $42.4 million, or 13.5% in 2025 due to added services and providers, additional full time equivalents (FTEs) including employed physicians, employee gain sharing program, management incentive compensation bonuses, merit increases, increased health insurance utilization, consulting related to physician compensation structure, benefit programs, and our revenue integrity program, increased pharmaceutical and medical supply costs, increased purchased services to support information technology, laboratory, authorizations, billing and coding, and interpreter services, increased other operating expenses due to increases in rent and utilities, as well as dues and subscriptions related to our cancer program, and increased depreciation and amortization due to a $6.6 million increase in depreciable assets.

Supporting Operating Indicators

	2026	2025	2024
Acute			
Admissions	1,485	1,470	1,555
Length of stay	3.27	3.19	3.08
Average daily census	13.30	12.87	13.10
Occupancy percentage	46%	44%	45%
Patient days	4,855	4,696	4,795
Total ICU days	1,077	929	999
Total medical/surgical days	2,569	2,490	2,508
Total obstetrics days	1,209	1,277	1,288
Total swing days	180	147	279
Skilled nursing units			
Patient days	11,381	10,960	10,948
Average daily census	31.18	30.03	29.91
Occupancy percentage	84%	81%	81%
Outpatient			
Emergency department visits	14,335	14,094	14,010
Surgical cases	2,761	2,543	2,186
Laboratory tests	193,384	178,851	169,857
Diagnostic imaging & mammography	18,701	18,034	17,733
Medical oncology procedures	13,132	12,107	11,463
Radiation oncology procedures	4,957	5,625	5,175
PET CTs	638	606	485

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Significant Capital Asset and Long-Term Financing Activity

Capital Asset Activity

At June 30, 2026, the District had $230.8 million invested in capital assets, net of accumulated depreciation, compared with $202.0 million at June 30, 2025. The District added $45.6 million of capital assets and recorded $16.4 million of depreciation. Construction in progress increased $36.7 million to $57.6 million after $39.0 million of increases, $0.2 million of decreases, and $2.1 million of transfers to completed assets.

At June 30, 2026, the District had remaining capital commitments of $35.4 million, principally related to the Gateway West RHC expansion, the MEP upgrades, the Sierra Center project, the NPC-4 and TI's phase 1 project, and the Tahoe City project. See Notes 6 and 12 for additional information.

Net right-to-use assets decreased $1.2 million after $1.0 million of additions and $2.2 million of amortization. Net subscription assets decreased $2.6 million after $2.1 million of additions, $4.3 million of amortization, and net $0.4 million of contract terminations or other reductions.

Long-Term Financing, Leases, and Subscription Arrangements

Long-term debt and lease obligations decreased $6.0 million to $107.3 million. The decrease reflected scheduled principal payments and bond premium/discount amortization, together with repayment of the remaining $0.5 million due on the 11406 Donner Pass Road long-term obligation. The District did not issue new debt during 2026.

Lease liabilities decreased $1.1 million to $14.5 million after $1.0 million of lease additions and $2.1 million of lease payments. Subscription liabilities decreased $2.4 million to $23.1 million after $2.1 million of subscription additions and $4.5 million of payments.

On August 25, 2026 Moody's Investors Services Inc. downgraded Tahoe Forest Hospital District's 2015, 2016 and 2019 General Obligation Refunding Bonds to "A1" from "Aa3" and assigned an issuer rating to the District of Baa1. The outlook has been revised to stable. The downgrade was driven by the application of Moody's Not-for-profit Healthcare methodology, which replaced the prior methodology. There was no rating of the District in the prior methodology.

Currently Known Facts, Decisions, or Conditions

Fiscal Year 2027 Operating Budget

The District's Board of Directors approved the fiscal year 2027 budget at its May 28, 2026, meeting. For fiscal year 2027, the District is budgeted to increase its net position by $13.5 million. The increase is due to the following assumptions:

- Inpatient volumes are budgeted to increase 3% over 2026 volumes.
- Outpatient volumes are projected to increase 5% when compared to 2026.
- Total operating revenues will increase by 1.6% and total operating expenses will increase by 9% as compared to 2026

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- Loss from operations of $14.0 million.
- Total nonoperating revenue of $27.5 million.
- Increase in net position of $13.5 million.

Compared with fiscal year 2026 actual results, the most significant expected differences are as follows:

Operating revenues are anticipated to increase slightly due to increased outpatient volumes (noted increases: clinic visits 12%, outpatient surgical cases 10%, MRI 4%, ultrasound 4%) offset by a 25% reduction for 70% of our lab test charges creating a $2.3 million reduction in operating revenues, an increase in our charity care and bad debt by $17.6 million or 148% in anticipation of possible impacts from H.R. 1 and expansion of our financial navigation program, and slight shifts in our payor mix from commercial to Medicare and Medi-Cal creating additional contractual allowances.

Operating expenses are anticipated to increase due to the following:

- Salary, wages & benefits: an increase of 21 FTEs as compared to 2026 ($3.2 million), annual wage and salary increases for staff (4%) and physicians (5%) ($6 million), additional workers compensation and health benefits associated with added FTEs and wage increases ($2 million).
- Professional fees: additional contracted provider coverage for the emergency department, hospitalist, anesthesia and clinic services ($1.7 million).
- Supplies: increase expected due to higher volumes and inflation costs ($7 million).
- Purchased services: additional services needed to support human resources, project management, process improvement initiatives, clinic pilot programming, and information technology ($4.1 million).
- Depreciation and amortization: additional depreciation expected due to capital additions and completed construction in progress projects ($2.9 million).
- Other expenses: increase expected due to inflationary costs for utilities, rent, and insurance. Also anticipated increases in utilities and insurance due to completed constructions projects such as Sierra Center and North Shore clinic, physician recruitment costs, and marketing. ($0.6 million).

Approved Capital and Financing Decisions

At June 30, 2026, the District reported approximately $35.4 million of estimated costs to complete existing projects. The District's Board of Directors approved a capital budget of $70.5 million for FY 2027, inclusive of the $35.4 million costs to complete the capital projects noted above. The $70.5 million is composed of $6.2 million for equipment, $5.7 million for information technology, and $58.6 million for construction and infrastructure.

Reimbursement, Regulatory, and Other Known Conditions

H.R. 1, the One Big Beautiful Bill Act, enacted in July 2025, changes federal Medicaid financing and eligibility rules, limits certain hospital payment arrangements, and restricts states' ability to use provider taxes to finance Medicaid. The law could create significant financial and operational challenges for the District as its provisions take effect over the coming years.

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Potential impacts for the District could include limits on Medi-Cal supplemental and managed-care directed payments, increased uncompensated care due to stricter eligibility and enrollment requirements which could cause more patients to lose coverage or experience gaps in coverage, and restrictions on hospital provider taxes reducing the funding from the HQAF program. While the District has considered potential impacts, reasonable estimates are not available at this time due to the potential variability of patients who might experience loss of coverage or changes in coverage.

In addition, H.R. 1 did establish a $50 billion federal fund for rural health over five years referred to as the Rural Health Transformation Program (RHTP). Both the State of California and State of Nevada submitted plans to the federal government to receive funding from the program. For year 1, California was awarded $233.6 million and Nevada was awarded $179.9 million. Both States established a grant process for applicants interested in receiving funds. The District did participate in the grant processes and was awarded $1.8 million for Tahoe Forest Hospital in California and $1.5 million for Incline Village Community Hospital in Nevada. Incline Village Community Hospital will be distributed $0.5 million directly, and $1.0 million distributed through Nevada Rural Hospital Partners Foundation.

The Office of Health Care Affordability (OHCA) is a state agency within California's Department of Health Care Access and Information (HCAI), established in 2022. Its authority includes tracking health care spending, establishing spending-growth targets, monitoring health care market transactions, and enforcing compliance with applicable targets.

For the District, OHCA's rules could create risks. The key issue is that a spending-growth target is not a cap on an individual hospital's budget, but exceeding the applicable target can lead to regulatory scrutiny and potentially financial penalties. California's statewide targets are 3.5% annual per-capita spending growth for 2025 and 2026, 3.2% for 2027 and 2028, and 3.0% for 2029. The first hospital enforcement period is based on 2026 performance, with enforcement potentially beginning in 2028, which could carry financial penalties in the millions of dollars for violations. The District is working diligently to fully understand the monitoring criteria and is also evaluating potential impacts, if any, on the District.

Workforce, Contracting, and Cost Decisions

The District currently has a labor contract in place until June 30, 2027, with employee union members of AFSCME Council 57, Local 3254. This agreement reflects a 4% wage increase effective with the pay period that contains July 1, 2026 for all employee classifications. This 4% wage increase has been incorporated into the District's 2027 budget and creates an estimated $4.1 million increase compared to 2026.

The District's 2027 budget also incorporates anticipated inflation to 2026 expenses in the areas of professional fees (4%), pharmaceuticals (10%), supplies, purchased services, utilities, and rent (5%), and insurance (7.5%).

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Combined Financial Statements
as of and for the Years Ended June 30, 2026 and 2025

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Tahoe Forest Hospital District
Combined Statements of Net Position
June 30, 2026 and 2025

	2026		2025	
	Tahoe Forest Hospital District	Truckee Surgery Center, LLC	Tahoe Forest Hospital District	Truckee Surgery Center, LLC
ASSETS				
Current assets				
Cash and cash equivalents	$ 40,511,395	$ 272,105	$ 46,515,232	$ 54,872
Patient accounts receivable, net of allowances for doubtful accounts of $10,027,219 and $414,755 in 2026 and $9,680,768 and $119,038 in 2025	60,031,040	733,271	60,522,334	329,880
Other receivables	38,624,051	5,094	28,594,818	5,094
Assets limited as to use - required for current liabilities	15,524,550	-	13,445,627	-
Inventories	7,848,350	-	7,423,294	-
Prepaid expenses and deposits	3,545,627	35,706	3,301,058	41,636
Total current assets	166,085,013	1,046,176	159,802,363	431,482
Assets limited as to use, net of current	172,178,124	-	173,947,281	-
Investments	20,288,110	-	15,312,607	-
Right-to-use assets, net of accumulated amortization	13,394,719	-	14,658,415	-
Subscription assets, net of accumulated amortization	21,014,676	-	23,641,774	-
Capital assets				
Nondepreciable	67,146,328	-	30,400,609	-
Depreciable, net of accumulated depreciation	163,640,958	1,210,073	171,427,153	1,158,276
	230,787,286	1,210,073	201,827,762	1,158,276
Other assets				
Beneficial interest in trusts	2,490,333	-	2,205,168	-
Other noncurrent receivables	3,094,601	20,256	1,772,334	20,256
Total assets	$ 629,332,862	$ 2,276,505	$ 593,167,704	$ 1,610,014
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on defeasance, net	$ 3,807,640	$ -	$ 4,123,034	$ -
Accumulated decrease in fair value of hedging derivative	123,994	-	200,168	-
Total deferred outflows of resources	$ 3,931,634	$ -	$ 4,323,202	$ -
LIABILITIES				
Current liabilities				
Current maturities of long-term debt and lease obligations	$ 5,625,707	$ -	$ 5,767,351	$ -
Current maturities of lease liabilities	2,209,945	-	2,102,623	-
Current maturities of subscription liabilities	3,928,632	-	3,655,300	-
Accounts payable and accrued expenses	18,928,653	4,326	12,247,434	38,292
Accrued payroll and related expense	39,809,064	84,123	41,533,410	80,609
Self-insured liabilities	11,851,340	-	9,320,316	-
Estimated amounts due to third-party payors	5,981,685	-	2,965,266	-
Other accrued expenses	22,912	-	5,996	-
Accrued interest	1,513,083	-	1,614,031	-
Total current liabilities	89,871,021	88,449	79,211,727	118,901
Long-term debt and lease obligations, less current maturities	101,667,059	-	107,480,383	-
Lease liabilities, less current maturities	12,243,119	-	13,442,343	-
Subscription liabilities, less current maturities	19,146,517	-	21,865,368	-
Derivative instrument liability	123,994	-	200,168	-
Total liabilities	$ 223,051,710	$ 88,449	$ 222,199,989	$ 118,901
NET POSITION				
Net investment in capital assets	$ 136,915,731	$ -	$ 103,241,634	$ -
Restricted - expendable	15,028,671	-	13,317,716	-
Restricted - nonexpendable	603,984	-	603,984	-
Unrestricted	257,664,400	2,188,056	258,127,583	1,491,113
Total net position	$ 410,212,786	$ 2,188,056	$ 375,290,917	$ 1,491,113

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See accompanying notes.

