



*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.*

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**BOARD OF DIRECTORS BUSINESS MEETING AGENDA**  
**Wednesday, June 13, 2018 @ 1:00 p.m. – Hospital Conference Room**  
**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 3:00 p.m. –Hospital Conference Room 41870 Garstin Drive, Big Bear Lake, CA 92315)

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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.

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**OPEN SESSION**

**1. CALL TO ORDER**

**Rob Robbins, 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. REAL PROPERTY NEGOTIATIONS:\*Government Code Section 54956.8 / TRADE SECRETS: Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1**

- (1) Potential Acquisition (Anticipated Disclosure 06/13/18)

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

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

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

- (1) Steven Knapik, D.O. Hospitalist Service Agreement (Anticipated Disclosure 06/13/18)  
(2) Calvin Pramann, D.C. Chiropractor Service Agreement (Anticipated Disclosure 06/13/18)  
(3) Jeffell Tucker, JWT & Associates (Anticipated Disclosure 06/13/18)  
(4) Draft Wage & Salary Report, Completed by Integrated Resource Network (IRN) (Anticipated Disclosure 07/11/18)

## **OPEN SESSION**

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

**Rob Robbins, President**

### **2. ROLL CALL**

**Shelly Egerer, Executive Assistant**

### **3. FLAG SALUTE**

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

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

**Rob Robbins, 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. May 09, 2018 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant**

**B. May 2018 Planning & Facilities Report: Michael Mursick, Plant Director**

**C. May 2018 Human Resource Report: Erin Wilson, Human Resource Director**

**D. May 2018 Infection Prevention Report: Heather Loose, Infection Preventionist**

**E. Policies & Procedures:**

(1) Administration (Summary Attached)

(2) ID and Facility Access Badges

(3) Electrical Safety – ECMAM -1

**F. Board of Directors; Committee Meeting Minutes:**

(1) February 13, 2018 Human Resource Committee Meeting Minutes

(2) May 01, 2018 Finance Committee Meeting Minutes

(3) May 24, 2018 Finance Committee Meeting Minutes

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

- None

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

- A.** Discussion & Presentation of the Big Bear Lake Fire Department Master Plan Results; Presented by Chief Willis
- B.** Discussion and Potential Approval of the Following Contracts:
  - (1) Steven Knapik, D.O. Hospitalist Service Agreement
  - (2) Calvin Pramann, D.C. Chiropractor Service Agreement
  - (3) Jeffell Tucker, JWT & Associates
- C.** Discussion and Potential Approval of the Fiscal Year 2018/2019 Operating Budget
- D.** Discussion and Potential Approval of the Fiscal Year 2018/2019 Capital Budget
- E.** Discussion and Update on CalPERS Medical Benefits (Potential Withdraw & Proposed Options)
- F.** Discussion and Potential Approval of Continuing to Provide Surgical Services

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

- A.** **Acceptance of QHR Report**  
Ken Ward, AVP QHR
  - (1) June 2018 QHR Report
- B.** **Acceptance of CNO Report**  
Kerri Jex, Chief Nursing Officer
  - (1) May 2018 CNO Report
- C.** **Acceptance of the CEO Report**  
John Friel, Chief Executive Officer
  - (1) May 2018 CEO Report
  - (2) Strategic Plan
- D.** **Acceptance of the Finance Report & CFO Report**  
Garth Hamblin, Chief Financial Officer
  - (1) April 2018 Financials
  - (2) June 2018 CFO Report

## **13. ADJOURNMENT\***

**\* Denotes Possible Action Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BUSINESS BOARD MEETING MINUTES  
41870 Garstin Drive, Big Bear Lake, Ca. 92315  
May 09, 2018**

**PRESENT:** Rob Robbins, President  
Gail McCarthy 1<sup>st</sup> Vice President  
Jack Roberts, 2<sup>nd</sup> Vice President  
Donna Nicely, Treasurer  
Peter Boss, MD, Secretary  
John Friel, CEO

**ABSENT:** Mary Norman Sheri Mursick Shelly Egerer, Ex. Assist.

**STAFF:** Garth Hamblin Erin Wilson Steven Knapik, DO  
Nicole Wheeler Diana Acosta Kerri Jex, CNO via telephone

**OTHER:** Ron Vigus,QHR Drew Pappas, Foundation Treasurer

**COMMUNITY  
MEMBERS:** None

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**OPEN SESSION**

**1. CALL TO ORDER:**

President Robbins called the meeting to order at 1:00 p.m.

**CLOSED SESSION**

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

President Robbins opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to make public comment. President Robbins closed Public Forum for Closed Session at 1:01 p.m.

**2. ADJOURNED TO CLOSED SESSION:**

**President Robbins motioned to adjourn to Closed Session at 1:01 p.m. Second by Board Member Roberts to adjourn to Closed Session. President Robbins called for a vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**RECONVENE TO OPEN SESSION**

**1. CALL TO ORDER:**

President Robbins called the meeting to Open Session at 3:00 p.m.



**2. ROLL CALL:**

Rob Robbins, Gail McCarthy, Jack Roberts, Donna Nicely, and Peter Boss, MD were present. Also present were John Friel, CEO. Absent was Shelly Egerer, Executive Assistant.

**3. FLAG SALUTE:**

John Friel led the flag salute, all present participated.

**4. ADOPTION OF AGENDA:**

**President Robbins called for a motion to adopt the agenda as presented. Motion by Board Member Nicely to adopt the agenda as presented. Second by Board Member Boss to adopt the agenda as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**5. RESULTS OF CLOSED SESSION:**

President Robbins reported that the following action was taken in Closed Session: The following reports were approved.

- Chief of Staff Report:
  - Request for Initial Appointment:
    - Bernhard Tagwerker, MD – Emergency Medicine
    - Vartan Vartanians, MD – Renaissance Radiology
    - Huan Nguyen, MD – Renaissance Radiology
    - Laura Zahorik, RDH – Center for Oral Health
  - Request for Reappointment:
    - Stephen Noble, DDS – Center for Oral Health
    - Chad Hays, MD – Internal Medicine
  - Voluntary Resignation:
    - Van Trinh, MD – Renaissance Radiology
- Risk Report
- QI Report

**President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

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

President Robbins opened the Hearing Section for Public Comment on Open Session items at 3:02 p.m. Hearing no request to make public comment. President Robbins closed Public Forum for Open Session at 3:02 p.m.

## **7. DIRECTORS COMMENTS**

- Board Member Boss reported that he joined Donna Nicely, Kerri Jex and John Friel on a site visit to Riverside Community Hospital to discuss an affiliation, the Medical Staff must be on board, during the visit, several Medical Directors were present and very interested in an affiliation. This was a successful trip.
- Board Member Nicely discussed the visit to Riverside Community, the facility had high interest in joining Bear Valley. Also, Diana Acosta is present, she had written a letter requesting funds for CNA training from the Soroptomist. Board Member Nicely presented the donation of \$7,000.00 for the CNA training program to Ms. Acosta.
- Board Member Robbins mentioned that the Foundation Bylaws were not signed, recommendations were made and not completed, John Friel will discuss during his CEO report.
- Board Member McCarthy is extremely satisfied with the Riverside Community report.
- Board Member Roberts reminds all members of the Board and Administration that stressful and exciting times are near; from renovations to affiliations, all members were voted in to benefit the community, he is proud to be on the Board and work together.

## **8. INFORMATION REPORTS:**

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

- Mr. Pappas, Treasurer provided the following information:
  - Created an Executive Committee the President, Vice President, Secretary and Treasurer that meet twice a month.
  - Drew Pappas is now the treasurer, Alesta Pacelli did a great job for the last four years.
  - Focusing on IT, use of QuickBooks to help with accounting. Use of a donor management system to organize donor lists. New email BVhospfoundation@gmail and designated VOIP phone line (909) 683-0335 contacts direct to the Foundation.
  - Updating Mission, Vision and Value, three strategic directions have been identified;
    - Charitable fund raising
    - Community partnerships
    - Foundation development
  - Quarterly wine and cheese parties held at members' homes to advocate for the Healthcare District, discussing future plans of the Foundation.
  - Participating in the Spring Wine Walk.
  - Participating in the Hospital Health Fair.
  - End of August will hold the 2<sup>nd</sup> Humanitarian Award Event.

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

- Ms. Dick was not present to report, no new information to report.

**9. CONSENT AGENDA:**

- A.** April 11, 2018 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- B.** April 2018 Planning & Facilities Report: Michael Mursick, Plant Director
- C.** April 2018 Human Resource Report: Erin Wilson, Human Resource Director
- D.** Infection Prevention Assessment & Program Summary: Heather Loose, Infection Preventionist
- E.** Board of Directors; Committee Meeting Minutes:
  - (1) March 29, 2018 Planning & Facilities Committee Meeting Minutes
  - (2) April 03, 2018 Finance Committee Meeting Minutes

**President Robbins called for a motion to approve the Consent Agenda with the item C. Human Resource Report be pulled and under New Business. Motion by Board Member Nicely to approve the Consent Agenda with the item C. Human Resource Report be pulled and under New Business. Second by Board Member Roberts to approve the Consent Agenda with the item C. Human Resource Report be pulled and under New Business. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins -yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**10. OLD BUSINESS:**

- None.

**11. NEW BUSINESS\***

- A. Discussion and Potential Approval of the Moon & Mayoras Facility Master Plan Agreement:**
  - Discussion took place in closed session.

**Board Member Roberts motioned to approve the Moon & Mayoras Agreement as presented. Second by Board Member Nicely to approve the Moon & Mayoras Agreement as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

- B. Discussion and Potential Approval of Resolution # 18-454: Determining, Certifying and Directing Special Tax Levies Within the District:**
  - Mr. Hamblin reported that annual review and approval is required.

**Board Member Roberts motioned to approve Resolution # 18-454: Determining, Certifying and Directing Special Tax Levies Within the District. Second by Board Member Boss to approve the Resolution # 18-454: Determining, Certifying and Directing Special Tax Levies Within the District. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**C. Discussion and Potential Approval of Entering Into An Agreement with the County to Rent Office Space at the Big Bear Lake Library Building:**

- Mr. Friel reported that county negotiations continue.

**D. April 2018 Human Resource Report-**

- Board Member Nicely requested percentage of delinquencies included in the Board packet. The QI report and dashboard, was included to show the percentages.
- Board Member Roberts requested an update of the Wage and Salary Review. The update is included in the HR report. Board Member Roberts would like the review to include total comp as well, Ms. Wilson will provide the requested information. The Board would like to ensure that the employees are paid appropriately and provided with quality health insurance.
- Board Member Nicely would like to see small rural hospitals included in the comparison.
- Board Member Roberts requests that CalPers is on the agenda for the June Board meeting, the HR Committee is to review options and present the options at the Board meeting.

**Board Member Nicely motioned to approve the April 2018 Human Resource Report as presented. Second by Board Member Roberts to approve the April 2018 Human Resource Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**12. ACTION ITEMS\***

**A. Quorum Health Resource Report:**

**(1) May 2018 QHR Report:**

- Mr. Vigus reported the following information:
  - Goals to improve the supply chain management system. Impressed with Cameron Egerer and his engagement in products management.
  - QHR has offered a 401k retirement program which includes a 3% contribution by the company, this year, and the company has decided to no longer offer this. This will affect the CEO and CFO, informational only, to be included on the agenda for the June Board meeting.

- President Robbins would like to verify that the entire QHR Company will be losing this benefit.

**Board Member Nicely motioned to approve the QHR Report as presented. Second by Board Member Boss to approve the QHR Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

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

(1) April 2018 CNO Report:

- Ms. Jex provided the following information via telephone:
  - Board Member Nicely requests information regarding the rounding, who is part of the rounding?
  - Ms. Jex reported that nursing are alternating during the week completing rounds, department managers are recommended to round daily and administration rounds are completed quarterly.

**Board Member Roberts motioned to approve the CNO Report as presented. Second by Board Member McCarthy to approve the CNO Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

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

(1) March 2018 CEO Report:

- Mr. Friel reported the following information:
  - Upcoming 2<sup>nd</sup> Town Hall meeting on May 21<sup>st</sup> at the Christian Center.
  - Megan Meadors has been identified as a recipient of the Eagle of Excellence award, RSVP is necessary for those who would like to attend.
  - Chamber of Commerce holding the EBBIE awards June 5<sup>th</sup> at the Elks Lodge.
  - The Foundation Bylaws were not revised due to advice provided by the attorney, the language is required in the Bylaws. Discussion of Auxiliary, Foundation and Bear Valley Bylaws, all must read alike. Review must take place of the Bear Valley, Foundation and Auxiliary Bylaws so that all are in sync. The Foundation Bylaws should not require the Bear Valley Community Healthcare District Board of Directors to approve them as the Foundation is independent, the Bear Valley Bylaws must reflect this.
  - The Annenberg Foundation funding of the \$10,000.00 grant has been approved, the funding to the Foundation is held pending approval of the IRS.

(2) Strategic Plan

- Mr. Friel reported the following information:
- The Board is updated quarterly and the updates are italicized. The Board requests that the updates are highlighted/color.

**Board Member McCarthy motioned to approve the CEO Report and Strategic Plan as presented. Second by President Robbins to approve the CEO Report and Strategic Plan as presented. President Robbins called for the vote. A vote in favor was unanimously approved 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

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

(1) February 2018 Financials:

- Mr. Hamblin reported the following information:
  - 246 days cash on hand
  - Surplus under 2 Million, IGT funds are outstanding
  - Acute and Swing under budget
  - SNF days over budget
  - ER 4.4 over budget
  - FTE run under budget amount

(2) CFO Report:

- Mr. Hamblin reported the following information:
  - AB 3087, David Perry conducted annual contractual allowance and bad debt review, this will show where we will be at year end, as of now there will be receivable revenue from Medicare.
  - A draft final budget will be presented to the Finance committee on May 24<sup>th</sup>, this will prepare for the June Board meeting to present a final budget. Discussion regarding preparation of the budget and necessity to properly review and not rush through the review.
  - Mr. Hamblin thanked Mr. Roberts for the information regarding Ibank, a potential funding source. Mr. Hamblin has been in contact with the company whom is available to help in funding of projects.
  - Jack Roberts requests information regarding in-house billing. Garth reported that there may be a possibility of bringing TruBridge employees in house so that we stay with TruBridge, yet have employees on site. Changing of billing companies is not recommended now that AR days are down.
  - Discussion regarding accepted insurances and the necessity of expansion of insurance accepted, the Board is concerned that the Hospital is not supporting the community by offering services because insurance accepted is limited.

**Board Member Roberts motioned to approve the February 2018 Finance Report and the CFO Report as presented. Second by Board Member Nicely to approve the February 2018 Finance Report and the CFO Report as presented. President Robbins called for the vote. A vote in favor was unanimously approved 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

**13. ADJOURNMENT:**

**Board Member Roberts motioned to adjourn the meeting at 4:27 p.m. Second by Board Member Nicely to adjourn. President Robbins called for the vote. A vote in favor of the motion was unanimously approved 5/0.**

- Board Member Boss - yes
- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

## Bear Valley Community Healthcare District Construction Projects 2018

Department / Project	Details	Vendor and all associated costs	Comments	Date Complete
<b>Public Restroom/Acute Kitchen Plumbing Repair</b>	Remove the concrete in areas to access damaged plumbing.	Pride Plumbing/Facilities	Public Restrooms Complete, Acute Kitchen in Progress	
<b>Pyxis Replacement</b>	Pyxis equipment is in place and seismic anchors will be installed soon.	Facilities	In Progress	
<b>ASHRE 188 Risk Management Plan for Legionellosis</b>	New Mandate for Hospitals	Forensic Analytical Consulting Services Inc.	In Progress	
<b>Hospital- Medical Air Compressor</b>	Compressors is failing and no longer meets code requirments	FS Medical	Equipment is on site, waiting on the design professionals	
<b>OR Water Damage</b>	Repair damaged ceiling from water leak and repaint ceiling.	Facilities	In Progress	



## Bear Valley Community Healthcare District Potential Equipment Requirements

Department / Project	Details	Vendor and all associated costs	Comments	Date Considered
Facilities- New SnowPlow for truck	Facilities would like to purchase a new plow with modern controls	N/A	Will include in next years Capital Budget	

## Bear Valley Community Healthcare District Repairs Maintenance

Department / Project	Details	Vendor and all associated costs	Comments	Date Completed
<b>ER Lobby Painting, Flooring &amp; Bathroom Renovations</b>	Painted, replaced flooring & renovated bathrooms	Facilities/Kenny's Painting	Completed	
<b>Plant</b>	Brine Tank replacement for water softeners	Facilities/	Completed	
<b>SNF Patio</b>	Cleaned up for the season and staid fence.	Facilities	Completed	
<b>Landscaping Sprinkler System Repair</b>	Repaired all the damaged lines and heads	Facilities	Completed	



## **HR Monthly Report**

**May 2018**

<b>STAFFING</b>	<p><b>Active as of 6/4/2018:</b> 202 – FT: 136; PT: 17; Per Diem: 49</p> <p><b>New Hires:</b> 1</p> <p><b>Terms:</b> 9 (4 Voluntary 5 Involuntary)</p> <p><b>Open Positions:</b> 18</p>
<b>EMPLOYEE PERFORMANCE EVALUATIONS</b>	<p><b>DELINQUENT: See attachment</b></p> <p>30 days: 5</p> <p>60 days: 2</p> <p>90 days: 1</p> <p>90+ days: 1 (ER)</p> <p><b>MOVING FORWARD:</b> Continue monitoring ongoing annual evaluations.</p>
<b>WORK COMP</b>	<p><b>NEW CLAIMS: 0</b></p> <p><b>OPEN: 9</b></p> <p>Indemnity (Wage Replacement, attempts to make the employee financially whole) - 4</p> <p>Future Medical Care – 5</p> <p>Medical Only - 0</p> <p><b>MOVING FORWARD:</b> Quarterly claims review.</p>
<b>FILE AUDIT/ LICENSING</b>	<p><b>FIVE FILE AUDIT:</b></p> <p>One missing Employee Handbook Acknowledgement</p> <p>One missing Meal and Rest Period Acknowledgement</p> <p>One missing Work Comp Fraud</p> <p>One missing Meal Waiver in Excess of 8 hours</p> <p>All Licenses are up to date</p> <p>All items returned from previous month</p> <p><b>MOVING FORWARD:</b> Obtain required items, continue file audit.</p>
<b>JOB DESCRIPTIONS/ EVALUATIONS</b>	<p><b>Job Descriptions:</b> In process (January target date) - working on updates. Samples of current job descriptions and template will be sent to managers for update.</p> <p><b>Evaluations:</b> In process (January target date) – working with ADP to implement digital. Managers will be able to complete evaluation in ADP and send it to the employee for sign off and comments.</p> <p>Discuss the pros/cons of implementing annual evaluations at the same time each year.</p>

<b>ANNUAL GENERAL ORIENTATION</b>	All employees must finish by 6/8/2018 or they are taken off of the schedule until complete
<b>POLICIES</b>	In process: Corrective Action and Discipline
<b>2019 BENEFIT REVIEW</b>	Termination resolutions must be filed with CalPERS no later than 60 days after the CalPERS Board approves the health premiums for the new contract year. Termination resolutions are irrevocable once filed. Terminated agencies may not re-enter for five years from the termination date. The CalPERS Board typically announces the health plan premium rates for the following year after the second week of June.
<b>EMPLOYEE EVENTS</b>	Committee meeting 6/6/2018 planning a picnic at the park for summer/Employee years of service award ceremony

**BEAR VALLEY COMMUNITY HOSPITAL**  
**Quality Improvement Indicator Tracking for 2018**  
**Human Resources Dashboard**

[illegible]



