



**MISSION**

*It is our mission to deliver quality healthcare to the residents of and visitors to BigBearValley through the most effective use of available resources.*

**VISION**

*To be the premier provider of emergency medical and healthcare services in our BigBearValley.*

---

**BOARD OF DIRECTORS BUSINESS MEETING AGENDA  
WEDNESDAY, APRIL 14, 2021 @ 1:00 PM  
CLOSED SESSION 1:00 PM @ ADMINISTRATION OFFICE  
OPEN SESSION @ APPROXIMATELY 2:30 PM CAFETERIA  
41870 GARSTIN DRIVE, BIG BEAR LAKE, CA 92315**

(Closed Session will be held upon adjournment of Open Session as noted below. Open Session will reconvene @ approximately 2:30 p.m. –Hospital Cafeteria 41870 Garstin Drive, Big Bear Lake, CA 92315)

---

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

---

**OPEN SESSION**

**1. CALL TO ORDER**

**Peter Boss, President**

**2. PUBLIC FORUM FOR CLOSED SESSION**

This is the opportunity for members of the public to address the Board on Closed Session items.

(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

**3. ADJOURN TO CLOSED SESSION\***

**CLOSED SESSION**

**1. CHIEF OF STAFF REPORT/QUALITY IMPROVEMENT: \*Pursuant to Health & Safety Code Section 32155**

- (1) Chief of Staff Report

**2. HOSPITAL QUALITY/RISK/COMPLIANCE REPORTS: \*Pursuant to Health & Safety Code Section 32155**

- (1) Risk / Compliance Management Report
- (2) QI Management Report

**3. TRADE SECRETS: Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1**

- (1) Jeffery Orr MD, Wound Care Physician Agreement
- (2) High Desert Pathology Director of Laboratory Service Agreement

**4. REAL PROPERTY NEGOTIATIONS: \*Government Code Section 54956.8/TRADE SECRETS: \*Pursuant to Health and Safety Code Section 32106 and Civil Code Section 34266.1**

- (1) Property Acquisition/Lease/Tentative Improvement (Anticipated Disclosure 4/14/21)

## **OPEN SESSION**

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

**Peter Boss, President**

### **2. ROLL CALL**

**Shelly Egerer, Executive Assistant**

### **3. FLAG SALUTE**

### **4. ADOPTION OF AGENDA\***

### **5. RESULTS OF CLOSED SESSION**

**Peter Boss, President**

### **6. PUBLIC FORUM FOR OPEN SESSION**

This is the opportunity for persons to speak on items of interest to the public within subject matter jurisdiction of the District, but which are not on the agenda. Any person may, in addition to this public forum, address the Board regarding any item listed on the Board agenda at the time the item is being considered by the Board of Directors. (*Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.*)

***PUBLIC RESPONSE IS ENCOURAGED AFTER MOTION, SECOND AND  
PRIOR TO VOTE ON ANY ACTION ITEM***

### **7. DIRECTORS' COMMENTS**

### **8. INFORMATION REPORTS**

#### **A. Foundation Report**

**Holly Elmer, Foundation President**

#### **B. Auxiliary Report**

**Gail Dick, Auxiliary President**

### **9. CONSENT AGENDA\***

#### **Notice to the Public:**

Background information has been provided to the Board on all matters listed under the Consent Agenda, and the items are considered to be routine by the Board. All items under the Consent Agenda are normally approved by one (1) motion. If discussion is requested by any Board Member on any item; that item will be removed from the Consent Agenda if separate action other than that as stated is required.

#### **A. March 10, 2021 Business Board Meeting Minutes: Shelly Egerer, Executive Assistant**

#### **B. March 2021 Human Resource Report: Erin Wilson, Human Resource Director**

#### **C. March 2021 Plant and Maintenance Report: Michael Mursick, Plant & Maint. Manager**

#### **D. March 2021 Infection Control Report: Heather Loose, Infection Preventionist**

#### **E. Policies & Procedures: Summary Attached**

##### **(1) Hospital Surge Disaster**

#### **F. Committee Meeting Minutes:**

##### **(1) March 02, 2021 Finance Committee Meeting Minutes**

### **10. OLD BUSINESS\***

- None

### **11. NEW BUSINESS\***

#### **A. Discussion and Potential Approval of the Following Service Agreements:**

##### **(1) Jeffrey Orr MD, Wound Care Physician Agreement**

##### **(2) High Desert Pathology Director of Laboratory Service Agreement**

- B. Discussion and Review of BVCHD Strategic Plan (Quarterly Review)
- C. BVCHD Board of Directors Annual Compliance Training (Review of BVCHD Compliance Program)

**12. ACTION ITEMS\***

- A. **Acceptance of QHR Health Report**  
Woody White, QHR Health  
(1) April 2021 QHR Health Report
- B. **Acceptance of CNO Report**  
Kerri Jex, Chief Nursing Officer  
(1) March 2021 CNO Report
- C. **Acceptance of the CEO Report**  
John Friel, Chief Executive Officer  
(1) April 2021 CEO Report
- D. **Acceptance of the Finance Report & CFO Report**  
Garth Hamblin, Chief Financial Officer  
(1) February 2021  
(2) CFO Report

**13. ADJOURNMENT\***

**\* Denotes Possible Action Items**





### **3. FLAG SALUTE:**

Board Member Baker led the flag salute and all present participated.

### **4. ADOPTION OF AGENDA:**

**President Boss called for a motion to adopt the March 10, 2021 agenda as presented. Motion by Board Member Melnick to adopt the March 10, 2021 agenda as presented. Second by Board Member Baker to adopt the March 10, 2021 agenda as presented. President Boss called for a vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

### **5. RESULTS OF CLOSED SESSION:**

President Boss reported that the following action was taken in Closed Session:

- Chief of Staff Report:
  - Reappointment:
    - Carly Bronson, NP
    - Stephen Fine, MD
    - Steven Knapik, DO
    - Kaustubh Patankar, MD
- Risk Report/Compliance Report
- QI Report

**President Boss called for a vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

### **6. PUBLIC FORUM FOR OPEN SESSION:**

President Boss opened the Hearing Section for Public Comment on Open Session items at 2:00 p.m. Hearing no request to make public comment. President Boss closed Public Forum for Closed Session at 2:00 p.m.

### **7. DIRECTORS COMMENTS**

- President Boss once again congratulated staff on what we have accomplished with the pandemic and for the SNF receiving the 5 Star rating: what a great success to accomplish during the pandemic.

### **8. INFORMATION REPORTS**

#### **A. Foundation Report**

- Mr. Friel reported on behalf of Holly Elmer
  - Able and ready to get back to fundraising

**B. Auxiliary Report:**

- Ms. Dick reported the following information:
  - Auxiliary members are volunteering at the COVID vaccination clinic
  - Approximately 160 hours have been worked; at least 4 volunteers are present at the clinic.
  - We take temperatures, ensure forms are completed, and verify residency
  - Sees Easter candy will come out for sale, Administration will sell the candy

**9. CONSENT AGENDA:**

- A.** February 10, 2021 Business Board Meeting Minutes: Shelly Egerer, Executive Assistant
- B.** February 2021 Human Resource Report: Erin Wilson; Human Resource Director
- C.** February 2021 Infection Control Report: Heather Loose, Infection Preventionist
- D.** Policies & Procedures:
  - (1) Crisis Standard of Guidelines
- E.** Committee Meeting Minutes:
  - (1) February 02, 2020 Finance Committee Meeting Minutes

**President Boss called for a motion to approve the Consent Agenda as presented. Motion by Board Member Melnick to approve the Consent as presented. Second by Board Member Baker to approve the Consent Calendar as presented. President Boss called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

**10. OLD BUSINESS:**

**A. Discussion and Potential Approval of the Leadership Development and Education Program Cost:**

- Mr. Hamblin reported that one of the efforts of the Strategic Plan is for middle management training
  - There was a math error in previous submission of item
  - Cost is up to \$15,000 to complete training
  - We did not receive the grant to cover the cost of the training.
- Board member Melnick reported this item was discussed at the Finance Committee and the committee is in favor of the cost; \$4,000 for travel and the cost of the training.

**President Boss called for a motion to approve the Leadership Development and Education Program cost not to exceed \$15,000. Motion by Board Member Kaliher to approve the Leadership Development and Education Program cost not to exceed \$15,000. Second by Board Member Melnick to approve the Consent Calendar as presented. President Boss called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

## **11. NEW BUSINESS\***

### **A. Discussion, Interview, and Potential Approval of Bear Valley Community Healthcare District, Board of Director Candidate/Appointment:**

- President Boss welcomed Jack Briner and asked that he please provide some information about himself.
  - Mr. Briner reported that he has had several years on hospital boards, Chairman of the Board at Sierra Regional, several years working for banks. Grew up in Northern California, Auburn, 27 years in military. Has never ran for a position but has served on several boards. History of volunteering. Formed 2 banks and sold 6 banks. Mr. Briner reported he met with Mr. Friel prior to Board Meeting, is aware of the challenges the hospital faces.

**President Boss called for a motion to approve the appointment of Jack Briner to the Board of Directors. Motion by Board Member Kaliher to approve the appointment of Jack Briner to the Board of Directors. Second by Board Member Baker to approve the appointment of Jack Briner to the Board of Directors. President Boss called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

### **B. Discussion and Potential Approval of the Board of Directors Annual Self-Assessment:**

- President Boss stated they would review items scored less than four:
  - Board Member performance is well, scored low but not a favorable question
  - Board education is well:
    - Annual retreat
    - Articles of interest should be available made to the board
    - QHR has annual board member boot camp
    - COVID has curtailed a lot of the conferences
  - Improve community relationships:
    - COVID also has caused issues
    - Very vital as we move forward
    - Community involvement is on the radar
  - Issues & Priorities:
    - Urgent Care center
    - Expanding services
    - Getting through COVID
  - Strengths:
    - Board works well together and well with Administration and Medical Staff.

- Weakness is high turnover in Board Members, lucky to replace with good quality board members.
- Key issues:
  - Property for potential new hospital
  - Urgent Care
  - Significant trends are COVID related
  - Critical factors are seismic issues and community involvement

**President Boss called for a motion to approve the Board of Directors Self-Assessment. Motion by Board Member Baker to approve the Board of Directors Self-Assessment. Second by Board Member Melnick to approve the Board of Directors Self-Assessment. President Boss called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

## **12. ACTION ITEMS\***

### **A. QHR Health Report:**

- (1) March 2021 QHR Health Report:
  - No report provided.

### **B. CNO Report:**

- (1) February 2021 CNO Report:
  - Mr. Friel reported that Ms. Jex is out on leave, copy of report has been provided.
    - Score survey should be completed this week 97% employee participation

**President Boss called for a motion to approve the CNO Report as presented. Motion by Board Member Baker to approve the CNO Report as presented. Second by Board Member Kaliher to approve the CNO Report as presented. President Boss called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

### **C. Acceptance of the CEO Report:**

- (1) March 2021 CEO Report:
  - Mr. Friel reported the following information:
    - Continue to provide COVID vaccination we have vaccinated approximately 2,000 community members.
    - Contracted with Blue Shield as of April 1, multipage agreement 5-year agreement; if we do not sign, we do not get the vaccination. There are several hospitals that have concerns, community members are continuing to show up for the vaccination, distribution is through the counties. Continue to look at the process, and we are continuing to provide a great service to our community.

- SNF received 5-star rating, fantastic accomplishment by staff
- Began the detox program and have provided this service to our community members
- Wound Care program will begin at the end of the month
- Annual Safety Newsletter has been provided to you.
- Easter Extravaganza is our upcoming employee event, a flyer has been provided to you.

**President Boss called for a motion to approve the CEO Report as presented. Motion by Board Member Melnick to approve the CEO Report as presented. Second by Board Member Kaliher to approve the CEO Report as presented. President Boss called for the vote. A vote in favor was unanimously approved 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

#### **D. Acceptance of the Finance Report:**

##### **(1) January 2021 Financials:**

- Mr. Hamblin reported the following information:
  - Expenses were 17% over budget
  - Payroll over budget
    - Three payrolls for the month of January
  - Over 500 days cash on hand
  - Applied for forgiveness of Payroll Protection Plan
  - Administration team is discussing winding the COVID protocol down
    - Travelers are large expense
    - COVID pay to decrease at the end of the month
    - Incentive of \$500.00 to all staff that received the vaccination

##### **(2) CFO Report:**

- Mr. Hamblin reported the following:
  - FY 2022 Budget Preparation:
    - Beginning the budget process
    - Calendar is attached

**President Boss called for a motion to approve the January 2021 Finance Report and CFO Report as presented. Motion by Board Member Melnick to approve the January 2021 Finance Report and CFO Report as presented. Second by Board Member Baker to approve the January 2021 Finance Report as presented. President Boss called for the vote. A vote in favor was unanimously approved 4/0.**

- Board Member Melnick - yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

**13. ADJOURNMENT:**

**President Boss called for a motion to adjourn the meeting at 3:04 p.m. Motion by Board Member Melnick to adjourn the meeting. Second by Board Member Baker to adjourn the meeting. President Boss called for the vote. A vote in favor of the motion was unanimously approved 4/0.**

- Board Member Melnick- yes
- Board Member Kaliher - yes
- President Boss - yes
- Board Member Baker - yes

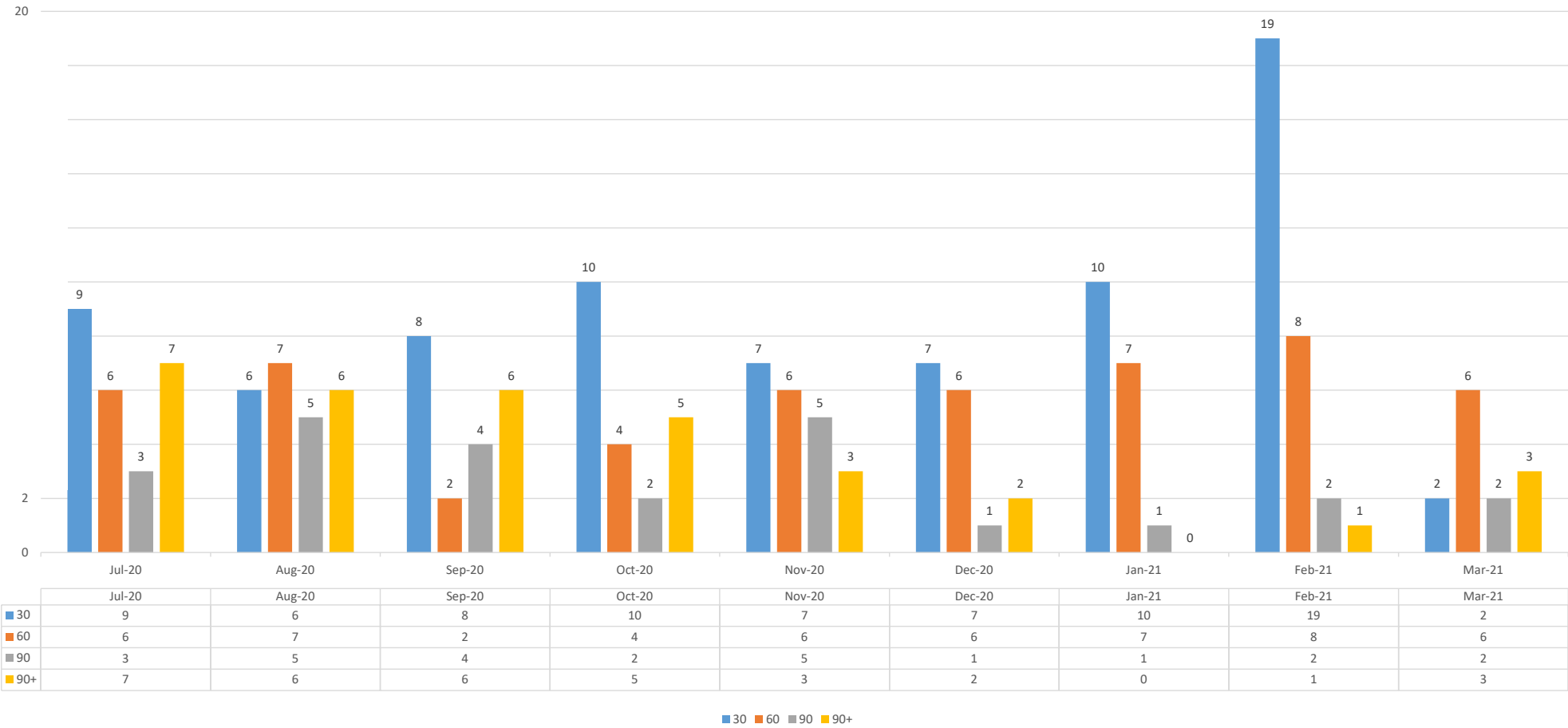


## Board Report

March 2021

Staffing	<b>Active:</b> 232 – FT: 152 PT: 15 PD: 65 <b>New Hires:</b> 5 <b>Terms:</b> 4 (4 Voluntary 0 Involuntary) <b>Open Positions:</b> 10
Employee Performance Evaluations	<b>DELINQUENT: See attachment</b> 30 days: 2 60 days: 6 90 days: 2 90+ days: 3 – (RT, Acute) <b>See Attachment</b>
Work Comp	<b>NEW CLAIMS: 0</b> <b>OPEN: 12</b> Indemnity (Wage Replacement, attempts to make the employee financially whole) – 11 Future Medical Care – 0 Medical Only – 1
Employee Morale	Ongoing Culture of Ownership Initiatives Birthday Celebration Easter Extravaganza, raised over \$3,000 for employee fund
Beta HEART	Opted into the domain “Workplace Violence” and “Slip Trip and Fall”. When validated we are entitled to 2% work comp premium discount per domain up to 4% per year.

Past Due Evaluations





## Bear Valley Community Healthcare District Construction Projects 2021

Department / Project	Details	Vendor and all associated costs	Comments	Date
<b>Urgent Care</b>	Working with design professionals to finalize drawings	Moon & Mayoras	Working on TI's with Contractors	
<b>Pyxis Replacement</b>	Pyxis equipment is in place and seismic anchors will be installed soon.	Facilities	Nearly complete, waiting for Pyxis to send last mount that was not recieved during original delivery.	
<b>Vacuum Pump Replacement</b>	Hospital vacuum pump failed	Facilities	Completed	

## Bear Valley Community Healthcare District Potential Equipment Requirements

Department / Project	Details	Vendor and all associated costs	Comments	Date Complete
Facilities- New 4X4 cart	Purchase a new cart foe facilities	Caddy Shack Carts		
Facilities- New Toolbox & Tool Set	Replace the old broken toolbox and replace the old handtool set	Northern Tools		

## Bear Valley Community Healthcare District Repairs Maintenance

Department / Project	Details	Vendor and all associated costs	Comments	Date Completed
<b>Plant- Backflow Leak</b>	Repair the leaking backflow device in the plant	Facilities/Martin Fire & Plumbing	Completed	
<b>Expand the Storage Area near Dietary</b>	Remove old lockers and equipment to make room for new equipment.	Facilities	Completed	
<b>FHC Lighting</b>	Located the power issues that have a section of lighting off.	Facilities/Centrica	In Progress	
<b>Activities- Set up activities with furniture</b>		Facilities	Completed	



## Infection Prevention Monthly Report

February 2021

TOPIC	UPDATE	ACTION/FOLLOW UP
<b>1. Regulatory</b>	<ul style="list-style-type: none"> <li>▪ Continue to receive updates from APIC. Meetings are being conducted through Zoom.</li> <li>▪ AFL (All Facility Letters) from CDPH have been reviewed.               <ul style="list-style-type: none"> <li>○ Nothing new in February pertaining to infection control.</li> </ul> </li> <li>▪ Continue NHSN surveillance reporting.               <ul style="list-style-type: none"> <li>• No Hospital Acquired Infections to report.</li> <li>• We did have an inpatient with Carbapenem-resistant Klebsiella, but not hospital-acquired.</li> <li>• No surgical site infections.</li> </ul> </li> <li>▪ Completion of CMR reports to Public Health per Title 17 and CDPH regulations.               <ul style="list-style-type: none"> <li>• February – 22 positive COVID-19</li> <li>• March – 8 positive COVID-19</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Continue reporting as required.</li> </ul>
<b>2. Construction</b>	<ul style="list-style-type: none"> <li>▪ None currently</li> </ul>	<ul style="list-style-type: none"> <li>▪ Work with Maintenance and contractors to ensure</li> </ul>

		compliance.
<b>3. QI</b>	<ul style="list-style-type: none"> <li>▪ Continue to work towards increased compliance with Hand Hygiene</li> <li>▪ February 82%</li> <li>▪ March 79%</li> <li>▪ Surgical Instrument Tray Inventory Accuracy               <ul style="list-style-type: none"> <li>▪ February – 4 trays checked, 100% accurate</li> <li>▪ March – 4 trays checked, 100% accuracy</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Continue monitoring hand hygiene compliance.</li> </ul>
<b>4. Outbreaks/ Surveillance</b>	<ul style="list-style-type: none"> <li>▪ February – 1 MRSA, no C-diff</li> <li>▪ March – 0 MRSA, no C-Diff, 1 Carbapenem-resistant Klebsiella</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> </ul>
<b>5. Policy Updates</b>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<ul style="list-style-type: none"> <li>▪ Clinical Policy and Procedure Committee to review and update Infection Prevention policies.</li> </ul>
<b>6. Safety/Product</b>	<ul style="list-style-type: none"> <li>▪ IP will be continuing to monitor environmental cleaning practices.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor compliance with infection control practices.</li> </ul>
<b>7. Antibiotic Stewardship</b>	<ul style="list-style-type: none"> <li>▪ Pharmacist continues to monitor antibiotic usage.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational.</li> </ul>

<b>8. Education</b>	<ul style="list-style-type: none"> <li>▪ Infection Preventionist keeping up to date on latest COVID-19 and other infectious disease information.</li> <li>▪ IP to do ongoing education at EVS staff meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ ICP to share information at appropriate committees.</li> </ul>
<b>9. Informational</b>	<p>Immediate Use Steam Sterilization</p> <ul style="list-style-type: none"> <li>▪ February – 7 surgeries, 0 IUSS</li> <li>▪ March – 3 surgeries, 0 IUSS</li> </ul> <p>Covid -19 Vaccine</p> <ul style="list-style-type: none"> <li>▪ Vaccines have been received and offered to all staff at this point.</li> <li>▪ 67% of staff have received vaccines.</li> </ul> <p>We are still screening patients and visitors for symptoms of Covid-19.</p>	
<i>Heather Loose, BSN, RN      Infection Preventionist      Date: April 5, 2021</i>		

Department	Title	Summary
Emergency Preparedness	Hospital Surge Disaster	Annual review. Revised document to reflect current process as well as included the Field Treatment Sites as part of the directive from ICEMA. Changed policy name from "EMP Addendum Hospital Surge Disaster".