Tahoe Forest Hospital District
Combined Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended 2026 and 2025

	2026		2025	
	Tahoe Forest Hospital District	Truckee Surgery Center, LLC	Tahoe Forest Hospital District	Truckee Surgery Center, LLC
Operating revenues				
Net patient service revenue (net of provision for bad debts of $11,863,286 and $295,718 in 2026 and $9,065,362 and $13,326 in 2025)	$ 367,805,352	$ 2,162,879	$ 358,076,163	$ 1,493,862
Other operating revenue	21,023,488	-	24,595,168	-
Total operating revenues	388,828,840	2,162,879	382,671,331	1,493,862
Operating expenses				
Salaries and wages	158,443,085	1,047,033	147,237,940	1,069,012
Employee benefits	86,288,945	277,601	80,000,626	232,166
Professional fees	12,568,652	11,318	10,740,634	6,609
Supplies	59,389,603	643,068	55,264,629	629,135
Purchased services	29,871,560	106,899	27,731,568	28,995
Depreciation and amortization	22,966,219	196,545	21,756,313	157,612
Insurance	3,510,527	6,853	3,088,491	6,287
Other	11,388,924	458,777	10,990,287	586,525
Total operating expenses	384,427,515	2,748,094	356,810,488	2,716,341
Income (loss) from operations	4,401,325	(585,215)	25,860,843	(1,222,479)
Noncapital subsidies				
Property tax revenue	12,130,830	-	11,394,480	-
Noncapital contributions	7,927,964	-	6,371,503	-
Total noncapital subsidies	20,058,794	-	17,765,983	-
Total income (loss) from operations and noncapital subsidies	24,460,119	(585,215)	43,626,826	(1,222,479)
Nonoperating revenues (expenses)				
Property tax revenue - general obligation bonds	5,906,824	-	5,718,313	-
Contributions, net	1,471,314	-	8,755,204	-
Investment income	5,409,476	-	5,037,412	-
Rental income	604,780	-	564,143	-
Interest expense	(5,486,584)	-	(5,444,174)	-
Net increase in the fair value of investments	2,849,039	-	5,991,362	-
Capital transfers	(1,140,868)	1,140,868	(1,071,385)	1,071,385
Other nonoperating income (loss)	847,769	141,290	(103,281)	28
Total nonoperating revenues	10,461,750	1,282,158	19,447,594	1,071,413
Increase (decrease) in net position	34,921,869	696,943	63,074,420	(151,066)
Net position, beginning of year	375,290,917	1,491,113	312,216,497	1,642,179
Net position, end of year	$ 410,212,786	$ 2,188,056	$ 375,290,917	$ 1,491,113

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See accompanying notes.

Tahoe Forest Hospital District
Combined Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026		2025	
	Tahoe Forest Hospital District	Truckee Surgery Center, LLC	Tahoe Forest Hospital District	Truckee Surgery Center, LLC
Cash flows from operating activities				
Cash received from patients and third-party payors	$ 371,313,065	$ 1,759,488	$ 345,799,802	$ 1,646,845
Cash received from other sources	12,007,892	141,290	18,090,362	28
Cash paid to suppliers for goods and services	(110,700,756)	(1,254,951)	(107,087,376)	(1,314,890)
Cash paid to employees for services	(246,388,487)	(1,321,120)	(219,927,710)	(1,298,089)
Net cash provided by (used in) operating activities	26,231,714	(675,293)	36,875,078	(966,106)
Cash flows from noncapital financing activities				
Property tax revenues	12,146,682	-	11,405,940	-
Noncapital grants and contributions, net of other expenses	8,328,024	-	5,285,915	-
Net cash provided by noncapital financing activities	20,474,706	-	16,691,855	-
Cash flows from capital and related financing activities				
Purchase of capital assets	(45,613,159)	(248,342)	(17,406,523)	(229,853)
Proceeds from sale of capital assets	245,090	-	139,350	-
Payments on general obligation and revenue bonds	(4,476,842)	-	(4,131,955)	-
Interest payments on general obligation and revenue bonds	(2,989,146)	-	(3,078,431)	-
Proceeds from issuance of long-term debt	-	-	1,460,121	-
Payments on long-term debt and lease obligations	(1,290,510)	-	(1,019,886)	-
Interest payments on long-term debt and lease obligations	(1,013,177)	-	(993,987)	-
Payments on lease liabilities	(2,057,219)	-	(1,692,918)	-
Interest payments on lease liabilities	(450,581)	-	(240,743)	-
Payments on subscription liabilities	(4,147,082)	-	(3,533,624)	-
Interest payments on subscription liabilities	(1,134,628)	-	(1,225,119)	-
Property tax revenue received for general obligation bonds	5,908,465	-	5,708,226	-
Contributions received for capital expenditures	1,471,314	-	8,755,204	-
Capital transfer from Tahoe Forest Hospital District	-	1,140,868	-	1,071,385
Net cash (used in) provided by capital and related financing activities	(55,547,475)	892,526	(17,260,285)	841,532
Cash flows from investing activities				
Purchases of investments and assets limited as to use	(29,874,868)	-	(114,653,639)	-
Sales of investments and assets limited as to use	27,838,698	-	52,304,385	-
Interest received	5,409,476	-	5,037,412	-
Net cash received for rental activities	604,780	-	564,143	-
Investment in Truckee Surgery Center, LLC	(1,140,868)	-	(1,071,385)	-
Net cash provided by (used in) investing activities	2,837,218	-	(57,819,084)	-
Net change in cash and cash equivalents	(6,003,837)	217,233	(21,512,436)	(124,574)
Cash and equivalents, beginning of year	46,515,232	54,872	68,027,668	179,446
Cash and equivalents, end of year	$ 40,511,395	$ 272,105	$ 46,515,232	$ 54,872

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See accompanying notes.

Tahoe Forest Hospital District
Combined Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026		2025	
	Tahoe Forest Hospital District	Truckee Surgery Center, LLC	Tahoe Forest Hospital District	Truckee Surgery Center, LLC
Reconciliation of income (loss) from operations to net cash from operating activities				
Income (loss) from operations	$ 4,401,325	$ (585,215)	$ 25,860,843	$ (1,222,479)
Adjustments to reconcile income (loss) from operations to net cash from operating activities:				
Depreciation and amortization	22,966,219	196,545	21,756,313	157,612
Amortization of bond premiums/discounts and bond issuance costs	(187,616)	-	(187,618)	-
Provision for doubtful accounts	11,863,286	295,718	9,065,362	119,038
Change in assets and liabilities:				
Patient accounts receivable, net	(11,371,992)	(699,109)	(18,062,030)	33,945
Other receivables	(10,046,726)	-	(7,421,760)	-
Inventories	(425,056)	-	(1,856,408)	-
Prepaid expenses and deposits	(244,569)	5,930	(832,589)	(12,693)
Other noncurrent receivables	(2,463,135)	141,290	(940,976)	(257)
Deferred loss on defeasance, net	315,394	-	315,396	-
Accounts payable and accrued expenses	7,584,571	(33,966)	4,258,801	(44,361)
Accrued payroll and related expense	(1,724,346)	3,514	6,939,956	3,089
Self-insured liabilities	2,531,024	-	1,311,876	-
Estimated amounts due from/to third-party payors	3,016,419	-	(3,279,693)	-
Other accrued expenses	16,916	-	(52,395)	-
Total adjustments	21,830,389	(90,078)	11,014,235	256,373
Net cash provided by (used in) operating activities	$ 26,231,714	$ (675,293)	$ 36,875,078	$ (966,106)
Supplemental disclosure of noncash investing and financing activities:				
Change in fair value of beneficial interest in trusts	$ 285,165	$ -	$ 178,928	$ -
Change in fair value of assets limited as to use and investments	$ 2,849,039	$ -	$ 5,991,362	$ -
Non-cash contributions of investments	$ 400,060	$ -	$ 1,085,588	$ -
Assets limited as to use acquired by note payable	$ -	$ -	$ 4,539,879	$ -
Noncash acquisition of right-to-use assets	$ 965,317	$ -	$ 5,103,817	$ -
Noncash acquisition of subscription assets	$ 2,069,834	$ -	$ 388,607	$ -

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See accompanying notes.

Note 1 – Summary of Significant Accounting Policies

A summary of significant accounting policies applied in the preparation of the accompanying combined financial statements follows:

Reporting entity – Tahoe Forest Hospital District (the District) is a political subdivision of the State of California. The District was established in 1949 under the provisions of Local Health Care District Law as set forth in the Health and Safety Code of the State of California. The District operates Tahoe Forest Hospital in Truckee, California, and Incline Village Community Hospital in Incline Village, Nevada, which provide health care services to residents of the surrounding communities and visitors to the area. The District derives a significant portion of revenue from third-party payors, including Medicare, Medi-Cal, and commercial insurance organizations.

The District includes the following component units, which are included as blended component units of the District's combined financial statements: Tahoe Forest Health System Foundation (the TFHSF), and Incline Village Community Hospital Foundation (the IVCHF), collectively (the Foundations). The Truckee Surgery Center, LLC (the TSC), is organized and operated for the purpose of owning and lawfully operating the facility as a Medicare certified 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 services of the surrounding communities and visitors to the area. TSC is included in the District's combined financial statements as a discretely presented component unit, as the District owns a 99% membership interest in TSC. In fiscal years 2026 and 2025, the District advanced $1,140,868 and $1,071,385 respectively, to TSC.

The District maintains its financial records in conformity with guidelines set forth by Local Health Care District Law and the Office of Statewide Health Planning and Development of the State of California.

Basis of preparation – The combined financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America, including all applicable statements of the Governmental Accounting Standards Board (GASB). The proprietary fund method of accounting is followed and uses the economic resources measurement focus and the accrual basis of accounting. In addition, these statements follow generally accepted accounting principles applicable to the health care industry, which are included in the American Institute of Certified Public Accountants' Audit and Accounting Guide, *Health Care Entities,* to the extent that these principles do not contradict GASB standards.

The Foundations are not-for-profit public benefit corporations that report under Financial Accounting Standards Board standards, *Topic 958*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the combined financial statements for these differences.

Accounting and auditing standards – Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 Financial Accounting Standards Board (FASB), and American Institute of Certified Public Accountants Pronouncements*, the District's proprietary fund accounting and financial reporting practices are based on all applicable GASB pronouncements, as well as codified pronouncements issued on or before November 30, 1989, and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts and the State Controller's Office prescribed reporting guidelines.

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Use of estimates – The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amount of revenues and expenses during the reporting period. Major items requiring estimates and assumptions include net patient service revenue, allowance for contractual and doubtful accounts receivable, amounts due to or from third-party payors, uninsured losses for medical malpractice liabilities, liabilities for workers' compensation claims, right-to-use lease assets and liabilities, subscription assets and liabilities, and useful lives of capital assets. Actual results could differ from those estimates.

Cash and cash equivalents – The District considers cash and cash equivalents to include cash on deposit and investments in highly liquid debt instruments with an initial maturity of three months or less, excluding amounts whose use is limited by board designation or other arrangements. Cash and cash equivalents also include investments in the Local Agency Investment Fund (LAIF) and the State Treasurer's pooled investment program.

Assets limited as to use and investments – Assets limited as to use and investments consist principally of short-term money market funds, U.S. government and corporate fixed income securities, and equity securities which are recorded at fair value, and LAIF, which is recorded at amortized cost. Certain assets have been designated by the Board of Directors for replacement or purchases of capital assets, and other specific purposes, and amounts held by trustees in accordance with the indentures relating to long-term debt. Amounts required to meet current liabilities of the District are included in current assets.

Investment income or loss (including realized gains and losses on investments, interest, and dividends) are included in the increase in unrestricted net position unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are included as the net increase in the fair value of investments and reported in the accompanying combined statements of revenues, expenses, and changes in net position. Purchase premiums and discounts are recognized in investment income using the interest method over the terms of the securities. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Patient accounts receivable, net – Patient accounts receivable consist of amounts owed by various governmental agencies, insurance companies, and private patients. The District manages its receivables by regularly reviewing the accounts, inquiring with respective payors as to collectability, and providing for allowances in its accounting records for estimated contractual adjustments and doubtful accounts. Significant concentrations of patient accounts receivable are discussed further in the footnotes.

Inventories – Inventories are stated at the lower of cost or market. Cost is determined by the weighted-average, first-in, first-out method.

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Beneficial interest in trusts – The TFHSF entered into agreements with Tahoe Truckee Community Foundation (TTCF) to establish cancer care endowment funds with TTCF (the TTCF Endowment). The purpose of the TTCF Endowment is to help shape the future of cancer care and provide support to the communities served by TFHSF. The TTCF Endowment is protected from obsolescence in accordance with the provisions specified in the Articles of Incorporation and Bylaws creating the TTCF. Should the purposes for which the TTCF Endowment was created become obsolete or incapable of fulfillment, it is TTCF's Board of Director's responsibility, after contacting and being advised by the TFHSF, to revise the charitable intent of the remaining funds to use for a purpose similar to those set forth in the agreement.

The TFHSF has also been named a beneficiary under the terms of the Tahoe Forest Cancer Center General, Patient and Family, and Sustainability Grantmaking Funds (the Funds) administered by the TTCF. Under the terms of the agreement, distributions from the Funds shall be in accordance with the spending policy established by the Board of Directors of TTCF. Distributions shall be made annually or, as the parties may, from time to time, agree. Distributions in excess of TTCF's spending policy may be made to the TFHSF in any year as determined by the Board of Directors of TTCF. The TFHSF may request, at any time, that TTCF disburse up to 100% of the Funds to the TFHSF. Such a request, however, is not binding on TTCF and may be accepted or rejected, in whole or in part, by TTCF at its sole and absolute discretion. At the establishment of the Funds, the TFHSF granted variance power to TTCF. That power gives TTCF the right to distribute the income and principal of the Funds to another not-for-profit organization of its choice if the TFHSF ceases to exist or if the governing board of TTCF votes that support of the TFHSF is no longer necessary or is inconsistent with the needs of TTCF. The TTCF Endowment and the Funds had a value of $2,341,059 and $2,075,764 as of June 30, 2026 and 2025, respectively, and is reported in the combined financial statements as beneficial interest in trusts.