## Infection Prevention Monthly Report

### May 2018

TOPIC	UPDATE	ACTION/FOLLOW UP
<b>1. Regulatory</b>	<ul style="list-style-type: none"> <li>Continue to receive updates from APIC.</li> <li>AFL (All Facility Letters) from CDPH have been reviewed.               <ul style="list-style-type: none"> <li>No AFLs related to infection control</li> </ul> </li> <li>Continue NHSN surveillance reporting.               <ul style="list-style-type: none"> <li>Will be adding Antibiotic Use and Resistance Module to NHSN Reporting. This will satisfy a requirement for Meaningful Use 3.</li> </ul> </li> <li>Completion of CMR reports to Public Health per Title 17 and CDPH regulations.               <ul style="list-style-type: none"> <li>No reportable diseases this month</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Review ICP regulations.</li> <li>AFL to be reviewed at Infection Control Committee and Regulatory committee.</li> <li>Continue Monthly Reporting Plan submissions.</li> </ul>
<b>2. Construction</b>	<ul style="list-style-type: none"> <li>ER remodel in progress.</li> <li>Pharmacy construction in progress.</li> <li>OR 2 ceiling repair of water damage completed.</li> <li>ICRA permits in place.</li> </ul>	<ul style="list-style-type: none"> <li>Work with Maintenance and contractors to ensure compliance.</li> </ul>
<b>3. QI</b>	<ul style="list-style-type: none"> <li>Continue to work towards increased compliance with Hand Hygiene.               <ul style="list-style-type: none"> <li>Hand hygiene committee looking at new monitoring</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Continue monitoring hand hygiene compliance.</li> </ul>

	tool.	
<b>4. Outbreaks/ Surveillance</b>	<ul style="list-style-type: none"> <li>▪ Public Health Report <ul style="list-style-type: none"> <li>○ Influenza decreasing in CA.</li> <li>○ STDs at an all- time high in San Bernardino County.</li> </ul> </li> <li>▪ Community Health Report <ul style="list-style-type: none"> <li>○ 1 case of C-diff in an outpatient.</li> <li>○ 1 positive gonorrhea in an outpatient, reported by labcorp and local physician's office.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> </ul>
<b>5. Policy Updates</b>	<ul style="list-style-type: none"> <li>▪ Policies reviewed, approved: <ul style="list-style-type: none"> <li>○ Nothing new.</li> </ul> </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 gathering manufacturer's instructions for use and cleaning for equipment around the hospital. Will compile in folder for staff to use.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor compliance with approved cleaning procedures.</li> </ul>
<b>7. Antibiotic Stewardship</b>	<ul style="list-style-type: none"> <li>▪ Pharmacist continues to monitor antibiotic usage.</li> <li>▪ ICP will be working with pharmacist to report data to NHSN.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational.</li> </ul>
<b>8. Education</b>	<ul style="list-style-type: none"> <li>▪ ICP continues to attend the APIC meetings in Ontario.</li> </ul>	<ul style="list-style-type: none"> <li>▪ ICP to share information at appropriate committees.</li> </ul>
<b>9. Informational</b>	<ul style="list-style-type: none"> <li>▪ Plan of correction for CHPH visit in progress. Most items have already been corrected.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> </ul>
<i>Heather Loose, BSN, RN      Infection Preventionist      Date: June, 6, 2018</i>		

Title	Ver #	Status
Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse	2	In Approval
Administrative Memorandums	2	In Approval
Administrator On Call	3	In Approval
Biennial Notice for Conflict of Interest Code	3	In Approval
Board Members Code of Conduct	3	In Approval
Board Policy on Receipt of Correspondence Regarding Personnel Matters	4	In Approval
Board/CEO Operating Governance Protocols	3	In Approval
Cash Handling	1	In Approval
Conflict of Interest Code	3	In Approval
Contracts and Agreements	4	In Approval
Contracts and Agreements with Physicians and Other Referral Sources Policy	2	In Approval
Critical Access Agreements	4	In Approval
Critical Access Compliance with Federal, State, and Local Laws and Regulations	3	In Approval
Critical Access Emergency Services	3	In Approval
Critical Access Number of Beds and Length of Stay	4	In Approval
Critical Access Organizational Structure	3	In Approval
Critical Access Periodic Evaluation and Quality Assurance Review	2	In Approval
Critical Access Periodic Evaluation	3	In Approval
Critical Access Staff and Staffing Responsibility	4	In Approval
Critical Access Status and Location	5	In Approval
Critical Access, Physical Plant and Environment	4	In Approval
Electrical Safety – EC-MAM-1	2	In Approval
Gifts to Hospital and Staff	3	In Approval
Guidelines to Planning New Programs or Services	3	In Approval
ID and Facility Access Badges	1	In Approval
Interpreter - Use of	3	In Approval
Leave of Absence	1	In Approval
Meal and Rest Breaks	1	In Approval
Notary Public Services	1	In Approval
Paid Time Off	4	In Approval
Policy Review and Approval Process	6	In Approval
Public Participation at Board of Directors Meetings	3	In Approval
Reimbursement for Training and Travel	3	In Approval
Subpoenas	3	In Approval



<b>DEPARTMENT:</b> Administration	<b>CATEGORY:</b> Policies, Procedures
<b>SUBJECT:</b> Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse	

## **POLICY:**

Bear Valley Community Healthcare District (BVCHD) shall ensure compliance with standards and laws pertaining to reporting of known or suspected child, domestic, and/or elder/dependent adult abuse and/or neglect and to enhance patient safety. Staff shall report all suspected or known abuse/neglect to the appropriate agency immediately, followed by a written report submitted within thirty-six (36) hours to facilitate protection of the patient involved in the suspected abuse.

### **Contacts:**

#### **Child:**

Child/ Family Services	(800) 827-8724 (24-hour hotline)
San Bernardino County Sheriff	(909) 866-0100

#### **Adult:**

Adult Protective Services	(877) 565-2020 (24-hour hotline)
San Bernardino County Sheriff	(909) 866-0100

#### **Spouse:**

DOVES	(800) 851-7601 (24-hour hotline)
San Bernardino County Sheriff	(909) 866-0100

## **PROCEDURE:**

1. Patient care staff shall receive annual education regarding recognition of physical, behavioral, and situational indicators that may suggest abuse or neglect.
2. Forms of reportable abuse include:
  - 2.1. Physical abuse.
  - 2.2. Sexual abuse.
  - 2.3. Psychological/emotional abuse.
  - 2.4. Neglect.
3. All patients shall be assessed for physical and behavioral indications of abuse and/or neglect upon admission/arrival to the hospital.
4. BVCHD employees and members of the medical staff are mandated reporters and therefore for identifying and reporting known or suspected cases.

<b>Prepared By:</b> Friel, John	<b>Reference:</b> Penal Code Section 111161.5
<b>Reviewed By:</b> Admin Team, Policy & Procedure Committee	<b>Revised Date:</b> Not Approved Yet
<b>Approved By:</b> Board Directors	<b>Date Approved:</b> Not Approved Yet

<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

- 4.1. Failure to report abuse or neglect is a misdemeanor punishable by a fine and/or imprisonment.
- 4.2. In accordance with the HIPAA Federal Regulations, no consent from the patient is necessary for release of Patient Medical Information for such reporting.
5. Reporting of abuse or neglect is protected from civil or criminal liability unless it can be proven that a false report was made or that the reporter should have known that the report was false.
6. Complete the mandatory reporting form for the appropriate agency.
  - 6.1. Prepare and submit a suspected child abuse report within 36 hours of receiving the information concerning the incident.
  - 6.2. Prepare and submit a "Report of Suspected Dependent Adult/Elder Abuse" within two (2) working days of receiving the information concerning the incident.
7. Consult Social Services for inpatients.
  - 7.1. The Emergency Department shall consult Social Services when they have questions or concerns about reporting.
8. Documentation shall include:
  - 8.1. Physical findings.
  - 8.2. Interventions.
  - 8.3. Photographs taken – (See NOTE).
  - 8.4. Referrals given.
  - 8.5. Reporting authorities.
    - 8.5.1. NOTE: Photographs may be taken by Child Protective Services, Adult Protective Services or the investigation officer. If it is necessary in a medical emergency to document the injuries photographically prior to the arrival of Child Protective Services, Adult Protective Services or the police, a consent to photograph shall be signed by the patient or legal guardian.
9. Indicators of Abuse/Neglect in the Child (Child is identified as any person under the age of 18)
  - 9.1. Physical Abuse.
  - 9.2. Fractures, lacerations, bruises that cannot be explained, or explanations which are improbable given the extent of the injury.
  - 9.3. Burns (cigarette, rope, scalding water, iron, radiator).
  - 9.4. Facial injuries (black eyes, broken jaw, broken nose, bloody or swollen lips) with implausible or nonexistent explanations.
  - 9.5. Subdural hematoma, long-bone fractures, fractures in different stages of healing.
  - 9.6. Pattern bruising (e.g., parallel or circular bruises) or bruises in different stages of discoloration, indicating repeated trauma over time.
10. Neglect
  - 10.1. Failure to thrive – a child's failure to gain weight at the expected rate for a normal child.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

10.1.1. A child who fails to thrive may have medical or psychosocial problems, or a combination of these.

- 10.2. Malnutrition or poorly balanced diet (bloated stomach, extremely thin, dry, flaking skin, pale, fainting).
- 10.3. Inappropriate dress for weather.
- 10.4. Extremely offensive body odor.
- 10.5. Dirty, unkempt.
- 10.6. Unattended medical conditions (e.g., infected minor burns, impetigo).
- 10.7. Clingy or indiscriminate attachment.
- 10.8. Isolates self.
- 10.9. Seems depressed or passive.

#### 11. Sexual Abuse

- 11.1. Bruising around genital area.
- 11.2. Swelling or discharge from vagina/penis.
- 11.3. Tearing around genital area, including rectum.
- 11.4. Visible lesions around mouth or genitals.
- 11.5. Complaint of abdominal pain.
- 11.6. Painful urination, defecation.
- 11.7. Sexualized behavior (has precocious knowledge of explicit sexual behavior and engages self or others in overt or repetitive sexual behavior).
- 11.8. Hostile or aggressive.
- 11.9. Fearful or withdrawn.
- 11.10. Self-destructive (self-mutilates).
- 11.11. Pseudo-Mature (seems mature beyond chronological age).
- 11.12. Eating disorders.
- 11.13. Alcohol/drug abuse.
- 11.14. Running away.
- 11.15. Promiscuous behavior.

#### 12. Behavioral Indicators in the Child

- 12.1. Physical abuse.
- 12.2. Hostile or aggressive behavior around others.
- 12.3. Self-destructive (self-mutilates, bangs heads, etc.).
- 12.4. Destructive (breaks windows, sets fires, etc.).
- 12.5. Verbally abusive.
- 12.6. Out-of-control behavior (seems angry, panics, easily agitated).
- 12.7. Withdrawal/depression.
- 12.8. Marked change in sleeping or eating.
- 12.9. Many physical complaints.
- 12.10. Lack of bonding between parent and child.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

13. Emotional Abuse

- 13.1. Lacks self-esteem; puts self down constantly.
- 13.2. Seeks approval to an extreme.
- 13.3. Seems unable to be autonomous (e.g., makes few choices, fears rejection).
- 13.4. Hostile, verbally abusive, provocative.

14. Indicators of Abuse in the Adult/Spouse (An adult is defined as any person between 18-64 years of age)

- 14.1. Injuries observed upon physical examination:
  - 14.1.1. Injuries/lesions consistent with the shape of a weapon (such as a belt buckle or cigarette butt).
  - 14.1.2. Injuries/lesions located in areas normally covered by clothing.
  - 14.1.3. Alopecia and hemorrhaging beneath the scalp (suggests hair pulling).
  - 14.1.4. Bruises, burns, and/or human bite marks.
  - 14.1.5. Repeated injuries that are difficult to account for as accidental.
  - 14.1.6. Strokes in young patients (may be caused by blows to the head).
  - 14.1.7. Damage to the neck arteries (may be due to strangulation).
  - 14.1.8. Several minor injuries/bruises at various stages of healing (old yellowing bruises mixed with new red/blue bruises).
  - 14.1.9. Cluster of injuries in various stages of healing all in the same area of the body.
  - 14.1.10. Compromised skin integrity (may be caused by inadequate nutrition).

15. History/Examination of Injuries:

- 15.1. Conflicting histories from patient and others.
- 15.2. A history inconsistent with the type or degree of injury.
- 15.3. A vague explanation of injury.
- 15.4. Denial of obvious injury.
- 15.5. Bizarre explanation(s) for injury.
- 15.6. A long delay between injury and the time treatment is sought.
- 15.7. A history of being "accident prone".
- 15.8. Visits to healthcare facilities for vague complaints or acute anxiety with no reported injuries.
- 15.9. Behavior of the Suspected Abused Patient:
  - 15.9.1. Unemotional response/flat affect.
  - 15.9.2. Changes in the patient's behavior when a person significant to them enters the room or leaves the room.
  - 15.9.3. Withdrawal, passive behaviors, depression, hopelessness, helplessness, general disinterest and/or excessive nervousness.
  - 15.9.4. Referring frequently to his/her partner's anger.
  - 15.9.5. Fear of being harmed or harming others.
  - 15.9.6. Terror or reluctance on the part of the patient to speak to those in authority for fear of reprisals from the abuser.
  - 15.9.7. Frequent fleeing from his/her home.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

15.9.8. Suicide attempts.

15.9.9. Waiting for the person significant to them to do all the talking.

**16. Behavior of the Alleged Suspected Abuser:**

- 16.1. Acts controlling and dominant toward patient and/or staff.
- 16.2. Is excessively solicitous and resists all efforts to separate him/her from the patient when anyone else is present.
- 16.3. Bullies or verbally abuses patient in public.
- 16.4. Accuses the patient of sexual infidelity.
- 16.5. Attempts/threatens to admit the patient to a psychiatric facility and attempts to convince other that the patient is insane.
- 16.6. Acts calm, respectable and patronizing toward patient when other are present; acts angry, hostile and/or aggressive or ignores the patient when they are alone.
- 16.7. Has history of sexual and/or physical abuse of children.
- 16.8. Dominates discussion, speaks for patient.

**17. Indicators of domestic violence: Abuse committed against an adult or fully emancipated minor who is one of the following:**

- 17.1. A spouse or former spouse.
- 17.2. A cohabitant or former cohabitant.
- 17.3. A person with whom the suspect has had a child.
- 17.4. A person with whom the suspect is having or has had a dating or engagement relationship.

**18. History/Behavior indicators of domestic violence:**

- 18.1. Suicide attempt.
- 18.2. Evidence of alcohol or drug abuse.
- 18.3. Vague or non-specific physical or psychological complaints (i.e., fatigue, anxiety, depression, "nerves", fearfulness, sleeplessness, ragefulness, loss of appetite and dissociation).
- 18.4. Low self-esteem, sense of apprehension or hopelessness, crying, inappropriate laughing, avoidance of eye contact, angry, or defensive.
- 18.5. Extent or type of injury inconsistent with patient's explanation.
- 18.6. Multiple injuries or fractures in various stages of healing.
- 18.7. Injury to head, face, neck, throat, chest, breasts or bilateral extremities.
- 18.8. Injury to abdomen, genitals, pelvic area, back or spine.
- 18.9. Unusual pattern of injuries, (i.e., bilateral marks from a belt, rope, hairbrush, etc.).
- 18.10. Repeated use of Emergency Department services with multiple somatic complaints or injuries of increasing severity.
- 18.11. Delay between injury and medical treatment.
- 18.12. Patient minimizes (frequency or seriousness of injuries).
- 18.13. Problems during pregnancy, specifically, pre-term abortion, bleeding, intrauterine growth, retardation, hyperemesis and any other injuries.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

- 18.14. Self-induced abortions or multiple therapeutic abortions or miscarriages.
- 18.15. Evidence of sexual assault.
- 18.16. Signs of physical neglect (unclear physical appearance, decayed teeth, broken glasses, inadequately dressed, torn clothing, urine in clothing, overgrown nails, etc.).
- 18.17. Eating disorders.
- 18.18. Report of self-mutilation.
- 18.19. Single-car accident (victim may also be passenger).
- 18.20. Burns (cigarette, friction, splash or chemical).
- 18.21. Fecal impaction.
- 18.22. Emotional abuse or family discord observed by staff.
- 18.23. Overly controlling or protecting spouse/partner.
- 18.24. Patient indicates she/he feels unsafe in her/his home environment.

19. Indicators of Abuse/Neglect in the Dependent Adult/Elder include: (Elder is defined as any person living in the State who is 65 years or older.

- 19.1. Dependent adult is any person residing in the State, between 18-65 years old, who has physical or developmental disabilities or whose physical or mental abilities have diminished because of age and is under the care of another adult/caregiver).
- 19.2. Physical Abuse
  - 19.2.1. Fractures, lacerations, bruises that cannot be explained, or explanations which are improbable given the extent of the injury.
  - 19.2.2. Burns (cigarette, pipe, scalding water, iron, radiator).
  - 19.2.3. Facial injuries (black eyes, broken jaw, broken nose, bloody or swollen lips) with implausible or nonexistent explanations.
  - 19.2.4. Subdural hematoma, long-bone fractures, fractures in different stages of healing.
  - 19.2.5. Pattern of bruising (e.g., parallel or circular bruises) or bruises in different stages of discoloration, indicating repeated trauma over time.

20. Psychological Abuse

- 20.1. The elder seems unduly afraid of the caregiver or unduly complain.
- 20.2. The elder closely watches the caregiver, sits as far away as possible from the caregiver, or dodges as if expecting to be hit by the caregiver.
- 20.3. The elder appears nervous, fearful, agitated, angry or confused.
- 20.4. The elder is notably passive and withdrawn, showing little interest in issues related to his or her care.
- 20.5. The elder attributes his or her injuries to improbable causes.

21. Neglect

- 21.1. Malnourishment as evidenced by pallor, sunken eyes and cheeks, dry lips, excessive weight loss, and extreme dehydration.
- 21.2. Poor hygiene, skin breakdown, rashes.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
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<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Abuse, Neglect – Identification and Mandatory Reporting Suspected Child Abuse</b>	

- 21.3. Inappropriate clothing, soiled clothing and bedding.
- 21.4. Lack of supervision, left alone long periods.
- 21.5. The elder is brought to the Emergency Department by someone other than the caregiver.
- 21.6. There is a prolonged interval between the trauma or illness and presentation for medical care.
- 21.7. There is suspicious medical history, for example, a history of “doctor hopping”.
- 21.8. Over time, there are too many unexplained injuries or inconsistent explanations.
- 21.9. Medications are not being taken or given as prescribed.

## 22. Financial Abuse

- 22.1. Unusual interest in the amount of money being expended for the care of the person.
- 22.2. Checks or other documents signed when the person cannot write.
- 22.3. Missing clothing, jewelry or other items.
- 22.4. Power of attorney given when person is unable to comprehend the financial situation and is incompetent to grant power of attorney.
- 22.5. Lack of personal grooming items, appropriate clothing etc., when the person’s income appears adequate cover such needs.

<b>Prepared By: Friel, John</b>	<b>Reference: Penal Code Section 111161.5</b>
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<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Conflict of Interest Code</b>	

**POLICY:**

Bear Valley Community Healthcare District (BVCHD) has adopted a Conflict of Interest Code pursuant to the requirements of the Political Reform Act of 1974, Government Code Section 81000 et seq. The Code sets forth the required provisions for the disclosure of assets and income of designated employees, their disqualification of public officials from acting where a conflict of interest exists, the list of designated employees subject to the disclosure provisions of the code, and the list of disclosure categories specifying the types of assets and income required to be disclosed by each of the designated employees.

**PROCEDURE:**

1. Disclosure of assets and income are to be made on Statements of Economic Interest forms as directed by the Code.
2. The requirements of the Code are in addition to other State and local laws pertaining to conflicts of interest and have the force and effect of law.
3. Any violation of the Code by a designated employee shall be deemed a violation of the Act.
4. BVCHD has two different kinds of public officials who must file Statements of Economic Interest:
  - 4.1. Designated Employees are those positions determined by BVCHD to entail the making or participation in the making of decisions which may foreseeable have a material effects on any financial interest.
    - 4.1.1. These positions are designated in Appendix Exhibit "A" of the Code and have been assigned disclosure categories listed in Appendix Exhibit "B" which have been narrowly drawn to include only the kinds of economic interests the employee could significant affect through the conduct of his or her office.
    - 4.1.2. BVCHD's Administrative Assistant is the Filing Officer for the designated Statements of Economic Interest forms of designated employees and will inform all designated employees as to their filing requirements when assuming, continuing (annual filing), or leaving office.
    - 4.1.3. Designated employees should refer to BVCHD's Conflict of Interest Code for their specific filing requirements which would include information on items to be disclosed on their Statements of Economic Interest forms, the deadline for the filing of these Statements, limitations on the acceptance reportable gifts and the prohibition regarding the acceptance of honoraria.
  - 4.2. Officials Who Manage the Investment of Public Funds are included in and governed by the Code only with respect to its disqualification provision.
    - 4.2.1. For purposes of disclosure, all BVCHD officials who manage the investment of public funds are subject to the statutory conflict of interest provisions of Article 2 of Chapter 7 of the Political Reform Act of 1974 (Government Code Section 87200 et seq) and must file a Statement of Economic Interest form pursuant to the Act.
  - 4.3. Officials determined to be Officials who Manage the investment of Public Funds for the District, as defined by 2 CA Code of regs., are listed as such in Appendix Exhibit "A" of BVCHD's Code.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Conflict of Interest Code</b>	

- 4.3.1. These officials are to file their Statements of Economic Interest Forms with BVCHD's Administrative Assistant who is BVCHD's Filing Officer for these Statements.
- 4.3.2. The Filing Officer will record the information as required regarding the filing of statements, retain a copy and forward the original Statements to the San Bernardino County, Clerk of the Board of Supervisors Office.
- 4.3.3. The filing officer will inform these Officials as to their filing requirements when assuming, continuing (annual filing), or leaving office.