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MINUTES  
41870 GARSTIN DR., BIG BEAR LAKE, CA 92315  
VIA PHONE CONFERENCE/TEAMS  
MARCH 02, 2021**

**MEMBERS** Perri Melnick, Treasurer Garth Hamblin, CFO  
**PRESENT:** Steven Baker, 2nd Vice President Shelly Egerer, Exec. Asst.  
John Friel, CEO

**STAFF:** None

**OTHER:** None

**COMMUNITY  
MEMBERS:** None

**ABSENT:** Kerri Jex

---

**OPEN SESSION**

**1. CALL TO ORDER:**

Board Member Melnick called the meeting to order at 1:00 p.m.

**2. ROLL CALL:**

Perri Melnick and Steven Baker were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

**3. ADOPTION OF AGENDA:**

**Board Member Melnick motioned to adopt the March 02, 2021 Finance Committee Meeting Agenda as presented. Second by Board Member Baker to adopt the March 02, 2021 Finance Committee Meeting Agenda as presented. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes

**CLOSED SESSION**

**1. PUBLIC FORUM FOR CLOSED SESSION:**

Board Member Melnick opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member Melnick closed the Hearing Section at 1:00 p.m.

**2. ADJOURN TO CLOSED SESSION:**

**Board Member Melnick motioned to adjourn to Closed Session at 1:00 p.m. Second by Board Member Baker to adjourn to Closed Session at 1:00 p.m. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes



## **OPEN SESSION**

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

Board Member Melnick called the meeting to order at 1:30 p.m.

### **2. RESULTS OF CLOSED SESSION:**

Board Member Melnick stated there was no reportable action from Closed Session.

### **3. PUBLIC FORUM FOR OPEN SESSION:**

Board Member Melnick opened the Hearing Section for Public Comment on Open Session items at 1:30 p.m. Hearing no request to address the Finance Committee, Board Member Melnick closed the Hearing Section at 1:30 p.m.

### **4. DIRECTOR'S COMMENTS:**

- None

### **5. APPROVAL OF MINUTES:**

#### **A. February 02, 2021**

**Board Member Melnick motioned to approve February 02, 2021 minutes as presented. Second by Board Member Baker to approve the February 02, 2021 minutes as presented. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes

### **6. OLD BUSINESS:**

- None

### **7. NEW BUSINESS\***

#### **A. Discussion and Potential Recommendation to the Board of Directors the Leadership Development and Education Program:**

- Mr. Hamblin reported this item was discussed at the Board Meeting last month and there was a math error in the previous document; we would like to continue to move forward with the training at the cost of \$15,000; \$9,900 and \$4,000 for travel expenses for a two day presentation and travel expenses.
- The committee felt the cost from QHR seems extreme, the cost of their speakers seems to be a high dollar amount but felt if senior staff is supportive of the program then the committee will support staff's decision.

**Board Member Melnick motioned to approve a positive recommendation to the Board of Directors to approve the Leadership & Development Education Program up to \$15,000.00. Second by Board Member Baker to approve a positive recommendation to the Board of Directors the Leadership & Development Education Program up to \$15,000.00. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes

## **8. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS\***

### **A. January 2021 Finances:**

- Mr. Hamblin reported the following information:
  - 502 days cash on hand
  - Total patient revenue was 2.4% lower than budget
  - Net patient revenue was 11.3% lower than budget
  - Total expenses were 17.4% more than budget
  - ER visits were under budget
  - By March 28th we will COVID pay and look towards winding down from other COVID functions

### **B. CFO Report:**

- Mr. Hamblin reported the following:
  - **FY 2022 Budget Preparation:**
    - Beginning the process of 2022 budget
    - Budget is built off previous months; with COVID there will be some challenges
    - Provided a copy of the budget schedule to the committee
  - **Bank Account for Payroll:**
    - We are working with First Foundation Bank to establish an account for payroll. This would move our payroll account from another bank
    - We will reduce fees by moving to First Foundation Bank
    - Part of this transition would mean working with Western Union to handle
  - **COVID-19 Expenses / Funding:**
    - We are over budget on FTE for the pay periods in January
    - We have applied COVID pay for all staff
    - Applied for forgiveness of Paycheck Protection Program and are waiting for the response.
  - **Inpatient Detox:**
    - We continue to move forward with the implementation of the program
    - QHR was on site to work on additional details of the program
    - Admitted our first patient today under this program
  - **Wound Care:**
    - We continue to develop the program and projected start date is March 2021

**Board Member Baker motioned to approve the January 2021 Finance Report and CFO Report as presented. Second by Board Member Melnick to approve the January 2021 Finance Report and CFO Report as presented. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes

## **9. ADJOURNMENT\***

**Board Member Melnick motioned to adjourn the meeting at 2:24 p.m. Second by Board Member Baker to adjourn the meeting. Board Member Melnick called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Melnick - yes
- Board Member Baker- yes



## Contract Cover Sheet

Contract Name: Jeffrey Orr, MD CBS Bay Area Family Medicine  
Purpose of Contract: Wound Care Physician Agreement  
Contract # / Effective Date / Term/ Cost: 4-1-21 - 3-31-23 \$70.00 per patient  
Originating Dept. Name / Number: \_\_\_\_\_

Department Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_

BAA: ☒ Yes ☐ No

W-9: ☒ Yes ☐ No

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Security Officer</u> (Software/EHR Related)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA Privacy Officer</u> (BAA applicable)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>via email</u>	Date: <u>4-6-2021</u>
<u>Compliance Officer</u>	Signature: <u>Mary Norman PO</u>	Date: <u>4/6/21</u>
<u>Chief Financial Officer</u>	Signature: <u>Scott M. Hall</u>	Date: <u>6 Apr 2021</u>
<u>Chief Executive Officer</u>	Signature: _____	Date: _____
<u>Board of Directors</u> When Applicable	Signature _____	Date: _____

1. Final Signatures on Contract, BAA & W-9: Date: \_\_\_\_\_
2. Copy of BAA forwarded to HIPAA Privacy Officer Date: \_\_\_\_\_
3. Copy of Contract/BAA/W-9 forwarded to Department Manager: Date: \_\_\_\_\_
4. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable): Date: \_\_\_\_\_
5. Copy of Contract/BAA/W-9 scanned/mailed to Controller: Date: \_\_\_\_\_

## Contract Cover Sheet

### CONFIDENTIAL NOTICE:

Note: This document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

NOTICE TO RECIPIENT: If you are not the intended recipient of this, you are prohibited from sharing, copying or otherwise using or disclosing its contents. If you have received this document in error, please notify the sender immediately by reply email and permanently delete this document and any attachments without reading, forwarding or saving them. Thank you  
Updated 07/2019



**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
PHYSICIAN AGREEMENT FOR SERVICES AT THE WOUND CARE PROGRAM  
WITH  
JEFFREY ORR, M.D.  
DBA BIG BEAR FAMILY MEDICINE**

THIS PHYSICIAN AGREEMENT ("Agreement") is made and entered into as of the 1<sup>ST</sup> day of April 01, 2021 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Jeffrey Orr, M.D. ("Physician").

**RECITALS**

WHEREAS, Hospital is the owner and operator of a general acute care hospital located in Big Bear Lake, California. Hospital has a federally approved hospital-based 95-210 Rural Health Clinic located at two sites known as the Family Health Center and the Rural Health Clinic ("the Clinics"), under which Hospital may contract with physicians and physician extenders to provide medical treatment to the Clinics' patients.

WHEREAS, Physician is licensed by the Medical Board of California to practice medicine and is qualified to perform medical services for the Hospital.

WHEREAS, Hospital desires to retain the services of Physician to provide professional medical services, and Physician desires to so contract with Hospital to furnish those services.

NOW THEREFORE, in consideration of the mutual covenants, undertakings and promises contained herein, as well as other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

**AGREEMENTS**

**SECTION I. RESPONSIBILITIES OF PHYSICIAN.**

A. SERVICES. During the term of this Agreement, Physician agrees to the following:

1. Physician shall provide professional medical services to the Hospital, Wound Care Program.
2. Physician shall maintain medical records for all patients consistent with standard industry practices and shall provide such other record keeping and administrative services as may be reasonably requested by Hospital. All medical records remain the property of the Hospital.
3. Physician shall cooperate with any quality management and utilization management programs instituted by Hospital.



B. ACCESS TO BOOKS AND RECORDS. If the value or cost of Services rendered to Hospital pursuant to this Agreement is Ten Thousand Dollars (\$10,000.00) or more over a twelve-month period, Physician agrees as follows:

1. Until the expiration of four (4) years after the furnishing of such Services, Physician shall, upon written request, make available to the Secretary of the Department of Health and Human Services (the "Secretary"), the Secretary's duly-authorized representative, the Comptroller General, or the Comptroller General's duly-authorized representative, such books, documents and records as may be necessary to certify the nature and extent of the cost of such Services; and
2. If any such Services are performed by way of subcontract with another organization and the value or cost of such subcontracted services is Ten Thousand Dollars (\$10,000.00) or more over a twelve-month (12) period, such subcontract shall contain, and Physician shall enforce, a clause to the same effect as subparagraph 1. immediately above.

The availability of Physician's books, documents, and records shall be subject at all times to all applicable legal requirements, including, without limitation, such criteria and procedures for seeking and obtaining access that may be promulgated by the Secretary by regulation. The provisions of subparagraphs 1. and 2. of Section I.B. shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

C. Physician will not carry out any of the duties of the Agreement through a subcontract.

D. ETHICS. In performing services under this Agreement, Physician shall use his best and most diligent efforts and professional skills; perform professional supervisory services; render care to patients in accordance with and in a manner consistent with the high standards of medicine; conduct himself in a medical staff rules and regulations.

E. In respect to Physician's performance of Physician's professional duties, the Hospital shall neither have nor exercise control or direction over the specific methods by which Physician performs Physician's professional clinical duties. The Hospital's sole interest shall be to ensure that such duties are rendered in a competent, efficient and satisfactory manner.

F. Physician recognizes that the professional reputation of the Hospital is a unique and valuable asset. Physician shall not make any negative, disparaging or unfavorable comments regarding the Hospital or any of its owners, officers and/or employees to any person, either during the term of this Agreement or following termination of this Agreement.

G. NOTIFICATION OF CERTAIN EVENTS. Physician shall notify Hospital in writing within three (3) business days after the occurrence of any one or more of the following events:

1. Physician's medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished;
2. Physician becomes the subject of any suit, action or other legal proceeding arising out of Physician's professional services;

3. Physician is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;
  4. Physician becomes the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior;
  5. Physician becomes incapacitated or disabled from practicing medicine;
  6. Any act of nature or any other event occurs which has a material adverse effect on Physician's ability to perform the Services under this Agreement;
  7. Physician changes the location of his offices;
  8. Physician is charged with or convicted of a criminal offense; or
  9. Physician is debarred, suspended or otherwise excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or Medi-Cal Office, or by any equivalent or coordinating governmental agencies.
- H. **COORDINATION OF SERVICES.** Physician shall cooperate with Hospital, through it's Chief Executive Officer, in connection with providing the Services.
- I. **COMMUNITY RELATIONS & EDUCATION.** Physician shall actively participate in the District community relations and educational efforts to keep the public and physician community aware of BVCHD's Wound Care Program.

## **SECTION II. REPRESENTATIONS AND WARRANTIES**

Physician represents and warrants to Hospital, upon execution and throughout the term of this Agreement as follows:

- A. Physician is not bound by any agreement or arrangement which would preclude Physician from entering into or from fully performing the services required under this Agreement.
- B. Physician's license to practice medicine in the State of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action or made subject to terms of probation or any other restriction;
- C. Physician's medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action or restricted in any way;
- D. Physician shall perform the services required hereunder in accordance with: (1) all applicable federal, state and local laws, rules and regulations; (2) all applicable standards of care of relevant accrediting organizations; and (3) all applicable Bylaws, Rules and Regulations of Hospital and it's Medical Staff;
- E. ~~Physician has not in the past conducted, and is not presently conducting, Physician's~~ medical practice in such a manner as to cause Physician to be suspended, excluded, barred or sanctioned under the Medicare or Medi-Cal Programs or any government licensing agency, and has never been convicted of an offense related to health care or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation;

- F. Physician has, and shall maintain throughout the term of this Agreement, an unrestricted license to practice medicine in the State of California and staff membership privileges at Hospital.
- G. Physician has disclosed, and will at all times during the term of this Agreement promptly disclose, to the Hospital: (1) the existence and basis of any legal, regulatory, professional or other proceeding against Physician instituted by any person, organization, governmental agency, health care facility, peer review organization, or professional society which involves any allegation of substandard care or professional misconduct raised against Physician; and (2) any allegation of substandard care or professional misconduct raised against Physician by any person, organization governmental agency, health care facility, peer review organization or professional society;
- H. Physician agrees to promptly disclose any change to the status of his license to practice medicine or any changes the status of any privileges Physician may have at any other health care facility; and,
- I. Physician shall deliver to the Hospital promptly, upon request, copies of all certificates, registrations, certificates of insurance and other evidence of Physician's compliance with the foregoing, as reasonably requested by the Hospital.
- J. Physician shall participate in all government and third-party payment or managed care programs in which Hospital/Clinic participates, render services to patients covered by such programs, and accept the payment amounts provided for under these programs as payment in full for services of Physician to Hospital/Clinic's patients. If Hospital/Clinic deems it advisable for Physician to contract with a payer with which Hospital/Clinic has a contract, Physician agrees in good faith to negotiate a contractual agreement equal to the reasonable prevailing reimbursement rates for Wound Care Physician within the geographic area of Hospital/Clinic.

### **SECTION III. INDEMNIFICATION OF LIABILITY.**

Physician agrees to indemnify, defend and hold harmless Hospital and its governing board, officers, employees and agents from and against any and all liabilities, costs, penalties, fines, forfeitures, demands, claims, causes of action, suits and costs and expenses related thereto (including reasonable attorney's fees), which any or all of them may thereafter suffer, incur, be responsible for or pay out as a result of bodily injuries (including death) to any person or damage to any property (public or private), alleged to be caused by or arising from: (1) the negligent or intentional acts, errors, or omissions of Physician; (2) any violations of federal, state, or local statutes or regulations arising out of or resulting from any negligent act, error or omission of Physician; (3) the use of any copyrighted materials or patented inventions by Physician; or (4) Physician's breach of its warranties or obligations under this Agreement. The rights and obligations created by this indemnification provision shall survive termination or expiration of this Agreement.

### **SECTION IV. INDEPENDENT CONTRACTOR.**

In performing the services herein specified, Physician is acting as an independent contractor and shall not be considered an employee of Hospital. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as agent for the other. Physician shall be liable for Physician's own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and



benefits. As an independent contractor, Physician is responsible for filing such tax returns and paying such self-employment taxes as may be required by law or regulations.

## **SECTION V. COMPENSATION.**

At the end of each month, Physician shall submit to Hospital Administration a completed time sheet of time spent seeing patients in the Wound Care Program. Upon receipt of completed and signed provider time sheet for services rendered under this Agreement, Hospital shall pay Physician, as for sole compensation hereunder, on a fee per visit basis at \$70.00 (Seventy Dollars) per visit. All patient billings for Physician services remain the property of Hospital. Monthly payments to Physician shall be made on or before the 10<sup>th</sup> (tenth) day of the month, following the month in which services are rendered.

## **SECTION VI. COMPLIANCE.**

- A. Hospital is committed to compliance with all billing and claims submission, fraud and abuse laws and regulations. In contracting with Hospital, physician agrees to act in compliance with all laws and regulations. Hospital has completed a Compliance Program to assure compliance with laws and regulations. Physician is therefore expected to comply with the policies of the Hospital Compliance Program.

At a minimum, Physician is expected to:

1. Be aware of those procedures which affect the physician, and which are necessary to implement the Compliance Program, including the mandatory duty of Physician to report actual or possible violations of fraud and abuse laws and regulations; and,
2. Understand and adhere to standards, especially those which relate to the Physician's functions for or on behalf of the District/Hospital.

- B. Failure to follow the standards of Hospital's Compliance Programs (including the duty to report misconduct) may be considered to be a violation of the Physician's arrangement with the Hospital and may be grounds for action by Hospital, including termination of the relationship.

## **SECTION VII. TERM.**

This Agreement is effective from April 1, 2021 to March 31, 2023; however, this Agreement is subject to early termination as provided in Section. VIII. below.

## **SECTION VIII. EARLY TERMINATION.**

- A. Hospital may terminate this Agreement with or without cause or immediately in the event that:
1. Physician's license to practice medicine is suspended, revoked, terminated or otherwise restricted;
  2. Physician's medical staff privileges at the Hospital, or any other healthcare facility, are in any way suspended, revoked or otherwise restricted.
  4. Hospital fails to maintain license;
  5. Physician Services Agreement is terminated or expires;
  6. Physician's failure to comply with the standards of the Hospital's Compliance Program to the extent that such failure results in material fine and or sanction from Medicare or Medi-Cal Program;
  7. Physician breaches any material term of this Agreement;

8. Physician fails to complete medical records in a timely fashion;
9. Physician fails to maintain the minimum professional liability insurance coverage;
10. Physician inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
11. Physician's inability to work with and relate to others, including, but not limited to patients and ancillary staff, in a respectful, cooperative and professional manner and such inability has not been cured after 30 days written notice from the Hospital;
12. Physician is unable to provide medical services under the terms of this Agreement due to a physical or mental disability;
13. Physician becomes impaired by the use of alcohol or the abuse of drugs;
14. Physician is convicted of any criminal offense, regardless of whether such action arose out of Physician's provision of professional services;
15. Physician commits any act of fraud, as determined by reasonable discretion of the Board, whether related to the Physician's provision of professional services or otherwise; or
16. A mutual written agreement terminating this Agreement is entered into between the Hospital and Physician.

B. Either party may terminate this Agreement for material breach, provided that the non-defaulting party shall give written notice of the claimed default and the other party shall have 30 days to cure such performance, failing which, this Agreement may thereafter be immediately terminated by the non-defaulting party.

C. Either party may terminate this Agreement, without cause, by providing the other party sixty (60) days prior written notice.

D. EFFECT OF TERMINATION. In the event that this Agreement is terminated for any reason, Physician shall be entitled to receive only the amount of compensation earned prior to the date of termination.

E. TERMINATION WITHIN FIRST TWELVE (12) MONTHS. If this Agreement is terminated, with or without cause, during the first twelve (12) months of the term, the parties shall not enter any new agreement or arrangement during the remainder of such twelve (12) month period.

## **SECTION IX. CONFIDENTIALITY.**

Physician shall not disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the patient in writing, any patient or medical record information regarding Hospital patients and Physician shall comply with all federal and state laws and regulations, and all rules, regulations and policies of Hospital and its Medical Staff regarding the confidentiality of such information from Hospital patients receiving treatment of any kind, including treatment for alcohol and drug abuse. Physician is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records as codified at 42 C.F.R. Chapter 1, Part 2, enacted pursuant to 42 U.S.C. 290ee, and agrees to be separately bound by a Business Associate Agreement drafted pursuant to HIPAA, as set forth in Public Law 104-191, as codified at 42 U.S.C. 1301 et. seq.

## **SECTION X. INSURANCE.**

Physician shall keep continuously in force during the entire term of this Agreement a claims made professional liability insurance policy with minimum limits of liability of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate

covering Physician for the Professional Services provided under this Agreement. Physician will provide District with no less than 30 days advance written notice of any coverage changes or cancellation of the policy. Physician will provide District with evidence of coverage as stated above, showing professional liability coverage. All professional liability coverage must meet the requirements of the Medical Staff and Medical Staff Bylaws. The coverage required by this section shall be either on an occurrence basis or on a claims made basis. If the coverage is on a claims made basis, not less than 30 days prior to the termination of Physician's claims made coverage, Physician shall be obligated to provide evidence to District of continued coverage for claims which arise from Physician's services either by (i) evidence of continued effect of a claims made policy which provides coverage for all claims arising out of incidents occurring prior to the termination of such coverage, or (ii) evidence of an extended reporting period endorsement or "tail insurance" for all claims arising out of incidents occurring prior to termination of such coverage, and shall provide the District with a certificate evidencing such tail or retroactive coverage.

The obligations set forth in this Section shall survive the termination of this Agreement.

#### **SECTION XI. ASSIGNMENT.**

Physician shall not assign, sell, or otherwise transfer his/her Agreement or any interest in it without written consent of Hospital.

#### **SECTION XII. NOTICES.**

The notice required by this Agreement shall be effective if mailed, one (1) business day after the day on which the notice was sent via overnight mail, addressed as follows:

Hospital: John Friel, Chief Executive Officer  
Bear Valley Community Healthcare District  
P. O. Box 1649  
Big Bear Lake, CA 92315

Physician: Jeffrey Orr, M.D.  
P.O. Box 2291  
Big Bear City, CA 92314

#### **SECTION XIII. PRE-EXISTING AGREEMENT.**

With an exception for Physician's Hospitalist, Director of Wound Care Program, FHC physician agreement(s), this Agreement replaces and supersedes any and all prior arrangements or understandings by and between Hospital and Physician with regard to the subject matter hereof.

#### **SECTION XIV. HOSPITAL NOT PRACTICING MEDICINE.**

This Agreement shall in no way be construed to mean or suggest that Hospital is engaged in the practice of medicine.

#### **SECTION XV. ENTIRE AGREEMENT.**

This Agreement constitutes the entire Agreement, both written and oral, between the parties, and all prior or contemporaneous agreements respecting the subject matter hereof, whether

written or oral, express or implied, are suppressed. This Agreement may be modified only by written agreement signed by both of the parties.

**SECTION XVI. SEVERABILITY.**

The non-enforceability, invalidity or illegality of any provision to this Agreement shall not render the other provisions unenforceable, invalid or illegal.

**SECTION XVII. GOVERNING LAW.**

This Agreement shall be governed under the laws of the State of California. In the event of any dispute arising between the parties arising out of or related to this Agreement, the parties agree that such dispute shall be settled by binding arbitration, pursuant to the rules of the American Arbitration Association, San Bernardino County.