The IVCHF entered into agreements with The Parasol Tahoe Community Foundation (Parasol) to establish endowment and improvement funds with Parasol (the Parasol Endowment). The purpose of the Parasol Endowment is to provide support to, or for the benefit of, the Foundation and its activities in pursuit of its mission to deliver optimal health care services in the communities served by Incline Village Community Hospital. The Parasol Endowment is protected from obsolescence in accordance with the provisions specified in the Articles of Incorporation and Bylaws creating Parasol. Should the purposes for which the Parasol Endowment was created become obsolete or incapable of fulfillment, it is Parasol's Board of Director's responsibility, after contacting and being advised by the Foundation, to revise the charitable intent of the remaining funds to use for a purpose similar to those set forth in the agreement. The Parasol Endowment had a value of $149,274 and $129,404 as of June 30, 2026 and 2025, respectively, and is reported in the combined financial statements as beneficial interest in trusts.

The Foundations' interest in the TTCF Endowment, the Fund, and the Parasol Endowment assets are recorded in the accompanying combined statements of net position. The change in fair value attributable to the interests of the Foundations are recorded in other nonoperating revenues in the accompanying combined statements of revenues, expenses, and changes in net position. This change in fair value may include community or donor gifts to the TTCF Endowment, the Fund, and the Parasol Endowment, investment results, and distributions from the TTCF Endowment, the Fund, and the Parasol Endowment.

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Capital assets – Capital assets consist of property and equipment and are reported on the basis of cost, or in the case of donated items, on the basis of fair market value at the date of donation. All purchased capital assets are valued at cost when historical records are available and at an estimated historical cost when no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Construction-in-progress includes capitalized interest costs of related borrowings, net of interest earned on unspent proceeds of the related borrowings. It is the policy of the District to capitalize equipment costing more than $1,500. Costs of assets sold or retired are removed from the accounts in the year of sale or retirement, with any gain or loss included in the combined statements of revenues, expenses, and changes in net position.

The District periodically evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Impairment losses on capital assets are measured using the method that best reflects the diminished service utility of the capital asset. There were no impairment losses in 2026 and 2025.

Depreciation of capital assets and amortization of capital assets under lease obligations are computed by the straight-line method for both financial reporting and cost reimbursement purposes over the estimated useful lives of the assets, which range from 2 to 40 years for land improvements, 5 to 40 years for buildings and improvements, and 3 to 20 years for equipment and software.

Routine maintenance and repairs are charged to expense as incurred. Expenditures that increase values, change capacities, or extend useful lives are capitalized.

Right-to-use assets – The District has recorded right-to-use lease assets in accordance with GASB Statement No. 87, *Leases*. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Subscription assets – The District has recorded subscription assets in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The subscription assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any contract payments made to the subscription-based information technology arrangements (SBITA) vendor at the commencement of the subscription term and capitalizable initial implementation cost, less any incentive payments received from the SBITA vendor at the commencement of the subscription term. The subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying assets.

Deferred loss on defeasance – The deferred loss on defeasance of the 1999 Series B Bonds is amortized using the straight-line method over the life of the bonds. The original amount of deferred loss on defeasance is $769,305. Accumulated amortization as of June 30, 2026 and 2025, was $614,147 and $575,359, respectively. Amortization expense for each of the years ended June 30, 2026 and 2025, was $38,788; and is estimated to be $38,788 for each of the next four years.

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The deferred gain on defeasance of the Series 2006 Revenue bonds is amortized using the straight-line method over the life of the bonds. The original amount of deferred gain on defeasance is $141,300. Accumulated amortization as of June 30, 2026 and 2025, was $86,350 and $78,500, respectively. Amortization income for each of the years ended June 30, 2026 and 2025, was $7,850; and is estimated to be $7,850 for each of the next four years.

The deferred loss on defeasance of the Series A (2008) General Obligation Bonds is amortized using the effective-interest method over the life of the bonds. The original amount of deferred loss on defeasance is $2,016,320. Accumulated amortization as of June 30, 2026 and 2025, was $1,008,160 and $916,510, respectively. Amortization expense for each of the years ended June 30, 2026 and 2025, was $91,650; and is estimated to be $91,650 for each of the next four years.

The deferred loss on defeasance of the Series B (2010) General Obligation Bonds is amortized using the effective-interest method over the life of the bonds. The original amount of deferred loss on defeasance is $4,627,331. Accumulated amortization as of June 30, 2026 and 2025, was $1,928,054 and $1,735,248, respectively. Amortization expense for each of the years ended June 30, 2026 and 2025, was $192,806; and is estimated to be $192,806 for each of the next four years.

There was no significant gain or loss on defeasance of the Series 2002 Revenue Bonds with the Series 2017 Revenue Bonds.

There was no significant gain or loss on defeasance of the Series C (2012) General Obligation Bonds with the 2019 General Obligation Bonds.

Deferred outflows of resources – In addition to assets, the combined statements of net position include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and, as such, will not be recognized as an outflow of resources (expense/expenditures) until that time. The District has two items that qualify for reporting in this category, which are the net deferred loss on defeasance and accumulated decrease in fair value of hedging derivatives reported in the combined statement of net position. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt.

Compensated absences – The District's employees earn paid time off (PTO) and long-term sick leave benefits at varying rates depending on hours worked and years of service. For most employees, PTO benefits can accumulate up to the maximum of 240 hours. For long-term sick leave, employees can earn up to 56 hours annually and is accumulated indefinitely. Employees are paid for accumulated PTO and long-term sick leave either upon termination or retirement. Accrued PTO and long-term sick leave liabilities included in accrued payroll and related expense as of June 30, 2026 and 2025, were $16,059,472 and $14,673,311, respectively.

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The following is a summary of changes in compensated absences transactions for the years ended June 30:

	Balance as of July 1, 2025	Net Change	Balance as of June 30, 2026	Current Portion
Compensated absences	$ 14,673,311	$ 1,386,161	$ 16,059,472	$ 16,059,472

	Balance as of July 1, 2024	Net Change	Balance as of June 30, 2025	Current Portion
Compensated absences	$ 11,774,653	$ 2,898,658	$ 14,673,311	$ 14,673,311

Lease liabilities – The District recognizes lease contracts or equivalents that have a term exceeding one year and that meet the definition of an other than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

The following is a summary of changes in lease liabilities, net for the years ended June 30:

	Balance as of July 1, 2025	Increases	Decreases	Balance as of June 30, 2026	Current Portion
Lease liabilities	$ 15,544,966	$ 965,317	$ 2,057,219	$ 14,453,064	$ 2,209,945

	Balance as of July 1, 2024	Increases	Decreases	Balance as of June 30, 2025	Current Portion
Lease liabilities	$ 12,134,067	$ 5,103,817	$ 1,692,918	$ 15,544,966	$ 2,102,623

Subscription liabilities – The District entered into various agreements for IT subscriptions. These agreements range in terms up to year 2033. Total subscription payments were $4,515,353 and $3,533,624 for fiscal years 2026 and 2025, respectively. Variable payments based upon the use of the underlying IT asset are not included in the subscription liability because they are not fixed in substance — therefore, these payments are not included in subscription assets or subscription liabilities. There were no variable subscription expenses or payments in the fiscal years ended June 30, 2026 and 2025. The District did not enter into any additional subscription agreements that have yet to commence as of June 30, 2026.

The District recognizes contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceeding $100,000 that meet the definition of an other than short-term subscription. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the subscription for a similar asset type and term length to the contract. Short-term subscription payments are expensed when incurred.

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The following is a summary of changes in subscription liabilities, net for the years ended June 30:

	Balance as of July 1, 2025	Increases	Decreases	Balance as of June 30, 2026	Current Portion
Subscription liabilities	$ 25,520,668	$ 2,069,834	$ 4,515,353	$ 23,075,149	$ 3,928,632

	Balance as of July 1, 2024	Increases	Decreases	Balance as of June 30, 2025	Current Portion
Subscription liabilities	$ 28,665,685	$ 388,607	$ 3,533,624	$ 25,520,668	$ 3,655,300

Net position – The net position of the District is comprised of net investment in capital assets, restricted – expendable, restricted – nonexpendable, and unrestricted net positions.

Net investment in capital assets – Net investment in capital assets represents investments in all capital assets (land, construction in progress, land improvements, building and building improvements, and equipment), net of depreciation/amortization, less any debt issued to finance those capital assets.

Restricted – expendable – The restricted – expendable net position is restricted through external constraints imposed by creditors, grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation, and includes assets in self-insurance trust funds, revenue bond reserve fund assets, and net position restricted to use by donors.

Restricted – nonexpendable – The restricted – nonexpendable net position is equal to the principal portion of permanent endowments. The endowments remain intact, with unrestricted earnings on such funds available for use as expendable assets.

Unrestricted – Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets, restricted – expendable, or restricted – nonexpendable.

Combined statements of revenues, expenses, and changes in net position – All revenues and expenses directly related to the delivery of health care services are included in operating revenues and operating expenses in the combined statement of revenues, expenses, and changes in net position.

Noncapital subsidies consist of resources received or provided that support ongoing operations and for which the provider does not receive goods or services of approximately equal value in return. These amounts include property tax revenues designated to support operating and community benefit activities and noncapital contributions intended to support operations.

Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type activities and result from nonexchange transactions or investment return.

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Net patient service revenues – Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Delinquent patient accounts are recorded as bad debts and transferred for collection. Recoveries are recorded, net of recovery costs estimated, as an increase to net patient service revenue.

Charity care – The District provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The District accepts all patients regardless of their ability to pay. Partial payments to which the District is entitled from public assistance programs on behalf of patients that meet the District's charity care criteria are reported as patient service revenue. Charity care, which is excluded from recognition as receivables or revenue in the combined financial statements, is measured on the basis of uncompensated cost. Using the District's Medicare cost to charge ratio, the estimated cost of these charges was $1,463,042 and $1,590,164 for the years ended June 30, 2026 and 2025, respectively.

Other operating revenue – Other operating revenue is recorded when the revenue is earned, when performance of services occurred, and receipt of cash is reasonably assured, and primarily includes retail pharmacy revenue, Quality Incentive Pool (QIP) revenue, Hospital Quality Assurance Fee (HQAF) revenue, childcare center revenue, and thrift store revenue. The composition of other operating revenue for the years ended June 30, 2026 and 2025, were as follows:

	2026	2025
Retail pharmacy revenue	$ 10,720,555	$ 10,012,700
Other miscellaneous revenue	2,982,780	2,774,422
QIP revenue	2,838,716	5,044,159
Childcare center revenue	2,344,975	2,332,286
Thrift store revenue	1,266,585	1,150,872
HQAF revenue	869,877	3,280,729
Total other operating revenue	$ 21,023,488	$ 24,595,168

Property tax revenues – Property taxes are levied by Nevada and Placer Counties on the District's behalf during the year, and are intended to help finance the District's activities during the same year. The amount of property tax received is dependent upon the assessed real property valuation, as determined by Nevada and Placer Counties Assessors. Nevada and Placer Counties have established certain dates to levy, lien, mail bills, and receive payments from property owners during the year. Property taxes are considered delinquent on the day following each payment due date. These funds are used to support the general maintenance and operation of the District, including charity care and uncompensated care programs, and to service the debt on the general obligation bonds. The District received approximately 5% and 4% of its financial support from property taxes for the years ended June 30, 2026 and 2025, respectively, exclusive of property taxes received to pay principal and interest payments of the general obligation bonds.

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Noncapital contributions – The District receives contributions from related foundation organizations, as well as from individuals and other private organizations. Revenues from contributions are recognized when all eligibility requirements, including time requirements, are met. Contributions may be restricted for either specific operating purposes or capital acquisitions. These amounts, when recognized upon meeting all requirements, are reported as components of the combined statements of revenues, expenses, and changes in net position.

Risk management – The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and medical malpractice. Commercial insurance coverage is purchased for claims arising from such matters.

The District participates in a risk management authority for comprehensive liability self-insurance. The District is also partially self-insured for employee health insurance and workers' compensation insurance, up to certain stop-loss limits. The District estimates liabilities for claims incurred but not reported based on historical claims' activity. Paid claims, estimated losses, and changes in reserves are expensed in the current period. These self-insurance programs are more fully described in Note 9.

Income taxes – The District operates under the purview of the Internal Revenue Code (IRC), Section 115, and corresponding California Revenue and Taxation Code provisions. As such, it is not subject to state or federal taxes on income.

The Foundations are exempt from federal income tax under Section 501(c)(3) of the IRC. TFHSF is also exempt under Section 23701d of the California Franchise Tax Board except to the extent of unrelated business taxable income as defined under IRC Sections 511 through 515. The Foundations have not entered into any activities that would jeopardize its tax-exempt status. Therefore, no provision for income taxes is required.

Reclassifications – Certain reclassifications have been made to the 2025 combined financial statements to conform to the 2026 combined financial statement presentation. These reclassifications had no effect on the changes in net position.

New accounting pronouncements – During 2026, the District implemented GASB Statement No. 103, *Financial Reporting Model Improvements*. The standard establishes revised requirements for the classification of operating and nonoperating revenues and expenses and requires the separate presentation of noncapital subsidies. As a result of implementation, certain revenues and expenses, including transfers, community benefit activities, and certain subsidy-related transactions, were reclassified in the accompanying combined statements of revenues, expenses, and changes in net position. Prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no effect on previously reported increase in net position or total net position.

During 2026, the District implemented GASB Statement No. 104, *Disclosure of Certain Capital Asset*s. The standard establishes additional disclosure requirements for certain capital assets, including separate disclosure of lease assets by major class of underlying asset, subscription assets, and other intangible assets, as applicable. The standard also establishes disclosure requirements for capital assets held for sale. Implementation of the standard did not have an effect on the District's combined net position or increase in net position.