**5. Comments:**

- 5.1. The instructions and forms used for Statements of Economic Interest are revised each year by the Fair Political Practices Commission to incorporate legislative and regulatory changes.
- 5.2. The Board of Supervisors, as BVCHD's Code-reviewing body, should annually provide the required instructions and forms to be used. If these forms have not been received by mid-February, the Filing Officer should contact the Clerk of the Board of Supervisors to obtain them.

**6. Duties of the Filing Officer (Administrative Assistant):**

- 6.1. BVCHD has designated the Administrative Assistant as the filing Officer for the filing of all Statements of Economic Interest forms.
- 6.2. The Filing Officer has certain duties and responsibilities as to notifications, dissemination of forms and information, reviewing Statements, record keeping, retention of Statements, and further processing of certain Statements with the Board of Supervisors.
- 6.3. The Filing Officer is to refer to the Handbook on the Duties of Filing Officers and Filing Officials for Local Governmental Agencies distributed by the Fair Political Practices Commission for the specific requirements in fulfilling those duties.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>

## APPENDIX "A"

### DESIGNATED POSITIONS

<u>DESIGNATED EMPLOYEES'</u>	<u>DISCLOSURE CATEGORIES</u>
Dietary manager	6
Director of Accounting Services / Compliance	5
Director of Information Systems & Radiology	6
Director of Patient Services	6
Facility Manager	3, 6
General Counsel	1, 2
Health Information Management/Compliance	6
Human Resources Director	6
Laboratory Manager	6
MOM Project Director/Educator	6
Pharmacist	6
Purchasing Coordinator	5
Respiratory Therapy Manager	6
Risk Management	6
EVS / Security	6
Consultants	*

\*Consultants/New Positions shall be included in the list of Designated Employees and shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation: The District Administrator may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that are limited in scope and, thus, is not required to fully comply with the disclosure requirements described in this Section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description,



a statement of the extent of disclosure requirements. The District Administrator's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Government Code Section 81008).

### **OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to the District's Code but required to file a statement of economic interests in accordance with of Government Code Section 87200 which requires disclosure of all investments and business positions in business entities, all income, including gifts, loans and travel payments, and real property. These positions are listed here for informational purposes only:

- Members of the Board of Directors
- Chief Executive Officer/District Administrator
- Chief Financial Officer
- Financial Consultants

Individuals holding one of the above-listed positions may contact the FPPC for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether a position is covered by § 87200.

## APPENDIX "B"

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the Designated Employee must disclose for each disclosure category to which he or she is assigned.

Category 1: All investments and business positions in, and sources of income from, business entities that do business or own real property within the jurisdiction of the District, plan to do business or own real property within the jurisdiction of the District within the next year, or have done business or owned real property within the jurisdiction of the District within the past two (2) years.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District, plan to engage in such activities within the jurisdiction of the District within the next year, or have engaged in such activities within the jurisdiction of the District within the past two (2) years.

Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 6: All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Employee's Department.





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Administrator On Call</b>	

### **POLICY:**

A designated senior manager at Bear Valley Community Healthcare District (BVCHD) will be assigned 'Administrator on Call' to cover non-business hours, weekends and holidays, when the Administration office is closed, or the Chief Executive Officer is unavailable.

### **PROCEDURE:**

1. Staff should contact the Administrator on Call for the following:
  - 1.1. Internal/External Disaster.
  - 1.2. Serious Reportable Events.
  - 1.3. Impaired employee at work/on premises.
  - 1.4. Equipment Failure unable to be resolved.
  - 1.5. Procurement issues (e.g., need to borrow lab reagent from another hospital).
  - 1.6. Physician issues.
  - 1.7. Management issues 'Clinical Manager / Charge Nurse' is unable to resolve.
  - 1.8. Regulatory person (e.g., CDPH, CMS) presenting at hospital.
2. Administrator on Call should **NOT** be contacted for:
  - 2.1. POV transfers.
  - 2.2. Code Blue.
  - 2.3. To ask permission to call-in 'on call' personnel or things that occur with personnel outside of the work environment, which can wait until the next business day.
3. All personnel on-duty should discuss concerns with assigned 'Clinical Manager / Charge Nurse', who will determine if Administrator on Call needs to be contacted immediately.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Board Members Code of Conduct</b>	

**POLICY:**

1. As a member of the Bear Valley Healthcare District board I will:
  - 1.1. Listen carefully to my fellow Board Members and the constituents I serve.
  - 1.2. Respect the opinion of my fellow Board Members.
  - 1.3. Adhere to, respect and publicly support the majority decisions of the Board, regardless of whether I voted with the majority.
  - 1.4. Recognize that all authority is vested in the Board as a group when a quorum meets in legal session and not with individual Board Members.
  - 1.5. Keep well-informed of changes relevant to issues that may come before the Board.
  - 1.6. Participate actively in Board meetings and actions, unless disqualified due to a conflict of interest.
  - 1.7. Call to the attention of the Board any issues that I believe will have an adverse effect on the District or our constituents.
  - 1.8. Attempt to interpret the needs of the community and participate in potential resolutions.
  - 1.9. Refer constituent or staff complaints to the proper level in the chain of command.
  - 1.10. Recognize that the Board Member's job is to ensure that the District is well managed.
  - 1.11. Vote to hire the best possible CEO to manage the operations of the District.
  - 1.12. Represent all constituents of the District equally and not favor or be partial to any particular geographic area or special interest group.
  - 1.13. Consider myself a "trustee" of the District and do my best to ensure that the District is well maintained, financially secure, growing and always operating in the best interest of the community.
  - 1.14. Commit to annual education in order to enhance and maintain knowledge of the responsibilities of a governing board member.
  - 1.15. Immediately disclose and declare any actual or potential conflict of interest between my personal life or my professional relationships and my position on the District Board.
    - 1.15.1. If the conflict necessitates disqualification, as delineated in the California Government Code, California Law and/or as decided by a majority of the Board, I will immediately and without dispute recuse myself from any participation in the conflicted decision and not attend any closed session or obtain confidential information from the closed session relating to the disqualifying conflict.
  - 1.16. Always obey the law and all District policies and procedures, and act in a professional, honest, and ethical manner when acting on behalf of the District.
    - 1.16.1. Seek advice if in doubt about the appropriateness and/or legality of an action.
  - 1.17. Treat all District administration and staff with dignity and respect.
2. As a member of the district board I will NOT:
  - 2.1. Be critical, in or out of Board meetings, of fellow Board Members or their opinions.
  - 2.2. Use the District, any part of the organization or any information learned in confidential proceedings of the board for my personal advantage or the personal advantage of my friends or relatives.
  - 2.3. Discuss any confidential proceedings of the Board, including but not limited to, any issues/items relating to a closed session or discussed in closed session of the Board, unless the Board votes to release

<b>Prepared By: Egerer, Shelly</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Board Members Code of Conduct</b>	

such confidential information.

2.4. Commit, prior to a meeting, how I will vote on any issue in the meeting.

2.5. Disparage the District or any of my fellow Board Members, nor will I disparage or publicly criticize any majority decision reached by the Board.

3. I understand that any violation of the directives, duties or obligations listed in this Code of Conduct is considered to be a serious matter.

3.1. If I am found to have violated this Code of Conduct, consequences may include, but are not limited to, the following:

3.1.1. Public reprimand through verbal and/or written censure by the Board.

3.1.2. Referring the violation to a Grand Jury for investigation of the alleged misconduct.

3.1.3. Seeking injunctive relief to prohibit further violations.

3.1.4. Imposing monetary fines in an amount to be determined by a majority of the Board following a formal investigation, which fines will be determined by the Board to be proportional to the violation.

3.1.5. Removal from office, as initiated by the Grand Jury based on its investigation.

I certify that I have received and read a copy of the Board Members Code of Conduct. I acknowledge that I understand the Code of Conduct and shall abide by it.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

<b>Prepared By: Egerer, Shelly</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>

<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Board/CEO Operating Governance Protocols</b>	

**POLICY:**

To provide Governance Protocol guidance to the Bear Valley Community Healthcare District (BVCHD) Board of Directors, the CEO, and members of the district staff and the citizens of the community. To define the appropriate Role which govern the behavior for members of the Board of Directors. To define and understand the difference between policy making (the “what”) and Administration (the “how”), and to operate in the most efficient and effective manner in the best interest of the community. To operate accordingly with the District’s Mission Statement as follows: “It is our mission to deliver quality healthcare to the residents of and visitors to Big Bear Valley through the most effective use of available resources.”

**PROCEDURE:**

**Leadership:**

1. Ensuring the District is fiscally solvent is a primary responsibility of the Board.
  - 1.1. All Board Members shall take the necessary steps to be well informed of all financial decisions that may fiscally impact the district.
2. Never is a member of the Board or the CEO to discuss confidential personnel or negotiation matters with members of the bargaining unit, the public or the media.
3. Each member of the Board will devote the time necessary to become informed, reading agendas, pursuing needed information, attendance at workshops, and when possible county and state association conferences.
4. Each member of the Board will weigh all decisions with due consideration, hearing all aspects under deliberation, keeping an open mind and strive to avoid jumping to conclusions.
5. During a meeting Board Members, when interacting with the public, will not make statements, which could be misinterpreted as having full Board concurrence.
6. No individual Board Member will make or appear to make a decision, which appropriately should be made by the entire Board.
7. Board meeting attendance is to be given the highest priority; non-attendance notification must be given per Bylaw process.
  - 7.1. All Board Members shall notify the President or designee no later than 24 hours prior to any regular meeting of their intent not to attend said meeting.
  - 7.2. If any member of the Board is absent, with or without excuse, from meetings of the Board for three consecutive regular meetings or from three of any five consecutive meetings of the Board (Local Health Care District Law 32100.2), the Board by resolution, shall declare that a vacancy exists on the Board, and that Director’s term shall expire upon adoption by the Board of such resolution.
  - 7.3. For the purpose of this resolution, regular meetings shall be all Brown Act meetings.

<b>Prepared By: Friel, John</b>	<b>Reference: BVCHD District Bylaws</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Board/CEO Operating Governance Protocols</b>	

8. Any complaint made to a Board Member by a citizen or a member of the district staff is to be referred directly to the CEO, who is to resolve it according to Board policy making certain all Board Members are informed.
9. Loyalty to each other includes:
  - 9.1. giving one's opinion on all issues
  - 9.2. respecting each individual's opinion; and
  - 9.3. accepting and living with actions of the majority of the members of the Board.
10. The Board will conduct a self-evaluation prior to the CEO evaluation.

#### **Governance Team Relationship:**

1. All conversations taking place in closed sessions will remain absolutely confidential. Only appropriate items will be raised in closed sessions.
2. Each Board Member and the CEO are dedicated to making the district and each other successful.
3. No Board Member shall bring an issue to a public meeting with the intent to surprise the CEO or other Board Members.
4. All Board Members are to be apprised in a timely manner of any incident, which they may be called upon to answer or explain.
5. Each member of the Board and the CEO is to be treated with dignity and respect.
6. Individual request for reports, surveys, projects, etc. will be directed only to the CEO.
7. Unsubstantiated rumor, innuendo and information from anonymous sources shall be processed through the CEO.
8. Irritations will not be allowed to fester.
  - 8.1. Disagreements and/or concerns should be communicated directly and immediately.
9. No one is to divide the Board Members.
  - 9.1. All Board Members and the CEO will seek accommodation and compromise acting as one united governance team.
10. Any concern reported to the CEO by a Board Member is to receive the highest priority, with the disposition of the matter communicated to all other members of the Board.

<b>Prepared By: Friel, John</b>	<b>Reference: BVCHD District Bylaws</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Board/CEO Operating Governance Protocols</b>	

**Internal Board Operations:**

1. No individual Board Member or the CEO will ever use the media as a forum.
2. All significant administrative actions are to be communicated regularly to all Board Members.
3. All information, requests, comments, and actions shall be reported to all Board Members via the CEO.

**Staff Relationship:**

1. Questions and clarification of Board agenda items are to be communicated through the CEO to the appropriate executive member prior to a Board meeting.
2. No individual Board Member shall interfere between the CEO, his/her staff.
3. All substantive contacts between a Board Member and a staff member are to be reported to the CEO as soon as possible.
4. Board Members, as their time permits, are encouraged to visit the district and attend hospital functions, but will avoid interrupting employees at work.
  - 4.1. The CEO shall be contacted at the time of a visit.
5. Each member of the Board shall treat all staff with dignity and respect.

<b>Prepared By: Friel, John</b>	<b>Reference: BVCHD District Bylaws</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>



DEPARTMENT: Administration	CATEGORY: Policies, Procedures
SUBJECT: Board Policy on Receipt of Correspondence Regarding Personnel Matters	

**POLICY:**

**Introduction**

On occasion, Board Members will receive correspondence concerning personnel matters ("correspondence"). Sometimes the correspondence is signed; sometimes it is anonymous. The correspondence may be received at the District Office, a Board Member's personal residence/mailbox, and/or a Board Member's business.

The purpose of this policy is to establish a uniform procedure for the receipt, distribution, and retention of such correspondence.

**PROCEDURE:**

1. **Receipt of Correspondence**

- 1.1. A Board Member who receives written correspondence should note in writing on the document the date, time, and manner in which the correspondence was received.
- 1.2. The Board Member should initial or sign the note he/she affixes to the correspondence.

2. In the event a Board Member receives information verbally, the individual providing the information should be encouraged to put the correspondence in writing so that this Board Policy may be followed. The individual should also be advised of the availability of making a public comment at a Board meeting.

3. **Distribution of Correspondence**

- 3.1. The Board Member should forward the written correspondence to the Administrative Office.
- 3.2. The Administrative Office will make copies of the correspondence for all five (5) Board Members and distribute the copies of the correspondence within five (5) business days of receipt in the Administrative Office.

4. **Retention**

- 4.1. The original correspondence shall be retained by the Administrative Office in a file identified as "Confidential Personnel Matters" for a period of three (3) years.
- 4.2. A Board Member shall have access to the file at any time.

5. **Response to the Correspondence**

- 5.1. It shall be the policy and practice of the Board to not respond either in writing or verbally, to the substance of questions/comments regarding confidential personnel matters.
- 5.2. The Administrative Office shall send a letter to the sender of the correspondence acknowledging receipt of the correspondence.

Prepared By: Egerer, Shelly	Reference:
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Board Policy on Receipt of Correspondence Regarding Personnel Matters</b>	

6. A Board Member may agendaize correspondence for a Board meeting (legal counsel shall determine if the matter should be considered in either open or closed session pursuant to the Brown Act)<sup>1</sup>; refer the matter to the Chief Executive Officer; and/or refer the matter to legal counsel.
7. **Waiver of Right to Privacy**
  - 7.1. A current or former employee of the District may waive their right to privacy concerning personnel matters by signing a Written Waiver.
8. 54957. (a) This chapter shall not be construed to prevent the legislative body of a local agency from holding closed sessions with the Governor, Attorney General, district attorney, agency counsel, sheriff, or chief of police, or their respective deputies, or a security consultant or a security operations manager, on matters posing a threat to the security of public buildings, a threat to the security of essential public services, including water, drinking water, wastewater treatment, natural gas service, and electric service, or a threat to the public's right of access to public services or public facilities.
9. (b) (1) Subject to paragraph (2), this chapter shall not be construed to prevent the legislative body of a local agency from holding closed sessions during a regular or special meeting to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee unless the employee requests a public session.
10. (2) As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of his or her right to have the complaints or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session.
  - 10.1. If notice is not given, any disciplinary or other action taken by the legislative body against the employee based on the specific complaints or charges in the closed session shall be null and void.

<b>Prepared By: Egerer, Shelly</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Contracts and Agreements with Physicians and Other Referral Sources Policy</b>	

## **POLICY:**

**Overview:** Pursuant to the Compliance Program and Code of Conduct adopted by Bear Valley Community Healthcare District (BVCHD) and its' affiliates, BVCHD will make public declaration of various policies as to the financial relationships between BVCHD's entities and physicians and other referral sources. Compliance with these policies is required for any contract or other financial arrangement with a physician and other referral source.

An exception may be approved in specific circumstances where the facts demonstrate an exception is appropriate. Any proposed exception must be approved by both, BVCHD's Legal counsel and Board prior to commitment to such non-conforming proposal. Such exception is permitted only where the applicable legal requirements continue to be met.

**Scope:** Applies to any contract or agreement involving a physician or physician's immediate family member, as well as any non-physician referral source.

Contract or Agreement includes, but is not limited to, physician recruiting agreement, management services agreement, professional services agreement, employment agreement, other agreement for the provision of services, whether medically related or not, asset purchase and disposition agreement, joint venture or co-ownership, syndication arrangement, medical office building lease, and loan to physician.

Immediate family members are defined as spouse, natural or adoptive parent, child, sibling, stepparent, stepchild, stepbrother, stepsister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, spouse or grandparent, and spouse of grandchild.

**Purpose:** To ensure all physician or other referral source contracts or agreements receive the required review and approval by both BVCHD's Legal counsel and Board, prior to becoming effective.

## **PROCEDURE:**

### **1. Requirements:**

- 1.1. All contracts and agreements with physicians must meet the following requirements, in compliance with 42 §1395nn, Federal law commonly known as "Stark II", and the Fraud & Abuse Safe Harbors of the Federal Anti-kickback Statute:
  - 1.1.1. In writing, signed by the parties and specify services covered.
  - 1.1.2. Specify length of the contract or agreement, the term.
  - 1.1.3. Specify compensation exchanged, which must be agreed upon in advance, consistent with fair market value for the services or item provided without consideration of the potential value or volume of referrals or other business generated by the physician.
- 1.2. Physician or other referral source contracts and agreements reviews and approvals must be obtained prior to the execution of the contract or agreement.

<b>Prepared By: Friel, John</b>	<b>Reference: QHR</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Contracts and Agreements with Physicians and Other Referral Sources Policy</b>	

- 1.3. Physician or other referral source contracts and agreements require documented approval by both BVCHD's Legal counsel and Board, even if the agreement complies in all respects with the Facility policies.
- 1.4. No BVCHD representative has authority to enter into commitment, either written or verbal, with physician or other referral source, until required documented approval for contract or agreement has been obtained from both BVCHD's Legal counsel and Board.
- 1.5. No Department at BVCHD has the authority to enter into a side-agreement with a physician, make amendment, extension or renewal with physician or other referral source.
  - 1.5.1. Any agreement, amendment, extension or renewal must be submitted in writing for review and approval by both BVCHD's Legal counsel and Board.
- 1.6. Only after required documented approval has been obtained from both BVCHD's Legal counsel and Board, shall payment be made to a physician or other referral source per agreement.
- 1.7. Informal documents such as Letters of Intent, Letter Agreements, or Memoranda of Understanding are also subject to compliance to policies and require District Legal counsel review.
- 1.8. Facility Legal counsel shall review any agreement or contract which involves an entity with physician ownership interest.
- 1.9. In all contracts and agreements with referral sources, performance of all the terms of the agreement is mandatory.
- 1.10. Where intent is to provide a new service to the community, obtain services, rent property at fair market value, acquire or divest medical practice assets at fair market value, if evidence is noted of discussions, emails, or memoranda indicating proposal to obtain or reward referrals via agreement, such agreement will not be approved.
- 1.11. A contract and agreement record will be presented to the Finance Committee outlining all contracts executed in the fiscal year, semi-annually, as a Finance Committee agenda item.
  - 1.11.1. Copies of all contracts on the log will be made available upon request.
- 1.12. A separate motion will be made and voted to approve/disapprove contracts as appropriate.
  - 1.12.1. New contracts requiring separate discussion or allocation of funds, will be handled through a Finance Committee or CEO report, and will be dealt with as a separate agenda item and Board action.
- 1.13. District Legal counsel may have prepared contract templates for general situations.
  - 1.13.1. However, although BVCHD's Legal counsel's forms are utilized, all required review and approvals remain valid and active as set forth in the policies, in order to review specific circumstances of each contract or agreement.
- 1.14. All payments must be properly identified, documented, and approved with an executed contract prior to authorization for payment.
  - 1.14.1. Accounts payable personnel shall not process any payment which is not in compliance with this policy.
  - 1.14.2. At year end, Federal Form 1099 must be prepared for a total of all payments to a non-employee physician exceeding the \$600 limit during the year.