**SECTION XVIII. REFERRALS.**

The parties acknowledge that none of the benefits granted Physician is conditioned on any requirement that Physician make referrals to, be in a position to make or influence referrals to, or otherwise generate business for Hospital. The parties further acknowledge that Physician is not restricted from establishing staff privileges at, referring any service to, or otherwise generating any business for any other facility of Physician's choosing.

**SECTION XIX. ANTI-HARASSMENT/DISCRIMINATION/RETALIATION**

The parties are prohibited from engaging in any discriminatory, harassing, or retaliatory conduct, and Physician agrees to fully comply with all applicable local, state and federal anti-discrimination and employment-related regulations and laws.

**SECTION XXI. HIPAA BUSINESS ASSOCIATE AGREEMENT.**

The parties have concurrently with the execution of this Agreement, entitled HIPAA Business Associates Agreement, which Exhibit is attached hereto and incorporated herein by reference.

In Witness Whereof, the parties have executed this Agreement as of the first date written above.

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Peter Boss, MD, Board President  
Bear Valley Community Healthcare District  
P. O. Box 1649  
Big Bear Lake, CA 92315

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Jeffrey Orr, M.D.  
P.O. Box 2291  
Big Bear City, CA 92314





## Contract Cover Sheet

Contract Name: High Desert Pathology

Purpose of Contract: Director of Laboratory

Contract # / Effective Date / Term/ Cost: 4-8-21 - 4-7-23

Originating Dept. Name / Number: \_\_\_\_\_

Department Manager Signature: Nancy Seidel Date: 3-25-2021

BAA: Yes No  
on file

W-9: Yes No  
on file

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Security Officer</u> (Software/EHR Related)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA Privacy Officer</u> (BAA applicable)	Signature: <u>[Signature]</u>	Date: <u>4-5-21</u>
<u>Legal Counsel</u>	Signature: _____	Date: _____
<u>Compliance Officer</u>	Signature: <u>Mary Norman</u>	Date: <u>3/24/21</u>
<u>Chief Financial Officer</u>	Signature: <u>[Signature]</u>	Date: <u>15 APR 2021</u>
<u>Chief Executive Officer</u>	Signature: <u>[Signature]</u>	Date: <u>4-5-21</u>
<u>Board of Directors</u> When Applicable	Signature _____	Date: _____

*Need updated  
BAA signed*

1. Final Signatures on Contract, BAA & W-9: Date: \_\_\_\_\_
2. Copy of BAA forwarded to HIPAA Privacy Officer Date: \_\_\_\_\_
3. Copy of Contract/BAA/W-9 forwarded to Department Manager: Date: \_\_\_\_\_
4. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable): Date: \_\_\_\_\_
5. Copy of Contract/BAA/W-9 scanned/mailed to Controller: Date: \_\_\_\_\_

## Contract Cover Sheet

### CONFIDENTIAL NOTICE:

Note: This document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

NOTICE TO RECIPIENT: If you are not the intended recipient of this, you are prohibited from sharing, copying or otherwise using or disclosing its contents. If you have received this document in error, please notify the sender immediately by reply email and permanently delete this document and any attachments without reading, forwarding or saving them. Thank you  
Updated 07/2019

**LABORATORY AGREEMENT FOR DIRECTOR SERVICES  
BETWEEN  
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
AND  
HIGH DESERT PATHOLOGY MEDICAL GROUP**

THIS LABORATORY AGREEMENT FOR MEDICAL DIRECTOR SERVICES ("Agreement") is made and entered into as of the 8<sup>th</sup> day of April, 2021 by and between Bear Valley Community Healthcare District (a public entity), ("District") and High Desert Pathology Medical Group ("Group") whose President is Reda Tadros, M.D.

**RECITALS**

WHEREAS, the District is the owner and operator of an acute care hospital with a distinct part skilled nursing facility, located in Big Bear Lake, California ("Hospital").

WHEREAS, Group employs and/or associates with physicians licensed by the Medical Board of California to practice medicine in the State of California.

WHEREAS, the District desires Group, through its Associated Physicians ("Associated Physicians"), to provide medical director services in the Hospital's Clinical Laboratory; and the Group, by and through its Associated Physicians, is willing to provide laboratory medical director services to the District and its patients.

**AGREEMENTS**

**SECTION I. RESPONSIBILITIES OF GROUP AND ASSOCIATED PHYSICIANS.**

**A. Group shall ensure that all of the Associated Physicians are and remain: (note: Medical Staff Bylaws Section 8.3 and Title 22, Ch. 3, Art. 3, Sec. 70245 reference)**

1. Duly licensed and qualified to practice medicine in the State of California, County of San Bernardino;
2. members in good standing on the Hospital's Active Medical Staff, or in the process of being credentialed for Active membership, with all privileges necessary to undertake the services contemplated by this agreement;
3. Certified or eligible for certification in clinical pathology and/or pathologic anatomy by the American Board of Pathology.

The parties acknowledge that Group's Associated Physicians may be absent from time to time for good reason, such as attendance at medical practice continuing education. During these periods of absence, Group's Associated Physicians shall substitute a physician so long as (1) physician meets the same requirements applicable to Associated Physicians, and (2) physician assumes all contractual, malpractice compensation, and other liabilities regarding the substitute's service in the department.

**B. Group, through its Associated Physicians, shall:**

1. Generally monitor the quality of patient care and professional performance rendered by members with clinical privileges in laboratory.
2. Conduct investigations and submit reports and recommendations to the appropriate committees regarding the clinical privileges to be exercised within service by members or of applicants to the medical staff.
3. Be a member of the medical executive committee, and give guidance on the overall medical policies of the medical staff and make specific recommendations and suggestions regarding the service, and

4. Perform such other duties commensurate with the office as may from time to time be reasonably requested by the chief of staff or the medical executive committee.

**C. Group, through its Associated Physicians, shall** also provide the administrative direction and supervision required for the proper operation of the department, including the services described below.

**1. Clinical Direction.** Group, through its Associated Physicians, shall provide clinical direction and guidelines for the clinical activities of physician, professional department personnel and non-physician personnel within the department, including, without limitation, those nurses and technicians that may serve in the department.

**2. Equipment and Supplies.** Group, through its Associated Physicians, shall advise the District as to the selection, replacement, condition, and repair of the supplies and medical equipment in the Laboratory. Group and its Associated Physicians are not authorized to enter into any contract on behalf of the District for the purchase, rental, or other acquisition of equipment or supplies.

**3. Clinical Laboratory Department Policies.** Group, through its Associated Physicians, shall develop and/or review, for the District's approval, the Department's professional policies, protocols, procedures, and standards.

**4. Continuing Education.** Group's Associated Physicians shall participate in the educational programs conducted by the District and the Medical Staff necessary to insure the Department's and the Hospital's/District's compliance with regulatory accreditation, with insurance requirements, and shall participate in such other educational programs within the District as the District may reasonably request.

**5. Quality Improvement.** Group's Associated Physicians shall participate in the quality improvement programs conducted by the District and the Medical Staff necessary to insure the Department's and the Hospital's/District's compliance with regulatory, accreditation, and insurance requirements and shall participate in such other quality improvement programs within the District as the District may reasonably request.

**6. Utilization Review.** Group's Associated Physicians shall participate in the utilization review programs conducted by the District and the Medical Staff necessary to insure the Department's and the Hospital's/District's compliance with regulatory, accreditation, and insurance requirements and shall participate in such other utilization review programs within the District as the District may reasonably request.

**7. Risk Management.** Group's Associated Physicians shall participate in the risk management programs conducted by the District and the Medical Staff necessary to insure the Department's and the Hospital's/District's compliance with regulatory, accreditation, and insurance requirements and shall participate in such other risk management programs within the District as the District may reasonably request.

**8. Community Relations & Education** Group's Associated Physicians shall actively participate in the District's community relations and educational efforts to keep the public and physician community aware of BVHD's Clinical Laboratory services.

**9. Budget.** Group, through its Associated Physicians shall, upon the District's request, assist in the preparation of the annual and long term operating and capital budgets for the Department.

**10. Reporting and Liaison Duties.** Group, through its Associated Physicians, shall, upon request by the District or the Medical Staff, report the status and functioning of the Department and report the nature of Physician's activities towards fulfilling its obligations under this Agreement and towards ensuring the competent and efficient provision of the Department's professional services to the various divisions and departments of the Hospital/District.

**11. Orders.** Group, through its Associated Physicians, shall establish the necessary guidelines for the timely implementation of orders for Department services through appropriate Medical Staff committees. Group's Associated Physicians shall review and countersign an order of a nonmember of the Medical Staff prior to the implementation of that order in the Department.

**12. Other Duties.** Group, through its Associated Physicians, will report on quarterly basis to the medical executive committee overall status of department, and perform such other administrative duties as the District/Hospital shall reasonably request. Group, through its Associated Physicians, shall attend a minimum of 50% of Medical Staff meetings.

**D. Clinical Laboratory Service Staff. (note: Title 22, Ch. 3, Art. 3, Sec. 70245 reference)**

**1.** Group, through its Associated Physicians, shall have overall responsibility for the clinical laboratory service. Group's Associated Physicians shall be licensed in the State of California and shall be certified or eligible for certification in clinical pathology and/or pathologic anatomy by the American Board of Pathology.

**2.** Group shall ensure that one of its Associated Physicians, a clinical laboratory bioanalyst or a clinical laboratory technologist is on duty or on call AT ALL TIMES to assure the availability of emergency laboratory services.

**3.** There shall be sufficient staff with adequate training and experience to meet the needs of the service being offered.

**4.** Group shall follow and ensure compliance with all other applicable regulatory and legal guidelines.

**E. Insurance.**

**1. Hospital.** District represents that Group, and its Associated Physicians, shall be covered under Hospital's Directors and Officers Liability Insurance against liability arising from Associated Physician's performance of Laboratory Medical Director services within the course and scope of Group's, and its Associated Physicians, directorship duties stated in this Agreement.

**2. Professional Liability.** Group and its Associated Physicians shall maintain, at their sole expense, a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Group and Associated Physicians as the named insured, and such policy shall cover any acts of Physician's professional negligence which may have occurred during the relevant term and said policies of insurance shall be written with limits of liability of at least the minimum coverage required from time to time by the Medical Staff bylaws, but in any event no less than One Million Dollars (\$1,000,000) per claim/Three Million Dollars (\$3,000,000) annual aggregate for "claims made" insurance coverage. Group and its Associated Physicians further shall maintain "continuous coverage," as defined by this Section for the entire relevant term. The relevant term shall commence with the date of this Agreement and shall continue through the term of this Agreement, as well as any extensions or renewals hereof, and for a period thereafter of no less than three (3) years. In order to maintain continuous coverage for the entire relevant term Group and its Associated Physicians shall, if it changes insurers for any reason, take the necessary actions required in order to provide continuous coverage by either obtaining "tail" insurance from the preceding carriers, or "nose" insurance from the subsequent carriers. In order to satisfy the requirements of this Section, the "tail" insurance must be of either an unlimited type or of the type which would extend the discovery period beyond the last effective day of the last contract between the parties for a period of three (3) years. In order to satisfy the requirements of this Section for "nose" insurance, the retroactive effective date for such insurance must be at least the first date of the relevant term noted above. Group and its Associated Physicians shall provide proof of current insurance and, in the event of modification, termination, expiration, non-renewal or cancellation of any of the aforesaid



policies of insurance, Group and Associated Physicians shall *give* Hospital written notice thereof within thirty (30) business days of Groups or Associated Physicians' receipt of such notification from any of its insurers. In the event Group or its Associated Physicians fail to procure, maintain or pay for said insurance as required herein, Hospital shall have the right, but not the obligation to obtain such insurance. In that event, Group and its Associated Physicians shall reimburse Hospital for the cost thereof, and failure to repay the same upon demand by Hospital shall constitute a material breach hereunder.

**G. Access to Books and Records.** Upon written request of the Secretary of Health and Human Services for the Comptroller General or any of their duly authorized representatives, the Contractor shall make available to the Secretary those contracts, books, documents, and records necessary to verify the nature and extent of the cost providing his services. If Contractor carried out any of the duties of the Agreement through a subcontract with a value of \$10,000 or more over a twelve (12) month period with a related individual or organization, Contractor agrees to include this requirement in any such subcontract. This section is included pursuant to and is covered by the requirements of Public Law 96-499, (S 952)(v)(1) of the Social Security Act and regulations promulgated thereunder.

**H. Reports and Records.** Group, through its Associated Physicians, shall, in accordance with District and Medical Staff policies, cause to be promptly prepared and filed with appropriate physicians, and the Hospital's medical records department, reports of all examinations, procedures, and other professional services performed by physician and shall maintain an accurate and complete file within the Department, or other location approved by the District, of all such reports and supporting documents. The ownership and right of control of all reports, records, and supporting documents prepared in connection with the Department belong to the District; provided that Group, through its Associated Physicians shall have access to such reports, records, and supporting documents as authorized by District policies and the law of the State of California.

**I. Use of Premises.** Group, through its Associated Physicians, shall neither use nor permit anyone employed, retained, or otherwise associated with Physician to use any part of the Department or Hospital for any purpose other than the performance of services under this Agreement.

**J. Notification of Certain Events.** Group, through its Associated Physicians, shall notify Hospital in writing within three (3) business days after the occurrence of any one or more of the following events:

1. Any of Group's Associated Physicians' medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished;
2. Any of Group's Associated Physicians become the subject of any suit, action or other legal proceeding arising out of Physician's professional services;
3. Any of Group's Associated Physicians are required to pay damages or any other amount in any malpractice action by way of judgment or settlement;
4. Any of Group's Associated Physicians become the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior;
5. Any of Group's Associated Physicians become incapacitated or disabled from practicing medicine;
6. Any act of nature or any other event occurs which has a material adverse effect on Any of Group's Associated Physicians' ability to perform the Services;
7. Any of Group's Associated Physicians change the location of offices;
8. Any of Group's Associated Physicians are charged with or convicted of a criminal offense; and
9. Any of Group's Associated Physicians are debarred, suspended, or otherwise excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or Medi-Cal Office, or by any equivalent or coordinating governmental agencies.

## **SECTION II. RESPONSIBILITIES OF THE DISTRICT**

**A. Operational Requirements.** The District shall provide the facilities, equipment, utilities, janitorial, laundry, and other support supplies and services that are reasonably necessary for Group's Associated Physicians to serve under this Agreement.

**B. Personnel.** The District shall provide the nursing, technical, administrative, clerical and other support personnel that are reasonably necessary for Group's Associated Physicians to serve under this Agreement.

## **SECTION III. REPRESENTATIONS AND WARRANTIES**

Group, and its Associated Physicians, represent and warrant to District, upon execution and throughout the term of this Agreement as follows:

**A.** Group, and its Associated Physicians, are not bound by any agreement or arrangement which would preclude Group, or its Associated Physicians, from entering into, or from fully performing the services required under this Agreement;

**B.** All of Group's Associated Physicians' licenses to practice medicine in the State of California or in any other jurisdiction have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction;

**C.** All of Group's Associated Physicians' medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way;

**D.** Group, and its Associated Physicians, shall perform the services required hereunder in accordance with: (1) all applicable federal, state, and local laws, rules and regulations; (2) all applicable standards of the Center for Medicare and Medicaid Services, California State Title 22, the Department of Health and Human Services or other relevant accrediting organizations; (3) participate in continuing education as necessary to maintain licensure, maintain certification by the American Board of Pathology, maintain professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession; and (4) all applicable Bylaws, Rules and Regulations of Hospital and its Medical Staff;

**E.** Group, and its Associated Physicians, have not in the past conducted and are not presently conducting, their medical practice in such a manner as to cause Group and/or its Associated Physicians to be suspended, excluded, barred or sanctioned under the Medicare or MediCal Programs or any government licensing agency, and has never been convicted of an offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation; and

**F.** Group's Associated Physicians have, and shall maintain throughout the term of this Agreement, an unrestricted license to practice medicine in the State of California and staff membership privileges at Hospital.

---

## **SECTION IV. COMPENSATION.**

**A. Amount of Fees:** Physician fees shall be comparable to, and shall be in accordance with reasonable and customary fees for similar services, and meet the requirements of being within the Fair Market Value of costs for these services..

**B. Payment.** At the end of each month Group's Associated Physicians shall submit to the District a completed and signed Director Monthly Administrative Services Log (attached hereto as Exhibit A). Within thirty (30) days upon receipt of completed and signed log, District shall pay Group the monthly the sum of

\$2,000.00 (two thousand dollars) for Group's Associated Physicians' services under this Agreement. The District shall remit payments to Group at intervals of time as established by the District accounting department.

**C. When an autopsy** is judged necessary by the attending physician and the coroner has refused the case, permission will be obtained from the family. A pathologist (with the attending physician) shall perform the autopsy at Big Bear Mortuary. If the family is unable to pay for the autopsy due to financial constraints, the hospital will pay a maximum fee of \$1,000.00 for a limited or complete autopsy (not to include toxicology testing). The patient's family will not be charged for this service.

- 1. When an autopsy** is to be performed, the pathologist (physician) will notify the attending physician of the date and time of the autopsy; and
- 2. The results** of the autopsy will be forwarded to the attending physician and to the hospital in the time allowed by regulations.

## **SECTION V. INDEPENDENT CONTRACTOR.**

In performing the services herein specified, Group and its Associated Physicians are acting as independent contractors, and shall not be considered employees of the District. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as agent for the other. Group and its Associated Physicians shall be liable for their own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and benefits. As an independent contractor, Group and its Associated Physicians are responsible for filing such tax returns and paying such self-employment taxes as may be required by law or regulations.

## **SECTION VI. COMPLIANCE.**

**A.** Bear Valley Community Healthcare District/Hospital is committed to compliance with all billing and claims submission, fraud and abuse laws and regulations. In contracting with Bear Valley Community Healthcare District/Hospital, agents agree to act in compliance with all laws and regulations. Bear Valley Community Healthcare District/Hospital has completed a Compliance Program to assure compliance with laws and regulations. All agents of Bear Valley Community Healthcare District/Hospital are therefore expected to comply with the policies of the Compliance Program.

At a minimum, all agents are expected to:

- Be aware of those procedures which affect the agent and which are necessary to implement the Compliance Program, including the mandatory duty of all agents to report actual or possible violations of fraud and abuse laws and regulations; and
- Understand and adhere to standards, especially those which relate to the agent's functions for or on behalf of the Healthcare District/Hospital.

**B.** Failure to follow the standards of Bear Valley Community Healthcare District's/Hospital's Compliance Programs (including the duty to report misconduct) may be considered to be a violation of the agent's arrangement with the Healthcare District/Hospital and may be grounds for action by Bear Valley Community Healthcare District/Hospital, including termination of the relationship.

---

## **SECTION VII. TERM.**

Unless terminated early in accordance with Section VIII below, this Agreement shall be effective for two years, starting April 08, 2021 to April 07, 2023.

## **SECTION VIII. EARLY TERMINATION.**

**A. District may terminate** this Agreement immediately upon written notice to Group in the event that:

1. Any of Group's Associated Physicians' licenses to practice medicine are suspended, revoked, terminated, or otherwise restricted;
2. Any of Group's Associated Physicians' medical staff privileges at the Hospital are in any way suspended, revoked, or otherwise restricted;
3. Any of Group's Associated Physician's failure to comply with the standards of the Bear Valley Community Healthcare District Compliance Program to the extent that such failure results in material fine and or sanction from Medicare or MediCal Program;
4. Neglect of professional duty by Group's Associated Physician(s) in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's or the Medical Staff's policies, rules and regulations;.
5. The failure of Group's Associated Physicians to make a timely disclosure required pursuant to Section I, subdivision J;
6. Breach by Group or its Associated Physician(s) of any of the confidentiality provisions under this Agreement;
7. Failure by Group and its Associated Physicians to maintain the insurance required under this Agreement;
8. The conviction of any of Group's Associated Physician's of a criminal offense related to health care, or the listing of Associated Physician by a federal agency as being debarred, excluded or otherwise ineligible for federal program participation;
9. Breach of this Agreement by Group or its Associated Physician(s) where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Group or its Associated Physician(s); or
10. Group, or its Associated Physicians, are removed from office by the Medical Executive Committee according to the applicable Medical Staff Bylaws.

**B. Any party to this Agreement** may terminate this Agreement for material default; provided that the non-defaulting party shall give written notice of the claimed default, and the other party shall have thirty (30) days to cure such performance, failing which, this Agreement may thereafter be immediately terminated by the non-defaulting party.

**C. Termination without cause.** Either party may terminate this Agreement, without cause, upon ninety (90) days prior written notice to the other party.

**D. Effect of Termination.** In the event that this Agreement is terminated for any reason, Group shall be entitled to receive only the amount of compensation earned prior to the date of termination.

**E. Termination within the first (12) months.** If this Agreement is terminated, with or without cause, during the first twelve (12) months of the term, the parties shall not enter into any new agreement or arrangement during the remainder of such twelve (12) month period.

## **SECTION IX. CONFIDENTIALITY.**

Neither Group nor its Physicians shall disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the patient in writing, any patient or medical record information regarding Hospital patients (including Family Health Center patients), and Group and Physician's shall comply with all federal and state laws and regulations, and all rules, regulations, and policies of Hospital and its Medical Staff, regarding the confidentiality of such information from Hospital or Family Health Center patients receiving treatment of any kind, including treatment for alcohol and drug abuse. Physician is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records as codified at 42 C.F.R. Chapter 1, Part 2, enacted pursuant to 42 U.S.C. 290ee, and agrees to be separately bound by a Business Associate Agreement drafted pursuant to HIPAA as set forth in Public Law 104-191, as codified at 42 U.S.C. 1301 et. seq.

**SECTION X. ASSIGNMENT.**

Group, or its Associated Physicians, shall not assign, sell, or otherwise transfer this Agreement or any interest in it without consent of District.

**SECTION XI. NOTICES.**

The notice required by this Agreement shall be effective on the day personally served, or two (2) business days after the notice is deposited with the United States Postal Service for collection, with postage thereon fully prepaid, and addressed as follows:

Hospital: John P. Friel, Chief Executive Officer  
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
P. O. Box 1649  
Big Bear Lake, CA 92315

Group/Associated physicians: High Desert Pathology Medical Group  
Reda Tadros, M.D., President-  
5675 Skyline Circle  
La Verne, CA 91750

**SECTION XII. PRE EXISTING AGREEMENT.**

This Contract replaces and supersedes any and all prior arrangements or understandings by and between Hospital and Group, and its Associated Physicians, with regard to the subject matter hereof.