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Note 2 – Net Patient Service Revenue

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare: Payments for inpatient acute care services rendered to Medicare program beneficiaries are based on prospectively determined rates, which vary according to the patient diagnostic classification system. Outpatient services are generally paid under an outpatient classification system subject to certain limitations. Certain reimbursement areas are still subject to final settlement that are determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. At June 30, 2026, Tahoe Forest Hospital and Incline Village Community Hospital cost reports through June 30, 2020, and June 30, 2023, respectively, have been audited or otherwise final settled.

Medi-Cal: Prior to July 1, 2013, inpatient acute care services rendered to Medi-Cal program beneficiaries were reimbursed under a cost reimbursement methodology; however, the District is also subject to per discharge limits. The District was paid for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by Medi-Cal. Per discharge limits for the District have been determined by Medi-Cal through June 30, 2011. Beginning on July 1, 2013, inpatient acute care services were rendered to Medi-Cal program beneficiaries under a diagnostic related group (DRG) methodology. Under this methodology, similar to Medicare, services are paid at prospectively determined rates per discharge according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient skilled nursing care services rendered to Medi-Cal program beneficiaries are reimbursed at prospectively determined per diem rates. Outpatient services rendered to Medi-Cal program beneficiaries are reimbursed based on prospectively determined fee schedules. At June 30, 2026, Tahoe Forest Hospital and Incline Village Community Hospital cost reports through June 30, 2024, have been audited or otherwise final settled.

Other: Payments for services rendered to other than Medicare and Medi-Cal program beneficiaries are based on established rates or on agreements with certain commercial insurance companies, health maintenance organizations, and preferred provider organizations that provide for various discounts from established rates.

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Net patient service revenue is comprised of the following for the years ended June 30, 2026 and 2025:

	2026	2025
Daily hospital services	$ 44,831,986	$ 41,858,427
Inpatient ancillary services	53,038,025	53,430,615
Outpatient services	699,504,529	648,550,344
Gross patient service revenues	797,374,540	743,839,386
Less contractual allowances and provision for doubtful accounts	(429,569,188)	(385,763,223)
Net patient service revenue at Tahoe Forest Hospital District	367,805,352	358,076,163
Net patient service revenue at Truckee Surgery Center, LLC	2,162,879	1,493,862
Total net patient service revenue	$ 369,968,231	$ 359,570,025

Gross patient service revenue, before any provision for bad debts, summarized by payor is as follows, for the years ended June 30:

	2026	2025
Commercial	39%	42%
Medicare	43%	40%
Medi-Cal	17%	17%
Others	1%	1%
Total	100%	100%

Medicare and Medi-Cal revenue accounts for a large percentage of the District's gross patient revenues for each year. Laws and regulations governing the Medicare and Medi-Cal programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Over five years, up to $7.5 billion in combined federal and state funds will be available to participating entities from the QIP. As a result of participating in the QIP, the District recorded a receivable of $4,226,710 and $4,997,204 at June 30, 2026 and 2025, respectively, which is included in other receivables on the combined statements of net position. This program requires a qualitative assessment of certain metrics and is subject to future audits by CMS.

The District receives funds through the Assembly Bill 915 legislation, the District Hospital Directed Payment Program (DHDP), and the Rate Range Program (RR). The DHDP and RR are through intergovernmental transfers (IGT's), where funds are put up by the District to be matched by the federal government. As a result of these three programs, two of which are IGT programs, the District recorded a receivable of $31,013,472 at June 30, 2026, for funds related to fiscal years 2026, 2025, and 2024, and a receivable of $21,662,628 at June 30, 2025, for funds related to fiscal years 2025 and 2024, which is included in other receivables on the combined statements of net position.

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Note 3 – Cash and Cash Equivalents, Assets Limited as to Use, and Investments

The District has deposits held by various financial institutions in the form of operating cash and cash equivalents. All of these funds are held in deposits, which are collateralized in accordance with the California Government Code (CGC), except for $250,000 per account that is federally insured. At June 30, 2026 and 2025, the District's cash deposits had carrying amounts of $40,511,395 and $46,515,232, and bank balances of $47,618,936 and $51,871,628, respectively. All of these funds were held in cash deposits, which are collateralized with the California Government Code (CGC), except for $250,000 per account that is federally insured by the Federal Deposit Insurance Corporation (FDIC).

The District is generally authorized, under state statute and local resolutions, to invest in demand deposits with financial institutions, savings accounts, certificates of deposit, U.S. Treasury securities, federal agency securities, State of California notes or bonds, notes or bonds of agencies within the State of California, obligations guaranteed by the Small Business Administration, bankers' acceptances, commercial paper, the LAIF, and equity securities.

As of June 30, 2026 and 2025, assets limited as to use and investments, at carrying value, consisted of the following:

	2026	2025
Assets limited as to use - required for current liabilities	$ 15,524,550	$ 13,445,627
Assets limited as to use, net of current	172,178,124	173,947,281
Investments	20,288,110	15,312,607
Total	$ 207,990,784	$ 202,705,515

As of June 30, 2026 and 2025, assets limited as to use and investments, at carrying value, have been set aside as follows:

	2026	2025
Board designated assets	$ 178,944,039	$ 175,999,536
Assets held by trustees	8,758,635	11,393,372
Unrestricted investments	20,288,110	15,312,607
Total	$ 207,990,784	$ 202,705,515

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A summary of scheduled maturities by investment type at June 30, 2026 and 2025, were as follows:

	2026			
		Investment Maturities (in years)		
	Carrying Value	Less than 1	1 to 5	6 to 10+
Investment type				
Short-term money market	$ 11,012,417	$ 11,012,417	$ -	$ -
U.S. corporate fixed income securities	39,087,541	2,493,945	36,593,596	-
U.S. government fixed income securities	77,122,768	17,832,239	59,290,529	-
Local agency investment fund	75,000,000	75,000,000	-	-
Equity securities	5,768,058	5,768,058	-	-
Total	$ 207,990,784	$ 112,106,659	$ 95,884,125	$ -

	2025			
		Investment Maturities (in years)		
	Carrying Value	Less than 1	1 to 5	6 to 10+
Investment type				
Short-term money market	$ 16,360,487	$ 16,360,487	$ -	$ -
U.S. corporate fixed income securities	17,759,520	-	17,759,520	-
U.S. government fixed income securities	89,285,455	-	89,285,455	-
Local agency investment fund	74,999,681	74,999,681	-	-
Equity securities	4,300,372	4,300,372	-	-
Total	$ 202,705,515	$ 95,660,540	$ 107,044,975	$ -

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes.

Credit risk and concentration of credit risk – Investment activities of the District are governed by sections of the CGC, which specify the authorized investments that may be made by the District. The District's investment policy (the Policy) requires that all investing activities of the District comply with the CGC and also sets forth certain additional restrictions which exceed those imposed by the CGC. Investment activities of the Foundations are governed by the Internal Revenue Code; therefore, its investment activities are not subject to the same requirements as the District.

CGC, Section 53635, places the following concentration limits on LAIF, which is unrated:

> No more than 40% may be invested in eligible commercial paper; no more than 10% may be invested in the outstanding commercial paper of any single issuer; and no more than 10% of the outstanding commercial paper of any single issuer may be purchased.

CGC, Section 53601, places the following concentration limits on the District's investments:

> No more than 5% may be invested in the securities of any one issuer, except the obligations of the U.S. government, U.S. government agencies, and U.S. government-sponsored enterprises; no more than 10% may be invested in any one mutual fund; no more than 25% may be invested in commercial paper; no more than 10% of the outstanding commercial paper of any single issuer may be purchased; no more than 30% may be invested in bankers' acceptances of any one commercial bank; no more than 30% may be invested in negotiable certificates of deposit; no more than 20% of the value of the portfolio may be invested in reverse repurchase agreements; and no more than 30% may be invested in medium-term notes.

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The District's policy maximizes the return on invested cash while minimizing risk of capital loss. The District's policy limits investments to one and one-half years, unless otherwise approved by the Board of Directors. The District was in compliance with their investment policies as of June 30, 2026.

Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party.

Under the provisions of the CGC, California banks and savings and loan associations are required to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District's deposits. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total deposits. The pledged securities are held by the pledging financial institution's trust department in the name of the District.

Note 4 – Fair Value Measurement of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs supported by little or no market activity and significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies and inputs used for instruments measured at fair value on a recurring basis and recognized in the accompanying combined statements of net position or for which the fair value is disclosed in the notes to the combined financial statements, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended June 30, 2026 and 2025.

Cash and cash equivalents – The carrying amount approximates fair value.

Investments – Where quoted market prices are available in active markets, investments are classified within Level 1 of the valuation hierarchy. Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, are classified within Level 2 of the valuation hierarchy.

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Beneficial interest in trusts – As described in Note 1, the Foundations established the TTCF and Parasol Endowment and are the beneficiary of the Funds held at the TTCF. The fair value of the beneficial interest is estimated using the fair value of the assets held in trust reported by the trustees as of June 30, 2026 and 2025.

Hedging derivative – The fair value of the hedging derivative is valued using market to market valuations as of June 30, 2026 and 2025.

The following tables present the fair value measurements of instruments recognized in the accompanying combined statements of net position measured on a recurring basis and the level within the GASB 72 fair value hierarchy in which the fair value measurements fall at June 30:

	2026			
Description	Level 1	Level 2	Level 3	Total
Hedging derivative	$ -	$ (123,994)	$ -	$ (123,994)
Short-term money market	11,012,417	-	-	11,012,417
U.S. corporate fixed income securities	-	39,087,541	-	39,087,541
U.S. government fixed income securities	-	77,122,768	-	77,122,768
Equity securities	5,768,058	-	-	5,768,058
Beneficial interest in trusts	-	-	2,490,333	2,490,333
Total by fair value level	$ 16,780,475	$ 116,086,315	$ 2,490,333	$ 135,357,123
Local agency investment fund				75,000,000
Total				$ 210,357,123

	2025			
Description	Level 1	Level 2	Level 3	Total
Hedging derivative	$ -	$ (200,168)	$ -	$ (200,168)
Short-term money market	16,360,487	-	-	16,360,487
U.S. corporate fixed income securities	-	17,759,520	-	17,759,520
U.S. government fixed income securities	-	89,285,455	-	89,285,455
Equity securities	4,300,372	-	-	4,300,372
Beneficial interest in trusts	-	-	2,205,168	2,205,168
Total by fair value level	$ 20,660,859	$ 106,844,807	$ 2,205,168	129,710,834
Local agency investment fund				74,999,681
Total				$ 204,710,515

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The following table summarizes the changes in the District's Level 3 financial instruments for the years ended June 30, 2026 and 2025:

	2026	2025
Beginning balance	$ 2,205,168	$ 2,026,240
Change in value of beneficial interest in trusts	285,165	178,928
Ending balance	$ 2,490,333	$ 2,205,168

The table below presents information about significant unobservable inputs related to material categories of Level 3 financial instruments as of June 30, 2026 and 2025:

Description	Fair Value as of June 30, 2026	Valuation Technique	Unobservable Input	Range
Beneficial interest in trusts	$ 2,490,333	Fair value of the pooled assets and the Foundation's ownership interest	Fair value of the underlying assets of the investment pool	Varies

Description	Fair Value as of June 30, 2025	Valuation Technique	Unobservable Input	Range
Beneficial interest in trusts	$ 2,205,168	Fair value of the pooled assets and the Foundation's ownership interest	Fair value of the underlying assets of the investment pool	Varies

Note 5 – Patient Accounts Receivable

The District grants credit without collateral to its patients and third-party payors. Patient accounts receivable from government agencies represent the only concentrated group of credit risk for the District and management does not believe that there are any credit risks associated with these governmental agencies. Contracted and other patient accounts receivable consist of various payors, including individuals involved in diverse activities subject to differing economic conditions, and do not represent any concentrated credit risks to the District.