<b>Prepared By: Friel, John</b>	<b>Reference: QHR</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>

## Annual Contract Service Evaluation Form

<b>Date:</b>		
<b>Contractor:</b>		
<b>Scope / Nature of Service Provided by Contractor:</b>		
<b>Directions: Evaluate each aspect of the contract. Please respond:</b>		
<p>1. During the past year, have there been issues / concerns related by Customers of this service?              Yes              No              N/A</p> <p>2. During the past year, has a patient been injured or a delay in service been experienced as a result of this contract service?              Yes              No              N/A</p> <p>3. During the past year, has a physician voiced a concern over the contractor?              Yes              No              N/A</p> <p>4. Have the Human Resources Requirements for Contract Service Personnel been met?              Yes              No              N/A</p>		
<b>Evaluate each aspect of this contract on a scale of (1) to (5) with (1) being poor service.</b>		
	<b>RATING</b>	<b>COMMENTS</b>
Customer Service	1 2 3 4 5	
Timeliness of Response	1 2 3 4 5	
Physician/Staff Personnel Availability	1 2 3 4 5	
Overall Physician/Staff Competency	1 2 3 4 5	
Knowledge and use of equipment	1 2 3 4 5	
Meets standards of service	1 2 3 4 5	
Overall Contract Performance Evaluation	1 2 3 4 5	



## Annual Contract Services Evaluation

<b>Date:</b>		
<b>Contractor:</b>		
<b>Contract Obligations:</b>		
<ol style="list-style-type: none"> <li>1. Is the nature of the scope of the service defined in the contract?</li>   <li>2. Does the contract require contractor to meet State/Federal Regulations?</li>   <li>3. Does the contract require contractor to maintain General Liability, Workers Comp and Professional Liability Insurance?</li>   <li>4. Does the contract require contractor/its representatives to comply with the rules, regulations and policies of the facility and its medical staff?</li>   <li>5. Does the contract require contractor to submit, at the hospital's request, any documents, records and /or other information as may be requested?</li>   <li>6. Have all requirements of the contract been met?</li> </ol>		
<p style="text-align: center;"><b><u>Department Manager Recommendation</u></b></p> <p><input type="checkbox"/> Recommended approval of contract (as is)</p> <p><input type="checkbox"/> Recommended approval of contract with changes (see attached)</p> <p><input type="checkbox"/> Recommended contract NOT be renewed</p>	<p style="text-align: center;"><b><u>Medical Staff Recommendation (if applicable)</u></b></p> <p><input type="checkbox"/> Recommended approval of contract (as is)</p> <p><input type="checkbox"/> Recommended approval of contract with changes (see attached)</p> <p><input type="checkbox"/> Recommended contract NOT be renewed</p>	<p style="text-align: center;"><b><u>Administration Recommendation</u></b></p> <p><input type="checkbox"/> Recommended approval of contract (as is)</p> <p><input type="checkbox"/> Recommended approval of contract with changes (see attached)</p> <p><input type="checkbox"/> Recommended contract NOT be renewed</p>

\_\_\_\_\_  
Department Manager                      Date

\_\_\_\_\_  
Chief of Staff (if applicable)                      Date

\_\_\_\_\_  
CEO                      Date





## Business Associate Agreement

This Business Associate Agreement (the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_ (the "Effective Date") by and between the Bear Valley Community Healthcare District ("BVCHD"), and \_\_\_\_\_ ("Business Associate").

A. BVCHD and Business Associate have conducted or will be conducting business pursuant to an agreement (the "Underlying Agreement") whereby Business Associate provides certain products and services to BVCHD.

B. Business Associate receives certain protected health information ("PHI"), including protected health information that is maintained or transmitted by electronic media ("ePHI"), pursuant to the Underlying Agreement that is subject to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and regulations thereunder ("HIPAA"), and the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 and regulations thereunder (the "HITECH Act"), and other applicable laws.

C. Business Associate and BVCHD intend to protect and provide for the security of PHI/ePHI and to comply with federal and California laws regarding the use and disclosure of individually identifiable health information, particularly the privacy and security standards of HIPAA and the HITECH Act.

D. This Agreement incorporates certain requirements established by the HITECH Act, with the intent, as stated herein, that such requirements shall become effective herein as of their effective date under the HITECH Act.

In consideration of the above recitals and the mutual covenants contained in this Agreement, BVCHD and Business Associate enter into this Agreement.

**1. Definitions.** The capitalized terms shall be as defined in this Agreement. For purposes of this Agreement, any reference contained herein to PHI/ePHI shall include but shall not be limited to ePHI. If a capitalized term is not defined in this Agreement, the term shall have the meaning set forth in the HIPAA Regulations, 45 C.F.R Parts 160, 162 and 164; Sections 13400 through 13410 of the HITECH Act; and the regulations thereunder, 16 C.F.R. Part 681.



### **1.1 Specific definitions:**

(a) Business Associate. "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean \_\_\_\_\_ (Associate).

(b) Covered Entity. "Covered Entity" shall have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean BVCHD.

(c) HIPAA Rules. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

**2. HIPAA and HITECH Compliance.** Business Associate may use PHI/ePHI received from BVCHD solely to perform its duties pursuant to the Underlying Agreement and this Agreement. Business Associate will not use or disclose PHI/ePHI in any manner that could result in a violation of HIPAA or the HITECH Act, the related regulations.

### **3. Obligations and Activities of Business Associate.**

**3.1. HIPAA and the HITECH Act.** Business Associate shall use and disclose PHI/ePHI only as necessary and appropriate to fulfill its specific obligations to Covered Entity under the Underlying Agreement and this Agreement, and agrees to the following without limiting the foregoing:

(a) Not use or disclose PHI other than as permitted or required by the Agreement, Underlying Agreement or as required by law;

(b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to ePHI, to prevent use or disclosure of PHI other than as provided for by the Agreement;

(c) Report to covered entity any use or disclosure of PHI not provided for by the Agreement of which it becomes aware, including breaches of unsecured PHI as required at 45 CFR 164.410, and any security incident of which it becomes aware. Reporting of breaches of unsecured PHI/ePHI will be made to BVCHD within three (3) business days of discovery: provided, however, that the Parties acknowledge and agree that this Section constitutes notice by Business Associate to BVCHD if the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which notice to BVCHD by Business Associate shall be required only upon request. "Unsuccessful Security Incidents" shall include, but not limited to, pings and other broadcast attacks on Business Associate's firewall, port





scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.

(d) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;

(e) Make available PHI in a designated record set to BVCH as necessary to satisfy covered entity's obligations under 45 CFR 164.524;

(f) Make any amendment(s) to PHI in a designated record set as directed or agreed to by the covered entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy covered entity's obligations under 45 CFR 164.526. If an Individual submits a written request for amendment pursuant to 45 CFR 164.526 directly to Business Associate, or inquires about his or her right to amendment. Business Associate shall direct the Individual to BVCHD. Any such amendment made at the direction of BVCHD shall be the responsibility of the BVCHD;

(g) Maintain and make available the information required to provide an accounting of disclosures to the "individual" as necessary to satisfy covered entity's obligations under 45 CFR 164.528. If an Individual submits a written request for an accounting of disclosures pursuant to 45 CFR 164.528 directly to Business Associate, or inquiries about his or her right to an accounting of disclosures of PHI., Business Associate shall direct the Individual to BVCHD;

(h) To the extent the Business Associate is to carry out one or more of covered entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the covered entity in the performance of such obligation(s); and

(i) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

**a. Permitted Uses and Disclosures of PHI/ePHI/ by Business Associate:**  
Business Associate may use and disclose PHI/ePHI:

- i. for the proper management and administration of Business Associate;
- ii. to carry out the legal responsibilities of Business Associate;
- iii. as required by law;



- iv. for data aggregation purposes for the health care operations of BVCHD; or
- v. to create de-identified PHI in accordance with the standards set forth in 45 CFR 164.514(b). Business Associate may use or disclose such de-identified data.

If Business Associate uses or discloses PHI/ePHI to a third party, Business Associate must obtain, prior to making any such use or disclosure:

- I. reasonable assurances from such third party that such PHI/ePHI will be held confidential pursuant to this Agreement and only disclosed as required by law or for purposes disclosed; *and*
- II. a agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the PHI/ePHI, to the extent it has obtained knowledge of such breach.

**b. Prohibited Uses and Disclosures of PHI/ePHI:** Business Associate agrees that it, and its agents, employees and subcontractors, shall:

- i. Not use or disclose PHI/ePHI in a manner that would violate applicable law regarding the confidentiality of PHI/ePHI;
- ii. Not use or disclose PHI/ePHI for fundraising or marketing purposes;
- iii. Not disclose PHI/ePHI to a health plan for payment or health care operations purposes *if* the patient has requested this special restriction, *and* has paid out of pocket in full for the health care item or service to which the PHI/ePHI solely relates;
- iv. Not directly or indirectly receive remuneration in exchange for PHI/ePHI, except with the prior written consent of BVCHD and as permitted by HIPAA and the HITECH Act (this prohibition shall not affect payment by BVCHD to Business Associate for services provided pursuant to the Underlying Agreement); and
- v. To the extent feasible, minimize any viewing of PHI/ePHI while performing obligations under this Agreement.

**c. Safeguards:** Business Associate shall implement and use Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of PHI, including Electronic ePHI that Business Associate creates, receives, maintains or transmits on behalf of BVCHD as required by HIPAA and the HITECH Act. The purpose of such safeguards is to prevent the use or disclosure of PHI/ePHI in violation of this Agreement. Such safeguards shall conform to the standards and implementation specifications required by HIPAA and the HITECH Act. Business Associate shall comply with





the policies and procedures and documentation requirements of HIPAA, including, but not limited to, 45 C.F.R. Section 164.316.

**4. Workforce and Agents.** Business Associate represents and warrants that it shall not disclose PHI/ePHI to any member of its workforce, or to any of its agents or subcontractors, unless such person has a need to know the PHI/ePHI. Business Associate shall also ensure that the requirements of this Agreement are incorporated into each agreement with any agent or subcontractor to whom Business Associate discloses PHI/ePHI, and that each agent and/or subcontractor shall agree *in writing* to be bound to the same terms and conditions that apply to Business Associate with respect to PHI/ePHI. In addition, Business Associate shall ensure that any agent or subcontractor to whom Business Associate discloses PHI/ePHI shall implement the same safeguards required by Section 4.1(c) of this agreement to protect the PHI/ePHI with regards to PHI/ePHI. Business Associate shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation. Business Associate shall not store any PHI/ePHI outside of the United States of America. Any employee, agent or subcontractor that receives access to PHI/ePHI shall abide by the laws of the United States of America or more restrictive laws of the county in which they reside.

**5. Access to PHI/ePHI.** Upon the request by BVCHD, Business Associate shall promptly make PHI/ePHI maintained by Business Associate or its agents or subcontractors in Designated Record Sets or ePHI available to BVCHD for inspection and copying *within ten (10) business days of receipt of a written request* from BVCHD to enable BVCHD to fulfill its obligations in accordance with 45 C.F.R. §164.524 and applicable California law. Such PHI/ePHI shall be produced in the format requested by BVCHD, unless it is not readily producible in such format, in which case it shall be produced in hard copy format. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable BVCHD to fulfill its obligations under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17935(e). If an individual contacts Business Associate directly for such access, Business Associate shall direct the individual to contact BVCHD. This requirement to provide access to the PHI/ePHI shall only apply if the PHI/ePHI in Business Associate's possession is part of BVCHD's Designated Record Set.

**6. Accounting.** Business Associate agrees that it will provide PHI/ePHI in accordance with HIPAA and will provide an accounting to BVCHD no later than ten business (10) days after the request by BVCHD to enable BVCHD to fulfill its obligations under the HIPAA Privacy Rule and the HITECH Act. Business Associate agrees to implement a process that allows for an accounting to be collected and maintained by Business Associate, for at least six (6) years prior to the request.

The accounting shall provide at least the following information: (a) the date of each disclosure, (b) the name and address of the organization or person receiving the PHI/ePHI, (c) copy of information disclosed and/or brief description (d) a brief statement





of purpose of the disclosure that reasonably informs the individual of the basis of the disclosure, or a copy of the authorization and written request for disclosure. In the event that the request for an accounting is delivered directly to Business Associate or its agents or subcontractors, Business Associate shall direct the Individual to BVCHD. It shall be BVCHD's responsibility to prepare and deliver any such accounting requested. Business Associate shall not disclose any PHI/ePHI except for the purpose of performing its obligations in the Underlying Agreement, or as Required by Law and as identified in this Agreement. The provisions of this subparagraph 8 shall survive the termination of this Agreement.

**7. Governmental Access to Records.** Business Associate shall make all of its internal practices, records, and books relating to the use and disclosure of PHI/ePHI relating to BVCHD or its patients available to the Secretary of Health and Human Services, and others designated by the Secretary as required by HIPAA for purposes of determining BVCHD's compliance with the applicable laws and regulations. Business Associate shall provide BVCHD a list of any PHI/ePHI that Business Associate provides to the Secretary, if permitted to do so, concurrently with providing such PHI/ePHI to the Secretary.

**8. Minimum Necessary.** Business Associate shall request, use and disclose only the minimum amount of PHI/ePHI necessary to accomplish the purpose of the request, use or disclosure, except as otherwise permitted by HIPAA and the HITECH Act. Business Associate understands and agrees that the definition of "minimum necessary" shall be the subject of future guidance to be issued by the Secretary and agrees to comply with such guidance.

**9. Data Ownership.** Business Associate acknowledges that Business Associate and its agents and subcontractors have no ownership rights with respect to the PHI/ePHI.

**10. Notification and Reporting of Breach.** In the event of any breach of security, intrusion or unauthorized access, use or disclosure of PHI/ePHI of which Business Associate becomes aware and/or any actual use or disclosure of data in violation of any applicable federal or state law or regulations, Business Associate shall notify the BVCHD Privacy Officer and/or Compliance Officer, or his/her designee(s), within three (3) business days. Such report shall include an indication of whether such PHI/ePHI was Unsecured PHI/ePHI and such other information that BVCHD may request in order to determine whether such breach is reportable. Business Associate shall take (i) prompt corrective action to cure any deficiencies, *and* (ii) any action pertaining to such unauthorized disclosure required by federal and state laws or regulations.

**11. Breach Pattern or Practice by BVCH.** If Business Associate knows of a pattern of activity or practice of BVCHD that constitutes a material breach or violation of BVCHD's obligations under this Agreement, Business Associate must without reasonable delay (and in all cases within five (5) business days) inform BVCHD so that BVCHD may take reasonable steps to cure the breach or end the violation. If BVCHD fails to cure the breach or violation, the Business Associate must terminate the, at its





election, the software licenses and services that require compliance with this agreement; if feasible, or if termination is not feasible, report the problem as required by the HITECH Act. However, all rights and obligations arising prior to such termination shall remain in effect. All other agreements between Covered Entity and Business Associate shall remain in effect in accordance with their terms.

**12. Mitigation Procedures.** Business Associate agrees to cure or mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI/ePHI in violation of this Agreement.

**13. Indemnification.** Each party shall immediately notify in writing the Other Party (the "Indemnifying Party") of any third party claim against itself, its officers, directors, employees and agents (each an "Indemnified Party") allegedly resulting from any unauthorized use or disclosure of PHI by the Indemnifying Party in violation of applicable law or this Agreement (each a "PHI Breach Claim"). The Indemnifying Party shall, at its sole cost and expense:

1. Defend the Indemnified Parties from and against a PHI Breach Claim. The selection of counsel, the conduct of the defense of any lawsuit and any lawsuit and any settlement shall be within the sole control of the Indemnifying Party.;
2. Indemnify and hold the Indemnified Parties harmless from any direct damages or expenses (including reasonable attorney's fees) actually and finally awarded, and fines or penalties imposed by a government agency against an Indemnified Party for a PHI Breach Claim, or any settlement of a PHI Breach Claim made in lieu of further litigation or agency determination.

The Indemnifying Party shall not settle any PHI Breach Claim that imposes any new restriction or obligation, or finding of fault upon an Indemnified Party without the Indemnified Party's written consent, which shall not be unreasonably withheld.

**14. Insurance.** Business Associate shall obtain and maintain errors and omissions or other appropriate insurance providing coverage for Business Associate's negligent acts or omissions in connection with its duties pursuant to this Agreement in the minimum amounts of \$1,000,000 per occurrence and \$3,000,000 aggregate. BVCHD may obtain up to date insurance certificate from 3m.com at any time.

**15. Legal Process.** In the event that Business Associate is served with legal process (e.g. a subpoena) or request from a government agency (e.g. the Secretary) that potentially could require the disclosure of PHI/ePHI, Business Associate shall provide prompt notice (and in all cases within two (2) business days) of such legal process to the Privacy Officer of BVCHD, if permitted to do so.

**16. Term.** This Agreement shall continue from the Effective Date and irrespective of the termination of the Underlying Agreement until all of the PHI/ePHI received by





Business Associate from or on behalf of BVCHD has either been destroyed or returned according to the terms of the HIPAA Privacy and Security Regulations and this Agreement.

**17. Termination of Underlying Agreement.**

**a. Material Breach.** BVCHD may terminate the software licenses and services that require compliance with this Agreement in its sole discretion and without compensation of any kind to Business Associate if it Business Associate has improperly used or disclosed PHI/ePHI in violation of HIPAA, the HITECH Act, or other statutes or in violation of the terms of this Agreement; provided that BVCHD may in lieu of termination, in its sole discretion, provide an opportunity to cure the improper use of disclosure in the future.

**b. Judicial or Administrative Proceedings.** BVCHD may terminate the Underlying Agreement, effective immediately, if (i) Business Associate is found guilty in a criminal proceeding for a violation of HIPAA, the HITECH Act, or other security or privacy laws, relating to this agreement or the Underlying Agreement.

**18. Return/Restriction of PHI/ePHI.** Upon termination of the Underlying Agreement, Business Associate will return or destroy all PHI/ePHI and personal identity information, at the discretion of BVCHD, created or received from or on behalf of BVCHD or its patients no matter how maintained. Business Associate shall not maintain any copies of PHI/ePHI or personal identity information. Business Associate shall certify in writing within thirty (30) days from the date of termination or expiration of the Underlying Agreement that all such information has been returned or disposed of as provided and the PHI/ePHI and personal identity information have not been retained in any form. If for whatever reason, any or all of such information cannot be returned or destroyed, this Agreement remains in effect and all protections and limitations specified herein shall remain in place for any PHI/ePHI and personal identity information which is retained by the Business Associate.

**19. Survival.** Unless the context clearly indicates otherwise, all rights, duties and obligations provided in this Agreement, including Section 22, shall survive termination of this Agreement and/or termination of the Underlying Agreement.

**20. Disclaimer.** Business Associate is responsible for its own HIPAA and HITECH Act compliance. BVCHD is not responsible or liable to Business Associate for Business Associate's failure to comply with HIPAA or the HITECH Act Rules, and makes no warranty that compliance by Business Associate with this Agreement or the applicable laws and regulations will be adequate or satisfactory for Business Associate's own purposes. Further, BVCHD will not be liable to Business Associate for any claim, loss of damage relating to unauthorized use or disclosure of any information received by Business Associate from BVCHD or from any other source.





**21. Amendments of HIPAA Privacy Regulations.** The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Underlying Agreement or this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such actions as are necessary to implement the standards and requirements of HIPAA and the HITECH Act, and other applicable laws and regulations relating to the security and confidentiality of PHI/ePHI. To the extent that any relevant laws or regulations are materially amended, or new laws or regulations are enacted, in a manner that materially changes the obligations of Business Associates or BVCHD that are embodied in the terms of this Agreement, then BVCHD and Business Associate agree to negotiate in good faith appropriate new terms or amendments to this Agreement to give effect to such revised obligation. Until such new terms or amendments are agreed upon, this Agreement shall be construed so as to require compliance with such new or amended laws and regulations.

**22. Assistance in Litigation or Administrative Proceedings.** The Parties acknowledge that certain breaches or violations of this Agreement may result in litigation or investigations pursued by federal or state governmental authorities of the United States resulting in civil liability or criminal penalties. Each Party shall cooperate in good faith in all respects with the other Party in connection with any request by a federal or state governmental authority for additional information and documents or any governmental investigation complaint, action or other inquiry, unless such Party is a named adverse party in such litigation or investigation.

**23. No Third Party Beneficiaries.** Nothing express or implied in the Underlying Contract or this Agreement is intended to confer, nor shall anything here in confer, upon any person other than BVCHD, Business Associate and their respective successors or assigns, any rights, remedies obligations or liabilities whatsoever.