**SECTION XIII. HOSPITAL NOT PRACTICING MEDICINE.**

This Agreement shall in no way be construed to mean or suggest that Hospital is engaged in the practice of medicine.

**SECTION XIV. ENTIRE AGREEMENT.**

This Agreement constitutes the entire Agreement, both written and oral, between the parties, and all prior or contemporaneous agreements respecting the subject matter hereof, whether written or oral, express or implied, are suppressed. This Agreement may be modified only by written agreement signed by both of the parties.

**SECTION XV. SEVERABILITY.**

The non-enforceability, invalidity, or illegality of any provision to this Agreement shall not render the other provisions unenforceable, invalid or illegal.

**SECTION XVI. GOVERNING LAW.**

This Agreement shall be governed under the laws of the State of California. In the event of any dispute arising between the parties arising out of or related to this Agreement, the parties agree that such dispute shall be settled by binding arbitration, pursuant to the rules of the American Arbitration Association, San Bernardino County.

**SECTION XVII. REFERRALS.**

The parties acknowledge that none of the benefits granted to Group or its Associated Physicians are conditioned on any requirement that Group or its Associated Physicians make referrals to, be in a position



to make or influence referrals to, or otherwise generate business for Hospital. The parties further acknowledge that Group, and its Associated Physicians, are not restricted from establishing staff privileges at, referring any service to, or otherwise generating any business for any other facility of Physician's choosing.

**SECTION XVIII. WARRANTY OF CAPACITY TO EXECUTE AGREEMENT**

Group, through its President, represents and warrants that he has the right, power, legal capacity and authority to enter into and perform the obligations under this Agreement on his own behalf and on behalf of Associated Physicians and that no further approval or consent of any person or entity is necessary for them to enter into and perform such obligations.

**SECTION XIX. ANTI-HARASSMENT/DISCRIMINATION/RETALIATION**

The parties are prohibited from engaging in any discriminatory, harassing, or retaliatory conduct, and Physician agrees to fully comply with all applicable local, state and federal anti-discrimination and employment-related regulations and laws.

**SECTION XX. HIPAA BUSINESS ASSOCIATE AGREEMENT.**

The parties have concurrently with the execution of this Agreement, executed Exhibit B entitled HIPAA Business Associates Agreement, which Exhibit is attached hereto and incorporated herein by reference.

In Witness Whereof, the parties have executed this Agreement as of the first date written above.

**Dated:** \_\_\_\_\_ **By:** \_\_\_\_\_  
Peter Boss, President  
Bear Valley Community Healthcare District  
P. O. Box 1649  
Big Bear Lake, CA 92315

**Dated:** \_\_\_\_\_ **By:** \_\_\_\_\_  
High Desert Pathology Medical Group  
Reda Tadros, M.D., President  
5675 Skyline Circle  
La Verne, CA 91750

## EXHIBIT A

### PHYSICIAN DEPARTMENT DIRECTOR MONTHLY ADMINISTRATION SERVICES LOG

#### Medical Director of Laboratory

Month of: \_\_\_\_\_

#### Meeting Attendance:

- |   |               |              |
|---|---------------|--------------|
| ➤ Medical Executive Committee Attendance    | _____ Present | _____ Absent |
| ➤ Quarterly Department Status Report to MED | _____ Yes     | _____ No     |

#### Department Supervision/Administration:

	<u>Hours</u>	<u>Comments</u>
➤ Department Clinical Direction/Personnel Supervision	_____	
➤ Department Quality Improvement Activity	_____	
➤ Department Utilization Review	_____	
➤ Presentation/Participation Continuing Education Activity	_____	
➤ Other (Department policy/procedure development, equipment needs evaluation, risk management)	_____	

**TOTAL Department Supervision/Administration Hours** \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
CEO Signature

\_\_\_\_\_  
Date



# Bear Valley Community Hospital 1Q 2021 Strategy Update

DRAFT – April 7, 2021



# 2021 – 2023 STRATEGIC PLAN

## Facility Seismic Update – Current Progress:

Planning and Due  
Diligence

Bond Financing

Design Firm  
Engagement

Entitlements

Design, Architecture,  
Engineering

Construction

No.	Objectives	Tactics	Metric	Year			Status
				2021	2022	2023	
Culture Advancement							
1.1	Mission, Vision, Values development	•Evaluate MVV to reflect current organizational priorities, capabilities and focus	•MVV decision/changes				●
1.2	Advance clinical quality	•Promote quality and patient safety through achieving validation of BETA and ED quest programs that promote focus on culture of safety	•Quality performance				●
1.3	Workforce development	•Position BVCHD as “best place to work” through culture of recognition, growth and development opportunities, and educational offerings	•Employee retention				●
1.4	Leadership development and accountability	•Initiate leadership succession planning for key organizational leaders to ensure continued high performance	•Succession plan				●
		•Implement leadership development and training for mid-level managers to grow talent from within	•Employee retention				●
1.5	Interdepartmental relationships	•Promote cross-departmental problem-solving and communication to breakdown siloes and reduce workarounds from inefficient processes	•Employee engagement				●
Community Engagement							
2.1	Educate community on value of BVCHD	•Drive awareness of BVCHD services and expertise through targeted marketing built around access and recognized high-quality healthcare	•New patient capture				●
		•Engage patient-family advisory committee brand ambassadors to highlight benefits of local care	•New patient capture				●
2.2	Public relations and business development	•Establish role to build relationships with providers, payers, other facilities, and the broader community, including marketing services to promote referrals and opening doors for additional payer contracting	•Role creation				●
2.3	Targeted community outreach	•Develop outreach and education for the community, including presence at seasonal events and organizations that represent in-roads into the local community (e.g., Rotary, Soroptimist, School District)	•# of outreach programs				●
		•Deploy occupational health offering to employers throughout the hospital district	•Creation of program				●
2.4	Prevention and wellness	•Provide screenings and disease management for diabetes, obesity, cardiovascular diseases, communicable diseases, and other health needs	•# of screenings/participants				●
Medical Staff Development							
3.1	Develop recruitment plans	•Create medical staff development plan to guide provider recruitment	•Med staff plan				●
3.2	Determine desired provider alignment	•Determine desired independent provider alignment across the region to drive referral growth and local offerings (IPAs, Riverside)	•Specialties offered				●
3.3	Growth of medical residency/future healthcare worker	•Grow healthcare workforce through programs with local schools for training, volunteering, and medical residency opportunities	•# of programs				●
Payer Relationships							
4.1	Develop health plan participation	•Foster relationships with key payer networks, including Kaiser plans, Heritage, and IEHP	•# of relationships				●
		•Include plans covered by employee health	•# of relationships				●
4.2	Expand local access	•Define local access strategy (ED, UCC, clinics) and services required to support across the care continuum (outpatient settings and inpatient care) with available health plans and customer expectations	•Access points				●
4.3	Evaluate local business alignment	•Partner with local employers to identify needs and support growth of occupational health	•# of partnerships				●
Programs & Services Growth							
5.1	Surgical services model	•Stabilize and grow surgical services model	•OP surgery volumes				●
5.2	Urgent care services	•Develop complement of services for UCC that support greater in-roads into commercially insured population and visiting tourists	•Urgent care volumes				●
5.3	ED standard of care	•Continue to improve ED throughput, continuity of care, and referral management	•ED quality and volumes				●
5.4	Behavioral health programming	•Address area needs through IP detox unit development and continued substance abuse navigation, opioid stewardship, and MAT programs	•Business plan				●
5.5	Specialty care development	•Invest in diagnostic/therapeutic services to support specialists, including testing, imaging, therapy for Cardiology, Orthopedics, wound care, and substance abuse	•Service line volumes				●
		•Explore development of infusion service to meet community need	•Business plan				●
5.6	Virtual health platform	•Develop virtual platform to align with consumer preferences to self-direct care and allow for growth in telemedicine capabilities	•Virtual platform				●



Not Started



In Progress



Complete

UPDATED 4-7-21



*“Align internal staff around organizational focus”*

Tactic	Key Activities – 1Q 2021
1.1 Mission, Vision, Values development	<ul style="list-style-type: none"><li>✓ Culture of Ownership team commitment and participation in process</li><li>✓ SCORE survey results will provide feedback relevant to MVV</li></ul>
1.2 Advance clinical quality	<ul style="list-style-type: none"><li>✓ Validation of Beta Heart Program in-process; meeting set for early April/May</li><li>✓ Validation of ED Quest for Zero in-process; likely to be met by May</li></ul>
1.3 Workforce development	<ul style="list-style-type: none"><li>✓ 98% employee participation in SCORE survey</li></ul>
1.4 Leadership development and accountability	<ul style="list-style-type: none"><li>✓ Developing manager training, including leveraging QHR “Leading from the Middle” Content</li><li>✓ California Hospital Association <i>Crucial Conversations</i> group training</li><li>✓ Provided Strategy Placemat for Managers to utilize during budgeting process</li></ul>

# Community Engagement



*“Engage local population in managing health and wellness”*

Tactic	Key Activities – 1Q 2021
<b>2.1 Educate Community on value of BVCHD</b>	<ul style="list-style-type: none"><li>✓ Updated community on vaccination clinics through web/newspaper; received positive community response</li><li>✓ Marketing around Behavioral Health/MAT programs</li></ul>
<b>2.2 Public relations and business development</b>	<ul style="list-style-type: none"><li>✓ Evaluating position as part of FY 2022 Budget preparation process</li></ul>
<b>2.3 Targeted community outreach</b>	<ul style="list-style-type: none"><li>✓ Leveraging vaccination clinics to build employer relationships and engage community</li></ul>
<b>2.4 Prevention and wellness</b>	<ul style="list-style-type: none"><li>✓ Focus on COVID-19 and preventing transmission through vaccinations; administered ~2,500 vaccines</li></ul>



*“Grow local access to specialties through provider relationships”*

Tactic	Key Activities – 1Q 2021
3.1 Develop recruitment plans	<ul style="list-style-type: none"><li>✓ Ongoing recruitment of Orthopedic Surgeon</li></ul>
3.3 Growth of medical residency/future healthcare worker	<ul style="list-style-type: none"><li>✓ Signed agreement with PA student for Summer 2021</li><li>✓ Clinical rotation agreements for students (Western University med students, Concorde LVN students)</li></ul>

# Payer Relationships



*“Align payer contracts to be inclusive of broader community”*

Tactic	Key Activities – 1Q 2021
4.1 Develop health plan participation	✓ Working with QHR Managed Care team on payer contract negotiations (Heritage, Inland Empire Health Plan)
4.2 Expand local access	✓ Credentialing providers with existing health plans to include outpatient services and expansion into Tri-Care

# Programs & Services Growth



*“Develop targeted services to keep care local”*

Tactic	Key Activities – 1Q 2021
5.1 Surgical services model	<ul style="list-style-type: none"><li>✓ Increased surgery days and beginning scope program</li><li>✓ Orthopedic surgeon recruitment in-process</li></ul>
5.2 Urgent care services	<ul style="list-style-type: none"><li>✓ Exploring Urgent Care complementary services</li></ul>
5.4 Behavioral health programming	<ul style="list-style-type: none"><li>✓ Developed and opened Inpatient Detox Program; 13 detox patients discharged, 60 MAT program participants</li></ul>
5.5 Specialty care development	<ul style="list-style-type: none"><li>✓ Initiated Wound Care services</li></ul>

## *As of 4-7-21:*

- 1.4 – Updated implementation years from 2022 to 2021 – 2023 to reflect ongoing focus
- 2.4 – Updated implementation year from 2022 to 2021 – 2022 to reflect COVID vaccine process
- 3.3 – Updated implementation year from 2022 – 203 to 2021 – 2023 to reflect PA student agreement in 2021
- 5.5 – Updated implementation year from 2022 to 2021 – 2022 to reflect Wound Care service implementation in 2021

# Compliance Update

April 14, 2021



# Objectives

- Review of BVCHD Compliance Program
- Organizational Overview
- Key Compliance Risk Areas
- Significance of Culture of Compliance
- Board's Role in Creating a Culture of Compliance

# Essential Elements of a Compliance Program

- Compliance Officer and Oversight
- Code of Conduct & Policies and Procedures
- Education and Training
- Monitoring and Auditing
- Reporting and Communication
- Response and Corrective Action
- Enforcement and Discipline
- Effectiveness of Compliance Program

# Organizational Overview

Board of Directors

CEO

- Risk/Compliance Officer
  - HIPPA Privacy
  - HIPAA Security



# Key Compliance Risk Areas

- COVID-19
- HIPAA Privacy
- HIPAA Security
- Physician Payments
- New Service Line Implementations
- EMTALA
- Medicare Outpatient Observation Notice
- Opioid Prescribing

# Significance of a Culture of Compliance

The entire organization shares responsibility for the execution of the compliance program.

The negative consequences of noncompliance are significant from financial, legal, and reputational perspectives.

An effective compliance program is characterized by accountability and transparency without fear or threat of retaliation in response to raising a concern.





# Board's Rule in Culture of Compliance



Ask Questions about  
the Compliance  
Program



Receive reports from  
the Compliance  
Officer



Stay abreast of  
relevant and emerging  
regulatory risks





Questions???



# References

- Creating and Maintaining an Effective Compliance and Ethics Program
  - 2018, ERCI Institute
- New DOJ Evaluation of Corporate Compliance Program Guidelines
  - 2019, Strategic Management Services, LLC
- Compliance Code of Conduct and Your Organization
  - 2021, QHR Compliance Solutions



## Thank you Bear Valley Family for our Partnership

	QHR Solution	Leader	Coverage	2021	Comments
<b>Strategy &amp; Positioning</b>	Strategic Plan	Ryan Nestrick	WIC	Process started in May 2020. Covid caused delays in finalization.	Plan completed, Board retreat in November 2020, adopted by Board in January 2021.
	Ongoing Strategy Advisement	Ryan Nestrick	WIC	Ongoing support for the Strategic Plan. Quarterly check-ups with the Board/Hospital.	First quarterly "check-in" scheduled for April.
<b>Clinical &amp; Compliance</b>	Urgent Care Analysis/Proforma	Region Team	WIC	Project begun August 2019.	Project still in progress. Construction estimates, services offered, feasibility being reviewed.
	IP Detox Unit	Keith Jackson	Add-on	IP Detox Unit evaluated, discussed, and proposed in fall 2020.	Contract approved Dec 2020. Unit opened Feb 2021.
	Environmental Services Assessment	Terry Norris	WIC	Project approved	Project completed October 2020.

	QHR Solution	Leader	Coverage	2021	Comments
<b>Financial &amp; Operations</b>	COVID-19 Supply Focus	David Winchester	WIC	QHR PLUS Warehouse Operating	Three orders requested/completed FY to date.
	Monthly Operations Review	Region Team	WIC	Held Monthly on 2nd Monday	Calls with BVCHD admin, QHR Region Team, Support Team
	Comparative Data Analysis	Leslie Roney	WIC	Perfomed Monthly	Results are reported in rankings report distributed to hospital monthly.
	Managed Care Contract Review	Wanda Wright	WIC	Project started March 2021	Extensive negotiations going on with Heritage and Kaiser.
	Financial Ops Review (FOR)	Region Team	WIC	Information requested March 2021	
	QPA/GPO Review	PLUS Team	WIC	Project performed on an annual basis.	Analysis and information gathered at June 30th. Letter sent to Board Chair at completion.
	Price Transparency	CPSI	WIC	Project started October 2020	Finalized and implemented in January 2021.
	Contractual Accounting Review	David Perry	WIC	Review started January 2021	Reported being completed. No findings noted.
	Cost Report Review	David Perry	WIC	Review begun November 2020.	Project completed December 2020 with no execeptions or recommendations found.

	QHR Solution	Leader	Coverage	2021	Comments
<b>Trustee Education</b>	Governance Webinars	QLI	WIC	Second Tuesday each month	
	National Trustee Conference with Trustee Essentials	QLI	WIC	Q1 2022-Wigwam Resort Phoenix, AZ	
	Board Self-Assessment	Region Team	WIC	Beginning March	
	Regional Conferences	QLI	WIC	Three regional conferences being developed	
<b>Leadership Education &amp; Development</b>	Director Leadership Series	QLI	Add-on	Board approved QHR onsite program in Feb 2021.	"Leading From the Middle" scheduled to be completed in Q2 2021.
	QLI Webinars and Leadership Development	QLI	WIC	Various Throughout The Year	
	CEO Evaluation	Region VP	WIC	Completed September 2020	
	CFO Evaluation	Region VP	WIC	Completed October 2020	
<b>Key</b>	Focus Items This Month	Focus Items This Year	Completed This Year		

QHR Regional Team			
Team Member & Position	Hours to Date	Phone	Email
Regional Team			
Woody White, CPA - Vice President		561.644.5391	<a href="mailto:wwhite@qhr.com">wwhite@qhr.com</a>
Leslie Roney - Regional Financial Analyst		615.400.7220	<a href="mailto:lroney@qhr.com">lroney@qhr.com</a>
Support Team			
David Perry - VP Healthcare Finance & Reimbursement		615.371.4703	<a href="mailto:dperry@qhr.com">dperry@qhr.com</a>
John Waltko - VP Regulatory & Financial Reporting		615.371.4678	<a href="mailto:jwaltko@qhr.com">jwaltko@qhr.com</a>
Wanda Wright - AVP Managed Care		704.999.8890	<a href="mailto:wwright@qhr.com">wwright@qhr.com</a>
Lisa Boston - AVP Compliance Consulting		225.337.3155	<a href="mailto:lboston@qhr.com">lboston@qhr.com</a>
Jo Piland - Manager QHR Health Learning Institute		615.371.4842	<a href="mailto:jpiland@qhr.com">jpiland@qhr.com</a>
Sue Dorsey - Director SSP, QHR PLUS Services		615.427.3631	<a href="mailto:sdorsey@myplusnow.com">sdorsey@myplusnow.com</a>
Peter Miessner - VP ResolutionRCM		281.415.8388	<a href="mailto:pmiessner@qhr.com">pmiessner@qhr.com</a>
Ryan Nestruck - Senior Director Strategy		847.533.0759	<a href="mailto:rnestruck@qhr.com">rnestruck@qhr.com</a>
Jonathan Boatwright - Manager SSP, QHR PLUS Services		615.371.4932	<a href="mailto:jboatwright@myplusnow.com">jboatwright@myplusnow.com</a>
Scott Nation - VP ASC Services		423.653.6620	<a href="mailto:snation@qhr.com">snation@qhr.com</a>

## QHR Health COVID-19 ASSISTANCE

- Developed a **COVID-19 Task Force** with Resources Website  
[QHR Health COVID-19 Online Resource Center.](#)  
Or <https://ghrcovid19.com/>
  - Taskforce providing support & guidance on:
    - Finance & Reimbursement
    - FEMA Assistance
    - Supply Chain & Pharmacy
    - Clinical Care & Survey Readiness
    - Includes Podcasts on key areas of focus
- Set up **PPE Warehouse & Distribution Program**
  - For QHR Health Hospital Families *only*
  - Actively working with Supply Chain Leaders at all Facilities
    - Assisting an average of 38 Hospital Families a week
    - Up and running since April 1, 2020
    - BVCHD received support 3 times (N95 Masks, Isolation Gowns, Nitrile Gloves)
- Published **QHR Health Post-COVID Operational Playbook Vols. 1 & 2**
  - Covers US Government's guidelines for reopening our Country's healthcare system complemented with QHR suggested best practices focused on:
    - Restart Readiness
    - Capacity & Utilization
    - Service Changes
    - Revenue Integrity & Reimbursement Due Diligence
    - Regulatory & Compliance
    - Communications & Strategy
- **Financial, Funding & Reimbursement Options Federal & State**
  - Monitoring, developing & recommending plans for all three phases of Government response for financial support (i.e.: Accelerated Payments, Grants, Loans, Future Cost Reporting)
- Established **Shared Service Centers**
  - COVID-19 Patient Triage
  - CARES Act / Federal & State Funding Options - Identification, Application & Tracking

QHR Learning Institute (QLI) Education Information Section		
2021 Trustee Webinars - 2nd Tuesday @ 12 PM CST		BVCHD Participants
Jan 12	COVID-19 Vaccine Update	
Feb 9	ASC Ownership Benefits	
Mar 9	Case Management	
Apr 13	Behavioral Health	
May 11	Supply Chain	
June 8	Intro to Medicare Reimbursements & Hot Topics	
Jul 13	Compliance Update	
Aug 10	Quality Update - Care Transformation	
Sept 14	Technology Services	
Oct 12	Aligning Marketing Strategies with Hospital Business Objectives	
Nov 9	Revenue Cycle	
<p>Check out all Webinars through the link below                      Be sure to add these dates to you calendar!                      Visit <a href="https://qhr.com/learning-institute/">https://qhr.com/learning-institute/</a> to register</p>		

Estimated Annual Benefits & Savings 12 Month Totals	
QHR Business Partnership Benefits	
HPG Discounts	\$218,188
HPS Rebates	\$10,917
Mindray	
GPO Group Savings	\$6,922
Strategic Service Partner	\$61,245
Total:	<b>\$297,272</b>
Other QHR Business Partnership Benefits	
MD Buyline	\$10,000
AHA Dues Discounts	\$8,597
J & J QPA Rebate	\$47
Consulting (Region Team)	See Hours
Consulting Engagements	See Hours
Total:	\$18,644
Partnership Education Benefit	
Employee Education and Training	Trustee Quick Reference Guide
Board Education	Board Essential Newsletter
National QHR Trustee Conference	
Monthly Trustee Education Webinars	
Other Benefits	
New Compliance Director Support	Managed Care Payor Yield Assessment
2019 Cost Report Review	Strategic Plan
Contractual Accounting & Bad Debt Analysis	Community Health Needs Assessment
Urgent Care Assessment & Pro Forma	

QHR Region Team and Internal Consulting Hours (based on Fiscal Year)		
	2020	2021 YTD
Region Team	340	284
Internal Consultants	286	401
	626	685

Key Contract Items
<b>Hospital</b>
Annual Professional Fee = \$320,488 Current Contract November 1, 2020 - October 31, 2026 Mutual 90-day window to terminate October 31, 2024 Original Contract Date: June 25, 2015
<b>IP Detox Unit</b>
Annual Professional Fee = \$183,600 Current Contract January 1, 2021 - December 31, 2025 Mutual 90-day window to terminate December 31, 2023 Original Contract Date: January 1, 2021