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Patient accounts receivable is comprised of the following as of June 30, 2026 and 2025:

	2026	2025
Medicare and Medicare managed care	$ 35,643,952	$ 32,913,935
Medi-Cal and Medi-Cal managed care	23,763,170	32,910,198
Other payors	58,493,914	61,081,030
Self-pay	9,841,433	9,129,512
Gross patient accounts receivable	127,742,469	136,034,675
Less allowances for contractual adjustments and bad debts	(67,711,429)	(75,512,341)
Net patient accounts receivable at Tahoe Forest Hospital District	60,031,040	60,522,334
Net patient accounts receivable at Truckee Surgery Center, LLC	733,271	329,880
Total net patient accounts receivable	$ 60,764,311	$ 60,852,214

Concentration of net patient accounts receivable as of June 30, 2026 and 2025, were as follows:

	2026	2025
Commercial and other payors	69%	71%
Medicare	22%	19%
Medi-Cal	8%	9%
Self-pay	1%	1%
Total	100%	100%

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Note 6 – Capital Assets

The capital asset activity of the District for the years ended June 30, 2026 and 2025, were as follows:

	2026				
	Balance June 30, 2025	Increases	Decreases	Transfers	Balance June 30, 2026
Capital assets - nondepreciable					
Land	$ 8,602,897	$ -	$ -	$ -	$ 8,602,897
Construction in progress, net	20,886,744	39,063,149	(207,708)	(2,109,722)	57,632,463
Property held for future expansion	910,968	-	-	-	910,968
	30,400,609	39,063,149	(207,708)	(2,109,722)	67,146,328
Capital assets - depreciable					
Land improvements	6,024,542	-	-	265,066	6,289,608
Building and improvements	273,516,747	-	-	1,553,379	275,070,126
Equipment and software	121,525,856	6,550,010	(56,085)	291,277	128,311,058
Capital assets at Truckee Surgery Center, LLC	2,162,670	248,342	-	-	2,411,012
	403,229,815	6,798,352	(56,085)	2,109,722	412,081,804
Less accumulated depreciation for					
Land improvements	3,906,864	81,837	-	-	3,988,701
Building and improvements	120,506,304	10,781,210	-	-	131,287,514
Equipment and software	105,226,824	5,545,498	(18,703)	-	110,753,619
Capital assets at Truckee Surgery Center, LLC	1,004,394	196,545	-	-	1,200,939
	230,644,386	16,605,090	(18,703)	-	247,230,773
Total capital assets - depreciable, net	172,585,429	(9,806,738)	(37,382)	2,109,722	164,851,031
Total capital assets, net	$ 202,986,038	$ 29,256,411	$ (245,090)	$ -	$ 231,997,359

	2025				
	Balance June 30, 2024	Increases	Decreases	Transfers	Balance June 30, 2025
Capital assets - nondepreciable					
Land	$ 8,602,897	$ -	$ -	$ -	$ 8,602,897
Construction in progress, net	13,329,055	10,786,450	(51,116)	(3,177,645)	20,886,744
Property held for future expansion	910,968	-	-	-	910,968
	22,842,920	10,786,450	(51,116)	(3,177,645)	30,400,609
Capital assets - depreciable					
Land improvements	5,884,006	62,489	-	78,047	6,024,542
Building and improvements	268,609,621	1,895,762	(88,234)	3,099,598	273,516,747
Equipment and software	116,993,652	4,661,822	(129,618)	-	121,525,856
Capital assets at Truckee Surgery Center, LLC	1,932,817	229,853	-	-	2,162,670
	393,420,096	6,849,926	(217,852)	3,177,645	403,229,815
Less accumulated depreciation for					
Land improvements	3,789,031	117,833	-	-	3,906,864
Building and improvements	109,902,428	10,603,876	-	-	120,506,304
Equipment and software	100,297,729	5,058,713	(129,618)	-	105,226,824
Capital assets at Truckee Surgery Center, LLC	846,782	157,612	-	-	1,004,394
	214,835,970	15,938,034	(129,618)	-	230,644,386
Total capital assets - depreciable, net	178,584,126	(9,088,108)	(88,234)	3,177,645	172,585,429
Total capital assets, net	$ 201,427,046	$ 1,698,342	$ (139,350)	$ -	$ 202,986,038

See Note 13 – Right-to-use assets and lease liabilities and Note 14 – Subscription-based information technology arrangements for respective asset activity for the years ended June 30, 2026 and 2025.

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Note 7 – Long-Term Debt and Lease Obligations

A summary of long-term debt and lease obligations as of June 30, 2026 and 2025, were as follows:

	2026					
	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2026
General obligation bonds						
2016 GOB	March 2016	August 2040	2.00% - 5.00%	$1,260,000 - $3,625,000	$ 45,110,000	$ 36,770,000
2015 GOB	February 2015	August 2038	2.00% - 5.00%	$975,000 - $2,895,000	30,810,000	24,910,000
2019 GOB	September 2019	August 2042	3.00% - 5.00%	$495,000 - $2,270,000	24,710,000	22,420,000
Revenue bonds						
Series 2017	March 2017	July 2032	1.49%	$577,883 - $663,805	9,060,000	4,382,066
Series 2015	March 2015	July 2033	3.87%	$1,168,959 - $1,583,873	20,979,000	11,136,206
Notes payable						
11046 Donner Pass Road	January 2019	February 2026	4.00%	$533,255	4,950,000	-
Bank of America Leasing	February 2025	February 2032	4.50%	$757,254 - $948,082	6,000,000	4,997,797
					$ 141,619,000	$ 104,616,069

	2025					
	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2025
General obligation bonds						
2016 GOB	March 2016	August 2040	2.00% - 5.00%	$1,140,000 - $3,625,000	$ 45,110,000	$ 38,030,000
2015 GOB	February 2015	August 2038	2.00% - 5.00%	$865,000 - $2,895,000	30,810,000	25,885,000
2019 GOB	September 2019	August 2042	3.00% - 5.00%	$435,000 - $2,270,000	24,710,000	22,915,000
Revenue bonds						
Series 2017	March 2017	July 2032	1.49%	$566,551 - $663,805	9,060,000	4,959,949
Series 2015	March 2015	July 2033	3.87%	$1,125,406- $1,583,873	20,979,000	12,305,165
Notes payable						
11046 Donner Pass Road	January 2019	February 2026	4.00%	$533,255 - $773,730	4,950,000	533,255
Bank of America Leasing	February 2025	February 2032	4.50%	$244,948 - $948,082	6,000,000	5,755,052
Lease obligations						
US Bank Equipment Financing	September 2019	September 2024	8.30%	$273 monthly	18,176	-
US Bank Equipment Financing	October 2019	October 2024	8.28%	$117 monthly	7,835	-
					$ 141,645,011	$ 110,383,421

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The following tables summarize the District's long-term debt and lease obligation transactions for the years ended June 30, 2026 and 2025:

	2026				
	Balance June 30, 2025	Net Borrowings and Issuance Proceeds	Payments and Bond Premium/Discount Amortization During the Year	Balance June 30, 2026	Current Portion
2016 General obligation bond	$ 38,030,000	$ -	$ (1,260,000)	$ 36,770,000	$ 1,385,000
2015 General obligation bond	25,885,000	-	(975,000)	24,910,000	1,090,000
2019 General obligation bond	22,915,000	-	(495,000)	22,420,000	555,000
General obligation bond premium/discount	2,864,313	-	(187,616)	2,676,697	-
Series 2017 Revenue bonds	4,959,949	-	(577,883)	4,382,066	589,440
Series 2015 Revenue bonds	12,305,165	-	(1,168,959)	11,136,206	1,214,198
11046 Donner Pass Road	533,255	-	(533,255)	-	-
Bank of America leasing	5,755,052	-	(757,255)	4,997,797	792,069
	$ 113,247,734	$ -	$ (5,954,968)	$ 107,292,766	$ 5,625,707

	2025				
	Balance June 30, 2024	Net Borrowings and Issuance Proceeds	Payments and Bond Premium/Discount Amortization During the Year	Balance June 30, 2025	Current Portion
2016 General obligation bond	$ 39,170,000	$ -	$ (1,140,000)	$ 38,030,000	$ 1,260,000
2015 General obligation bond	26,750,000	-	(865,000)	25,885,000	975,000
2019 General obligation bond	23,350,000	-	(435,000)	22,915,000	495,000
General obligation bond premium/discount	3,051,931	-	(187,618)	2,864,313	-
Series 2017 Revenue bonds	5,526,500	-	(566,551)	4,959,949	577,883
Series 2015 Revenue bonds	13,430,569	-	(1,125,404)	12,305,165	1,168,959
11046 Donner Pass Road	1,306,985	-	(773,730)	533,255	533,255
Bank of America leasing	-	6,000,000	(244,948)	5,755,052	757,254
US Bank equipment financing	735	-	(735)	-	-
US Bank equipment financing	473	-	(473)	-	-
	$ 112,587,193	$ 6,000,000	$ (5,339,459)	$ 113,247,734	$ 5,767,351

As of June 30, 2026, the District's long-term debt and lease obligation requirements to maturity, excluding unamortized bond premium and bond issuance costs of $2,676,697, are as follows:

	Long-Term Debt		
Years Ending June 30,	Principal	Interest	Total
2027	$ 5,625,707	$ 3,381,887	$ 9,007,594
2028	6,045,902	3,137,860	9,183,762
2029	6,494,826	2,898,815	9,393,641
2030	6,962,630	2,639,869	9,602,499
2031	7,449,472	2,362,764	9,812,236
2032 - 2036	34,702,532	8,197,522	42,900,054
2037 - 2041	32,945,000	2,655,876	35,600,876
2042 - 2043	4,390,000	79,075	4,469,075
	$ 104,616,069	$ 25,353,668	$ 129,969,737

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Advanced refunding – On April 13, 2006, the District advance refunded the 1999 Series A Bonds totaling $11,790,000 with Series 2006 Revenue Bonds totaling $24,347,998. The 1999 Series A Bonds were redeemed on July 1, 2009, in accordance with the escrow agreement.

On March 10, 2015, the District advance refunded the Series A (2008) General Obligation Bonds totaling $29,345,000 with the 2015 General Obligation Bonds totaling $30,810,000 at a premium of $1,040,802. Resources totaling $31,361,320 were placed in an escrow account for the purpose of generating resources for all future debt service payments.

This advance refunding was undertaken to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding general obligation bonds) of $3,631,371. As a result of the refunding, total debt service payments over the next 24 years will decrease by $5,184,014.

On May 29, 2015, the District advance refunded the Series 2006 Revenue Bonds totaling $23,240,000 with the Series 2015 Revenue Bonds totaling $20,979,000. Resources totaling $24,036,325 were placed in an escrow account for the purpose of generating resources for all future debt service payments.

This advance refunding was undertaken to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding revenue bonds) of $2,331,620. As a result of the refunding, total debt service payments over the next 22 years will decrease by $2,570,928.

On April 7, 2016, the District advance refunded the Series B (2010) General Obligation Bonds totaling $42,785,000 with the 2016 General Obligation Bonds totaling $45,110,000. Resources totaling $47,412,331 were placed in an escrow account for the purpose of generating resources for all future debt service payments.

This advance refunding was undertaken to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding general obligation bonds) of $7,718,216. As a result of the refunding, total debt service payments over the next 22 years will decrease by $10,617,709.

On March 27, 2017, the District advance refunded the Series 2002 Variable Rate Demand Revenue Bonds totaling $8,890,000 with the Series 2017 Variable Rate Demand Revenue Bonds totaling $9,060,000.

This advance refunding was undertaken to obtain an economic gain by eliminating the required line of credit associated with the Series 2002 Bonds, therefore saving approximately $100,000 annually for the District. The Series 2017 Bonds were issued on a parity as to payment and security with the District's Series 2015 Bonds.

On August 1, 2019, the District advanced refunded the Series C (2012) General Obligation Bonds totaling $25,570,000 with the 2019 General Obligation Bonds totaling $24,710,000 at a premium of $1,251,639.

This advance refunding was undertaken to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding general obligation bonds) of $860,000. As a result of the refunding, total debt service payments over the next 23 years will decrease by $4,591,190.

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Note 8 – Interest Rate Swap Agreement

In May 2005, as a means to lower its borrowing costs when compared against fixed rate bonds, the District entered into an interest rate swap in connection with its Series 2002 Variable Rate Revenue Bonds. The intention of the swap was to effectively change the District's variable interest rate on the Bonds to a synthetic fixed rate of 3.54%.

The Series 2002 Bonds, and the related swap agreement, mature on July 1, 2033. The swap's original notional amount of $11,800,000 matched the variable-rate bonds at the agreement date. The swap commenced three years after the Bonds were issued (July 2002). Starting in fiscal year 2005, the notional value of the swap, and the principal amount of the associated debt, will decline with each principal payment made by the District. Under the swap, the District pays the counterparty a fixed payment of 3.54% and receives a variable payment computed as 70% of the LIBOR one-month rate.

In 2017, the 2002 bonds were defeased and the funds were used to issue the Series 2017 Revenue Bonds. The Series 2017 Revenue bonds are for a marginally larger notional amount, with the same end date, and the same interest rate based on the same driver. The swap was then found to still be effective with the new Series 2017 Revenue Bonds, and hedge accounting for the swap continued forward. At the date of defeasance, the value of the swap was approximately $1,400,000. In June 2023, the District amended the Series 2017 Revenue Bonds Indenture of Trust. As part of the amendment, effective July 1, 2023, the Series 2017 Revenue Bonds shall bear interest at a variable rate equal to 65% of the aggregate of the daily Secured Overnight Financing Rate plus 1.70%, minus 0.10%.

As interest rates have declined since execution of the swap, the swap had negative fair values of $123,994 and $200,168 as of June 30, 2026 and 2025, respectively. The swap's negative fair value may be countered by a reduction in total interest payments required under the variable-rate bonds, creating a lower synthetic interest rate. Because the coupons on the District's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value was estimated using mathematical approximations of market values derived from proprietary models. The valuations are calculated on a mid-market basis and do not include bid/offer spread that would be reflected in an actual price quotation. It should be assumed that the actual price quotations for unwinding the transactions would be different. In connection with the fair value determination of the interest rate swap, the District has recorded a derivative instrument liability in the amount of $123,994 and $200,168 at June 30, 2026 and 2025, respectively, and a corresponding accumulated decrease in fair value of hedging derivative (deferred outflow of resources). Fair values are based on a market-to-market report which is considered a Level 2 fair value input.

Credit risk – As of June 30, 2026, the District was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the District would be exposed to credit risk in the amount of the derivative's fair value. The swap counterparty was rated AA-/Aa3 as of June 30, 2026. To mitigate the potential for credit risk, if the counterparty's credit quality falls below AA/Aa, the fair value of the swap will be fully collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

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Termination risk – The District, or the counterparty, may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the District if the counterparty's credit rating falls below A3/A-/A-. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. If at the time of termination, the swap has a negative fair value, the District would also be liable to the counterparty for a payment equal to the swap's fair value.

Note 9 – Risk Management Programs

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors, and omissions, injuries to employees, and natural disasters. The District carries insurance for medical malpractice and general comprehensive liability, and workers' compensation claims.