**24. Entire Agreement.** This Agreement (together with any recitals and exhibits, which are hereby incorporated by this reference) constitutes the entire understanding and agreement between the parties relating to PHI/ePHI and personal identity information, and it supersedes any and all prior or contemporaneous agreements, representations and understandings of the parties, except for any provisions of the Underlying Agreement not in conflict herewith.

**25. Waiver.** Any failure of a party to insist upon strict compliance with any term, undertaking or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking or condition. To be effective, a waiver must be in writing, signed and dated by the parties to this Agreement.

**26. Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument. Any photocopy of this executed Agreement may be used as if it were the original.





**27. Governing Law.** Notwithstanding any other provision to the contrary, this Agreement shall be governed and construed in accordance with the laws of the State of California.

**28. Interpretation.** The provisions of the Agreement shall prevail over any provisions in the Underlying Agreement that may conflict or appear inconsistent with any provision in this Agreement. This Agreement and the Underlying Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA and the HITECH Act. The parties agree that any ambiguity in this Agreement shall be resolved so as to permit BVCHD and Business Associate to comply and is consistent with HIPAA and the HITECH Act.

**29. Obligations of Covered Entity: Covered Entity shall:**

A. not transmits Unsecured PHI to Business Associate. Any Secured PHI, as defined under the HITECH Act and guidance promulgated thereunder, transmitted by Covered Entity to Business Associate shall be secured by a technology standard that is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute and is consistent with guidance issued by the Secretary specifying the technologies and methodologies that render PHI unusable, unreadable, or indecipherable to unauthorized individuals. Any PHI disclosed by Covered Entity to Business Associate shall be rendered unusable, unreadable or indecipherable through the use of a technology or methodology specified by the Secretary in guidance issued under the HITECH Act and shall not constitute Unsecured PHI.

B. notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI. Covered Entity shall provide such notice no later than fifteen (15) days prior to the effective date of the limitation.

C. notify Business Associate of any changes in, or revocation of permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI. Covered Entity shall provide such notice no later than fifteen (15) prior to the effective date of the change. Covered Entity shall obtain any consent or authorization that may be required by the HIPAA Privacy Rule, or applicable state law, prior to furnishing Business Associate with PHI.

D. notify Business Associate of any restriction to the user or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's



use or disclosure of PHI. Covered Entity shall provide such notice no later than fifteen (15) days prior to the effective date of the restriction.

E. not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule, the Security rule or the HIPAA Final Rule if done by Covered Entity.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

John Friel, CEO  
BVCHD  
PO Box 1649  
Big Bear Lake, Ca. 92315

Dated: \_\_\_\_\_

By: \_\_\_\_\_



## **Contract Cover Sheet**

**Contract Name:** \_\_\_\_\_

**Purpose of Contract:** \_\_\_\_\_

**Contract # / Effective Date / Term** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

**Originating Dept. Name / Number** - \_\_\_\_\_ / \_\_\_\_\_

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

**BAA:** \_\_ Yes \_\_ No

**W-9:** \_\_ Yes \_\_ No

**Administrative Officer**      **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**HIPAA/Privacy Officer**      **Signature** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**(as appropriate)**

**Legal Counsel**      **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Compliance Officer**      **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Chief Financial Officer**      **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Chief Executive Officer**      **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Board of Directors**      **Date:** \_\_\_\_\_  
**When Applicable**

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

## **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 5/2017





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Critical Access Agreements</b>	

**POLICY:**

1. As a Critical Access Hospital, Bear Valley Community Healthcare District (BVCHD) maintains agreements with network hospitals for the following purposes:
  - 1.1. Patient referral and transfer.
  - 1.2. The development and use of communication systems of the network.
  - 1.3. The provision of emergency and non-emergency transportation.
  - 1.4. Credentialing and quality assurance.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP's 485.616(a)</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Critical Access Compliance with Federal, State, and Local Laws and Regulations</b>	

**POLICY:**

As a participant in the Critical Access Hospital Program, Bear Valley Community Healthcare District (BVCHD) and its staff will be in compliance with all applicable Federal, State, and local laws and regulations including those related to:

- The health and safety of patients.
- Hospital licensure requirements.
- Licensure, certification or registration of personnel.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP's 485.608</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>

<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Emergency Services</b>	

**POLICY:**

As a Critical Access Hospital, Bear Valley Community Healthcare District (BVCHD) provides the emergency care necessary to meet the needs of its inpatient and outpatients. In regards to emergency service, BVCHD will ensure the following:

**PROCEDURE:**

1. Emergency services are available 24 hours a day.
  - 1.1. There is a physician with emergency training on duty 24 hours a day at BVCHD.
  - 1.2. A call roster is maintained in the Emergency Department and Nursing Supervisor's book that identifies which physician is on duty as well as other on-call services, a such as anesthesia.
2. Equipment, supplies and medication used in treating emergency cases are kept at BVCHD and are readily available. These include:
  - 2.1. Drugs and biologicals commonly used in life saving procedures, including analgesics, local anesthetics, antibiotics, anticonvulsants, antidotes, and emetics, serums and toxoids, antiarrhythmics, cardiac glycosides, antihypertensives, diuretics, and electrolytes and replacement solutions.
  - 2.2. Equipment and supplies commonly used in life saving procedures, including airways, endotracheal tubes, ambu bag/valve/mask, oxygen, tourniquets, immobilization devices, nasogastric tubes, splints, IV therapy supplies, suction machine, defibrillator, cardiac monitor, chest tubes, and indwelling urinary catheters.
3. BVCHD provides services for the procurement, safekeeping and transfusion of blood, including the availability of blood products needed for emergencies on a 24 hours per day basis.
  - 3.1. BVCHD is under contract with LifeStream, to supply blood products to the hospital.
  - 3.2. The Laboratory maintains the on-hand blood in a special refrigerated unit and the Laboratory Manager, under the direction of the Medical Director of the Laboratory oversees blood services.
4. BVCHD works with the local Fire Departments to provide ground ambulance service, via paramedics/EMT, and is coordinated with the local EMS.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP's 485.618</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Number of Beds and Length of Stay</b>	

**POLICY:**

As a Critical Access Hospital, Bear Valley Community Healthcare District (BVCHD) will maintain 9 Acute in-patient beds.

**PROCEDURE:**

1. BVCHD will not have any more than 9 acute inpatients at one time.
2. Acute in-patients are usually discharged or transferred within 96 hours.
  - 2.1 Any in-patients, who require acute care beyond 96 hours, will have documentation in the medical record as to why the additional stay is required.
3. BVCHD will maintain as average annual length of stay for inpatients at 96 hours or under.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP 485.620</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Periodic Evaluation and Quality Assurance Review</b>	

**POLICY:**

Bear Valley Community Healthcare District (BVCHD) conducts periodic evaluations and quality assurance reviews.

**PROCEDURE:**

**Periodic Evaluation:**

1. BVCHD carries out or arranges for a periodic evaluation of its total program.
  - 1.1. The evaluation is done at least once a year and includes a review of:
    - 1.1.1. The utilization review of BVCHD's services, including the number of patient's served and the volume of service;
    - 1.1.2. A representative sample of both active and closed clinical records;
    - 1.1.3. BVCHD health care policies.
2. The purpose of the evaluation is to determine whether the utilization of services was appropriate, the established policies were followed, and any changes needed.

**Quality Assurance:**

1. BVCHD has an effective quality improvement program to evaluate the quality and appropriateness of the diagnosis and treatment furnished at BVCHD and of the treatment outcomes.
  - 1.1. The program requires that:
    - 1.1.1. All patient care services and other services affecting patient health and safety, are evaluated
    - 1.1.2. Nosocomial infections and medication therapy are evaluated
    - 1.1.3. The quality and appropriateness of the diagnosis and treatment furnished by nurse practitioners and physician assistants at BVCHD are evaluated through peer review committee and as appropriate, Medical Executive Committee.
    - 1.1.4. BVCHD Medical Staff considers the findings of the evaluations, including any findings or recommendations of the QIO, and takes corrective action if necessary.
    - 1.1.5. BVCHD also takes appropriate remedial action to address deficiencies found through the quality assurance program.
    - 1.1.6. BVCHD documents the outcome of all remedial action.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Staff and Staffing Responsibility</b>	

### **POLICY:**

As a Critical Access Hospital Bear Valley Community Healthcare District (BVCHD) maintains a professional health care staff that includes doctors of medicine or osteopathy, Physician Assistants and Nurse Practitioners.

Certified Registered Nurse Anesthetists (CRNA's) are contracted, and utilized in the Acute hospital. The physician staff supervises the CRNA's and their practice is governed by the Medical Staff Bylaws.

BVCHD's staff is sufficient to provide the services essential to the operation of the hospital.

### **PROCEDURE:**

1. Responsibilities of the Doctor of Medicine or Osteopathy:
  - 1.1. The doctor provides medical direction for the hospital's health care activities and consultation for, and medical supervision of the health care staff.
    - 1.1.1. In conjunction with the professional staff, participates in developing, executing, and periodically reviewing the hospital's written policies governing the services it furnishes.
    - 1.1.2. Periodically reviews the records of patients cared for by Nurse Practitioners or Physician Assistants.
    - 1.1.3. A physician is present every day that patients are admitted or seen in the Emergency Department of the CAH.
    - 1.1.4. Physician's Assistants and Nurse Practitioners may be utilized in the care of patients throughout BVCHD.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP 485.631</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Critical Access Status and Location</b>	

**POLICY:**

1. In order to be a participant in the Critical Access Hospital (CAH) Program, Bear Valley Community Healthcare District (BVCHD) asserts its rural status by meeting the California definition of a rural hospital and being eligible for CAH status under the Medicare Rural Health Flexibility Program:
  - 1.1. is a public hospital located in a rural area,
  - 1.2. is located in a mountainous terrain approximately 35 miles from the closest hospital and 15 miles from another hospital in mountainous terrain,
  - 1.3. is listed as a Health Manpower Shortage Area, thus being a necessary provider of healthcare services in the area
  - 1.4. makes available 24-hour emergency care services,
  - 1.5. is willing to maintain a facility with a maximum of 9 licensed and staffed acute care beds, and
  - 1.6. will maintain an average length of stay not exceeding 96 hours per patient for acute care patients.
2. BVCHD commits that as a participant in the Medicare Rural Hospital Flexibility Program, comply with all State and Federal requirements for this Program; be part of a network, or form a network; provide a financial feasibility analysis to the state; assure that the facility is in good standing with State of California Licensure and Certification, and provide a community health needs assessment.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP 485.610</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access, Physical Plant and Environment</b>	

**POLICY:**

Bear Valley Community Healthcare District (BVCHD) is constructed, arranged, and maintained to ensure access to and safety of patients and provides adequate space in the provision of direct services.

**PROCEDURE:**

1. BVCHD has housekeeping and preventive maintenance programs to ensure:
  - 1.1. All essential mechanical, electrical, and patient care equipment is maintained in safe operating conditions.
  - 1.2. There is proper routine storage and prompt disposal of trash.
  - 1.3. Drugs and biologicals are appropriately stored.
  - 1.4. The premises are clean and orderly.
  - 1.5. There is proper ventilation, lighting, and temperature control in all pharmaceutical, patient care, and food preparation areas.
2. BVCHD assures the safety of patients in non-medical emergencies by:
  - 2.1. Training staff in handling emergencies, including prompt reporting of fires, extinguishing of fire, protection and where necessary, evacuation of patients, personnel, and guests, and cooperation with firefighting and disaster authorities.
  - 2.2. Providing for emergency power and lighting in the emergency room and other patient care areas, and for battery lamps and/or flashlights in other areas.
  - 2.3. Providing for an emergency fuel and water supply
  - 2.4. Taking other appropriate measures that are consistent with the particular conditions of the area in which BVCHD is located.
3. BVCHD meets the life safety standard for fire according to the provision of the Life Safety Code of the National Fire Protection Association.
4. BVCHD maintains written records of regular inspection and approval by the State and local fire control agencies.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP 485.623</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies</b>
<b>SUBJECT: Gifts to Hospital and Staff</b>	

**POLICY:**

Employees will not accept gifts, entertainment, or favors (other than promotional or advertising items of nominal value) from potential or current suppliers, of more than \$25 in value.

If a company's normal practice is to bestow gifts of greater value, those gifts may be accepted and used as door prizes at the annual holiday party or for general use. Cash donations to the development fund are acceptable and preferred. The Bear Valley Community Healthcare District (BVCHD) CFO or Foundation President should be contacted for details.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Periodic Evaluation</b>	

**POLICY:**

Bear Valley Community Healthcare District (BVCHD) will conduct an annual evaluation of its total Critical Access program.

**PROCEDURE:**

1. Evaluation will be conducted annually and to include:
  - 1.1. Utilization of services including number of patients served.
  - 1.2. A representative sample of both active and closed medical records.
  - 1.3. Review of all clinical policies and procedures.
2. Upon completion, this evaluation will be presented to the Medical Executive Committee and Board of Directors.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH 485.641</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Periodic Evaluation</b>	

**POLICY:**

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  - 1.3. Review of all clinical policies and procedures.
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<b>Prepared By: Friel, John</b>	<b>Reference: CAH 485.641</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Administrative Memorandums</b>	

**POLICY:**

Administrative memorandums and/or e-mails are issued from administration to disseminate information concerning various aspects of the operation of the hospital.

**PROCEDURE:**

1. The distribution of the memorandum and/or e-mail will vary depending upon the nature of the information to be distributed.
2. It shall be the responsibility of all department directors/managers to ensure that the necessary information contained in the memorandum is properly disseminated to all personnel of their respective departments.
  - 2.1. This may be accomplished through departmental meetings, department communication books or posting on bulletin boards.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



## MEMO

Date:

To:

From:

Cc:

Re:

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DEPARTMENT: Administration	CATEGORY: Policies, Procedures
SUBJECT: Biennial Notice for Conflict of Interest Code	

**POLICY:**

The Political Reform Act requires every local government agency to review its conflict of interest code biennially. No later than October 1 of each even-numbered year, the Administration office must submit to the County Board of Supervisors a notice indicating whether or not an amendment is necessary.

**PROCEDURE:**

1. If an amendment to the District's conflict of interest code is necessary, the amended code must be forwarded to the Board of Directors for approval within 90 days of filing the biennial notice.
  - 1.1. The District's amended code is not effective until it has been approved by the Board of Supervisors.
2. If an amended Conflict of Interest Code is required, it is recommended that the District's current legal counsel provide an amended Conflict of Interest appendix and the Resolution to be adopted to present to the Board of Directors.
3. The County Counsel recommends that the amended code information must include either of the following:
  - 3.1. A copy of the resolution adopted by the governing body showing that these Conflict of Interest Code changes were approved.
  - 3.2. A copy of the minutes from the board meeting where the Conflict of Interest changes were discussed and approved.
  - 3.3. A letter will be prepared to the County Board of Supervisors attaching the required documents.
    - 3.3.1. It is recommended to send the letter US Postal Express.

Prepared By: Friel, John	Reference:
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet
Approved By: Board Directors	Date Approved: Not Approved Yet

<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Critical Access Organizational Structure</b>	

**POLICY:**

As a Critical Access Hospital (CAH), Bear Valley Community Healthcare District's (BVCHD) Board of Directors assumes full legal responsibility for determining, implementing and monitoring policies governing the CAH's total operation and ensuring that those policies are administered so as to provide quality health care in a safe environment.

It is the responsibility of the BVCHD Board of Directors to appoint, with the advice of the Medical Staff, the individual practitioners of the Medical Staff. The BVCHD Board of Directors must ensure that the Medical Staff has Bylaws that comply with State and Federal law and the requirements of the CAH COP. The BVCHD Board of Directors must ensure that the Medical Staff is accountable for the quality of care provided to patients.

**PROCEDURE:**

1. Annually, Administration submits to the State, a "Statement of Facts Roster of Public Agencies Filing".
  - 1.1. This document lists the names and address of the hospital, the Board members, and the Chief Executive Officer.
2. A copy of the document is kept on file in the administrative office and updated whenever there is a change in the personnel or address.
  - 2.1. These updates are forwarded to the State.

<b>Prepared By: Friel, John</b>	<b>Reference: CAH COP 485.627</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Contracts and Agreements</b>	

**POLICY:**

Contracts and agreements are an integral part of conducting the business of all organizations. California Health & Safety Code, Division 23, Sections 32000 – 32492 in part govern contracts and agreements entered into by health care districts as well as contract law. The purpose of this policy is to set forth the process and flow used by Bear Valley Community Healthcare District (BVCHD).

**Categorization & Delegation of Authority**

Note: Legal Counsel to review any agreement which involves an entity with physician ownership interest.

	<b>Type</b>	<b>Description</b>	<b>Approval</b>	<b>Reviewed By</b>
<b>1.0</b>	Affiliation/ Transfer/ Referral Agreement	Agreement with nursing schools, clinical organizations, and cooperation agreements offering Facility support for educational clinical experience programs, teaching affiliations, or other related services or written arrangements with outside healthcare organizations, hospitals, nursing homes, and/or long-term care centers whereby the Facility agrees to accept or refer patients requiring acute medical care from/to such facilities. -The CEO shall be authorized to negotiate and execute such agreements that do not involve monetary compensation. -Agreements involving monetary commitments require Board approval.	CEO	Based upon the nature of the contract, the following Directors, as appropriate Regulatory, Clinical, Educational and/or MEC determined by the Facility CEO/designee.
<b>2.0</b>	Business Development/ Joint Ventures Agreement	Agreement requiring the establishment of a new business venture, enterprise or corporate entity.	Board	Compliance Officer, CFO, Legal Counsel, CEO & Board Finance Committee.
<b>3.0</b>	Construction Contract	Outside construction and renovation contract.	Board	CEO, Plant and Facility Committee.
<b>4.0</b>	Property Lease	Written agreement involving the Facility as a landlord, tenant, subtenant, lessee or leaser of property or buildings.	Board	CEO, Plant and Facility Committee.

<b>Prepared By: Friel, John</b>	<b>Reference: QHR</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





DEPARTMENT: Administration		CATEGORY: Policies, Procedures		
SUBJECT: Contracts and Agreements				
5.0	Consulting Agreement	Contract with an outside consultant to provide direct consulting services for District management, employees or physicians. Also, agreements where the District contracts with an outside commercial business, agency, party organization, or individual to provide staffing, clinical, or management services for compensation.	Less than \$25,000 per year, CEO Greater than \$25,000 per year, Board	Compliance Officer, CFO, Legal Counsel, CEO.
6.0	Employment/ Recruiting Agreement	Agreement used to recruit and retain key employees to fill special or critical positions within the Facility.	Less than \$25,000 per year, CEO Greater than \$25,000 per year, Board via Finance Committee	Compliance Officer, CFO, Legal Counsel, Human Resources Director, CEO, Finance Committee.
7.0	Employee Benefit Contract	Contract/agreement with an outside agency or organization to establish, operate, manage, audit or consult on an employee benefit health, life, disability, retirement or savings plan.	Less than \$25,000 per year, CEO Greater than \$25,000 per year, Board via Finance Committee	Compliance Officer, CFO, Legal Counsel, Human Resources Director, CEO, Finance Committee, UNAC Committee, Employee Benefits Committee
8.0	Financial/ Business Services Agreement	Commitment of the District involving a financial obligation including loans or borrowing instruments, credit verification affiliations, collection agency contracts, and investments.	Less than \$25,000 per year, CEO Greater than \$25,000 per year, Board via Finance Committee	Compliance Officer, Legal Counsel, Human Resources Director, CFO & CEO, Finance Committee.
9.0	Purchasing Agreement/ Equipment Lease/ Maintenance/ Service Agreement	Contract/agreement involving short or long term buying commitments for products at fixed or discounted rates. Contracts involving fixed monthly, quarterly or other periodic payments to the maintenance or repair organization guaranteeing such services to maintain pieces of equipment deemed essential to the safety and well-being of patient care and Facility operations.	Less than \$25,000 per year/CEO Greater than \$25,000 per year, Board via Finance Committee	CFO, Materials Manager, Department Manager, CEO and Legal Counsel.