## QHR Health Vision 2021



### QHR PLUS - Shared Services

Support independence through QHR PLUS—including financial management, supply chain, physician management services, outreach and CRM, and technology services



### Create Revenue

Create revenue for hospitals by driving market share, promoting digital touch to consumers, supporting referral management, expanding marketing, and growing technology



### Technology beyond EHR

Prepare for technology beyond EHR by bolstering infrastructure and developing the QHR platform for referral management, care coordination, reporting, analytics, and more



### Influence Policy

Influence policy by engaging leaders and advocating for policy changes that advance access and new revenue opportunities for independent rural healthcare organizations



### Develop Leaders

Develop the next generation of hospital leadership thinking through training, coaching, networking, and support from QHR Health's client account management (CAM) team



## CNO Monthly Report

TOPIC	UPDATE
<b>1. Regulatory</b>	<ul style="list-style-type: none"> <li>CDPH investigation for food handling self-report still open</li> <li>CDPH to resume L&amp;C surveys 4/1/21, we are due for SNF and CAH surveys.</li> </ul>
<b>2. Budget/Staffing</b>	<ul style="list-style-type: none"> <li>Staffing above budget right now due to COVID treatment areas and requirements for patient separation, COVID contract staff will be gone by mid May and staffing levels will resume normal budgeted FTEs.</li> <li>FY22 budget proposals have been submitted to accounting for review.</li> </ul>
<b>3. Departmental Reports</b>	
<ul style="list-style-type: none"> <li>Emergency Department</li> </ul>	<ul style="list-style-type: none"> <li>"Mini ED" conference room will be broken down when the ski season ends- tentative April 11.</li> <li>Half of a hallway of rooms on the SNF unit will remain COVID beds, the other rooms are being prepped for renovation and admissions.</li> <li>BETA quest for zero opt in completed</li> <li>Training and testing for sepsis is being conducted as part of the Quest for Zero program</li> </ul>
<ul style="list-style-type: none"> <li>Acute</li> </ul>	<ul style="list-style-type: none"> <li>Nurse training for medical stabilization was held 2/24/21</li> <li>Medical stabilization program has admitted several patients. There has been a lot of interest in the program in the community.</li> <li>QHR has hired the RN service coordinator, she has started onsite at BVCHD</li> <li>Wound program is implemented, we are seeing patients every Wednesday. Work still needs to be done with contracting so that providers are in network to expand our patient base.</li> <li>Proposed budgeting additional FTEs in the Acute department next year to expand bed capacity for medical stabilization program.</li> </ul>
<ul style="list-style-type: none"> <li>Skilled Nursing</li> </ul>	<ul style="list-style-type: none"> <li>Many webinars/ phone calls regarding SNF COVID planning</li> <li>COVID testing for SNF staff has decreased to once per week for all staff that enter the SNF</li> <li>Staffing ratios adjusted per productivity recommendations</li> </ul>

	<ul style="list-style-type: none"> <li>▪ SNF residents have condensed into 1 ½ hallways to make room for COVID patients</li> <li>▪ Actively participating in project Echo grant program</li> <li>▪ SNF residents continue to be closely monitored for COVID. Any positives move over to the COVID unit to be cared for by separate staff</li> <li>▪ Currently no positive residents.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Surgical Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Elective surgical cases have resumed per approval of Dr. Kondal.</li> <li>▪ OR staff working on scope cleaning program.</li> <li>▪ OR staff meeting with GI specialist to review scope procedures and cases</li> </ul>
<ul style="list-style-type: none"> <li>▪ Case Management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Taking on additional duties to support the acute unit, SNF RN coverage and Infection Control monitoring</li> </ul>
<ul style="list-style-type: none"> <li>▪ Respiratory Therapy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Alternative measures being implemented including disposable vents, and COVID compatible CPAP.</li> <li>▪ RT has moved back into their original location, EKGs are still being done in the gift shop area.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Physical Therapy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Volumes near normal for this time of year</li> <li>▪ 1 PT out on medical leave</li> <li>▪ New ventilation system installed and operational</li> </ul>
<ul style="list-style-type: none"> <li>▪ Food and Nutritional Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Working with Culture of Ownership committee to host employee BBQ(s)/ Holiday events</li> <li>▪ Self- report to CDPH regarding kitchen food handling- variation from policy. Staff in servicing and POC in place</li> <li>▪ Working on purchase of food vending machine for afterhours/ night staff</li> <li>▪ Hosted sandwich luncheon, SCORE survey raffle, and birthday celebration.</li> <li>▪ 1 FT cook position filled, 1 PD cook position in hiring process, 1 PD dietary aid position open, RD has been working cook shifts in addition to regular duties</li> </ul>
<b>4. Infection Prevention</b>	<ul style="list-style-type: none"> <li>▪ Planning, research and education regarding COVID-19</li> <li>▪ Educating staff on PPE standards and guidelines for re-use</li> <li>▪ Reporting COVID cases to Public Health and CDPH L&amp;C</li> <li>▪ Implementing county strike team action plan</li> <li>▪ Signed up for Antimicrobial Stewardship Honor Roll program</li> </ul>

<b>5. Quality Improvement</b>	<ul style="list-style-type: none"> <li>▪ 2 BHPP Grant Substance Use/ Behavioral Health Navigators hired for the Emergency Department. This program has already benefited several patients and has been successful.</li> <li>▪ BHPP coordinators working with QHR Service Coordinator on integration of medical stabilization service line.</li> <li>▪ SCORE Survey closed at 98% staff participation- results and debriefing to follow in the next 3-4 months</li> <li>▪ Participated in BETA HEART virtual training session.</li> <li>▪ Working with BETA to schedule validation survey for late April.</li> </ul>
<b>6. Policy Updates</b>	<ul style="list-style-type: none"> <li>▪ Cal OSHA COVID prevention plan in review</li> <li>▪ Emergency preparedness policies in review</li> </ul>
<b>7. Safety &amp; Products</b>	<ul style="list-style-type: none"> <li>▪ Working closely with Purchasing regarding supply &amp; PPE stock and alternatives.</li> <li>▪ Implementing COVID prevention plan</li> </ul>
<b>8. Education</b>	<ul style="list-style-type: none"> <li>▪ Participating in AHA remote learning BLS, PALS &amp; ACLS program- free due to COVID. Budgeting to keep this program post COVID as it has been successful.</li> </ul>
<b>9. Information Items/Concerns</b>	<ul style="list-style-type: none"> <li>▪ Attending many calls related to COVID with BBFD, HASC, CHA, CDPH.</li> <li>▪ Closely monitoring COVID trends/ hospital &amp; ventilator utilization throughout the state.</li> <li>▪ Contract with Blue Shield TPA agreement signed for continuation of vaccination clinics and allocations.</li> <li>▪ COVID Vaccines are being offered as they are allocated to BVCHD.</li> <li>▪ Over 2,000 vaccinations have been given out to the community through the BVCHD vaccination clinics. We continue to receive positive feedback from community members who have attended the vaccination clinics.</li> <li>▪ Auxiliary helping at vaccination clinics.</li> </ul>
Respectfully Submitted by: <i>Kerri Jex, CNO</i> <div style="text-align: right;"><i>Date: April 2<sup>nd</sup>, 2021</i></div>	

# 2021 Surgery Report

Jan-21		
Physician	# of Cases	Procedures
Chin - MD		
Busch - Podiatrist		
Critel - CRNA		
Tayani		
Total	0	

Feb-21		
Physician	# of Cases	Procedures
Chin - MD	3	Inguinal Hernias
Chin - MD	1	Umbilical Hernia
Chin - MD	1	Excisional Biopsy Upper Arm Mass
Busch - Podiatrist	0	
Critel - CRNA	0	
Tayani	4	Cataracts
Total	9	

Mar-21		
Physician	# of Cases	Procedures
Chin - MD	2	Lap Chole
Busch - Podiatrist	1	Tailor's Bunionectomy with Weil Osteotomy 2nd Metatarsal
Critel - CRNA	0	
Tayani	0	Cataracts
Total	3	

Apr-21		
Physician	# of Cases	Procedures
Chin - MD		
Busch - Podiatrist		
Critel - CRNA		
Tayani		
Total	0	

May-21		
Physician	# of Cases	Procedures
Chin - MD		
Busch - Podiatrist		
Critel - CRNA		
Tayani		
Total	0	

Jun-21		
Physician	# of Cases	Procedures
Chin - MD		
Busch - Podiatrist		
Critel - CRNA		
Tayani		
Total	0	



## **CHIEF EXECUTIVE OFFICER REPORT**

### **CEO Information:**

We are continuing to work with San Bernardino County Health Department officials in providing the distribution of the COVID 19 vaccination to our community. We have signed the Blue Shield Agreement to continue to provide COVID 19 Vaccination.

We have begun our Medical Stabilization Program (Detox). We have had twelve patients enter our program as of this writing.

Final touches for the Wound Care Program with Restorix have been completed and the program started March 2021.

I would like to congratulate our Employee Event Committee on a very successful Easter Extravaganza Raffle. The event raised over \$3,600.00 and goes directly to the Employee Event Fund.

I will be on vacation for 10 days, beginning April 15 returning April 26, 2021. Garth Hamblin will serve as Interim CEO in my absence.

The application for licensure on the dental van purchased last year with First 5 funds has been accepted by CDPH Central Application Branch and we are waiting for a survey date for the van.

National Hospital week is May 10 through May 14; we are planning various events and catered meals for the staff.

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
EVENT CALENDAR  
MAY 2021**

<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
						<b>5/1</b>
<b>5/2</b>	<b>5/3</b> Send brown bag lunch flyer	<b>5/4</b>	<b>5/5</b>	<b>5/6</b>	<b>5/7</b>	<b>5/8</b>
<b>5/9</b> <i>Mother's Day</i>	<b>5/10 Hospital Week</b> <i>Breakfast 80's dress day</i>	<b>5/11</b> <i>Build your own Sundae Scavenger Hunt</i>	<b>5/12</b> <i>Lunch/Catered Photo booth Favorite Jersey Day</i>	<b>5/13</b> <i>Game day Sub sandwiches</i>	<b>5/14</b> <i>Sonora Cantina burritos/ Gift day Red Friday</i>	<b>5/15</b> <i>Armed Forces Day</i>
<b>5/16</b>	<b>5/17</b>	<b>5/18</b>	<b>5/19</b>	<b>5/20</b>	<b>5/21</b>	<b>5/22</b>
<b>5/23</b> <hr/> <b>5/30</b>	<b>5/24</b> <hr/> <b>5/31</b> Memorial Day	<b>5/25</b> <i>Brown Bag Day</i>	<b>5/26</b>	<b>5/27</b>	<b>5/28</b>	<b>5/29</b>





# ***National Pretzel Day***

## ***April 26th***

***Soft pretzels***  
***Savory toppings***  
***DIY pretzel rods with***  
***Chocolate Fountain /***  
***Healthy options***  
***Desserts***

***Join us at 12:00pm***  
***in the Cafeteria***



# **Brown Bag Day** **May 25th**

**Decorate your  
your own bag,  
fill it up with lunch  
(provided by dietary)  
enjoy lunch on the patio  
while cleaning and  
planting the  
flower garden**



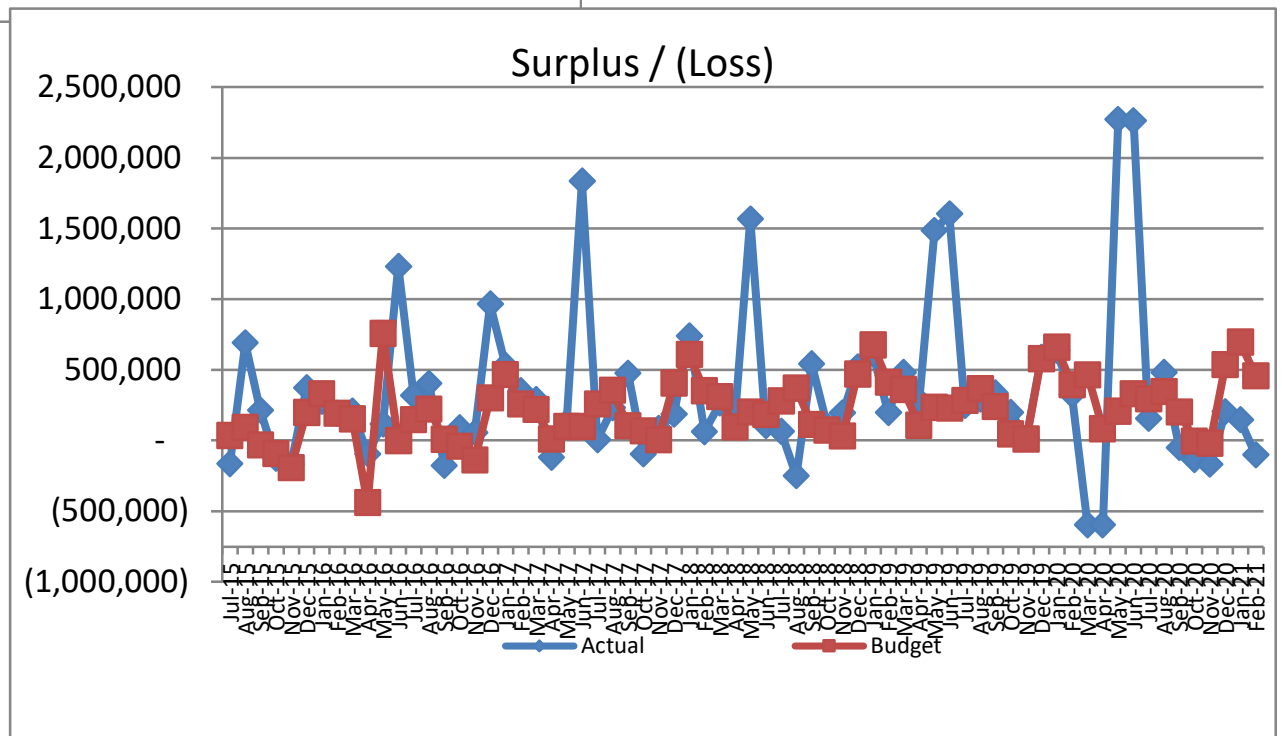
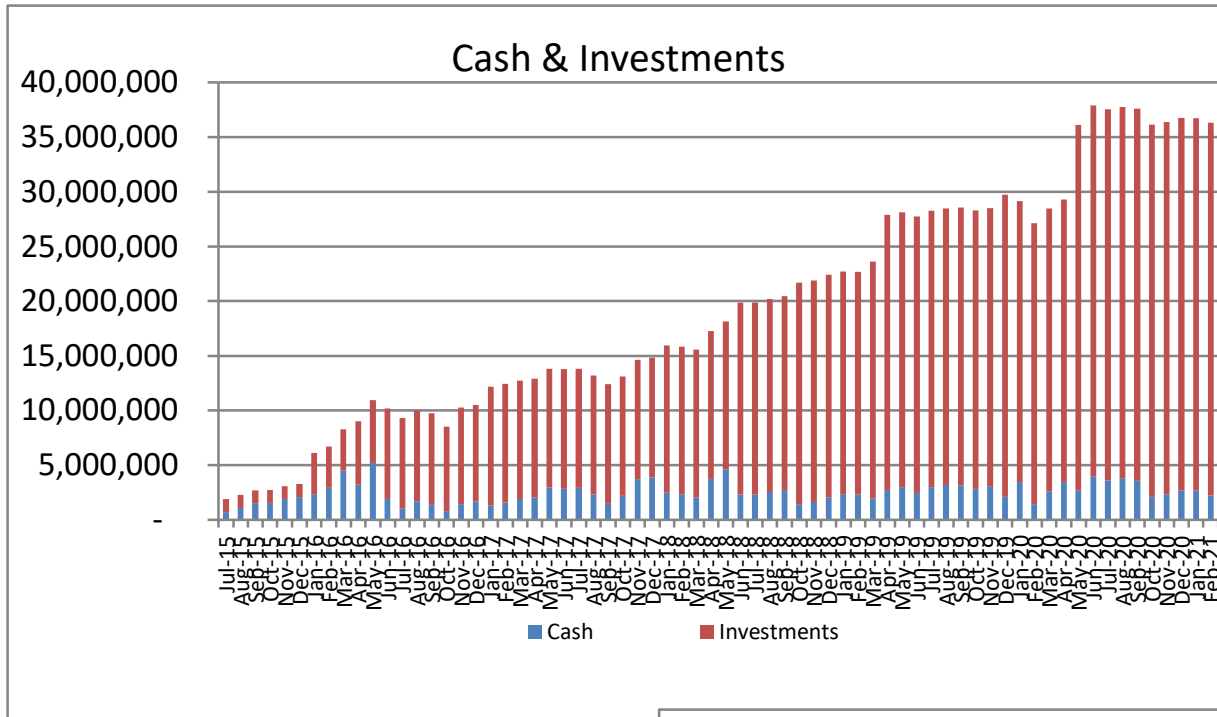




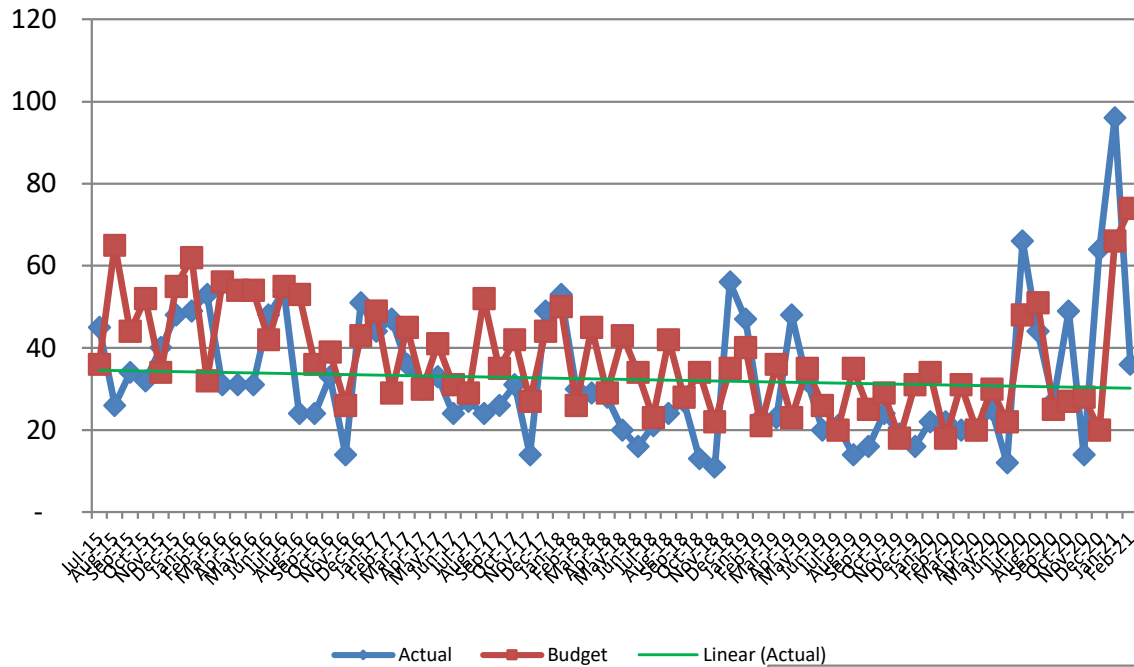
Finance Report  
February 2021 Results

## Summary for February 2021

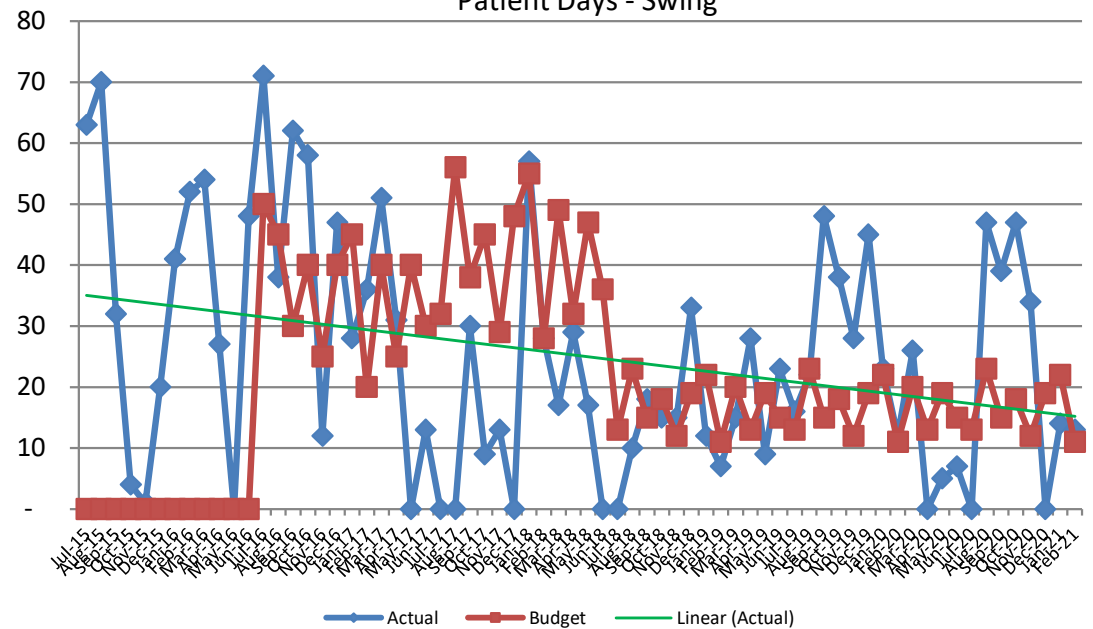
- Cash on hand \$ 2,222,422  
Investments \$34,068,527
- Days Cash on hand, including investments with LAIF – 489
- Surplus (Loss) of \$101,827 was \$559,127 lower than budget
- Total Patient Revenue was 3.4% lower than Budget for the month
- Net Patient Revenue was 11.5% lower than budget
- Total Expenses were 12.8% more than budget