Workers' compensation insurance – The District is self-insured for workers' compensation claims. A stop-loss insurance contract executed with an insurance carrier covers individual claims in excess of $500,000 per plan year with an aggregate limit of $1,000,000. There were no significant changes in insurance coverage from the prior year.

Workers' compensation benefits costs from reported and unreported claims were accrued based on estimates that incorporate the District's past experience, as well as other considerations, including the nature of each claim or incident and other relevant trend factors. While the ultimate amount of workers' compensation liability is dependent on future developments, management is of the opinion that the associated liabilities for claims pending and incurred but not reported, which is included in self-insured liabilities on the combined statements of net position, is adequate to cover such claims. The liability has not been discounted. Management is aware of no potential workers' compensation liability the settlement of which, if any, would have a material adverse effect on the District's net position for the years ended June 30, 2026 and 2025.

Employee health insurance – The District is self-insured to provide group medical, dental, and vision coverage. The District funds its liability based on actual claims. A stop-loss insurance contract executed with an insurance carrier provides a specific stop-loss deductible per claim of $375,000 with an aggregate specific annual deductible of $100,000. There were no significant changes in insurance coverage from the prior year.

The liability for unpaid claims is estimated using an industry average that is based on actual claims paid. The estimated liability for claims pending and incurred but not reported at June 30, 2026 and 2025, has been included in the accompanying combined statements of net position under self-insured liabilities.

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The following is a summary of the changes in the workers' compensation and employee health insurance liabilities for the years ended June 30, 2026 and 2025:

	2026			
	Balance July 1, 2025	Increases	Decreases	Balance June 30, 2026
Workers' compensation	$ 2,315,069	$ 2,200,868	$ (1,517,424)	$ 2,998,513
Employee health	4,128,800	20,585,455	(18,996,810)	5,717,445
	$ 6,443,869	$ 22,786,323	$ (20,514,234)	$ 8,715,958

	2025			
	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Workers' compensation	$ 2,297,841	$ 1,965,843	$ (1,948,615)	$ 2,315,069
Employee health	2,939,536	14,444,340	(13,255,076)	4,128,800
	$ 5,237,377	$ 16,410,183	$ (15,203,691)	$ 6,443,869

Medical malpractice insurance – The District participates in a joint powers agreement (JPA) with the Program BETA Risk Management Authority (the Program).

The Program was formed for the purpose of operating a comprehensive liability self-insurance program for certain hospital districts of the Association of California Healthcare Districts, Inc. (ACHD). The Program operates as a separate JPA established as a public agency separate and distinct from ACHD. Each member hospital pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the Program. The District maintains coverage on a claims-made basis.

Coverage under a claims-made policy could expose the District to a gap in coverage if the District were to terminate coverage with the Program. In order to mitigate this potential gap in coverage, the District has accrued an estimated premium to purchase an unlimited extended reporting amendment (tail coverage) in the amount of $3,135,382 and $2,876,447 for the years ended June 30, 2026 and 2025, respectively.

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Note 10 – Restricted Net Position

Net assets are maintained for the following programs and services at June 30:

	2026	2025
Restricted - expendable net assets		
Cancer prevention	$ 2,652,267	$ 1,959,715
Cancer care	1,821,684	1,556,389
Hospice and other	10,554,720	9,801,612
	$ 15,028,671	$ 13,317,716
Restricted - nonexpendable net assets		
Investments in perpetuity, TTCF Endowment	$ 519,375	$ 519,375
Investments in perpetuity, Parasol Endowment	84,609	84,609
	$ 603,984	$ 603,984

Note 11 – Employees' Retirement Plans

The District contributes to the Tahoe Forest Hospital District Employee Money Purchase Pension Plan (the MPP Plan), a defined contribution pension plan administered by the District. The MPP Plan covers employees who complete 1,000 hours of service in a calendar year. The District is required to make annual contributions to the MPP Plan equal to 3% of each eligible employee's annual compensation, plus 3% of an eligible employee's annual compensation in excess of the Social Security tax wage base. Employee contributions are voluntary and are limited to 10% of an employee's annual compensation.

The District also offers its employees a deferred compensation plan (the 457 Plan) created in accordance with Internal Revenue Code Section 457(b). The 457 Plan allows employees to defer a portion of their current compensation until future years. The District matches participant's deferrals from 3% to 7% of compensation. Employee contributions are limited to 100% of total employee compensation or the maximum amount allowable by law. The employer matching contributions under the 457 Plan are deposited into employee accounts in the MPP Plan.

Total employer contributions under the above retirement plans were $8,865,031 and $11,463,372 for the years ended June 30, 2026 and 2025, respectively. As of June 30, 2026 and 2025, the District has accrued $4,298,956 and $4,365,368, respectively, of employer contributions related to the above retirement plans in accrued payroll and related expense on the accompanying combined statements of net position.

Note 12 – Commitments and Contingencies

Construction in progress – As of June 30, 2026 and 2025, the District had recorded $57,632,463 and $20,886,744, respectively, as construction-in-progress representing cost capitalized for various remodeling, major repair, and expansion projects on the District's premises. Estimated cost to complete all projects as of June 30, 2026, is approximately $35,409,000.

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Litigation – The District is a defendant in various legal proceedings arising out of the normal conduct of its business. In the opinion of management and its legal representatives, the District has valid and substantial defenses, and settlements or awards arising from legal proceedings, if any, will not exceed existing insurance coverage, nor will they have a material adverse effect on the net position, results of operations, or liquidity of the District.

Regulatory environment – The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. The District is subject to routine surveys and reviews by federal, state, and local regulatory authorities. The District has also received inquiries from health care regulatory authorities regarding its compliance with laws and regulations. Although the District management is not aware of any violations of laws and regulations, it has received corrective action requests as a result of completed and ongoing surveys from applicable regulatory authorities. Management continually works in a timely manner to implement operational changes and procedures to address all corrective action requests from regulatory authorities. Breaches of these laws and regulations and noncompliance with survey corrective action requests could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Hospital Seismic Safety Act – The California Hospital Facilities Seismic Safety Act (SB 1953) specifies certain requirements that must be met at various dates in order to increase the probability that a California hospital can maintain uninterrupted operations following a major earthquake. Management believes that the District is currently substantially in compliance with these requirements.

Arbitrage – The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. During the current year, the District performed calculations of excess investment earnings on various bonds and financings and, at June 30, 2026, does not expect to incur a significant liability.

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Note 13 – Right-to-Use Assets and Lease Liabilities

The District is a lessee for noncancellable office space leases with lease terms through 2044. There are no residual value guarantees included in the measurement of the District's lease liabilities nor recognized as an expense for the years ended June 30, 2026 and 2025. The District does not have any commitments that were incurred at the commencement of the leases. There were no amounts recognized as variable lease payments as lease expense on the combined statements of revenues, expenses, and changes in net position for the years ended June 30, 2026 and 2025. No termination penalties were incurred during the fiscal year.

	Balance as of July 1, 2025	Increases	Decreases	Balance as of June 30, 2026
Right-to-use assets	$ 22,833,068	$ 965,317	$ -	$ 23,798,385
Less accumulated amortization	8,174,653	2,229,013	-	10,403,666
Right to use assets, net	$ 14,658,415	$ (1,263,696)	$ -	$ 13,394,719

	Balance as of July 1, 2024	Increases	Decreases	Balance as of June 30, 2025
Right-to-use assets	$ 17,729,251	$ 5,103,817	$ -	$ 22,833,068
Less accumulated amortization	6,062,567	2,112,086	-	8,174,653
Right to use assets, net	$ 11,666,684	$ 2,991,731	$ -	$ 14,658,415

For the years ended June 30, 2026 and 2025, the District recognized $2,229,013 and $2,112,086, respectively, in amortization expense included in depreciation and amortization expense on the combined statements of revenues, expenses, and changes in net position.

The future principal and interest lease payments as of June 30, 2026, were as follows:

Years ending June 30,	Principal Payments	Interest Payments	Total
2027	$ 2,209,945	$ 425,276	$ 2,635,221
2028	1,570,542	381,751	1,952,293
2029	1,498,010	342,234	1,840,244
2030	1,570,480	301,475	1,871,955
2031	1,553,794	260,556	1,814,350
2032 - 2036	3,401,263	882,597	4,283,860
2037 - 2041	1,666,383	474,714	2,141,097
2042 - 2044	982,647	70,189	1,052,836
	$ 14,453,064	$ 3,138,792	$ 17,591,856

The District evaluated the right-to-use assets for impairment and determined there was no impairment for the years ended June 30, 2026 and 2025.

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Note 14 – Subscription-Based Information Technology Arrangements

The District has the following subscription assets activity as of June 30:

	Balance as of July 1, 2025	Increases	Decreases	Balance as of June 30, 2026
Subscription assets	$ 37,387,521	$ 2,069,834	$ 1,373,912	$ 38,083,443
Less accumulated amortization	13,745,747	4,328,661	1,005,641	17,068,767
Subscription assets, net	$ 23,641,774	$ (2,258,827)	$ 368,271	$ 21,014,676

	Balance as of July 1, 2024	Increases	Decreases	Balance as of June 30, 2025
Subscription assets	$ 36,998,914	$ 388,607	$ -	$ 37,387,521
Less accumulated amortization	9,881,942	3,863,805	-	13,745,747
Subscription assets, net	$ 27,116,972	$ (3,475,198)	$ -	$ 23,641,774

For the years ended June 30, 2026 and 2025, the District recognized $4,328,661 and $3,863,805, respectively, in amortization expense included in depreciation and amortization expense on the combined statements of revenues, expenses, and changes in net position.

The future subscription payments as of June 30, 2026, were as follows:

Years ending June 30,	Principal Payments	Interest Payments	Total
2027	$ 3,928,632	$ 945,514	$ 4,874,146
2028	3,453,230	777,651	4,230,881
2029	2,803,047	633,744	3,436,791
2030	2,831,039	508,171	3,339,210
2031	2,919,879	379,261	3,299,140
2032 - 2034	7,139,322	370,152	7,509,474
	$ 23,075,149	$ 3,614,493	$ 26,689,642

The District evaluated the subscription assets for impairment and determined there was no impairment for the years ended June 30, 2026 and 2025.

FINAL DRAFT

Note 15 – TFHSF and IVCHF

As described in Note 1, TFHSF and IVCHF are blended components of the District. See below for condensed financial statement data for TFHSF and IVCHF:

	2026		2025	
	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation
Assets				
Current assets	$ 587,320	$ 269,536	$ 152,333	$ 681,389
Investments	6,243,475	14,044,635	4,704,190	10,608,417
Beneficial interest in trusts	2,341,059	149,274	2,075,764	129,404
Total assets	$ 9,171,854	$ 14,463,445	$ 6,932,287	$ 11,419,210
Liabilities				
Current liabilities	$ 106,574	$ -	$ 160,408	$ -
Total liabilities	$ 106,574	$ -	$ 160,408	$ -
Net position				
Restricted - expendable	$ 4,953,143	$ 8,859,949	$ 4,045,985	$ 8,068,160
Restricted - nonexpendable	519,375	84,609	519,375	84,609
Unrestricted	3,592,762	5,518,887	2,206,519	3,266,441
Total net position	$ 9,065,280	$ 14,463,445	$ 6,771,879	$ 11,419,210

	2026		2025	
	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation
Operating expenses				
Other	2,087,838	1,405,296	2,024,780	538,259
Total operating expenses	2,087,838	1,405,296	2,024,780	538,259
Loss from operations	(2,087,838)	(1,405,296)	(2,024,780)	(538,259)
Noncapital subsidies				
Noncapital contributions	3,944,699	3,983,265	4,385,382	1,986,121
Total noncapital subsidies	3,944,699	3,983,265	4,385,382	1,986,121
Total income from operations and noncapital subsidies	1,856,861	2,577,969	2,360,602	1,447,862
Nonoperating revenues (expenses)				
Contributions, net	-	-	-	7,800,000
Investment income	172,583	508,362	151,240	237,348
Net (decrease) increase in the fair value of investments	(1,338)	(61,966)	36,635	45,407
Other nonoperating revenues	265,295	19,870	166,024	12,904
Total nonoperating revenues	436,540	466,266	353,899	8,095,659
Increase in net position	2,293,401	3,044,235	2,714,501	9,543,521
Net position, beginning of year	6,771,879	11,419,210	4,057,378	1,875,689
Net position, end of year	$ 9,065,280	$ 14,463,445	$ 6,771,879	$ 11,419,210

FINAL DRAFT

	2026		2025	
	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation	Tahoe Forest Health System Foundation	Incline Village Community Hospital Foundation
Cash provided by (used in)				
Operating activities	(2,369,149)	$ (862,367)	$ (1,734,808)	$ (335,478)
Noncapital financing activities	3,944,699	3,983,265	3,299,794	1,986,121
Capital and related financing activities	-	-	-	7,800,000
Investing activities	(1,140,563)	(3,498,184)	(1,665,309)	(9,133,938)
Net increase (decrease) in net position	434,987	(377,286)	(100,323)	316,705
Cash, beginning of year	152,333	646,822	252,656	330,117
Cash, end of year	$ 587,320	$ 269,536	$ 152,333	$ 646,822
Supplemental disclosure of noncash investing and financing activities:				
Change in fair value of beneficial interest in trusts	$ 265,295	$ 19,870	$ 166,024	$ 12,904
Change in fair value of investments	$ (1,338)	$ (61,966)	$ 36,635	$ 45,407
Non-cash contributions of investments	$ 400,060	$ -	$ 1,085,588	$ -

Note 16 – Subsequent Events

Subsequent events are events or transactions that occur after the combined statement of net position date but before the combined financial statements are issued. The District recognizes in the combined financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the combined statement of net position, including the estimates inherent in the process of preparing the combined financial statements. The District's combined financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the combined statement of net position but arose after the combined statement of net position date and before the combined financial statements are issued.