Prepared By: Friel, John	Reference: QHR
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet
Approved By: Board Directors	Date Approved: Not Approved Yet



DEPARTMENT: Administration			CATEGORY: Policies, Procedures	
SUBJECT: Contracts and Agreements				
10.0	Managed Care and Service Agreement	Agreement involving the sale or provision of healthcare services to another party. This includes: HMO and PPO contracts, Healthcare Services Contracts. -New HMO and PPO contracts, excluding standard Third-party governments and insurance agreements, shall be reviewed and approved by the Finance Committee of the Board. (Exception: Contracts negotiated through the Facility PHO). -Managed Care contracts which include discounts beyond 25 percent require the approval of the Facility Board.	CFO & CEO	CFO, CEO, Contract Consultant.
11.0	Physician Agreement *Refer to Contracts/Agreements with Physicians and Other Referral Sources policy.	Agreement whereby a physician or healthcare practitioner, or group thereof, is contracted to provide a specific service, medical directorship, or consultation coverage. Includes CRNA's, Radiology, Pathology, and Emergency Department Physician coverage, contracts or commitments, direct or indirect compensation, financial assistance, relocation benefits, recruiting fees, income guarantees or related inducements are offered to any physician or practitioner to assist in or encourage relocation, or establishment of a practice in District's service area.	Board	Compliance, CFO & CEO (Chief Medical Officer), Legal Counsel.
12.0	Grant	Agreement in which the District or its representatives provide a service in return for funding from the granting authority and the Facility acts as the Fiscal Agent for such funding.	CEO	Department Manager, CFO & CEO. Any grant written for an amount greater than \$500,000 must be submitted to the Board for review prior to distribution of the Grant.

Prepared By: Friel, John	Reference: QHR
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet
Approved By: Board Directors	Date Approved: Not Approved Yet





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Contracts and Agreements</b>	

**PROCEDURE:**

1. The Controller maintains the Master Contract List for the District.
  - 1.1 Administration maintains a hard copy of the contract.
2. Administration will monitor expiration dates of all contracts, and notify Department Manager 90 days prior to expiration, unless more time required per contract.
3. Complete top portion of the Contract Cover Sheet and attach to proposed contract.
4. If indicated, obtain a Business Associate Agreement (BAA) and attach to packet.
5. A W9 must be obtained for each contractor and included with contract packet.
6. All approval signatures must be obtained, in order, by those indicated on the Contract Cover Sheet.
7. The original fully executed contract is to be retained by Administration.
  - 7.1. Four copies are to be distributed as follows: one each to the vendor, legal counsel, accounting and one is to be retained by the DM.
8. **CONTRACT SERVICES EVALUATION:**
  - 8.1. On an annual basis, and prior to expiration of contract, Department Managers will conduct a review of each contract.
    - 8.1.1. The Contract Services Evaluation form is to be completed, signed and returned to Administration.
9. **SITUATION IN WHICH A BUSINESS ASSOCIATE AGREEMENT IS NOT REQUIRED:**
  - 9.1. Contractors whose scope of service does not include access to ePHI/PHI.
  - 9.2. BVCHD employees and/or students enrolled in educational programs utilizing hospital and /or outpatient clinics for required practicum and degree programs.

<b>Prepared By: Friel, John</b>	<b>Reference: QHR</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT:</b> Administration	<b>CATEGORY:</b> Policies, Procedures
<b>SUBJECT:</b> Interpreter - Use of	

**POLICY:**

Bear Valley Community Healthcare District (BVCHD) shall utilize interpreters for patients who are not fluent in the English language.

**PROCEDURE:**

1. Determine if staff with appropriate knowledge of situation/medical terminology/procedure are who are fluent in the patient's language are available to act as an interpreter.
  - 1.1. Staff or family member may assist with providing limited, simple interpreting/translation services or in emergency situations.
  - 1.2. The name of the family member/friend used as an interpreter as well as the patient's permission to have family/friend interpret should be documented in the patient's health record. Family (at the patient's request), may interpret simple patient instructions, make appointments, register and verify insurance.
2. For consents, explanations of new or complicated diagnoses, and quality/end of life issues, interpreters should be used in the following order of availability:
  - 2.1. Certified in person interpreter
  - 2.2. Language Phone Interpreter
3. Language Line contact number: 1-800-628-8486 (Client ID# 295237)
  - 3.1. Upon connection with language assistance line please follow the prompts provided to utilize translation services.
4. The name of the person providing interpretation shall be documented in the medical record.

<b>Prepared By:</b> Friel, John	<b>Reference:</b>
<b>Reviewed By:</b> Admin Team, Policy & Procedure Committee	<b>Revised Date:</b> Not Approved Yet
<b>Approved By:</b> Board Directors	<b>Date Approved:</b> Not Approved Yet



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Notary Public Services</b>	

**POLICY:**

It is the policy of Bear Valley Community Healthcare District (BVCHD) that each employee and medical staff member be allotted two (2) Notary Public appointments within a twelve (12) month time period at no charge.

**PROCEDURE:**

1. An advance appointment is required and can be made directly with the in-house Notary Public in Administration.
  - 1.1. All appointments are scheduled based on the in-house Notary Public's availability.
2. The appointment must be scheduled during the employee's "off the clock" time.
3. A valid photo ID is required for each individual at the time of service.
4. Each appointment will allow for one (1) set of documents to be notarized; multiple signatures within the set of documents can be notarized.
  - 4.1. Additional documents will require additional appointments.
5. Additional Notary Public services requested after the two (2) allotted, will be provided at a cost of \$15 per signature.
6. Any monies collected from an employee for in-house Notary Public Services will be deposited into the District General fund.
7. Notary services are available for residents/patients as needed.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Public Participation at Board of Directors Meetings</b>	

### **POLICY:**

It is the policy of Bear Valley Community Healthcare District (BVCHD) to comply with government code §54954.3, and the Ralph M. Brown Open Meeting Law, which specifically provide for an opportunity for the public to address a legislative body, such as the Board of Directors of BVCHD, during the open session of public board meetings. Such meetings will be noticed and held in accordance with all requirements that apply to a California Health Care District Board of Directors. The Board encourages public participation in its meetings and has adopted this policy to facilitate the fair and orderly expression of public comments.

The procedures set forth below summarize the guidelines applicable to the public testimony period of each Board meeting.

### **PROCEDURE:**

1. Any person wishing to speak on items of interest to the public within the subject matter jurisdiction of the District, but which are not on the agenda, may speak during the Public Forum for Open Session period during a District Board Meeting.
  - 1.1. He/she must sign-up on a public comment sheet prior to the start of such meeting and must indicate his/her full name, city of residence and whether he/she is speaking in his/her individual capacity or as a representative of a group, and the topic he/she will address.
  - 1.2. Each speaker also will be asked to indicate whether he/she would like to receive follow-up information from the District relevant to such topic.
  - 1.3. If they do wish to receive follow-up information, then they must provide information that would allow the District to contact them.
2. Each speaker will be allowed up to three (3) minutes to testify, except that an individual representing an organization or association will be allowed up to five (5) minutes.
3. If more individuals sign up to speak than can be accommodated during the time set aside for public testimony, the President may, in his/her discretion, limit the number of individuals speaking on each subject and/or reduce the time allocated to each speaker, in order to allow more individuals, the opportunity to speak and to ensure that the Board is able to hear testimony regarding multiple agenda items.
4. Any individual may submit written testimony, comments, questions or requests at any time, regardless of whether he/she also offers oral testimony.
  - 4.1. The Board may direct written submissions to District staff to research respond and/or report back.
5. Individuals wishing to address items that do appear on the posted agenda are asked to speak during the time that the item is being considered by the Board of Directors.
  - 5.1. A Public Comment form will not be required for public comments made on items that appear on the agenda.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Public Participation at Board of Directors Meetings</b>	

6. The President may:
  - 6.1. Call a speaker to order if his/her statement is too lengthy or is abusive, obscene or otherwise inappropriate.
  - 6.2. Request that a speaker leave the meeting if he/she refuses to come to order.
  - 6.3. Request that any individual leave the meeting if he/she does not observe reasonable decorum;
  - 6.4. Request the assistance of security or law enforcement in the removal of a disorderly person who has previously been asked to leave and refused the request.
  - 6.5. Call for a recess or adjournment to another time, if the lack of public decorum rises to such level that it interferes with the orderly conduct of the meeting.
7. The Board does not engage in discussion or debate with speakers during the public testimony period or business portion of their meetings.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>

DEPARTMENT: Administration	CATEGORY: Policies, Procedures
SUBJECT: Reimbursement for Training and Travel	

**POLICY:**

Bear Valley Community Health District (BVCHD) encourages the continuing education of its employees and representatives. Upon written approval from the Department Leader and Administration, travel and training expenses will be approved as defined in this policy.

**SCOPE:**

This policy applies to all BVCHD employees and representatives. However, exempt and non-exempt employees are treated differently in compliance with the Fair Labor Standards Act (FLSA). Non-exempt employees receive their hourly pay rate (or overtime pay if applicable) for compensable hours as described in this policy. Exempt employees receive their normal salary regardless of additional training time, but are eligible to receive reimbursement for training-related expenses such as mileage, meals, lodging, registration fees, etc.

**PROCEDURE:**

1. Employee/representative completes Business Travel and Conference/Seminar Authorization Form (Attached).
2. Upon completion, submits to Department Leader for approval.
3. Department Leader forwards to appropriate administrator for approval.
4. If approved, Business Travel and Conference/Seminar Authorization Form is to be submitted to Accounting for future reconciliation.
5. If not approved, Department Leader will inform employee/representative of decision and explanation.

**REIMBURSEMENT OF EXPENSES:**

1. When travel-related expenses are to be reimbursed, the following guidelines apply:
  - 1.1. Meals- Itemized receipts are required for reimbursement.
    - 1.1.1 No reimbursement will be made for alcoholic beverages.
  - 1.2. Lodging- actual room rates for single occupancy; excluding personal charges such as personal phone calls, video rental, etc.
  - 1.3. The travel allowance shall cover the cost of travel by car or airplane, depending on the most economical means.
    - 1.1.3 Mileage - (for use of personal automobile) - reimbursement rate recognized at the time of the trip by BVCHD as published by the current IRS guidelines.
  - 1.4. Business related phone calls/faxes- actual cost of calls and faxes.

Prepared By: Friel, John	Reference:
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet
Approved By: Board Directors	Date Approved: Not Approved Yet





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Reimbursement for Training and Travel</b>	

### **PLEASURE TRIPS IN CONJUNCTION WITH BUSINESS TRIPS**

1. Transportation, lodging and meals will be reimbursed only for the duration of hospital business.
  - 1.1. Direct expense or portion of shared expenses for lodging for spouse/family/friends will be the responsibility of the employee.
  - 1.2. Spouse/family/friend costs for lodging (the difference between the single and other rate) will be the responsibility of the employee.
  - 1.3. Staying overnight the night before meetings versus leaving the morning of the meeting will depend on weather, distance and discretion of the Department Manager, CFO and CEO.
  - 1.4. Direct expenses for personal extensions on a trip will be the responsibility of the employee.

### **NON-EXEMPT EMPLOYEES:**

#### **Training Time Considered Work Time:**

1. If BVCHD requires a non-exempt employee to attend a training program, the hours spent in the training program is considered worked time.
  - 1.1. The employee is to be compensated for the actual hours spent in the training program, regardless of the employee's regular work schedule.

#### **One Day Travel and Training Programs:**

1. If a non-exempt employee travels to and from an offsite (required) training program in a single day, all hours spent traveling to and from the program, plus the actual hours spent in the training program are considered worked hours and are to be paid accordingly.
  - 1.1. The employee's regular commute time to and from work is to be deducted from the compensable travel time, and bona fide meal periods are unpaid time.
    - 1.1.1. In addition, the employee may be reimbursed reasonable business-related travel expenses such as mileage.

#### **Overnight Travel and Training Programs:**

1. If a non-exempt employee stays overnight for an offsite (required) training program, the travel time to and from the training program that occurs during the employee's regular work schedule (i.e., 8:00am to 4:30pm, 6:00am to 6:30pm, etc.) is considered work time.
  - 1.1. This is the case even on an employee's scheduled day off.
    - 1.1.1. Therefore, employee travel during his/her day off is compensable if it occurs during his/her regular shift hours.
      - 1.1.1.1. In addition, the actual hours spent in the training program are considered worked hours and are to be paid accordingly.
      - 1.1.1.2. The employee's regular commute time to and from work is to be deducted from the compensable travel time, and bona fide meal periods are unpaid time.
      - 1.1.1.3. Travel time outside of the employee's normal work schedule is not considered worked time.
      - 1.1.1.4. Any work an employee is required to perform during traveling must be counted as

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
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<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Reimbursement for Training and Travel</b>	

worked time.

- 1.1.1.5. The employee may be reimbursed reasonable business-related travel expenses such as meals, lodging, mileage/plane fare, taxi fare, etc.

### **Certification/Recertification Programs**

1. Obtaining certifications and/or re-certifications that are required by Federal or State law for an employee to remain licensed in his/her profession (i.e., as a Staff RN, LPN, Respiratory Therapy, Radiology, etc.) is the responsibility of the employee.
  - 1.1. In addition, travel and training time is not considered worked time and there is no obligation for BVCHD to cover any related expenses.
2. Time spent attending certification/re-certification programs that is not required by Federal or State law, but is required by BVCHD is considered worked time.
  - 2.1. The actual hours spent in the training program and the applicable travel time (in accordance with the single day and overnight travel and training provisions above) are considered worked time and are to be paid accordingly.
  - 2.2. There is no obligation for BVCHD to pay any related expenses other than payment for the hours that qualify as worked time.

### **Training Time Not Considered Work Time:**

1. If an employee wants to attend a training program that is not required by BVCHD is the responsibility of the employee to cover all expenses and none of the travel or training hours are considered worked time.
  - 1.1. The employee is to use accrued PTO hours (for benefit-eligible employees) or request a Leave of Absence without pay (for non-benefit eligible employees) to cover any requested time off from his/her scheduled work shifts.
  - 1.2. Assistance for training programs that are not required by BVCHD is entirely at the discretion of the Department Leaders, as approved by their Senior Leader, and in accordance with their budgeted training monies.

### **EXEMPT EMPLOYEES**

1. Exempt employees are to be paid their salary, per FLSA regulations regardless of when and where training occurs, including travel time to and from the training program.
  - 1.1. For work-related training programs the employee is to be reimbursed reasonable business related travel expenses such as meals, lodging, mileage/plane fare, taxi fare, registration fees, etc.
  - 1.2. Exempt employees who attend a training program that is not work-related are to use PTO hours to cover their time off work, unless approved otherwise in advance.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Reimbursement for Training and Travel</b>	

**TRAVEL ADVANCE AND EXPENSE RECONCILIATION:**

1. Employees who want a travel advance are to complete the Education Request form, obtain their Department Leaders approval signature and submit to administration no later than two (2) weeks prior to the trip.
  - 1.1. Accounting should be given ample amount of time to process request prior to employee/representative departure.
2. Employees are to complete the Expense Report form following their return from their trip to reconcile their expenses.
  - 2.1. Receipts for all expenses occurred must accompany form for reimbursement to occur.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



## Business Travel and Conference/Seminar Authorization Form

The Business Travel and Conference Authorization Form must be completed and approved prior to any employee financially committing BVCHD to any expenses for business travel and/or attendance at a seminar or conference. Failure to gain prior approval may affect employee's ability to be reimbursed for expenses.

**Employee:** \_\_\_\_\_

**Department:** \_\_\_\_\_

**Travel dates:** \_\_\_\_\_

**Reason for Travel:** \_\_\_\_\_

**Location:** \_\_\_\_\_

**Estimated Expenses**

Transportation: \_\_\_\_\_

Lodging: \_\_\_\_\_

Meals: \_\_\_\_\_

Conference/Seminar Fee: \_\_\_\_\_

Other: \_\_\_\_\_

**Total** \_\_\_\_\_

Complete this section if you are attending a Conference or Seminar

**Conference/Seminar title:** \_\_\_\_\_

**How will this conference benefit you in your position and your career?** (Staple a copy of the program to this form)

**How do you plan to share what you learn at the conference?**

Submitted By

Employee: \_\_\_\_\_ Date: \_\_\_\_\_

Approvals

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Department Manager

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Administration





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Subpoenas</b>	

**POLICY:**

- In accordance with the Bear Valley Community Healthcare District (BVCHD) Risk Management Plan, the Director of Risk Management coordinates with BVCHD Administration and legal counsel all Risk Management activities related to BVCHD claims and litigation data. The Risk Management Department shall be notified of all subpoenas requesting information from any department within BVHCD, with the exception of employee related requests.
- The release of protected health information, to also include electronic (PHI/ePHI) by BVCHD must be in compliance with various federal and state privacy protection laws and enforcement regulations, including but not limited to HIPAA and the HITECH Act. The BVCHD Director of Health Information Management (HIM) oversees release of all PHI/ePHI. In order to substantiate that BVCHD is compliant with the applicable laws and regulations, that all requests are valid, and that all releases are timely, the Director of HIM oversees the release of all documentation provided by all BVCHD departments in response to subpoenas for PHI/ePHI.
- The Chief Executive Officer shall be notified and coordinate oversight of all subpoenas and information requests related to legal and administrative actions against BVCHD.
- The Director of Human Resources shall be notified and coordinate oversight of all subpoenas and information requests related to BVCHD employees and employee workers' compensation claims.

**PROCEDURE:**

1. Service of Subpoenas
  - 1.1. All subpoenas must be served in person by a process server to the Health Information Management Department.
  - 1.2. Upon receipt of subpoenas, the Health Information Management Department will review requests for appropriate routing to designated location, in accordance with request type, i.e.:
    - 1.2.1. HIM Department (PHI/ePHI requests only).
    - 1.2.2. Administrative Office (Legal and Administrative actions against BVCHD only).
    - 1.2.3. Human Resources (Employee issues only).
    - 1.2.4. Risk Department (secondary to the above departments).
  - 1.3. HIM Department Director and Director-designated employees are the only individuals authorized to receive service of subpoenas.
  - 1.4. Exceptions to serving in person are Worker Compensation subpoenas via mail requests and Federal District Court subpoenas through certified mail.
    - 1.4.1. Subpoenas submitted by facsimile or any other means are not considered validly served and will be returned by the HIM Department.

<b>Prepared By: Friel, John</b>	<b>Reference: Civ. Proc. Code §§ 1985-1987, Evid. Code §§ 1560-1567</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





DEPARTMENT: Administration	CATEGORY: Policies, Procedures
SUBJECT: Subpoenas	

## 2. Categories of Subpoenas

- 2.1. Subpoenas shall be categorized according to the nature of the records requested:
  - 2.1.1. PHI: all requests seeking medical records, diagnostic imaging, lab results, billing invoices, patient account receipts, etc., of all media type, all of which are part of patient protected health information;
  - 2.1.2. HR: all requests seeking employee records or BVCHD workers' compensation claims for other than PHI; and
  - 2.1.3. District Administration: all requests regarding legal action against BVCHD or seeking other administrative and BVCHD related documents.
- 2.2. Subpoenas being served on any department other than HIM within BVCHD, shall direct the server to the HIM department for oversight of the release of requested records, including timeliness and content.

## 3. Protected Health Information to include Electronic Information (PHI/ePHI)

- 3.1. Upon subpoena service for PHI, HIM shall verify the validity of the subpoena (in consultation with the Risk Department, if necessary).
- 3.2. HIM shall notify all departments whose records are requested by each subpoena.
  - 3.2.1. The notification shall be sent to the department individual(s) designated by department directors to furnish the requested records.
  - 3.2.2. The department director shall be copied on notification in the event the designee(s) is (are) not available to furnish the records for the time sensitive request and to make alternative arrangements for providing the requested records.
- 3.3. Each department shall make records available to the designated HIM staff, of the requested records which will be released in response to the subpoena.
  - 3.3.1. Any questions regarding the request, the method of delivery, or the format or media shall be directed to HIM.
- 3.4. HIM shall forward an electronic copy of each subpoena to Risk Management for purposes of notification.
  - 3.4.1. Risk will maintain a copy of all relevant subpoenas requesting records.
- 3.5. HIM shall review and authorize the release of any patient health information, records, documentation, etc. requested by subpoena.
  - 3.5.1. Information released shall be the minimum necessary.
- 3.6. Once HIM has given approval for the release of information, records, documentation, etc., the records shall be produced by the ***date and time specified in the subpoena, but not sooner than as instructed in the subpoena to allow time for objections to the production of records.***
- 3.7. If an objection to the production of records is received, do not release the records, except upon order of the court in which the action is pending (reflected in the subpoena).