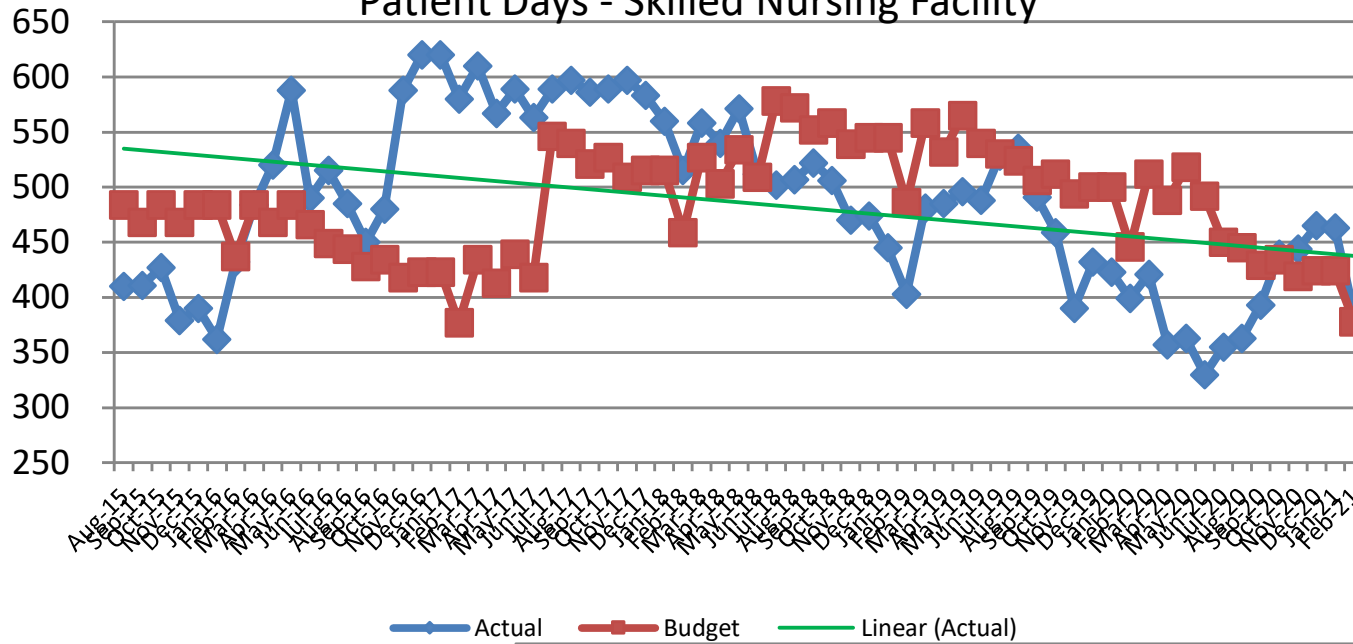
Patient Days - Acute



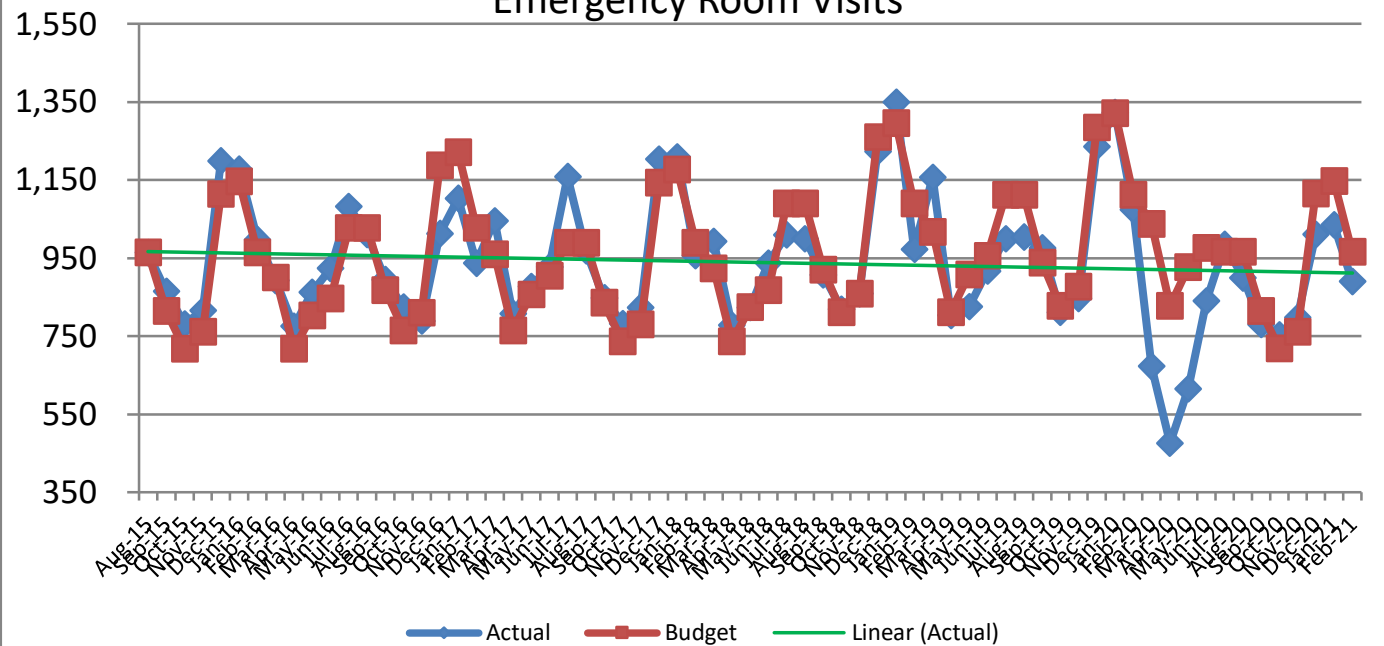
Patient Days - Swing

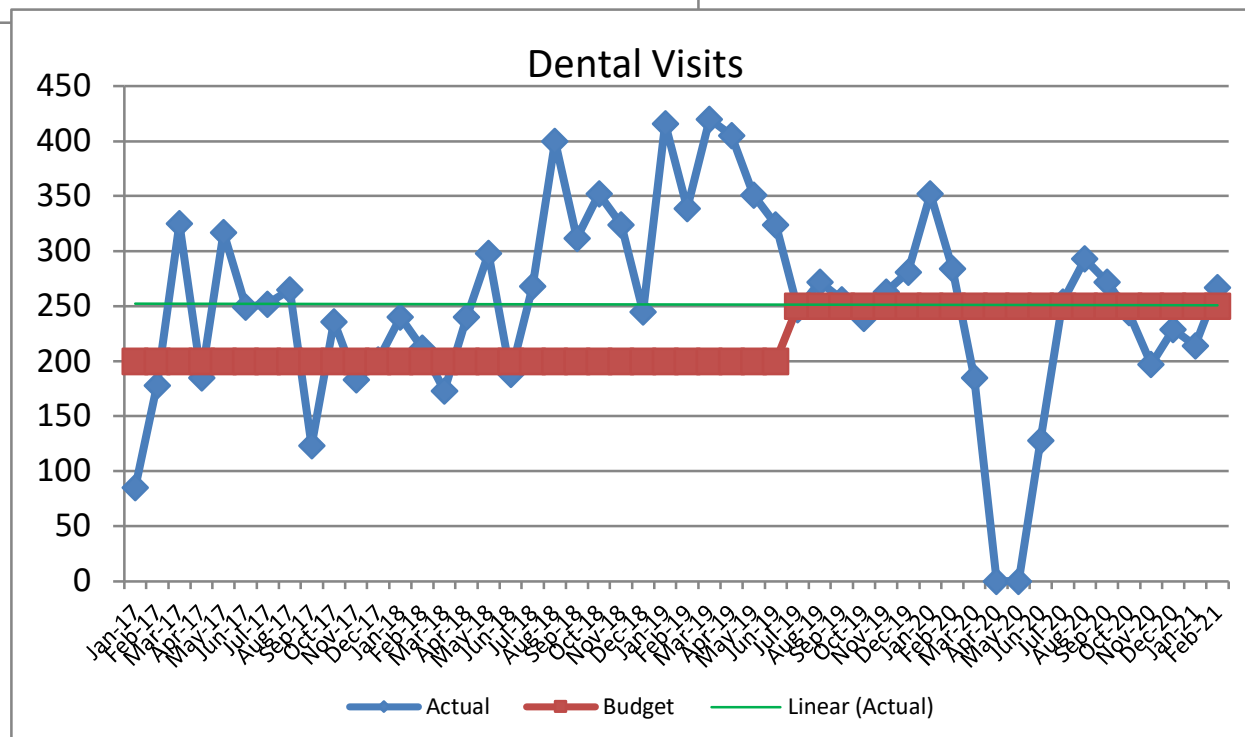
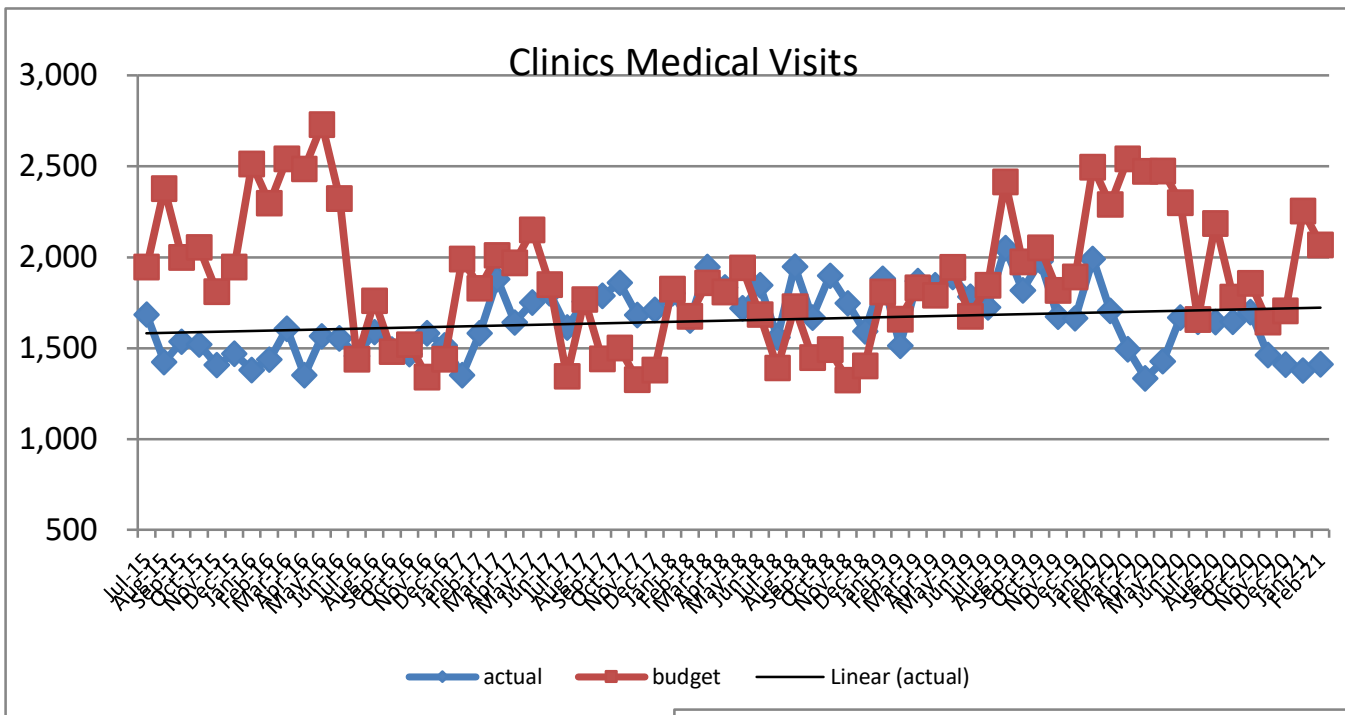


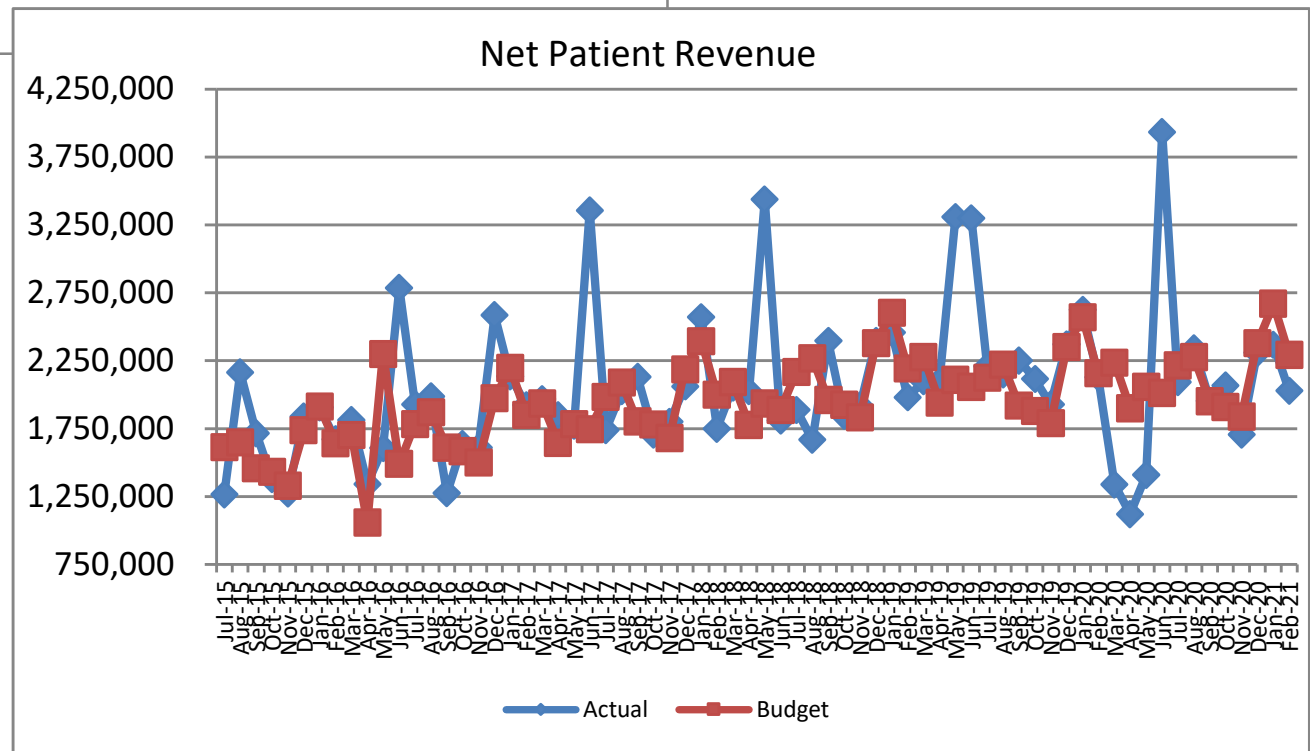
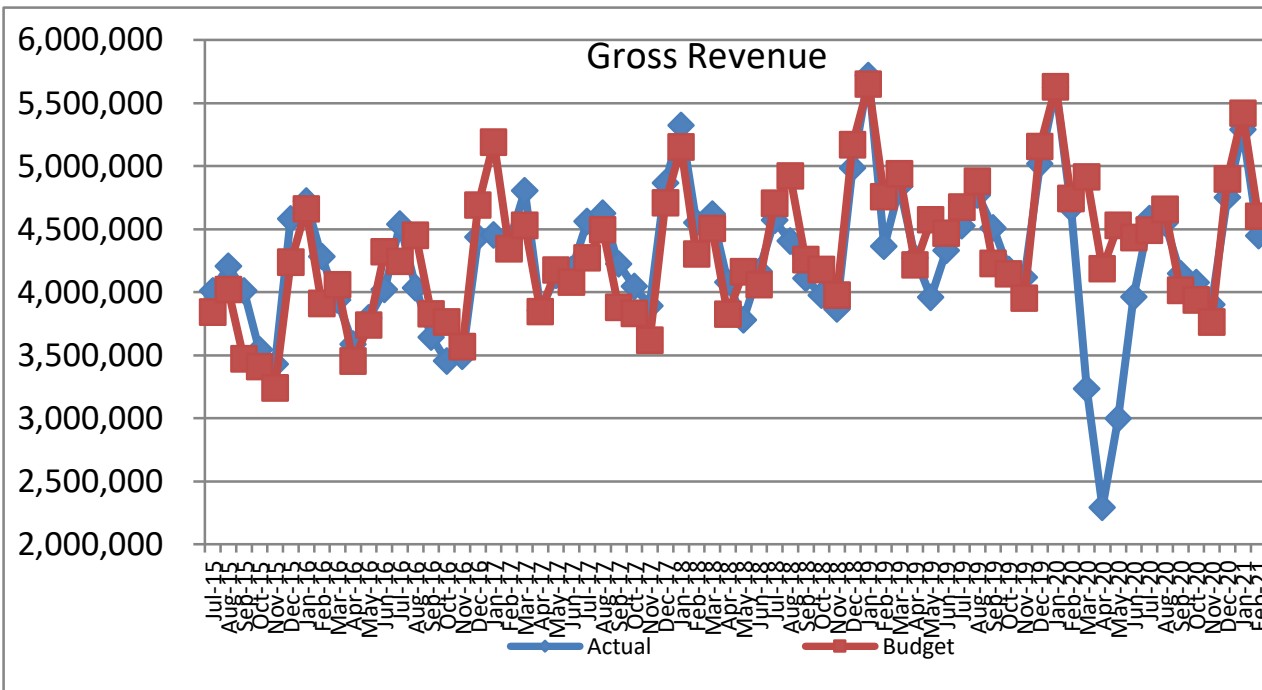
### Patient Days - Skilled Nursing Facility



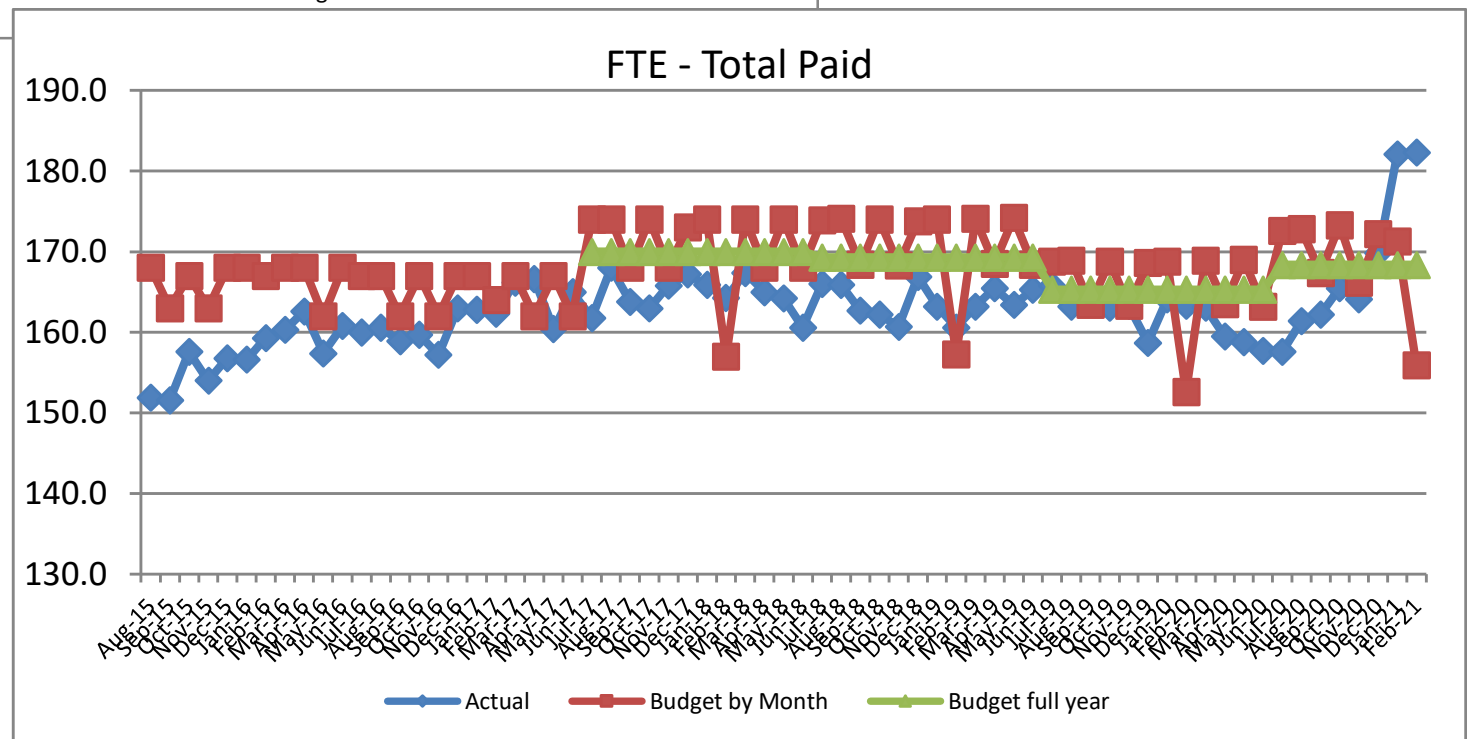
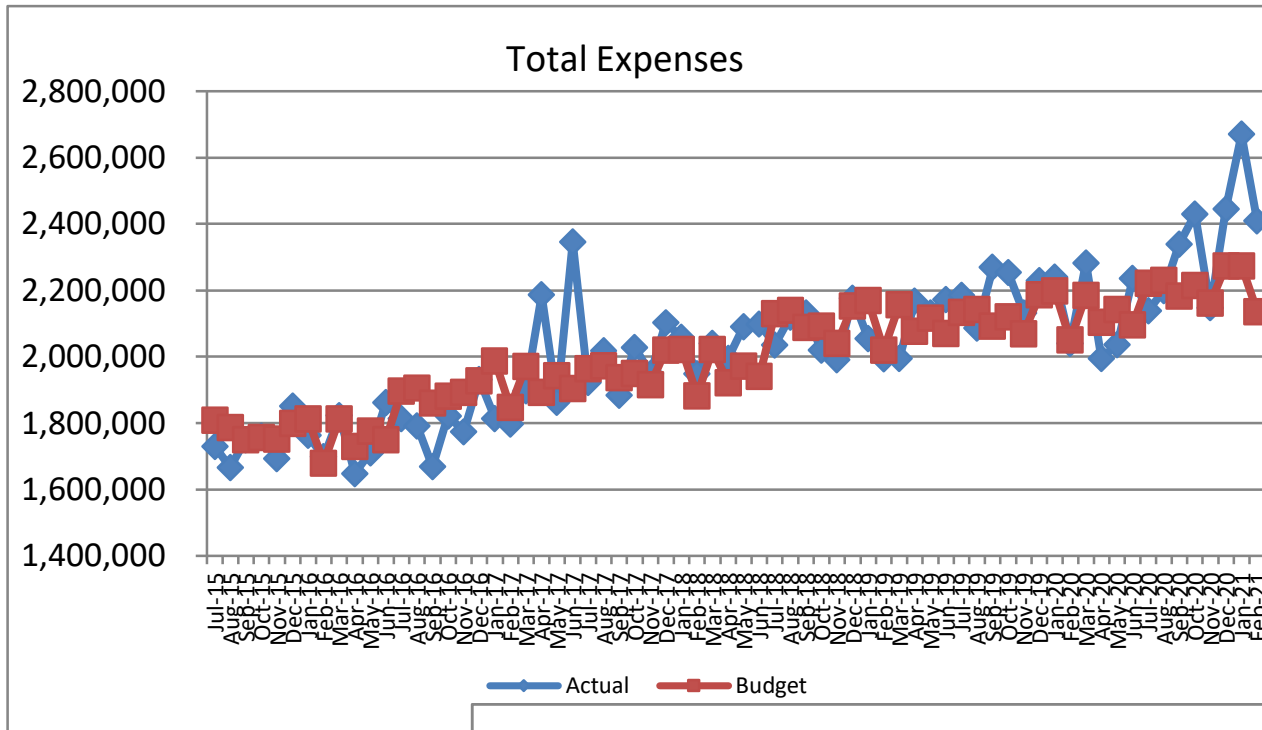
### Emergency Room Visits