FINAL DRAFT

TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026	**ITEM:** 2026 CEO Incentive Compensation: Goal Results and Recommended Bonus Payout
DEPARTMENT: Human Resources	**TYPE OF AGENDA ITEM:** ☒ Action ☐ Consent ☐ Discussion
RESPONSIBLE PARTY: Lisa Foust, Chief Human Resources Officer	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☒ Presentation ☐ Resolution ☐ Other
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A

BACKGROUND: The Board of Directors approved a FY 2026 incentive compensation program for President & CEO Anna Roth consisting of five weighted performance categories: Community, Service, Quality, People, and Financial performance, each weighted at 20%. The program provides a target incentive opportunity equal to 30% of base salary upon achievement of established performance goals. The Executive Compensation Committee reviewed year-end performance results for 2026 and developed a recommendation regarding the CEO incentive award.

SUMMARY/OBJECTIVES: The Executive Compensation Committee reviewed FY 2026 performance against the approved incentive criteria and determined that four of the five goals were fully achieved and one goal was partially achieved. Overall achievement of 2026 goals was calculated at 92.5% of the established goals, resulting in an incentive payout equal to 27.75% of base salary. The Committee recommends approval of a CEO incentive compensation award of $208,125 for Anna Roth, President & Chief Executive Officer.

SUGGESTED DISCUSSION POINTS:

- Community Goal (20% Weight): **Engage at least 5,000 community members in shaping community priorities.** This goal was met, evidenced by the engagement of more than 6,500 participants through the 5000 Voices campaign. This community input directly informed development of the True North 2030 strategic plan.
- Service Goal (20% Weight): **Reduce Primary Care Third Next Available Appointment (TNAA) access from 45.2 days to 30 days.** This goal was partially met, with TNAA improving to approximately 36 days, representing a 22% improvement over baseline. The Executive Compensation Committee recommends awarding 12.5% as partial credit based on achieving approximately 61% of the total improvement required.
- Quality Goal (20% Weight): **Achieve Bronze-level Geriatric Emergency Department Accreditation (GEDA) at Tahoe Forest Hospital.** This goal was met, evidenced by achievement of Bronze-level GEDA Bronze effective March 25, 2026.

- People Goal (20% Weight): **Develop and implement a workforce strategy.** This goal was met, as evidenced by a comprehensive plan presented to the Board in May 2026, and multiple leadership programs and initiatives launched.
- Financial Goal (20% Weight): **Achieve budgeted net income for the health system of $23.9 million.** The goal was met, as evidenced by achieving FY 2026 net income of $38.9.
- The overall achievement calculation for all goals resulted in achievement of 92.5% of established CEO incentive criteria. The bonus opportunity, assuming all goals were met, is 30% of base salary. Achieving 92.5% of 30% results in a 27.75% incentive payout. The CEO's base salary at 6/30/2026 was $750,000, resulting in an incentive payment of $208,125 for Anna Roth, President & CEO.

SUGGESTED MOTION/ALTERNATIVES: Approve the recommendation of the Executive Compensation Committee to pay an incentive bonus to President & CEO Anna Roth in the amount of $208,125, which represents her achievement of 92.5% of the 2026 incentive goals approved by the Tahoe Forest Hospital District Board of Directors.

LIST OF ATTACHMENTS:
PowerPoint presentation: "FY2026 CEO Incentive Compensation Results_Executive Compensation Committee_11.19.2026"

TAHOE FOREST
HEALTH SYSTEM

FY 2026 PRESIDENT & CEO INCENTIVE COMPENSATION RESULTS

Executive Compensation Committee Recommendation
November 19, 2026

FY 2026 President & CEO Incentive Compensation Criteria*

COMMUNITY – 20%

Engage ≥5,000 people to shape community priorities.

SERVICE – 20 %

Reduce Primary Care Third Next Available Appointment for patients to 30 days.

QUALITY – 20 %

Pursue Age Friendly Health System with goal of achieving Bronze-level Geriatric Emergency Department Accreditation (ACEP) at Tahoe Forest Hospital

PEOPLE – 20 %

Develop and implement workforce strategy.

FINANCIAL – 20%

Meet or exceed budgeted net income.



* Approved by the TFHD Board of Directors 11/20/2025

* The District Board of Directors reserves the discretion to award an incentive in instances where a percentage of established criteria has been achieved.

Community

20% Weight

GOAL

Engage ≥5,000 people to shape community priorities.

GOAL MET

GOAL PARTIALLY MET

GOAL NOT MET

RESULTS

1. By 06/30/2026, TFHS had engaged ≥ 6500 people in the ***5000 Voices*** campaign.
2. The 5000 Voices campaign helped shape the priorities for the True North 2030 strategic plan.

Service

20% Weight

GOAL

Reduce Primary Care Third Next Available Appointment (TNAA) for patients to 30 days.

GOAL MET

GOAL PARTIALLY MET

GOAL NOT MET

RESULTS

1. Third Next Available Appointment for patients was 35.98 days at 6/30/2026 for Primary Care.
2. Although the goal of 30 days was not met, material progress was made, with a 22% improvement from the starting TNAA of 45.2 as of 7/1/2025.
3. Measurement methodology at 7/1/2025 included some, but not all, visit types across Primary Care, Pediatrics and Women's Health. Throughout FY2026, the team expanded TNAA tracking to include all visit types in all these areas. Using the new measurement method, baseline TNAA was 46.1 days at 7/1/2025, and TNAA achieved 35.5 days as of 6/30/2026, representing a 23% improvement.

Quality

20%

GOAL

Pursue Age Friendly Health System status with goal of achieving Bronze-level Geriatric Emergency Dept Accreditation (ACEO) at Tahoe Forest Hospital.

GOAL MET

GOAL PARTIALLY MET

GOAL NOT MET

RESULTS

1. GEDA Bronze certification achieved effective March 25, 2026.
2. TFHS staff also launched the GEDA Jedi program to recognize outstanding care for older adults.
3. Accreditation recognizes TFH as local leader in Geriatric Care, highlighting the hospital's commitment to high-quality, evidence-based, age-friendly care.
    - Of the 500 GEDA sites in the US, approximately 25% are rural. The closest are St Mary's and Northern Nevada Hospitals in Reno. There are only 3 others within 100 miles (Sacramento, Yuba City, Sonora).

People

20% Weight

GOAL

Develop and implement workforce strategy.

GOAL MET

GOAL PARTIALLY MET

GOAL NOT MET

RESULTS

1. People & Workforce Strategy provided to the Board of Directors during the May 2026 meeting that addresses building a future-ready workforce to drive improved access and positive patient experience while sustaining employee engagement, operational efficiency, and long-term organizational performance.
2. Job Shadowing program expanded to include high school and college-level students to foster interest in the health professions.
3. TFHS Leadership Development education series launched April 2026 for newly hired, promoted, or transferred Directors, Managers, Supervisors, and Leads.
4. Sierra College Leadership Series provided a monthly leadership development partnership that provides Tahoe Forest leaders with instructor-led learning focused on practical leadership skills and workplace application.
5. The B.E.A.R. (Belonging, Empathy, Access, Respect) Assessment — a system-wide effort to better understand the employee experience across our organization, was completed and communication and strategic planning around results has begun. The assessment invited staff at all levels to share honest feedback through focus groups, and an all-staff survey.
6. New CHRO hired in 2026.

Financial

20% Weight

GOAL

Meet or exceed budgeted net income.

GOAL MET

GOAL PARTIALLY MET

GOAL NOT MET

RESULTS

1. FY 2026 Net Income is $38,864,277, against a budgeted Net Income Target of $23,958,434.

FY 2026 Overall Results

Bonus opportunity if all goals met: 30% of base salary

Goal	Weight	Results[1]	Bonus Yield
Community	20%	Met	20%
Service	20%	Partially Met	12.5%[2]
Quality	20%	Met	20%
People	20%	Met	20%
Financial	20%	Met	20%
TOTAL	100%		92.5%

92.5% achieved of 30% bonus opportunity = 27.75%

Notes:

1. The District Board of Directors reserves the discretion to award an incentive in instances where a percentage of established criteria has been achieved.
2. The Executive Compensation Committee recommends 12.50% be awarded for partial credit on the Service goal. *Justification:* Goal was to improve TNAA Primary Care (PC, Peds, Women's) from 45.2 days as of 07/01/2025 to 30 days as of 06/30/2026 or 15.2 days improvement. Results indicated 9.22 days improvement. (9.22 / 15.2 = .606 or 61%); 61% achievement of 20% bonus opportunity = 12.5 %.

Board Action Requested

- Approve 2026 President & CEO Incentive Compensation Program award at 92.5% achievement of 30% bonus opportunity, or 27.75%.
- Approve Incentive Bonus yield of $208,125.

TFHD Chief Executive Officer - Anna Roth

		Base salary at 6/30/2026
	FY2026 Bonus Yield	$750,000
Bonus Payout calculated at 92.5% of Target weight of 30% = 27.75%	27.75%	$208,125

TAHOE FOREST HEALTH SYSTEM

©Tahoe Forest Health System 2026

Questions?



TAHOE FOREST
HOSPITAL DISTRICT

AGENDA ITEM COVER SHEET

MEETING DATE: November 19, 2026	**ITEM:** 16.3. Placer County LAFCO Special District Representative (Alternate) Ballot Vote
DEPARTMENT: Administration	**TYPE OF AGENDA ITEM:** ☒ Action ☐ Consent ☐ Discussion
RESPONSIBLE PARTY: Anna Roth, President & CEO Ted Owens, ED Governance	**SUPPORTIVE DOCUMENT ATTACHED** ☐ Agreement ☐ Presentation ☐ Resolution ☒ Other **Ballot Form & Candidate Packets**
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	**PERSONNEL** ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☐ N/A

BACKGROUND:

There is a ballot vote for a vacancy for the Alternate Special District member seat representing special districts on the Placer County Local Agency Formation Commission (LAFCO).

Four (4) Candidates within the Placer County LAFCO Special Districts that have been nominated for consideration on the attached ballot.

SUMMARY/OBJECTIVES:

If desired, the THFD Board of Directors may consider voting on one of the candidates listed. Whichever candidate is ultimately elected will serve as the Alternate Special District Representative to Placer County LAFCO.

SUGGESTED DISCUSSION POINTS:

Location of the candidate's Special District within Placer County. Representation of Eastern Placer is of particular benefit to our District.

Two candidates reside in Eastern Placer County and serve on Special District Boards, Robert N. (Nick) Fabian of the Tahoe City Cemetery District and Richard Koffler of the Olympic Valley Public Services District.

Of the two Eastern Placer County candidates, which candidate might be best suited for service to Placer LAFCo.

A quorum of the Special Districts must cast a ballot for the election to be considered valid.

There are 28 Special Districts within Placer County LAFCO's jurisdiction.

SUGGESTED MOTION/ALTERNATIVES:
Recommend the Board moves to select a candidate that represents an organization within our service district.

LIST OF ATTACHMENTS:
Voting information:

- Special District Seat (Alternate Seat) to Placer LAFCo & Election Packet with ballot (including candidate statements from all four candidates).
- Additional email statements from Mr. Fabian's received 10/24/2026.

Placer County Local Agency Formation Commission
110 Maple Street Auburn, CA 95603 | (530) 889-4097

COMMISSIONERS

Joshua Alpine
(Special District)

Anthony DeMattei
(County)

Whitney Eklund
Chair
(City)

Judy Friedman
(Special District)

Cindy Gustafson
(County)

Stephanie Youngblood
(City)

Susan Rohan
Vice Chair
(Public)

ALTERNATE COMMISSIONERS

David Bass
(City)

Shanti Landon
(County)

Cherri Spriggs
(*Public*)

Vacant
(Special District)

COUNSEL

Michael Walker
General Counsel

STAFF

Jason Fried
Executive Officer

Amy Engle
Analyst

Electronic Transmittal

November 4, 2026

TO: Independent Special District Presiding Officers
c/o District Clerk

FROM: Colette Santsche, Interim Executive Officer

SUBJECT: **Ballot Distribution and Voting Instructions: Special District Seat (Alternate Seat) to Placer LAFCo**

Dear Presiding Officer,

On September 29, 2026, the Placer Local Agency Formation Commission (LAFCo) initiated a call for nominations to fill a vacancy for one of the Alternate Special District Representative on the Commission. The presiding officer (Board Chair/President) of each independent special district were invited to submit nominations for qualified special district board members to fill this open seat.

At the close of the nomination period, LAFCo received a total of four (4) nominations for four (4) candidates, as summarized below (in order received):

Robert N. (Nick) Fabian Jr., Board Member, Tahoe City Cemetery District
Nominated by:
- Tahoe City Cemetery District

Gary Flanagan, Board Member, South Placer Fire District
Nominated by:
- South Placer Fire District

Jennifer (Jenny) Knisley, Board Member, Newcastle Rocklin Gold Hill Cemetery District
Nominated by:
- Newcastle Rocklin Gold Hill Cemetery District

Richard Koffler, Director, Olympic Valley Public Services District
Nominated by:
- Olympic Valley Public Services District

All three candidates are listed on the attached ballot. Also included in your packet for review are the statements of qualifications received by LAFCo.