## 4. How to Comply with Subpoena Duces Tecum: *(A Subpoena Duces Tecum- defined is an order which commands the person to whom it is directed to bring with him/her some writings, papers, or other things therein specified and described, before the court).*

- 4.1. The copy of the records shall be separately enclosed in an inner envelop or wrapper, sealed, with the

Prepared By: Friel, John	Reference: Civ. Proc. Code §§ 1985-1987, Evid. Code §§ 1560-1567
Reviewed By: Admin Team, Policy & Procedure Committee	Revised Date: Not Approved Yet
Approved By: Board Directors	Date Approved: Not Approved Yet





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Subpoenas</b>	

title and number of the action, name of witness, and date of subpoena clearly inscribed thereon; the sealed envelope or wrapper shall then be enclosed in an outer envelope or wrapper, sealed and directed as follows:

- 4.1.1. If the subpoena directs attendance in court, to the clerk of such court or to the judge thereof if there is no clerk.
- 4.1.2. If the subpoena directs attendance at a deposition, to the officer before who the deposition is to be taken at the place designated in the subpoena for the taking of the deposition or at this place of business.
- 4.1.3. In other cases, to the officer, body or tribunal conducting the hearing, at a like address.
- 4.2. The records shall be accompanied by the affidavit of the custodian or other qualified witness, stating in substance each of the following:
  - 4.2.1. The affiant is the duly authorized custodian of the records or other qualified witness, stating in substance each of the following:
  - 4.2.2. The copy is a true copy of all the records described in the subpoena.
  - 4.2.3. The records were prepared by the personnel of the District in the ordinary course of business at or near the time of the act, condition, or event.
- 4.3. If the District has none of the records described, or only part thereof, the custodian or other qualified witness shall so state in the affidavit, and deliver the affidavit and such records as are available in the manner provided in Section 3 above.
- 4.4. Notwithstanding the procedure for sending records described, the personal attendance of the custodian or other qualified witness and the production of the original records is required at the time and place designated if the Subpoena Duces Tecum contains a clause which reads:
  - 4.4.1. "The personal attendance of the custodian or other qualified witness and the production of the original records is required by this subpoena."
    - 4.4.1.1. The procedure authorized pursuant to subdivision (b) of Section 1560, and Sections 1561 and 1562, of the Evidence Code will not be deemed sufficient compliance with this subpoena".
- 4.5. HIM shall maintain an accounting of all documentation released in response to the subpoena.
  - 4.5.1. A copy of the subpoena and an accounting of the records released shall be placed and kept in the patient record.
- 4.6. Any questions should be directed to the Director of HIM.

## 5. Human Resources

- 5.1. All Human Resources subpoenas served shall be referred to the Director of Human Resources for response and submission of records as appropriate.
  - 5.1.1. Human Resources shall maintain in the employee record a copy of the subpoena and an account of records released.
    - 5.1.1.1. Employees who are subpoenaed to testify regarding any matter involving the hospital should bring this to the attention of the Risk Department.
    - 5.1.1.2. A copy of the subpoena must be provided to the Risk Department so that proper safeguards may be initiated to assure protection of both the employee and the hospital.

<b>Prepared By: Friel, John</b>	<b>Reference: Civ. Proc. Code §§ 1985-1987, Evid. Code §§ 1560-1567</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Subpoenas</b>	

- 5.1.2. If an employee is named in the subpoena, he/she is required by law to accept service.
- 5.1.3. Law enforcement officers on campus with the intent to serve a subpoena to an employee should be directed to the Human Resources Department.
- 5.1.4. The Human Resources Department will locate and notify the employee of the subpoena.
  - 5.1.4.1. If the employee is not working, the law enforcement officer will be instructed when to return.
  - 5.1.4.2. The employee may be asked to come to the Human Resources Department to receive the subpoena.
- 5.1.5. Subpoenas served via mail will be placed in employee's departmental mailbox or by other method of distribution in department.
  - 5.1.5.1. BVCHD is not responsible for guaranteeing delivery.

#### **6. District Administration**

- 6.1. All subpoenas related to litigation involving BVCHD, seeking BVCHD records which are not related to patient health information or employee records, or any other matter shall be served on the Administration Department for referral to legal counsel.
  - 6.1.1. Copies shall be sent to the Risk Department.
- 6.2. The following persons will sign/acknowledge the receipt of notice of legal action against BVCHD when such notice is served in person (in the order of priority given).
  - 6.2.1. Administrative Assistant for the Chief Executive Officer.
  - 6.2.2. Chief Financial Officer.
  - 6.2.3. Chief Nursing Officer.
  - 6.2.4. Risk Manager.
- 6.3. If a person other than the Administrative Assistant signs the notice of legal action, that person will promptly forward the notice to the Administrative Assistant.
- 6.4. The Director of Risk Management is to be notified promptly to assure that any appropriate action deemed necessary (such as action by the Board of Directors) is taken within the timeframe as established by law.
  - 6.4.1. The Risk Manager will also notify the insurance carrier of the pending legal action and will work closely with the District's representing attorney until full closure is obtained.

<b>Prepared By: Friel, John</b>	<b>Reference: Civ. Proc. Code §§ 1985-1987, Evid. Code §§ 1560-1567</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Policy Review and Approval Process</b>	

**POLICY:**

Policies and procedures are reviewed on an ongoing basis to ensure adherence to Federal and States regulations and current standards of practice.

**PROCEDURE:**

1. Clinical policies affecting patient care will be developed, reviewed or revised annually by the Department Manager. Policies shall be forwarded to:
  - 1.1. Policy and Procedure Committee.
  - 1.2. Appropriate Medical Staff Committees' (i.e. Pharmacy = P&T Committee).
  - 1.3. Medical Staff Executive Committee for review and approval.
2. Non-patient care policies shall be developed, reviewed or revised by the Department Manager on a regular basis but not less than every three years. Policies shall be forwarded to:
  - 2.1. Policy and Procedure Committee.
  - 2.2. Administrative Team Committee.
3. All policies (patient care and non-patient care) are required to be approved by the Board of Directors.
  - 3.1. A summary will be provided to the Board stating which policies have been changed since the last approval.
4. Departmental procedures:
  - 4.1. Shall be developed, reviewed and/or revised annually by the Department Manager.
  - 4.2. All changes that may affect patient care must be approved by the Department Medical Director and/or Medical Staff Executive Committee.
  - 4.3. The Departments Medical Director shall determine if the procedure requires:
    - 4.3.1. Interdisciplinary review – i.e. phlebotomy, specimen rejection, order processing, etc.
    - 4.3.2. Medical Staff Executive Committee approval – i.e. STAT test list, Critical Values, etc.

<b>Prepared By: Friel, John</b>	<b>Reference: CMS CoP 485.635(a)(1)</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Administration</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Guidelines to Planning New Programs or Services</b>	

**POLICY:**

The leadership of the organization is required to provide a framework for planning, directing, coordinating, providing and improving health care services that are responsive to community and patient needs and that improve patient health outcomes.

**PROCEDURE:**

1. Development and implementation of a new product or service is a time and resource-consuming endeavor.
  - 1.1. Since the governing body and administrative team are responsible for allocating resources to accomplish the organization's mission, a complete evaluation of proposed programs or services is to be conducted prior to implementation.
2. Requests for the development of a new product or service can be initiated by the community, patients, staff, physicians or government agencies.
3. Planning for a new program or service must address the following issues:
  - 3.1. What is proposed?
  - 3.2. How was the need identified? (Perform needs assessment).
  - 3.3. What needs will this meet?
  - 3.4. Who will be the customers?
  - 3.5. What other groups have a same or similar program?
  - 3.6. What are the resources required?
    - 3.6.1. Space.
    - 3.6.2. Staff.
    - 3.6.3. Equipment.
    - 3.6.4. Other.
  - 3.7. What are the costs/benefits? (Perform a cost/benefit analysis in conjunction with the CFO).
  - 3.8. What is the priority of this proposal compared to other current or planned projects?
  - 3.9. What are the goals of this project?
  - 3.10. What criteria will be used to measure attainment of the goals of this project?
  - 3.11. What steps are required for implementation?
  - 3.12. Who will be responsible for each?
  - 3.13. What is the estimated completion date?
4. The administrative team will coordinate all project activities and inform the governing body of progress and obstacles.

<b>Prepared By: Friel, John</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



<b>DEPARTMENT: Information Technology</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: ID and Facility Access Badges</b>	

**POLICY:**

It is the policy of Bear Valley Community Healthcare District (BVCHD) to take all reasonable steps to provide a safe and secure environment for our patients, providers and staff, while balancing the need for public accessibility to the facilities.

**PROCEDURE:**

1. As a part of the District's commitment to ensuring the safety and security of our patients and staff; all employees, providers, and contractors will be required to obtain and carry a BVCHD-issued photo identification and access badge.
  - 1.1. Before a badge is issued, all recipients will be required to read and sign a copy of this policy which will be retained by Human Resources (HR) until the badge is returned.
  - 1.2. If a temporary badge is being issued, the department head issuing the badge will be required to forward the signed policy copy to the HR department.
2. Badges will not be issued without the appropriate paperwork, and there will be no exceptions.
3. Access is based on job description, location of work and contractual arrangement.
4. Staff, Providers, Contractors, and Consultants Responsibilities
  - 4.1. District employees, providers, contractors, and consultants working in or around district facilities are required to visibly display their BVCHD ID badge on their person during working hours.
  - 4.2. Badge holders who are required to display their ID badge and those who consistently do not, or who refuse to wear their ID badge may be referred to HR or the department manager for appropriate follow up.
5. Off duty employees are encouraged, but not required, to display their ID badge on their person when visiting the facilities.
6. Badge holders may not loan their badge to another party or borrow another parties badge.
  - 6.1. If district officials become aware of any misuse of an ID badge, the district has the right to investigate and follow-up with the appropriate badge holder management for appropriate action.
7. It is the badge holder's responsibility to report a lost or stolen badge to their immediately to their department management.
  - 7.1. In the event their management is not available they should contact HR or Security without exception.
8. Human Resources Responsibilities
  - 8.1. Paperwork shall be completed and returned to IT in a timely manner.
  - 8.2. The following information is needed to generate a badge:

<b>Prepared By: Booth, Jon</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Reviewed Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>





<b>DEPARTMENT: Information Technology</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: ID and Facility Access Badges</b>	

- 8.2.1. Supply the badge holders legal name verified from an officially recognized source (for example; driver's license, passport, state photo ID).
  - 8.2.2. Regular full or part-time employee.
  - 8.2.3. Temporary full or part-time employee.
  - 8.2.4. Contractor or provider status and their projected term of service.
  - 8.2.5. Completed employee access form (attached).
9. Departments managing special projects and/or managing on-call service contractors may request vendor specific badges and generic vendor badges.
    - 9.1. These badges must be formally requested by fully completing a Vendor Badge Request form.
    - 9.2. It is the department heads responsibility to distribute, inventory, and maintain these badges and conduct a full inventory of these badges at least annually.
    - 9.3. The badge inventory must be reported to HR via a Badge Inventory Report signed by the manager competing the inventory.
    - 9.4. Badges that cannot be physically verified during the inventory period must be immediately disabled in the system until they are located and proper ownership is verified.
    - 9.5. Badges that cannot be verified will be permanently removed from the system.
  10. Recover all badges from badge holders when they are no longer needed or they have a change of status (for example: terminated employees) and return them to HR.
  11. Information Technology Responsibilities
    - 11.1. Input users in the system and print badges after the completed Employee Access Form is received.
    - 11.2. Notify HR if a badge will not be ready on time or if there are issues with the paperwork submitted.
    - 11.3. Remove credentials from the system upon proper receipt form a notifying authority.
  12. Badge Issuance Procedure
    - 12.1. ID badges will be obtained on or before the first day of employment.
      - 12.1.1. Replacement badges can be obtained at HR if they have a picture on file.
      - 12.1.2. In the event the HR department does not have a current picture the badge, issuance may be delayed until a picture is provided.
    - 12.2. It is the employee's responsibility to maintain control of the badge and protect it from damage.
      - 12.2.1. An additional request in the same calendar year for a badge replacement, unless the replacement is necessitated by a legal name change or a change required by the district, could result in a financial cost to the employee.
      - 12.2.2. It is the supervisor's responsibility to ensure the employee's ID badge is returned for destruction before leaving the facility.

<b>Prepared By: Booth, Jon</b>	<b>Reference:</b>
<b>Reviewed By: Admin Team, Policy &amp; Procedure Committee</b>	<b>Reviewed Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>

## Badge Inventory Report



DEPARTMENT DIRECTOR/MANAGER	
DEPARTMENT	
PHONE	
INVENTORY DATE	
DEPARTMENT/MANAGER SIGNATURE	

[illegible]






## **Employee Computer Access Form**

Date: \_\_\_\_\_ Hire Date: \_\_\_\_\_ DOB: \_\_\_\_\_ Last 4: \_\_\_\_\_

Employee Name: \_\_\_\_\_ Job Title: \_\_\_\_\_  
(First Name) (M.I.) (Last Name)

Dept: \_\_\_\_\_ Dept Mgr: \_\_\_\_\_ Dept Mgr Signature: \_\_\_\_\_

 Application/System	Date Initiated	Initials	Date Removed	Initials
<b>IT Department, Manager</b>				
Active Directory				
International Code if Needed				
Remote Desktop Access				
External Email				
Relias Healthcare Online account DOB _____				
Avreo				
Genetec Security Badge Issued # _____				
<b>Laboratory, Manager</b>				
LabCorp				
<b>Pharmacy, Manager</b>				
Pyxis				
<b>Patient Accounting, Manager</b>				
Passport				
E-Premis				
<b>HIM, Manager</b>				
3M Coding				
Transcription				
Digital One				
T-System				
<b>Maintenance, Manager</b>				
Keys: _____ Alarm Code: _____				
<b>CPSI (LAST 4 DIGITS of SS _____)</b>				
Just Like:				
RBL:				
Additions:				
Additions:				
Additions:				

Reference "Information Security & Access Policy (HIM)" (Original to HIM Office when completed, CC HR)

Human Resources Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

Information Systems Authorization: \_\_\_\_\_ Date: \_\_\_\_\_



## Vendor Badge Request Form

### Instructions:

- Fill out request below. (Please fill out ALL fields)
- **List names of employee as it appears on their driver's license or other form of picture ID.**
- Expiration date must be filled in or it will default to 30 days, date cannot exceed one year. \*
- **Vendor must show a drivers license or other picture ID when getting their ID card.\***
- Print this page and forward it to the IT department.

\_\_\_\_\_ requests vendor ID's for \_\_\_\_\_  
BVCHD Department Name of company or corporation

The expiration date for IDs is \_\_\_\_\_ **This cannot exceed one year.**  
mm-dd-yyyy

Department Director/Manager submitting request \_\_\_\_\_

BVCHD Director/Manager Signature \_\_\_\_\_ Date: \_\_\_\_\_

Please issue ID's to the following individuals (please print names as they appear on supporting ID)

1) _____	5) _____
2) _____	6) _____
3) _____	7) _____
4) _____	8) _____

Please grant access to (check all that apply): Hospital: Entry Points ☐ HIM ☐ ED ☐ Server Room ☐

FHC: Entry Points ☐ Server Room ☐

\*BVCHD ID and Facility Badges policy.

Bear Valley Community Healthcare District, 41870 Garstin Dr, Big Bear City, CA 92315  
Telephone: (909) 866-6501



<b>DEPARTMENT: Mammography</b>	<b>CATEGORY: Policies, Procedures</b>
<b>SUBJECT: Electrical Safety – EC-MAM-1</b>	

**POLICY:**

All electrical safety inspections shall be made in compliance with standards set forth by OSHA, NFPA, JCAHO, HEW, FDA and Technical Shared Service Electrical Safety Program.

**PROCEDURE:**

1. All safety inspections shall be made using the electrical safety analyzer in accordance with its instruction manual.
2. Electrical safety tags will be affixed to all electrical or electronic clinical equipment.
3. Defective and unsafe equipment shall be removed from service until the defect or hazard is removed.
  - 3.1. Administrative approval is required for its continued use in a defective or unsafe condition.
4. The Mammography unit will have a full P.M. annually.
  - 4.1. Records are kept in the equipment maintenance binder.

<b>Prepared By: Rodriguez, Angela</b>	<b>Reference:</b>
<b>Reviewed By: Medical Executive Committee, Policy &amp; Procedure Committee</b>	<b>Revised Date: Not Approved Yet</b>
<b>Approved By: Board Directors</b>	<b>Date Approved: Not Approved Yet</b>



**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
SPECIAL HUMAN RESOURCES MEETING MINUTES  
41870 Garstin Road Big Bear Lake, Ca. 92315  
February 13, 2018**

**MEMBERS PRESENT:** Gail McCarthy, 1<sup>st</sup> Vice President      Erin Wilson, HR Director  
Rob Robbins, President      Shelly Egerer, Exec. Asst.  
John Friel, CEO

**MEMBERS ABSENT:** None

**STAFF:** None

**OTHER:** Mike Sarrao, Legal Counsel/via conference call

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**OPEN SESSION**

**1. CALL TO ORDER:**

Board Member McCarthy called the meeting to order at 11:00 a.m.

**CLOSED SESSION**

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

Board Member McCarthy opened the Hearing Section for Public Comment at 11:00 a.m. Hearing no request to address the Committee, Board Member McCarthy closed the Hearing Section at 11:00 a.m.

**3. ADJOURN TO CLOSED SESSION:**

**President Robbins motioned to adjourn to Closed Session. Second by Board Member McCarthy to adjourn to Closed Session. Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins - yes
- Board Member McCarthy - yes

**OPEN SESSION**

**1. CALL TO ORDER:**

Board Member McCarthy called the meeting order at 11:30 a.m.

**2. ROLL CALL:**

Gail McCarthy and Rob Robbins were present. Also, present were John Friel, CEO, Erin Wilson, Human Resource Director, and Shelly Egerer, Executive Asst.

**3. ADOPTION OF AGENDA:**

**President Robbins motioned to adopt the February 13, 2018 Agenda with the Garnishment of Wage Policy be removed from the agenda. Second by Board Member McCarthy adopt the February 13, 2018 Agenda with the Garnishment of Wage Policy be removed from the agenda.**

**Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins - yes
- Board Member McCarthy- yes

**4. RESULTS OF CLOSED SESSION:**

- Board Member McCarthy stated there was no reportable action to report.

**5. PUBLIC FORUM FOR OPEN SESSION:**

Board Member McCarthy opened the Hearing Section for Public Comment at 11:31 a.m. Hearing no request to address the Committee, Board Member McCarthy closed the Hearing Section at 11:31 a.m.

**6. DIRECTORS COMMENTS:**

- None

**7. APPROVAL OF MINUTES:**

**A. October 30, 2017**

**Board Member Roberts motioned to approve the October 30, 2017 Human Resource Committee Meeting Minutes as presented. Second by Board Member McCarthy to approve the October 30, 2017 Human Resource Committee Meeting Minutes as presented. Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins- yes
- Board Member McCarthy- yes

**8. OLD BUSINESS:**

- None

**9. NEW BUSINESS\***

**A. Discussion and Information on BVCHD Employee Evaluations Revisions:**

- Ms. Wilson reported that the HR Department is reviewing the employee evaluations and job descriptions due to the various formats. The goal is to have a unified format and will be using ADP for formatting the new evaluations. The district is researching a vendor to assist in a salary survey for market value. The HR Committee and Board of Directors will be kept apprised.
- The committee was under the impression that job descriptions would be eliminated due to the union negotiations. Mr. Friel informed the committee that due to the District being Critical Access Designation requires the District to have job descriptions

**Board Member McCarthy reported there is no action required.**

**B. Discussion and Recommendation to the Board of Directors the Following Policies & Procedures:**

**(1) Dress Code Policy & Procedure**

- President Robbins asked that the “women’s piercings” be revised. President Robbins stated that if a female is a good employee and has 3 piercings in her ear it would be wrong to terminate that employee.
- The committee asked that this section be revised and can go to the March Board Meeting.

**(2) Americans With Disabilities Act**

**(3) Confidential Information**

- Ms. Wilson informed the committee that both policies are updated to reflect the new laws.

**(4) Education Assistance**

- Ms. Wilson reported that this policy was re-instated; during the last few years, the policy was archived due to the financial problems the District had. There are specific commitments that the employee has to follow in order to take advantage of this policy.
- Board member McCarthy stated that she would like to see this item placed in the Grizzly and marketed to inform the community of this opportunity we off our staff.

**(5) Employment Reference Checks**

- Ms. Wilson reported that this policy reflects the law and only confirms the employees begin hire and end date.

**(6) Compensation for Exempt Employees**

- Ms. Wilson reported this policy has been revised and updated.

**Board Member Robbins motioned to recommend to the Board of Directors the Policies & Procedures with the Dress Code Policy revised as discussed. Second by Board Member McCarthy to recommend to the Board of Directors the Policies & Procedures with the Dress Code Policy revised as discussed. Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins - yes
- Board Member McCarthy- yes

**10. HUMAN RESOURCE REPORT\*:**

**A. Human Resource Assessment:**

**• Staffing (New Hires, Terms, and Open Positions):**

- Ms. Wilson reported the following
  - Work comp cases are maintaining well, new claim due to back strain in the Dietary Department, the employee is back to work with limitations.
  - Quarterly reviews are completed.
- The committee wanted to ensure that the HR Department is trending any claims with employees. The committee asked that the HR Report have this item in detail included on a quarterly basis; by department, injury type.