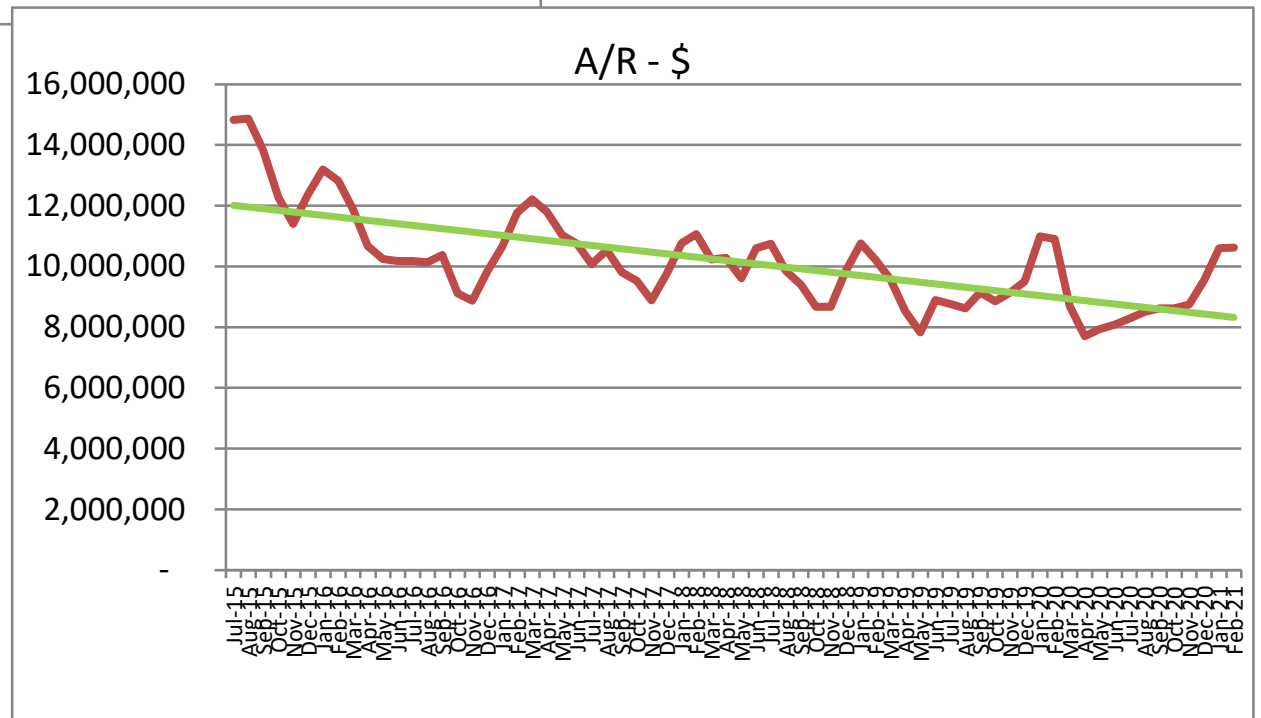
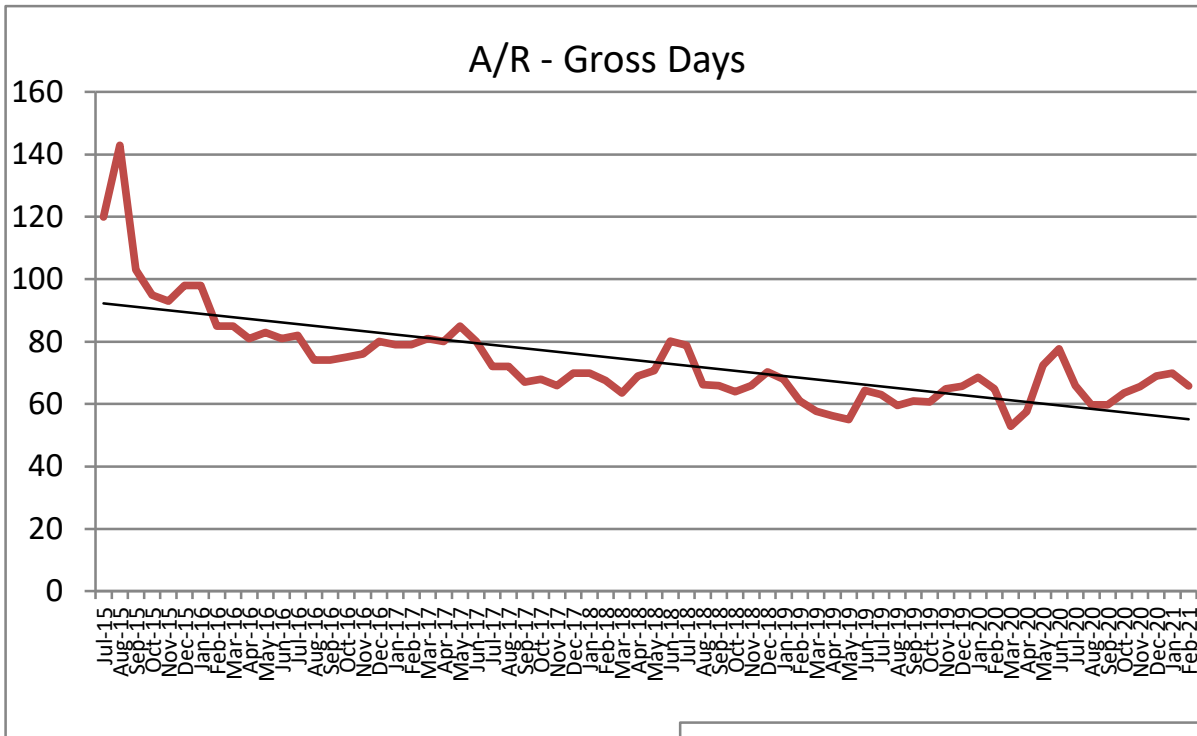














## **February 2021 Financial Results**

### **For the month . . .**

Total Patient Revenue for February 2021 was \$4,446,951. This was 3.4% or \$154,447 less than budget. Inpatient revenue continued to be more than budget - 16.26% for the month. Outpatient revenue was 6.5% higher than budget. Skilled Nursing Facility revenue was 1.1% lower than budget. ER revenue was 5.3% less than budget. Clinic revenue was 19.9% under budget.

Total Revenue deductions of \$2,418,589 were 4.8% more than budget.

Total Operating Revenue of \$2,109,371 was 11.8% under our budgeted amount.

Total Expenses of \$2,409,313 were 12.8% more than budget. Salaries and Benefits were 26.7% more than budget as we continued higher staffing related to COVID 19. Supplies were again significantly over budget - by with expenses for PPE (Personal Protective Equipment) and testing.

Our Operating Cash and Investments total \$36,290,949 as of the end of month. Total days cash on hand as of the end of February 2021 were 489.

### **Key Statistics**

Acute patient days of 36 were about half of our budgeted number. Swing patient days for the month of 13 were slightly over budget. Skilled Nursing Facility days of 385 were 2% more than budget – our Average Daily Census was 13.75. ER Visits of 891 were 7.8% lower than budget. Clinics Medical visits continue under budget. Dental visits were over budget for the month.

FTE (Full Time Equivalents) for the month were 182.3. We have continued higher staffing for COVID 19.

### **Year-to-Date (through 7 months of our Fiscal year)**

Total patient revenue is 0.1% lower than budget

Total Operating Revenue is 5.4% lower than budget

Total Expenses are 6.1% more than budget

Our Surplus of \$523,743 is \$1,985,395 under budget

**Bear Valley Community Healthcare District**  
**Financial Statements February 28, 2021**

**Financial Highlights—Hospital**  
**STATEMENT OF OPERATIONS**

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 19/20	FY 20/21		VARIANCE		FY 19/20	FY 20/21		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1 Total patient revenue	4,666,332	4,446,951	4,601,398	(154,447)	-3.4%	37,413,529	35,757,346	35,782,261	(24,915)	-0.1%
2 Total revenue deductions	2,538,941	2,418,589	2,308,256	110,333	4.8%	19,636,164	18,887,661	18,246,248	641,413	3.5%
3 % Deductions	54%	54%	50%			52%	53%	51%		
4 Net Patient Revenue	2,127,391	2,028,362	2,293,142	(264,780)	-11.5%	17,777,365	16,869,685	17,536,013	(666,328)	-3.8%
5 % Net to Gross	46%	46%	50%			48%	47%	49%		
6 Other Revenue	24,432	81,009	98,437	(17,428)	-17.7%	269,501	465,027	792,220	(327,193)	-41.3%
7 Total Operating Revenue	2,151,823	2,109,371	2,391,579	(282,208)	-11.8%	18,046,865	17,334,712	18,328,233	(993,521)	-5.4%
8 Total Expenses	2,041,399	2,409,313	2,136,817	272,496	12.8%	17,393,242	18,781,025	17,699,399	1,081,626	6.1%
9 % Expenses	44%	54%	46%			46%	53%	49%		
10 Surplus (Loss) from Operations	110,423	(299,942)	254,762	(554,704)	217.7%	653,623	(1,446,313)	628,834	(2,075,147)	330.0%
11 % Operating margin	2%	-7%	6%			2%	-4%	2%		
12 Total Non-operating	214,729	198,115	202,538	(4,423)	-2.2%	2,030,091	1,970,055	1,880,304	89,751	4.8%
13 Surplus/(Loss)	325,152	(101,827)	457,300	(559,127)	122.3%	2,683,714	523,743	2,509,138	(1,985,395)	79.1%
14 % Total margin	7%	-2%	10%			7%	1%	7%		

**BALANCE SHEET**

	A	B	C	D	E
	February	February	January		
	FY 19/20	FY 20/21	FY 20/21	VARIANCE	
				Amount	%
15 Gross Accounts Receivables	10,911,605	10,613,399	10,601,168	12,231	0.1%
16 Net Accounts Receivables	3,533,855	3,587,506	3,593,708	(6,202)	-0.2%
17 % Net AR to Gross AR	32%	34%	34%		
18 Days Gross AR	64.9	65.8	69.9	(4.1)	-5.9%
19 Cash Collections	2,069,461	1,847,048	1,722,359	124,689	7.2%
20 Settlements/IGT Transactions	68,094	25,533	221,376	(195,843)	-88.5%
Stimulus Receipts	45,520	19,118	106,272	(87,154)	-82.0%
21 Investments	25,702,939	34,068,527	34,068,527	-	0.0%
22 Cash on hand	1,427,451	2,222,422	2,658,467	(436,045)	-16.4%
23 Total Cash & Invest	27,130,390	36,290,949	36,726,993	(436,045)	-1.2%
24 Days Cash & Invest	396	489	502	(13)	-2.7%
Total Cash and Investments	27,130,390	36,290,949			
Increase Current Year vs. Prior Year		9,160,559			

**Bear Valley Community Healthcare District**  
**Financial Statements February 28, 2021**

**Statement of Operations**

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 19/20	FY 20/21		VARIANCE		FY 19/20	FY 20/21		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
<b>Gross Patient Revenue</b>										
1 Inpatient	96,742	190,620	164,043	26,577	16.2%	987,437	1,697,825	1,044,123	653,702	62.6%
2 Outpatient	852,861	899,363	844,382	54,981	6.5%	6,848,619	6,647,612	6,682,811	(35,199)	-0.5%
3 Clinic Revenue	346,918	293,223	366,160	(72,937)	-19.9%	3,000,967	2,461,002	2,820,694	(359,692)	-12.8%
4 Emergency Room	3,192,182	2,891,851	3,053,084	(161,233)	-5.3%	24,952,137	23,478,191	23,726,911	(248,720)	-1.0%
5 Skilled Nursing Facility	177,630	171,894	173,729	(1,835)	-1.1%	1,624,369	1,472,717	1,507,722	(35,005)	-2.3%
6 <b>Total patient revenue</b>	<b>4,666,332</b>	<b>4,446,951</b>	<b>4,601,398</b>	<b>(154,447)</b>	<b>-3.4%</b>	<b>37,413,529</b>	<b>35,757,346</b>	<b>35,782,261</b>	<b>(24,915)</b>	<b>-0.1%</b>
<b>Revenue Deductions</b>										
7 Contractual Allow	2,201,880	2,085,989	2,038,867	47,122	2.3%	18,489,938	17,257,598	16,117,147	1,140,451	7.1%
8 Contractual Allow PY	(175,000)	(173,542)	-	(173,542)	#DIV/0!	(1,374,101)	(1,356,944)	-	(1,356,944)	#DIV/0!
9 Charity Care	19,132	13,627	14,185	(558)	-3.9%	116,519	136,756	112,112	24,644	22.0%
10 Administrative	17,788	9,162	6,637	2,525	38.1%	47,698	32,099	52,455	(20,356)	-38.8%
11 Policy Discount	15,711	16,334	16,545	(211)	-1.3%	123,329	120,937	130,759	(9,822)	-7.5%
12 Employee Discount	8,421	19,553	4,585	14,968	326.5%	35,988	70,626	36,235	34,391	94.9%
13 Bad Debts	358,676	333,629	227,437	106,192	46.7%	1,581,453	1,929,766	1,797,540	132,226	7.4%
14 Denials	58,918	113,837	-	113,837	#DIV/0!	615,340	696,824	-	696,824	#DIV/0!
15 <b>Total revenue deductions</b>	<b>2,538,941</b>	<b>2,418,589</b>	<b>2,308,256</b>	<b>110,333</b>	<b>4.8%</b>	<b>19,636,164</b>	<b>18,887,661</b>	<b>18,246,248</b>	<b>641,413</b>	<b>3.5%</b>
<b>Net Patient Revenue</b>	<b>2,127,391</b>	<b>2,028,362</b>	<b>2,293,142</b>	<b>(264,780)</b>	<b>-11.5%</b>	<b>17,777,365</b>	<b>16,869,685</b>	<b>17,536,013</b>	<b>(666,328)</b>	<b>-3.8%</b>
gross revenue including Prior Year Contractual Allowances as a percent to gross revenue WO PY and Other CA	40.2%	40.2%		40.2%		40.2%	447.4%	447.4%	0.0%	
	39.2%	39.2%		39.2%		39.2%	437.2%	437.2%	0.0%	
17 <b>Other Revenue</b>	24,432	81,009	98,437	(17,428)	-17.7%	269,501	465,027	792,220	(327,193)	-41.3%
18 <b>Total Operating Revenue</b>	<b>2,151,823</b>	<b>2,109,371</b>	<b>2,391,579</b>	<b>(282,208)</b>	<b>-11.8%</b>	<b>18,046,865</b>	<b>17,334,712</b>	<b>18,328,233</b>	<b>(993,521)</b>	<b>-5.4%</b>
<b>Expenses</b>										
19 Salaries	876,787	1,011,456	810,133	201,323	24.9%	7,335,917	8,099,866	7,021,431	1,078,435	15.4%
20 Employee Benefits	289,735	367,581	305,598	61,983	20.3%	2,467,122	2,611,488	2,513,767	97,721	3.9%
21 Registry	-	34,600	-	34,600	#DIV/0!	5,100	180,863	-	180,863	#DIV/0!
22 Salaries and Benefits	<b>1,166,522</b>	<b>1,413,636</b>	<b>1,115,731</b>	<b>297,905</b>	<b>26.7%</b>	<b>9,808,139</b>	<b>10,892,217</b>	<b>9,535,198</b>	<b>1,357,019</b>	<b>14.2%</b>
23 Professional fees	168,902	145,510	185,719	(40,209)	-21.7%	1,410,500	1,309,474	1,492,468	(182,994)	-12.3%
24 Supplies	104,454	238,374	156,815	81,559	52.0%	1,227,266	1,555,245	1,291,430	263,815	20.4%
25 Utilities	39,387	41,070	47,758	(6,688)	-14.0%	336,672	283,795	379,424	(95,629)	-25.2%
26 Repairs and Maintenance	43,670	42,847	49,295	(6,448)	-13.1%	457,385	388,365	400,618	(12,253)	-3.1%
27 Purchased Services	312,651	320,730	369,158	(48,428)	-13.1%	2,557,685	2,726,047	2,889,261	(163,214)	-5.6%
28 Insurance	31,990	38,863	37,371	1,492	4.0%	253,146	299,507	298,968	539	0.2%
29 Depreciation	83,739	91,295	80,156	11,139	13.9%	666,644	730,360	641,248	89,112	13.9%
30 Rental and Leases	10,270	18,371	26,743	(8,372)	-31.3%	95,759	144,674	219,452	(74,778)	-34.1%
32 Dues and Subscriptions	6,743	5,981	6,318	(337)	-5.3%	47,905	51,699	50,544	1,155	2.3%
33 Other Expense	73,071	52,636	61,753	(9,117)	-14.8%	532,142	399,643	500,788	(101,145)	-20.2%
34 <b>Total Expenses</b>	<b>2,041,399</b>	<b>2,409,313</b>	<b>2,136,817</b>	<b>272,496</b>	<b>12.8%</b>	<b>17,393,242</b>	<b>18,781,025</b>	<b>17,699,399</b>	<b>1,081,626</b>	<b>6.1%</b>
35 <b>Surplus (Loss) from Operations</b>	<b>110,423</b>	<b>(299,942)</b>	<b>254,762</b>	<b>(554,704)</b>	<b>217.7%</b>	<b>653,623</b>	<b>(1,446,313)</b>	<b>628,834</b>	<b>(2,075,147)</b>	<b>330.0%</b>
<b>Non-Operating Income</b>										
36 Tax Revenue	201,917	204,167	204,167	-	0.0%	1,615,336	1,633,336	1,633,336	-	0.0%
38 Other non-operating	20,040	320	5,750	(5,430)	-94.4%	167,783	262,492	46,000	216,492	470.6%
Interest Income	272	1,319	100	1,219	1218.8%	307,336	134,227	260,800	(126,573)	-48.5%
Interest Expense	(7,500)	(7,691)	(7,479)	(212)	2.8%	(60,365)	(60,000)	(59,832)	(168)	0.3%
IGT Expense	-	-	-	-	#DIV/0!	-	-	-	-	#DIV/0!
39 <b>Total Non-operating</b>	<b>214,729</b>	<b>198,115</b>	<b>202,538</b>	<b>(4,423)</b>	<b>-2.2%</b>	<b>2,030,091</b>	<b>1,970,055</b>	<b>1,880,304</b>	<b>89,751</b>	<b>4.8%</b>
40 <b>Surplus/(Loss)</b>	<b>325,152</b>	<b>(101,827)</b>	<b>457,300</b>	<b>(559,127)</b>	<b>122.3%</b>	<b>2,685,714</b>	<b>523,743</b>	<b>2,509,138</b>	<b>(1,985,895)</b>	<b>75.1%</b>