Voting Instructions

- **Ballot Completion:** Please complete the attached ballot, clearly indicating your selection.
- **Authorized Signature:** To be valid, ballots must be signed by the district's presiding officer, or the presiding officer's alternate as designated by the governing body.
- **Designation of Alternate:** If an alternate has been designated by the governing body, please include a copy of the official meeting minutes or minute order documenting this designation.
- **Quorum Requirement**: A minimum of 19 of the 37 independent special districts in Placer County must submit ballots for the election to be valid.
- **Election Outcome:** The candidate receiving the highest number of votes will be appointed as the Special District Representative to LAFCo.

Submission Deadline

Please return your completed ballot via email to lafco@placer.ca.gov no later than Friday, December 18, 2026, at 3:00 PM.

Thank you for your participation and commitment to ensuring that independent special districts remain effectively represented on the Commission. Should you have any questions, please contact our office at (530) 889-4097.

Sincerely,

Jason Fried

Jason Fried
Executive Officer
Placer LAFCo

Placer County Local Agency Formation Commission
110 Maple Street Auburn, CA 95603 | (530) 889-409

Ballot: Selection of Special District Representation on LAFCo

Please choose one candidate:

- ☐ **Robert N. (Nick) Fabian Jr,** Tahoe City Cemetery District
- ☐ **Gary Flanagan,** South Placer Fire District
- ☐ **Jennifer (Jenny) Knisley,** Newcastle Rocklin Gold Hill Cemetery District
- ☐ **Richard Koffler,** Olympic Valley Public Services District

Name of Special District: _____

Name of Presiding Officer: _____

Signature of Presiding Officer: _____

Date: _____

Must be received by LAFCo at our office

or via email at lafco@placer.ca.gov no later than

December 18, 2026 by 3pm

Robert N. (Nick) Fabian

Tahoe City Cemetery District Board

Candidate for Placer County LAFCo Special District Alternate Seat

I am running for the Special District Alternate seat on Placer County LAFCo. I serve currently on the board of the Tahoe City Cemetery District.

I have owned a home in Tahoe City, located in the eastern unincorporated part of Placer County, for 23 years, and I have been a full-time resident for the past 11 years. I moved permanently to California in 2015, after 15 years in higher-education management at Emory University in Atlanta, Georgia. For the past 7 years, I have worked for Sierra Boat Company, turning a great hobby into gainful employment.

Placer County is a wonderfully diverse place, from its cities and towns to its foothills, mountains, and national forest lands. To support the interests of the many people who live, work, recreate, and vacation here, while simultaneously protecting the rich natural resources that underpin our histories and lifestyles is a challenging undertaking. My interest in LAFCo stems from a desire to see government services function efficiently and effectively for our local communities. Balance, thoughtful stewardship, and informed decision-making will form the basis of creative solutions to the complex issues affecting our future growth and prosperity.

The Special Districts provide services to many different communities across Placer County. As Special Districts Alternate, I will listen, learn, and advocate for the interests of the Special District communities. It is essential that LAFCo consider and address the needs and concerns of our communities and the Special Districts that serve them as Placer County moves forward into the future.

I ask for your vote to serve as the LAFCo Special Districts Alternate. I appreciate both the trust and the responsibility that come with your support.

Candidate Biography (Gary W. Flanagan)

With 25 years of dedicated service as a peace officer with the **Sacramento County Sheriff's Department**, I bring a deeply rooted commitment to public safety, community preservation, and proven leadership to local governance. During my tenure in law enforcement, my most rewarding assignments were serving as a Field Training Officer and a Firearms Instructor, where I took pride in mentoring the next generation of deputies and reinforcing the highest standards of accountability and skill.

My wife Karen and I chose Granite Bay as our home in 1985, and it is where we raised our three children. As a proud local family, all three of our children attended Greenhills Elementary, Eureka Elementary, Cavitt Junior High, and Granite Bay High School. My long-standing involvement in our community includes serving on the **Granite Bay Municipal Advisory Committee, (MAC)** and previously serving as an alternate for the Placer County Grand Jury.

Beyond public safety and civic planning, I am deeply passionate about our local environment. I am the co-founder of two non-profit organizations, including **Friends of Auburn Ravine**, which focuses on the conservation of salmon and steelhead habitats. Additionally, I served on the Placer County Fish and Game Commission for 13 years and spent two terms as president and board member of the Granite Bay Flycasters.

I have a proven track record of listening to residents and cutting through bureaucratic red tape to get results. As Chair of the **Granite Bay Municipal Advisory Committee, MAC,** am proud of being chair of our **MAC Traffic Subcommittee**, where I successfully led the persistence campaign that convinced Public Works to reinstall the westbound left-turn lane on Douglas Boulevard into the Granite Village Shopping Center, collaborating directly with local business owners and Supervisor Jones to restore vital access to our community.

Currently, I serve as a Director on the South Placer Fire Board. I ran for this position with a clear, unwavering mission: to keep our fire department locally controlled, protect our taxpayer dollars, and successfully reopen the two closed fire stations that our neighborhoods rely on for rapid emergency response.

Serving as an alternate on the **Placer County Local Agency Formation Commission (LAFCO)** Board would offer me a unique opportunity to shape local community growth, influence municipal boundaries, and gain hands-on civic experience.

Statement of Qualifications

Placer County Local Agency Formation Commission (LAFCO)
Alternate Special District Representative

Jenny Knisley
4135 Hunters Drive
Loomis, CA 95650
Phone: 916-719-1132
Email: Jenny4Loomis@gmail.com

October 28, 2026

Dear Special District Selection Committee Members:

I am pleased to submit my application for the position of **Alternate Special District Representative to the Placer County Local Agency Formation Commission (LAFCO)**. Having previously served as the Alternate City LAFCO Commissioner representing the Town of Loomis, I bring firsthand knowledge of the Commission's responsibilities, a strong background in local government, and a commitment to representing the diverse interests of Placer County's special districts.

During my previous service as the Alternate City LAFCO Commissioner, I maintained consistent attendance at Commission meetings, remained actively engaged in its work, and stayed informed and prepared to serve when called upon. My participation in CALAFCO conferences and training opportunities further strengthened my understanding of LAFCO's role in responsible growth, governmental efficiency, and the delivery of essential public services. This experience has provided me with a strong foundation to contribute effectively to the Commission.

My current service as a board representative for the **Newcastle, Rocklin, and Gold Hill Cemetery District** has given me firsthand experience with the responsibilities and challenges facing special districts. From governance and fiscal oversight to long-term planning and public accountability, I understand the importance of ensuring that special districts have a voice in regional decisions. My additional experience serving on the **South Placer Fire Oversight** Committee has reinforced the value of collaboration among public agencies and the need to balance community needs with available resources.

My broader public service background includes serving as Mayor and Council Member for the Town of Loomis, as well as Executive Director of the Loomis Basin Chamber of Commerce and Interim CEO for the Rocklin Chamber of Commerce. These roles provided opportunities to work closely with special districts, local governments, businesses, and community organizations throughout Placer County. I have consistently supported thoughtful growth, fiscal responsibility, economic development, and partnerships that strengthen our communities.

My professional qualifications include an Economic Development Certificate through the California Association for Local Economic Development (CALED), Institute for Organization Management certification, completion of Leadership Rocklin and the Western Association of Chamber Executives Academy, and leadership in developing the Loomis Leadership Program. I have also contributed to community initiatives, including efforts supporting the rebuilding of the Loomis Library and Community Learning Center. My nearly three decades of involvement with Soroptimist International reflect my longstanding commitment to community service and leadership development.

I recognize that Placer County's special districts provide a wide range of essential services, each with unique responsibilities, financial considerations, and community needs. I believe effective representation requires listening, understanding different perspectives, and making informed decisions that consider both individual districts and the broader interests of Placer County.

My previous LAFCO experience, combined with my current special district board service, provides a valuable perspective that I would bring to this position. I understand the importance of being prepared, attending meetings, reviewing materials, and remaining engaged, even when not serving in a voting capacity. I am committed to being an active, dependable, and knowledgeable Alternate Special District Representative.

Thank you for your consideration. I would be honored to have the opportunity to return to the Placer County LAFCO Commission, this time representing the special districts that provide such important services to our communities.

Sincerely,

Jenny Knisley

Applicant for Special District Alternate Commissioner
Placer County Local Agency Formation Commission

RICHARD KOFFLER

Olympic Valley Public Service District, Board member and chair of the Finance Committee
Olympic Valley Mutual Water Company, Board member and treasurer

I welcome the opportunity to support Placer County LAFCO's mission to foster orderly growth, protect open space, and ensure reliable, cost-effective public services across the county.

I offer direct governance experience within both a LAFCO-regulated special district and a mutual water company, underpinned by more than four decades of executive leadership in finance, corporate governance, and complex negotiations.

Local roots and special district service

An Olympic Valley full-time resident whose family has owned a home in the Valley since 1965, I am deeply engaged in how our community's essential services are structured, funded, and delivered:

Olympic Valley Public Service District. Board member, chair of the Finance Committee, and member of the committee overseeing water, sewer, fire and EMS services for the Alterra/Palisades Tahoe Village expansion.

Olympic Valley Mutual Water Company. Board Member and Treasurer, directly overseeing financial strategy, capital reserve planning, and California statutory compliance.

Holding concurrent leadership roles on both boards provides me with direct, practical insight into the core tenets of LAFCO's mandate—including service boundary determinations, coordination between public and private providers, municipal service reviews, and evaluating the long-term financial viability of service agencies.

Executive leadership and board governance

Across a 40-year career as chief executive officer in high technology, life sciences, and healthcare, I have held ultimate operational and fiduciary responsibility for capital raising, financial management, corporate restructuring, and contract negotiations with partners, investors and customers. Moreover, my service across numerous corporate and non-profit boards has centered on rigorous fiscal oversight, strategic alignment, and executive accountability.

Value brought to Placer County LAFCO

Thorough financial due diligence: The ability to scrutinize the fiscal durability of proposed annexations, reorganizations, and service extensions.

Disciplined governance: A fair, transparent approach to balancing competing stakeholder interests and statutory requirements.

Regional insight: Knowledge of eastern Placer County's distinct infrastructure, environmental, and community challenges.

Jackson, Sarah

From: Nick Fabian <nickfabian@aol.com>
Sent: Saturday, October 24, 2026 6:28 PM
To: Jackson, Sarah
Subject: [EXTERNAL]LAFCo Special Districts Alternate seat
Attachments: 2026_10_19.FABIAN.LAFCo.candidatestatement.pdf

Follow Up Flag: Flag for follow up
Flag Status: Flagged

WARNING: This email originated outside of Tahoe Forest Hospital District.

DO NOT CLICK links, open attachments or provide personal/sensitive information unless you recognize the source of this email and know the content is safe. If unsure, call the sender to verify the email is valid or, contact Helpdesk for further assistance.

Sarah Jackson
Tahoe Forest Hospital District
10121 Pine Ave
Truckee, CA 96161

Hello,

My name is Nick Fabian, and I am running for the Special District Alternate seat on Placer County LAFCo. I serve currently on the board of the Tahoe City Cemetery District, and I have lived in Tahoe City for 11 years.

My interest in LAFCo stems from a desire to see government services function efficiently and effectively for our local communities. The Special Districts provide services to many different communities across Placer County, and I am committed to representing the needs and concerns of those communities and the Special Districts that serve them. I believe it is essential that LAFCo consider and address those needs and concerns as Placer County moves forward into the future.

I ask for your vote to serve as the LAFCo Special Districts Alternate. I appreciate both the trust and the responsibility that come with your support.

Please consider this email a request to meet with your Executive Director and/or Board President either in person or via a phone call. It is important to me that I understand your issues and concerns and that we maintain an open dialogue so that I can best represent your needs when called upon as an alternate.

I have attached my candidate statement. Please feel free to contact me at nickfabian@aol.com or 404-202-3224. I look forward to speaking with you and scheduling a time to talk.

Thank you for your time and attention.

Sincerely,

Nick Fabian

Robert N. (Nick) Fabian
1760 Spruce Avenue
P.O. Box 1141
Tahoe City, CA 96145
NickFabian@aol.com
404-202-3224

Robert N. (Nick) Fabian

Tahoe City Cemetery District Board

Candidate for Placer County LAFCo Special District Alternate Seat

I am running for the Special District Alternate seat on Placer County LAFCo. I serve currently on the board of the Tahoe City Cemetery District.

I have owned a home in Tahoe City, located in the eastern unincorporated part of Placer County, for 23 years, and I have been a full-time resident for the past 11 years. I moved permanently to California in 2015, after 15 years in higher-education management at Emory University in Atlanta, Georgia. For the past 7 years, I have worked for Sierra Boat Company, turning a great hobby into gainful employment.

Placer County is a wonderfully diverse place, from its cities and towns to its foothills, mountains, and national forest lands. To support the interests of the many people who live, work, recreate, and vacation here, while simultaneously protecting the rich natural resources that underpin our histories and lifestyles is a challenging undertaking. My interest in LAFCo stems from a desire to see government services function efficiently and effectively for our local communities. Balance, thoughtful stewardship, and informed decision-making will form the basis of creative solutions to the complex issues affecting our future growth and prosperity.

The Special Districts provide services to many different communities across Placer County. As Special Districts Alternate, I will listen, learn, and advocate for the interests of the Special District communities. It is essential that LAFCo consider and address the needs and concerns of our communities and the Special Districts that serve them as Placer County moves forward into the future.

I ask for your vote to serve as the LAFCo Special Districts Alternate. I appreciate both the trust and the responsibility that come with your support.