**Bear Valley Community Healthcare District  
Financial Statements**

**Current Year Trending Statement of Operations**

**A Statement of Operations—CURRENT YEAR 2021**

	1	2	3	4	5	6	7	8	9	10	11	12	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
Gross Patient Revenue													
1	Inpatient	215,249	249,801	164,188	244,798	102,379	186,971	343,818	190,620				1,697,825
2	Outpatient	759,975	752,158	750,715	801,463	624,126	972,010	1,087,803	899,363				6,647,612
3	Clinic	329,815	343,539	335,783	317,785	289,299	284,301	267,256	293,223				2,461,002
4	Emergency Room	3,121,968	3,044,910	2,722,837	2,519,139	2,688,725	3,102,541	3,386,219	2,891,851				23,478,191
5	Skilled Nursing Facility	158,091	161,978	175,237	194,783	198,304	206,578	205,851	171,894				1,472,717
6	Total patient revenue	4,585,098	4,552,387	4,148,760	4,077,968	3,902,835	4,752,401	5,290,947	4,446,951	-	-	-	35,757,346
Revenue Deductions													
C/A	0.49	0.48	0.50	0.48	0.46	0.45	0.51	0.47	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.48
7	Contractual Allow	2,260,273	2,201,802	2,080,903	1,963,358	1,796,607	2,151,875	2,716,791	2,085,989				17,257,598
8	Contractual Allow PY	(100,000)	(396,823)	(150,000)	(236,579)	(150,000)	(150,000)	-	(173,542)				(1,356,944)
9	Charity Care	25,028	30,141	26,357	11,798	12,356	1,748	15,701	13,627				136,756
10	Administrative	(3,946)	9,457	8,699	(1,853)	1,439	5,530	3,610	9,162				32,099
11	Policy Discount	17,491	11,862	11,554	16,004	11,637	15,336	20,719	16,334				120,937
12	Employee Discount	7,661	5,909	6,791	1,305	8,195	5,918	15,294	19,553				70,626
13	Bad Debts	256,673	240,011	132,574	178,790	389,713	334,477	63,899	333,629				1,929,766
14	Denials	29,487	109,385	76,018	77,928	125,677	76,754	87,739	113,837				696,824
	Total revenue deductions	2,492,666	2,211,743	2,192,896	2,010,751	2,195,625	2,441,637	2,923,753	2,418,589	-	-	-	18,887,661
		0.54	0.49	0.53	0.49	0.56	0.51	0.55	0.54	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
16	Net Patient Revenue	2,092,432	2,340,643	1,955,865	2,067,217	1,707,209	2,310,763	2,367,194	2,028,362	-	-	-	16,869,685
	net / tot pat rev	45.6%	51.4%	47.1%	50.7%	43.7%	48.6%	44.7%	45.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
													47.2%
Other Revenue													
17		5,722	137,886	44,163	27,253	74,691	67,363	26,941	81,009				465,027
Total Operating Revenue													
18		2,098,154	2,478,529	2,000,027	2,094,469	1,781,900	2,378,127	2,394,135	2,109,371	-	-	-	17,334,712
Expenses													
19	Salaries	925,406	956,216	902,333	1,122,909	975,875	1,020,963	1,184,708	1,011,456				8,099,866
20	Employee Benefits	320,367	271,080	397,159	311,730	283,861	350,869	308,840	367,581				2,611,488
21	Registry	-	11,553	50,270	31,930	5,425	6,696	40,390	34,600				180,863
22	Salaries and Benefits	1,245,773	1,238,850	1,349,762	1,466,569	1,265,160	1,378,528	1,533,939	1,413,636	-	-	-	10,892,217
23	Professional fees	165,124	162,933	161,100	163,056	157,606	178,669	175,476	145,510				1,309,474
24	Supplies	108,268	154,942	169,080	177,583	128,781	237,684	340,533	238,374				1,555,245
25	Utilities	33,935	34,590	34,797	33,317	32,071	34,994	39,020	41,070				283,795
26	Repairs and Maintenance	57,780	48,999	46,434	61,619	44,387	50,897	35,404	42,847				388,365
27	Purchased Services	332,918	353,033	373,584	337,780	310,335	349,372	348,295	320,730				2,726,047
28	Insurance	60,863	11,090	37,712	37,843	37,712	37,712	37,712	38,863				299,507
29	Depreciation	91,295	91,295	91,295	91,295	91,295	91,295	91,295	91,295				730,360
30	Rental and Leases	19,149	16,590	16,141	17,078	16,455	16,655	24,236	18,371				144,674
32	Dues and Subscriptions	7,269	6,659	8,205	5,676	3,874	5,231	8,805	5,981				51,699
33	Other Expense.	16,461	80,579	51,138	38,177	60,309	64,228	36,115	52,636				399,643
34	Total Expenses	2,138,836	2,199,560	2,339,247	2,429,993	2,147,984	2,445,264	2,670,828	2,409,313	-	-	-	18,781,025
Surplus (Loss) from Operations													
35		(40,683)	278,969	(339,220)	(335,524)	(366,084)	(67,137)	(276,693)	(299,942)	-	-	-	(1,446,313)
Non-Operating Income													
37	Tax Revenue	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,167				1,633,336
38	Other non-operating	(1,680)	4,102	17,020	1,270	20	10,020	231,420	320				262,492
	Interest Income	214	726	73,547	957	1,156	55,390	918	1,319				134,227
	Interest Expense	(7,381)	(7,340)	(7,302)	(7,296)	(7,645)	(225)	(15,119)	(7,691)				(60,000)
	IGT Expense	-	-	-	-	-	-	-	-				-
39	Total Non-operating	195,320	201,655	287,432	199,098	197,698	269,352	421,386	198,115	-	-	-	1,970,055
Surplus/(Loss)													
40		154,638	480,624	(51,788)	(136,426)	(168,386)	202,215	144,693	(101,827)	-	-	-	523,743

2020-2021 Actual BS

BALANCE SHEET

PY Includes final AJES

BALANCE SHEET										PY
PY Includes final AJES		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	June
ASSETS:										
Current Assets										
Cash and Cash Equivalents (Includes CD's)		3,615,780	3,808,255	3,576,588	1,705,263	2,351,238	2,691,025	2,658,467	2,222,422	3,981,146
Gross Patient Accounts Receivable		8,283,966	8,504,189	8,619,147	8,834,307	8,737,594	9,553,454	10,600,810	10,612,091	8,079,622
Less: Reserves for Allowances & Bad Debt		5,780,164	5,794,514	5,864,331	6,010,743	5,967,168	6,567,531	7,007,101	7,024,584	5,761,024
Net Patient Accounts Receivable		2,503,802	2,709,676	2,754,817	2,823,564	2,770,426	2,985,923	3,593,708	3,587,506	2,318,898
Tax Revenue Receivable		2,450,000	2,450,000	2,450,000	2,450,000	1,993,217	1,082,860	1,013,280	964,596	52,606
Other Receivables		-871,228	-858,343	-14,296	309,602	-316,447	79,061	-8,914	-2,722	87,734
Inventories		195,677	206,729	222,028	237,616	244,545	265,070	283,177	285,218	178,033
Prepaid Expenses		513,673	474,367	511,153	549,299	505,105	447,001	461,013	468,360	313,818
Due From Third Party Payers		0	0							
Due From Affiliates/Related Organizations		0	0							
Other Current Assets		0	0							
Total Current Assets		8,407,704	8,790,683	9,500,289	8,075,343	7,548,084	7,550,941	8,000,732	7,525,381	6,932,236
Assets Whose Use is Limited										
Investments		33,942,664	33,942,664	34,014,745	34,014,745	34,014,745	34,068,527	34,068,527	34,068,527	33,942,664
Other Limited Use Assets		144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited Use Assets		34,087,039	34,087,039	34,159,120	34,159,120	34,159,120	34,212,902	34,212,902	34,212,902	34,087,039
Property, Plant, and Equipment										
Land and Land Improvements		3,063,051	3,063,051	3,061,292	3,061,292	3,061,292	3,061,292	3,061,292	3,061,292	3,061,292
Building and Building Improvements		10,157,771	10,157,771	10,157,771	10,157,771	10,157,771	10,157,771	10,157,771	10,157,771	10,157,771
Equipment		13,039,965	13,118,413	13,390,453	13,624,695	13,659,968	13,706,167	13,735,555	13,773,142	12,998,413
Construction In Progress		299,400	350,846	378,326	418,059	418,059	480,237	543,606	548,960	216,365
Capitalized Interest										
Gross Property, Plant, and Equipment		26,560,187	26,690,082	26,987,842	27,261,817	27,297,090	27,405,467	27,498,224	27,541,165	26,433,841
Less: Accumulated Depreciation		15,717,377	15,808,672	15,899,967	15,991,262	16,082,557	16,173,852	16,265,147	16,356,442	15,626,082
Net Property, Plant, and Equipment		10,842,809	10,881,409	11,087,874	11,270,555	11,214,533	11,231,615	11,233,077	11,184,723	10,807,758
TOTAL UNRESTRICTED ASSETS		53,337,552	53,759,131	54,747,283	53,505,018	52,921,737	52,995,458	53,446,710	52,923,005	51,827,033
Restricted Assets		0	0	0	0	0	0	0	0	0
TOTAL ASSETS		53,337,552	53,759,131	54,747,283	53,505,018	52,921,737	52,995,458	53,446,710	52,923,005	51,827,033

2020-2021 Actual BS

BALANCE SHEET

PY Includes final AJES

LIABILITIES:

Current Liabilities									
Accounts Payable	996,145	982,173	1,175,157	961,118	814,623	894,939	916,758	978,179	1,099,470
Notes and Loans Payable									
Accrued Payroll	1,038,708	1,113,869	1,260,632	748,959	817,961	958,794	1,211,573	1,054,537	905,115
Patient Refunds Payable									
Due to Third Party Payers (Settlements)	7,832,693	7,909,286	7,963,471	7,780,215	7,639,334	7,578,242	7,799,361	7,669,863	7,917,421
Advances From Third Party Payers									
Current Portion of Def Rev - Txs,	2,245,833	2,041,666	1,837,499	1,633,332	1,429,165	1,224,998	1,020,831	816,664	0
Current Portion - LT Debt	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Current Portion of AB915									
Other Current Liabilities (Accrued Interest & Accrued Other)	14,801	22,141	29,443	36,739	44,384	0	15,009	22,412	7,420
Total Current Liabilities	12,168,180	12,109,135	12,306,202	11,200,362	10,785,467	10,696,973	11,003,533	10,581,655	9,969,425
Long Term Debt									
USDA Loan	2,815,000	2,815,000	2,815,000	2,815,000	2,815,000	2,775,000	2,775,000	2,775,000	2,815,000
Leases Payable	0	0	0	0	0	0	0	0	0
Less: Current Portion Of Long Term Debt	0	0	0	0	0	0	0	0	0
Total Long Term Debt (Net of Current)	2,815,000	2,815,000	2,815,000	2,815,000	2,815,000	2,775,000	2,775,000	2,775,000	2,815,000
Other Long Term Liabilities									
Deferred Revenue	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0			
Total Other Long Term Liabilities	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	14,983,180	14,924,135	15,121,202	14,015,362	13,600,467	13,471,973	13,778,533	13,356,655	12,784,425
Fund Balance									
Unrestricted Fund Balance	38,199,734	38,199,734	39,042,608	39,042,608	39,042,608	39,042,608	39,042,608	39,042,608	32,182,080
Temporarily Restricted Fund Balance	0	0				0			
Equity Transfer from FRHG	0	0				0			
Net Revenue/(Expenses)	154,638	635,262	583,474	447,048	278,662	480,877	625,570	523,742	6,860,528
TOTAL FUND BALANCE	38,354,372	38,834,996	39,626,081	39,489,656	39,321,270	39,523,485	39,668,178	39,566,350	39,042,608
TOTAL LIABILITIES & FUND BALANCE	53,337,552	53,759,131	54,747,283	53,505,018	52,921,737	52,995,458	53,446,710	52,923,005	51,827,033



Units of Service															
For the period ending February 28, 2021															
28						243									
Current Month						Bear Valley Community Hospital		Year-To-Date							
Feb-21		Feb-20		Actual -Budget		Act.-Act.		Feb-21		Feb-20		Actual -Budget		Act.-Act.	
Actual	Budget	Actual	Variance	Var %	Var %			Actual	Budget	Actual	Variance	Var %	Var %		
36	74	23	(38)	-51.4%	56.5%	Med Surg Patient Days		396	339	222	57	16.8%	78.4%		
13	11	7	2	18.2%	85.7%	Swing Patient Days		194	133	110	61	45.9%	76.4%		
385	378	403	7	1.9%	-4.5%	SNF Patient Days		3,307	3,403	3,829	(96)	-2.8%	-13.6%		
434	463	433	(29)	-6.3%	0.2%	Total Patient Days		3,897	3,875	4,161	22	0.6%	-6.3%		
10	17	8	(7)	-41.2%	25.0%	Acute Admissions		91	112	91	(21)	-18.8%	0.0%		
12	17	10	(5)	-29.4%	20.0%	Acute Discharges		90	112	91	(22)	-19.6%	-1.1%		
3.0	4.4	2.3	(1.4)	-31.1%	30.4%	Acute Average Length of Stay		4.4	3.0	2.4	1.4	45.4%	80.4%		
1.3	2.6	0.8	(1.4)	-51.4%	56.5%	Acute Average Daily Census		1.6	1	0.9	0.2	16.8%	78.4%		
14.2	13.9	14.6	0.3	2.3%	-2.9%	SNF/Swing Avg Daily Census		14.4	15	16.2	(0.1)	-1.0%	-11.1%		
15.5	16.5	15.5	(1.0)	-6.3%	0.2%	Total Avg. Daily Census		16.0	16	17.1	0.1	0.6%	-6.3%		
34%	37%	34%	-2%	-6.3%	0.2%	% Occupancy		36%	35%	38%	0%	0.6%	-6.3%		
3	12	7	(9)	-75.0%	-57.1%	Emergency Room Admitted		43	96	77	(53)	-55.2%	-44.2%		
888	954	8,067	(66)	-6.9%	-89.0%	Emergency Room Discharged		7,111	7,362	8,067	(251)	-3.4%	-11.9%		
891	966	8,074	(75)	-7.8%	-89.0%	Emergency Room Total		7,154	7,458	8,144	(304)	-4.1%	-12.2%		
32	35	288	(3)	-7.8%	-89.0%	ER visits per calendar day		29	31	34	(1)	-4.1%	-12.2%		
30%	71%	88%	78%	110.2%	-65.7%	% Admits from ER		47%	86%	85%	40%	46.2%	-44.2%		
-	-	-	-	0.0%	#DIV/0!	Surgical Procedures I/P		1	-	-	1	0.0%	#DIV/0!		
7	8	10	(1)	-12.5%	-30.0%	Surgical Procedures O/P		41	68	96	(27)	-39.7%	-57.3%		
7	8	10	(1)	-12.5%	-30.0%	TOTAL Procedures		42	68	96	(26)	-38.2%	-56.3%		
347	699	1,475	(352)	-50.4%	-76.5%	Surgical Minutes Total		3,189	6,067	6,610	(2,878)	-47.4%	-51.8%		

**Units of Service**  
For the period ending February 28, 2021

Bear Valley Community Hospital												
Current Month						Year-To-Date						
Feb-21 Actual	Budget	Feb-20 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %		Feb-21 Actual	Budget	Feb-20 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %
5,811	6,043	5,708	(232)	-3.8%	1.8%	Lab Procedures	48,670	49,644	7,345	(974)	-2.0%	562.6%
858	1,037	1,036	(179)	-17.3%	-17.2%	X-Ray Procedures	6,016	7,231	6,417	(1,215)	-16.8%	-6.3%
352	326	300	26	8.0%	17.3%	C.T. Scan Procedures	2,722	2,543	2,343	179	7.0%	16.2%
172	199	206	(27)	-13.6%	-16.5%	Ultrasound Procedures	1,442	1,535	1,718	(93)	-6.1%	-16.1%
43	54	26	(11)	-20.4%	65.4%	Mammography Procedures	325	432	392	(107)	-24.8%	-17.1%
294	263	297	31	11.8%	-1.0%	EKG Procedures	2,049	2,364	2,254	(315)	-13.3%	-9.1%
69	110	86	(41)	-37.3%	-19.8%	Respiratory Procedures	693	880	802	(187)	-21.3%	-13.6%
1,545	1,397	1,223	148	10.6%	26.3%	Physical Therapy Procedures	11,298	11,841	11,134	(543)	-4.6%	1.5%
1,413	2,069	1,514	(656)	-31.7%	-6.7%	Primary Care Clinic Visits	12,296	15,152	13,815	(2,856)	-18.8%	-11.0%
267	250	339	17	6.8%	-21.2%	Specialty Clinic Visits	1,970	2,000	2,656	(30)	-1.5%	-25.8%
<b>1,680</b>	<b>2,319</b>	<b>1,853</b>	<b>(639)</b>	<b>-27.6%</b>	<b>-9.3%</b>	<b>Clinic</b>	<b>14,266</b>	<b>17,152</b>	<b>16,471</b>	<b>(2,886)</b>	<b>-16.8%</b>	<b>-13.4%</b>
<b>65</b>	<b>89</b>	<b>71</b>	<b>(25)</b>	<b>-27.6%</b>	<b>-9.3%</b>	<b>Clinic visits per work day</b>	<b>78</b>	<b>94</b>	<b>91</b>	<b>(16)</b>	<b>-16.8%</b>	<b>-13.4%</b>
15.2%	19.00%	14.90%	-3.80%	-20.00%	2.01%	% Medicare Revenue	15.73%	19.00%	18.21%	-3.28%	-17.24%	-13.66%
32.60%	37.00%	34.50%	-4.40%	-11.89%	-5.51%	% Medi-Cal Revenue	34.78%	37.00%	36.69%	-2.23%	-6.01%	-5.21%
45.50%	39.00%	45.90%	6.50%	16.67%	-0.87%	% Insurance Revenue	43.55%	39.00%	39.91%	4.55%	11.67%	9.11%
6.70%	5.00%	4.70%	1.70%	34.00%	42.55%	% Self-Pay Revenue	5.95%	5.00%	5.19%	0.95%	19.00%	14.70%
159.3	141.1	144.4	18.2	12.9%	10.3%	Productive FTE's	147.70	153.1	142.6	(5.4)	-3.5%	3.6%
182.3	155.9	163.5	26.4	16.9%	11.5%	Total FTE's	168.12	169.0	163.5	(0.8)	-0.5%	2.8%



## **CFO REPORT for**

**April 2021 Finance Committee and Board Meetings**

### **Blue Shield / State of California Vaccination Third Party Administrator**

We have signed an agreement with Blue Shield of California (the State designated TPA - Third Party Administrator) to allow us to continue to work with the County to provide vaccinations in our service area.

### **AHA Fact Sheet - Hospitals Face Continued Financial Challenges One Year into the COVID-19 Pandemic**

Attached is a document from AHA - the American Hospital Association – “Hospitals Face Continued Financial Challenges One Year into the COVID-19 Pandemic” the information of the committee.

### **FY 2022 (July 1, 2021 through June 30, 2022) Budget Preparation**

Work continues on preparation of our FY 2022 (July 1, 2021 through June 30, 2022) Budget.

## **COVID-19 Expenses / Funding**

In February 2021, we continued to see increased expenditures as a result of the Pandemic.

As we have discussed, we have some reserves to meet additional costs. We will work with wipfli (firm that prepares Cost Report) on reporting of CARES Act funds. We have applied for forgiveness of Paycheck Protection Program.

We do not yet have word on the status of these funds.

# Hospitals Face Continued Financial Challenges One Year into the COVID-19 Pandemic

---

It has been over one year since a national public health emergency was declared as America began grappling with the COVID-19 pandemic and the first patients with the novel coronavirus arrived at our nation's hospitals and health systems. Since then, the U.S. has seen nearly 30 million cases of the virus, approximately 1.5 million people hospitalized, and more than 530,000 deaths – the latter of which has driven a 15% increase in the death rate making 2020 the deadliest year in U.S. history. These statistics are a grim reminder of the pandemic's human toll and highlight the need for a strong infrastructure to support health care services for Americans, starting with our nation's hospitals and health systems.

Hospitals have been on the front lines since the start of the pandemic and have endured historic financial challenges due to revenue losses from forced shutdowns and a slow resurgence of non-emergent care as well as increased costs associated with preparing for the pandemic and treating COVID-19 patients. In 2020, hospitals were projected to lose an estimated \$323 billion, leaving nearly half of America's hospitals and health systems with negative operating margins by the end of 2020.

Despite the advent of multiple COVID-19 vaccines and a growing number of Americans who have been vaccinated, the pandemic continues to take its toll. Kaufman Hall recently projected that hospitals and health systems could lose an additional \$53 to \$122 billion in revenue in 2021.

## **Though vaccinations and other safety measures have helped curb the spread of the virus, as of mid-March 2021 the data show that the COVID-19 pandemic is far from over.**

- Nearly 57,000 new cases of COVID-19 are being reported daily on a seven-day average, which is about the same level as mid-October 2020.
- About 1,500 COVID-19 deaths per day occurred on a seven-day average, which is almost the same level as the beginning of December 2020 before the last surge.
- COVID-19 test positivity rates remain between 4-5%, similar to levels experienced in October 2020.
- More than 72,000 total COVID-19 hospital admissions occurred over a seven day period, with a seven-day average of approximately 39,000 hospital inpatients receiving care for COVID-19, of which an average of 10,000 are receiving care in the ICU.
- Hospital ICU bed occupancy remains high, with a national average of approximately 67% of ICU beds being occupied. Three states – Texas, Delaware and Alabama – as well as the District of Columbia have 80% or more of their ICU beds currently occupied.
- Experts warn that the pandemic could worsen over the next several months with the arrival of additional coronavirus variants and as social distancing policies are relaxed.

## **As the pandemic persists and patients continue to avoid critical care, hospitals face a long road to recovery in 2021 and beyond.**

- Hospital operating margins decreased nearly 27% between December 2020 and January 2021, and 46% compared with the same time period last year.
- While hospital revenues have improved from historic lows during the height of the pandemic, they remain well below pre-pandemic levels. In fact, gross hospital revenues declined by 4.8% from the same time period last

year. Hospital outpatient revenues – down 10.4% from the same time last year – have been especially hit hard as patients continue to avoid non-emergent care.

- Hospital finances also have taken a hit as volumes have declined, while patient lengths of stay have increased. Discharges and adjusted discharges are down 12.7% and 17.6% from the same time last year, while the average length of stay for a patient has increased 12.6%.
- Emergency department visits also have experienced a nearly 25% decline from the same time last year, as many Americans remain skeptical of going to the hospital for critical care, such as heart attacks and strokes.

**Revenue losses and sluggish recovery of patient volumes have been met with increased expenses creating the perfect financial storm for hospitals and health systems.**

- While revenue has decreased, total hospital expenses have increased by 4.5% from the same time last year and on a per adjusted discharge basis hospital expenses have increased by 25.4%.
- Hospitals and health systems across the country have reported shortages of doctors and nurses needed to treat COVID-19 patients. These shortages have forced hospitals to rely on staffing firms where increased demand for health care personnel has driven a steep rise in prices. Moreover, many of these personnel are only temporary solutions to a more pervasive staffing problem. As a result, hospitals have experienced a 30% increase in labor expenses per adjusted discharge from the same time last year.
- An analysis by Moody's found that hospitals will incur higher costs for personal protective equipment (PPE) and other supplies as well as infrastructure projects. These higher supply costs have manifested in a nearly 20% year-over-year increase in supply expenses per adjusted discharge.
- Hospitals also have experienced significant increases in drug expenses since the pandemic. Drug expenses per adjusted discharge have increased 36% year-over-year. A recent analysis by Vizient forecasted that drug prices would continue to increase into 2022.
- Credit rating agencies Fitch and Moody's both cautioned that increased costs threaten the financial outlook for the hospital sector and that 2021 will remain a challenging financial environment for hospitals and health systems.

**As the nation has learned to cope with the effects of this pandemic over the last year, so have hospitals and health systems.** These organizations – small and large, urban and rural – have worked tirelessly to mobilize a comprehensive response while overcoming daunting financial and operational challenges. Hospitals have cut costs where possible to maintain financial solvency, invested resources in constructing mobile units for testing and treatment, developed creative strategies to acquire PPE and supplies in shortage, and most recently, played a central role in vaccinating the communities they serve.

While patient volumes and hospital finances have experienced modest improvement since the height of the pandemic, they remain far from pre-pandemic levels. **Government support and resources to date have proven invaluable to hospitals, but the data clearly show that this pandemic is far from over. More government support, including additional sequester relief to avoid new Medicare cuts, is desperately needed.** We must work together to safeguard the financial health and well-being of America's hospitals and health systems so that they may continue to provide care and advance the health of patients and the communities they serve.