- **Employee Performance Evaluations:**
  - Ms. Wilson reported a monitoring report is maintained on employee's evaluations and the managers are responsible to ensure the evaluations are completed. The managers receive this report monthly.
- **Employee File Audit:**
  - Ms. Wilson reported that one license has expired and the employee has been removed from the schedule.
- **Exempt Employees:**
  - Mr. Wilson reported that this item was asked to be researched and brought back to the committee. The information provided in the HR report explains all question and concerns expressed at the last HR meeting.

**President Robbins motioned to approve the HR Report as presented. Second by Board Member McCarthy to approve the HR Report as presented. Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins - yes
- Board Member McCarthy- yes

#### **11. ADJOURNMENT:**

**President Robbins motioned to adjourn the meeting at 12:04 p.m. Second by Board Member McCarthy to adjourn the meeting. Board Member McCarthy called for the vote. A vote in favor of the motion was unanimously approved.**

- President Robbins - yes
- Board Member McCarthy- yes

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MINUTES  
41870 Garstin Drive, Big Bear Lake, Ca. 92315  
May 01, 2018**

**MEMBERS** Donna Nicely, Treasurer  
**PRESENT:** Peter Boss, MD, Secretary  
John Friel, CEO

Garth Hamblin, CFO  
Shelly Egerer, Exec. Asst.

**STAFF:** Kerri Jex

**COMMUNITY  
MEMBERS:** None

**ABSENT:** None

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**OPEN SESSION**

**1. CALL TO ORDER:**

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

**2. ROLL CALL:**

Donna Nicely and Peter Boss, MD were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

**3. ADOPTION OF AGENDA:**

**Board Member Nicely motioned to adopt the May 01, 2018 agenda as presented. Second by Board Member Boss to adopt the May 01, 2018 agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes

**CLOSED SESSION**

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

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

**2. ADJOURN TO CLOSED SESSION:**

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

- Board Member Nicely- yes
- Board Member Boss- yes

## **OPEN SESSION**

**1. CALL TO ORDER:**

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

**2. RESULTS OF CLOSED SESSION:**

Board Member Nicely stated there was no reportable action.

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

Board Member Nicely 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 Nicely closed the Hearing Section at 1:30 p.m.

**4. DIRECTOR'S COMMENTS:**

- None

**5. APPROVAL OF MINUTES:**

**A. April 03, 2018**

**Board Member Nicely motioned to approve the April 03, 2018 minutes. Second by Board Member Boss to approve the April 03, 2018 minutes as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely - yes
- Board Member Boss- yes

**6. OLD BUSINESS:**

- None

**7. NEW BUSINESS\***

- None

**8. Presentation and Review of Financial Statements:**

**A. March 2018 Finances:**

- Mr. Hamblin reported the following:
  - Cash on hand is \$2,044,038.
  - Surplus of \$263,623.
  - Total patient revenue over budget 2.5% for the month.
  - Net patient revenue was 2.0%.
  - Clinic & ER revenue were near the budgeted levels.

**B. CFO Report:**

- Mr. Hamblin reported the following information:
  - Healthcare Reform:
    - There is not much movement.
    - 3087 is a non-starter.
  - Contractual Adjustment and Bad Debt Review
    - \$90,000 receivable.



- FY 2019 Budget Preparation – Update
  - Draft capital budget is included in the CFO Report as informational purpose only.
  - Continuing to work on the FY 2019 to present to the Finance Committee & Board of Directors.
    - Facility budget is at approximately \$400,000
    - IT budgeted according to projects
    - Summary of historical statistic trends is included
    - Budgeting small growth in the ER
    - Growth budgeted for the FHC
    - Part time employees needs to be reported add statistics from previous years, a per diem break down will be provided.
    - Pharmacy Department needs to have modifications to meet current regulations; December 2019 is completion date. Potential to surrender compound license; we can continue to do compounding in the ER. There is a potential cost of \$700,000 to bring the Pharmacy Department up to code.
- Revenue Cycle Assessment Update:
  - Continue to work with TruBridge.
- IT Strategic Plan:
  - Draft IT Strategic Plan.
- Productivity Benchmark Assessment by Department:
  - Reached out to two additional vendors & QHR proposals will be obtained.
- HIM Manager:
  - Eva Pierce will begin on May 7.
- The committee asked that a Special Finance Committee Meeting be scheduled to review the FY 2019 Budget. May 24 at 12:00 pm.
- Board Member Nicely asked that Mr. Hamblin ensures to budget a part-time grant writer, add library rental, furniture, fixtures, and any staff that would need to be hired to maintain any new offsite office space. Board Member Nicely also suggested that Administration consider purchasing a home to house physicians or interim staff.

**Board Member Nicely motioned to approve the March 2018 Finance Report and the CFO Report as presented. Second by Board Member Boss to approve the March 2018 Finance Report and the CFO Report as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes

## **9. ADJOURNMENT\***

**Board Member Nicely motioned to adjourn at 2:00 p.m. Second by Board Member Boss to adjourn. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
SPECIAL FINANCE COMMITTEE MEETING MINUTES  
41870 Garstin Drive, Big Bear Lake, Ca. 92315  
May 24, 2018**

**MEMBERS** Donna Nicely, Treasurer  
**PRESENT:** Peter Boss, MD, Secretary  
John Friel, CEO

Garth Hamblin, CFO  
Shelly Egerer, Exec. Asst.

**STAFF:** Kerri Jex Mary Norman

**COMMUNITY  
MEMBERS:** None

**ABSENT:** None

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**OPEN SESSION**

**1. CALL TO ORDER:**

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

**2. ROLL CALL:**

Donna Nicely and Peter Boss, MD were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

**3. ADOPTION OF AGENDA:**

**Board Member Nicely motioned to adopt the May 24, 2018 Finance Committee Agenda as presented. Second by Board Member Boss to adopt the May 24, 2018 Finance Committee Meeting Agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes

**4. PUBLIC FORUM FOR OPEN SESSION:**

Board Member Nicely 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 Nicely closed the Hearing Section at 1:30 p.m.

**5. DIRECTOR'S COMMENTS:**

- None

**6. APPROVAL OF MINUTES:**

- None

**7. OLD BUSINESS:**

- None

## **8. NEW BUSINESS\***

### **A. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Operating Budget:**

- Mr. Hamblin provided a briefing on the process to create the budget and provided information on the 2018/2019 Operating Budget:
  - Uses trend of 7 months which is analyzed through managers
  - Views 7 years of previous budgets
  - Volumes from previous and current year are also viewed
  - Managers have budget meetings
  - Salary & wages are 57% of the budget
  - FTE's are reviewed
  - Expenses did not change
  - Grant writer is added in the budget with \$100,000 expense
  - Increase in depreciation expense
  - SNF daily census budget is for 18
  - Budgeted \$250,000 for residency housing (future purchase)
  - X-ray has decrease in budget on staff; ultrasound is increased
  - SNF shows increase due to transition from Acute
  - RT remains the same
  - PT decrease is .2
  - Medical Records remains the same
  - PRIME Project has 3 FTE's and adding an additional employee that will be paid the wages through the grants received
  - Professional fees and purchased services have increased
- The committee had discussion on the Wage & Salary Structure Report and the potential of wage increases. The committee was informed that the report was going to be presented to the HR Committee in a draft form. The HR Department is working with a consultant at this time, the budget shows an increase of 6% to adjust to new scales, and parameters are being set. Similar hospitals are being compared to our district, UNAC nurses by contract-received increases. The 12.4% salary is budgeted for potential increase and additional cost of benefits. The Finance Committee Members would like details on FTE's, per diem's and part time employees; the total employee number has significantly increased, at this time we have 211 employees. The committee also asked staff to follow up on cross training clinic patient access staff to work in the ER on slow days.
- The committee asked what amount of money from the District goes towards the Mom & Dad Project; previous CFO's have informed the Board that the district covers approximately \$50,000 to the Mom & Dad Project; is to be fully grant funded program.

### **B. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Capital Expenditure Budget:**

- Mr. Hamblin reported the following information in regards to the Capital Budget, there are several projects throughout the facility that are on the budget:
  - IT approximately \$300,000
    - \$30,000 disaster – cloud back up and upgrade current system
    - Replace CPSI storage
    - Single sign on solution with badges
    - HIPAA and penetration testing
  - Remodel of administration office of \$50,000 – potential to move walls and make the office more efficient. This will be an OSHPD remodel.



- The committee asked that the cost of the snow blade to be provided. What is the landscaping cost of \$25,000.00 for, this cost for landscaping seems extremely high. The OR upgrade cost seems to be questionable since there is a potential to close the OR. SNF tub replacement cost seems high since the Auxiliary paid for the tub, what is the reason for the additional expenses. The PT Department has asked for an additional laser machine and before this item is purchased, the Finance Committee would like to see a breakdown of patient volume on the current unit and is there a patient volume increase for a second unit.
- Board Member Nicely stated that \$250,000 for a home is lower than what is expected; would like approximately \$300,000 towards the cost. There is no budget for furnishing the home and would like this also added to the budget; appliances, furniture and fixtures for the potential purchase of a home. Maintenance has two line items for cameras and would like to know why and what the items entail. The exterior work at the RHC is on the budget and would like additional information, The sprinkler head replacement needs to be detailed, and how many televisions will be replaced in the patient rooms. The business office paint; is that interior or exterior or booth, cost to purchase practice is not included in the budget, potential office space rental does not have cost for office equipment or if there is additional staff that needs to be hired. Board Member Nicely asked for these items to be addressed at the next committee meeting.

**Board Member Nicely motioned to schedule a Special Finance Committee for June 1<sup>st</sup> at 12:00 pm and would like both agenda items brought back to the meeting. Second by Board Member Boss to schedule a Special Finance Committee for June 1<sup>st</sup> at 12:00 pm and would like both agenda items brought back to the meeting. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes

## **9. ADJOURNMENT\***

**Board Member Nicely motioned to adjourn at 2:45 p.m. Second by Board Member Boss to adjourn. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Nicely- yes
- Board Member Boss- yes



***Fire Master Plan Study  
Big Bear Fire Department, California***

**matrix**   
consulting group

# Purpose of the Study

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- ◆ To provide information about the current response system and service levels
- ◆ To project fire service needs and workloads
- ◆ To identify decision points requiring changes in:
  - Service levels
  - Coverage areas
  - Operations
  - Capital



# Study Steps

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- ◆ Extensive input from internal and external stakeholders
- ◆ In depth data collection
- ◆ Analysis of workloads
- ◆ Identification of current gaps

# Station and Apparatus Staffing

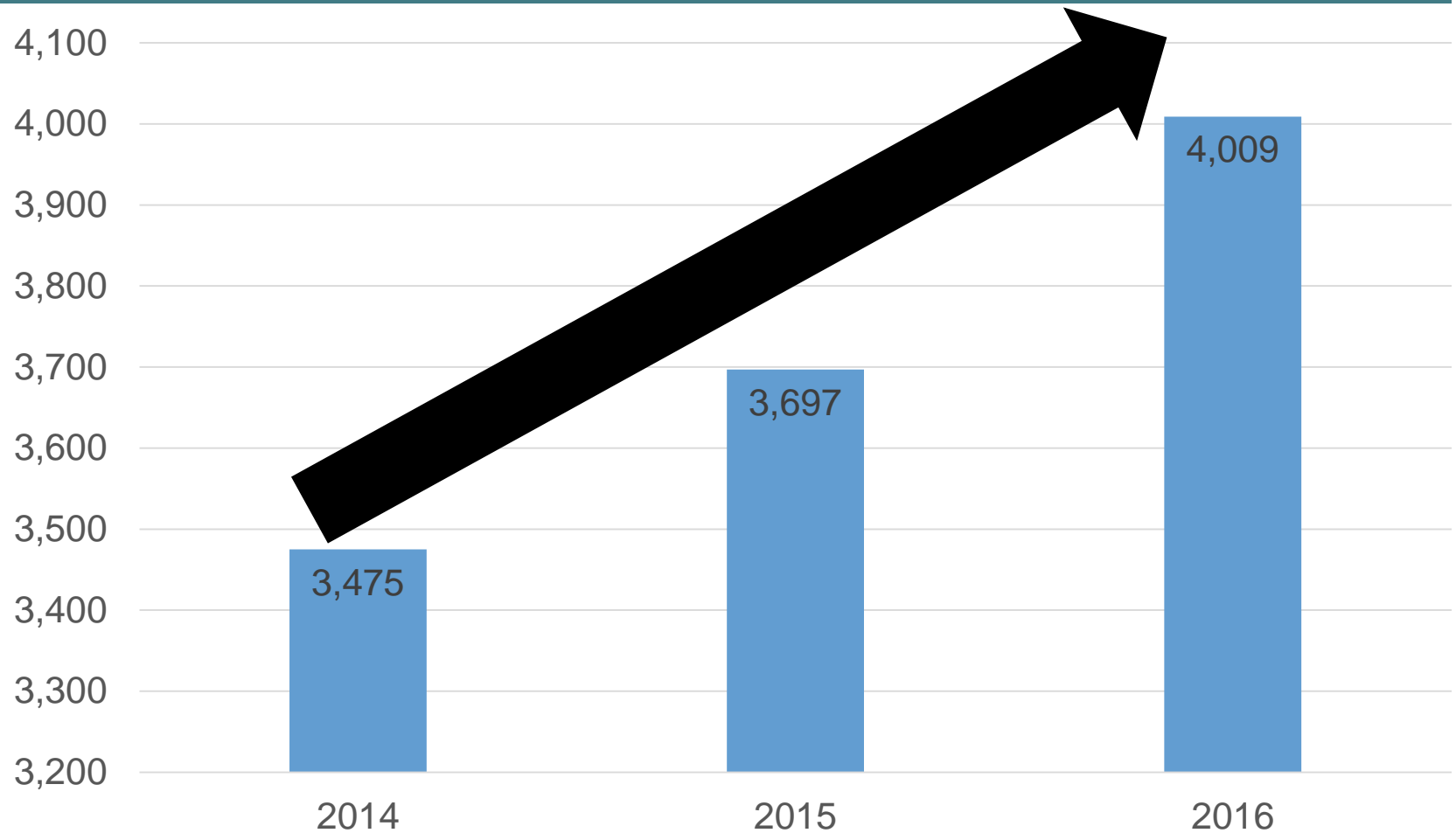
Station	Apparatus	Staffing Level
281 Big Bear Lake	Medic Engine 281	3
	Medic Ambulance 281	2
282 Big Bear City	Medic Engine 282	2
	Medic Ambulance 282	2
	Medic Ambulance 282A	2
283 Sugarloaf	Medic Engine 283	2
	Medic Ambulance 283	
284 Baldwin Lake	Engine 3568	Cross Staffed
Boulder Bay	No Staffing	
Moonridge	No Staffing	
Total		13

# Current Workloads Total

Incident Type	2014	2015	2016	% Change
Auto Accidents	178	207	237	33.2%
Fire Alarm Activations	327	327	394	20.5%
Emergency Medical	2,401	2,553	2,543	5.91%
Mutual Aid Calls	10	7	14	40.0%
Investigations	246	259	326	32.5%
Other Fire Calls	115	156	265	130.4%
Vehicle Fires	14	10	7	-50.0%
Public Assist	109	92	126	15.6%
Structural Fires	44	54	62	40.9%
Wildland/Vegetation	31	32	35	12.9%
<b>Total</b>	<b>3,475</b>	<b>3,697</b>	<b>4,009</b>	<b>15.4%</b>



# Calls by Year – All Calls



# System Performance – High Priority

Big Bear 2016 Overall High Priority Call Performance			
2016	Call Processing	Turnout Time	Travel Time
10%	4:02	3:03	12:55
20%	2:34	2:23	8:45
30%	1:55	1:55	6:58
40%	1:34	1:35	5:51
NFPA Standard	1:00	1:30	4 min. EMS 5 min. Fire

# System Performance – High Priority

Big Bear 2016 Overall High Priority Call Performance			
2016	Call Processing	Turnout Time	Travel Time
Call 1	3:15	1:14	6:45
Call 2	3:14	2:19	8:19
Call 3	2:45	1:19	11:24
Call 4	3:51	0:22	5:15
NFPA Standard	1:00	1:30	4 min. EMS 5 min. Fire



# System Reliability

## ◆ Concurrent Calls for Service

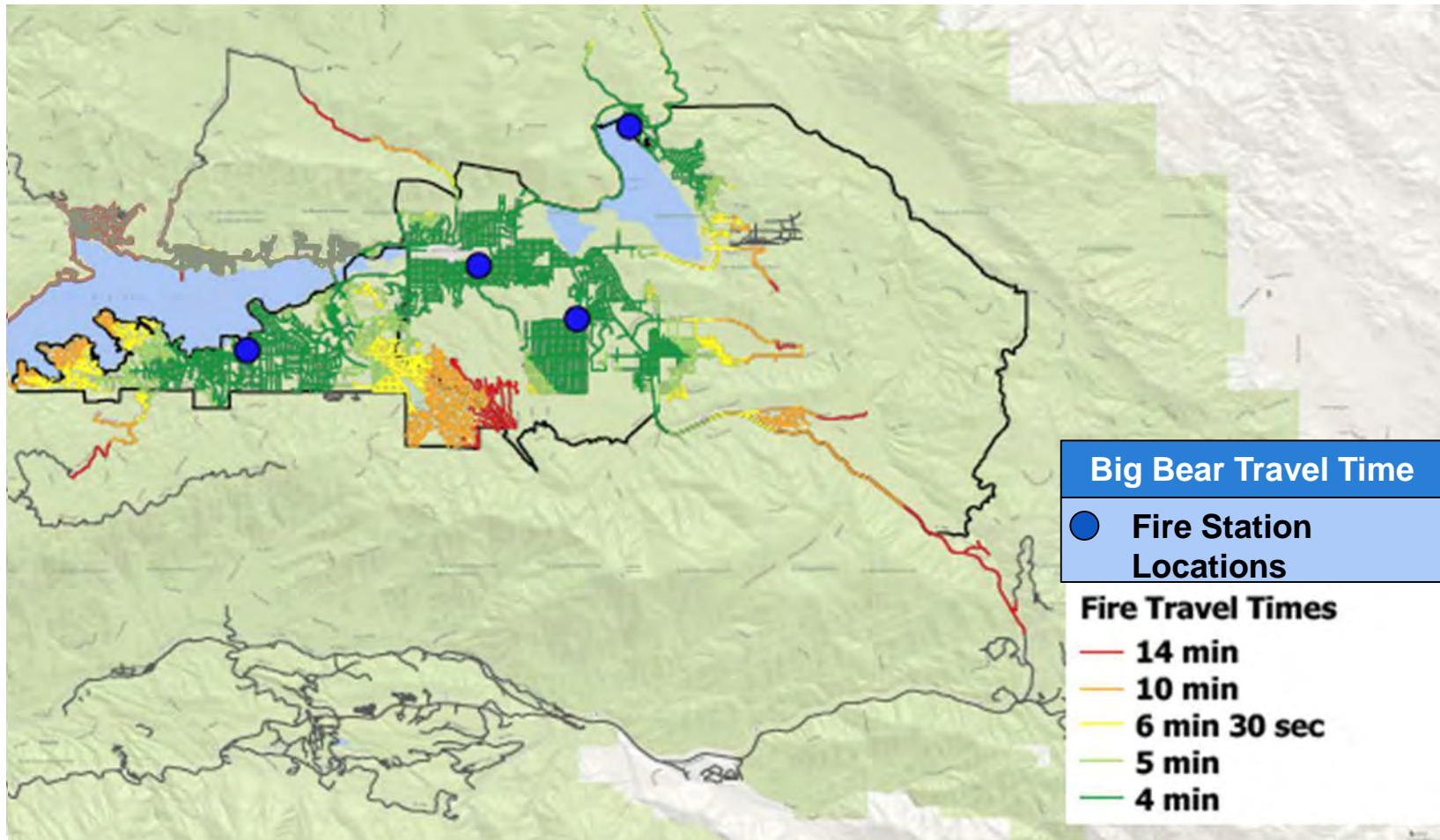
	2014	2015	2016
% of Total Calls	22.2%	24.4%	25.4%*

## ◆ Reliability (Concurrent calls create unavailable units)

	2014	2015	2016
% Unavailable	29.3%	30.7%	35.3%*

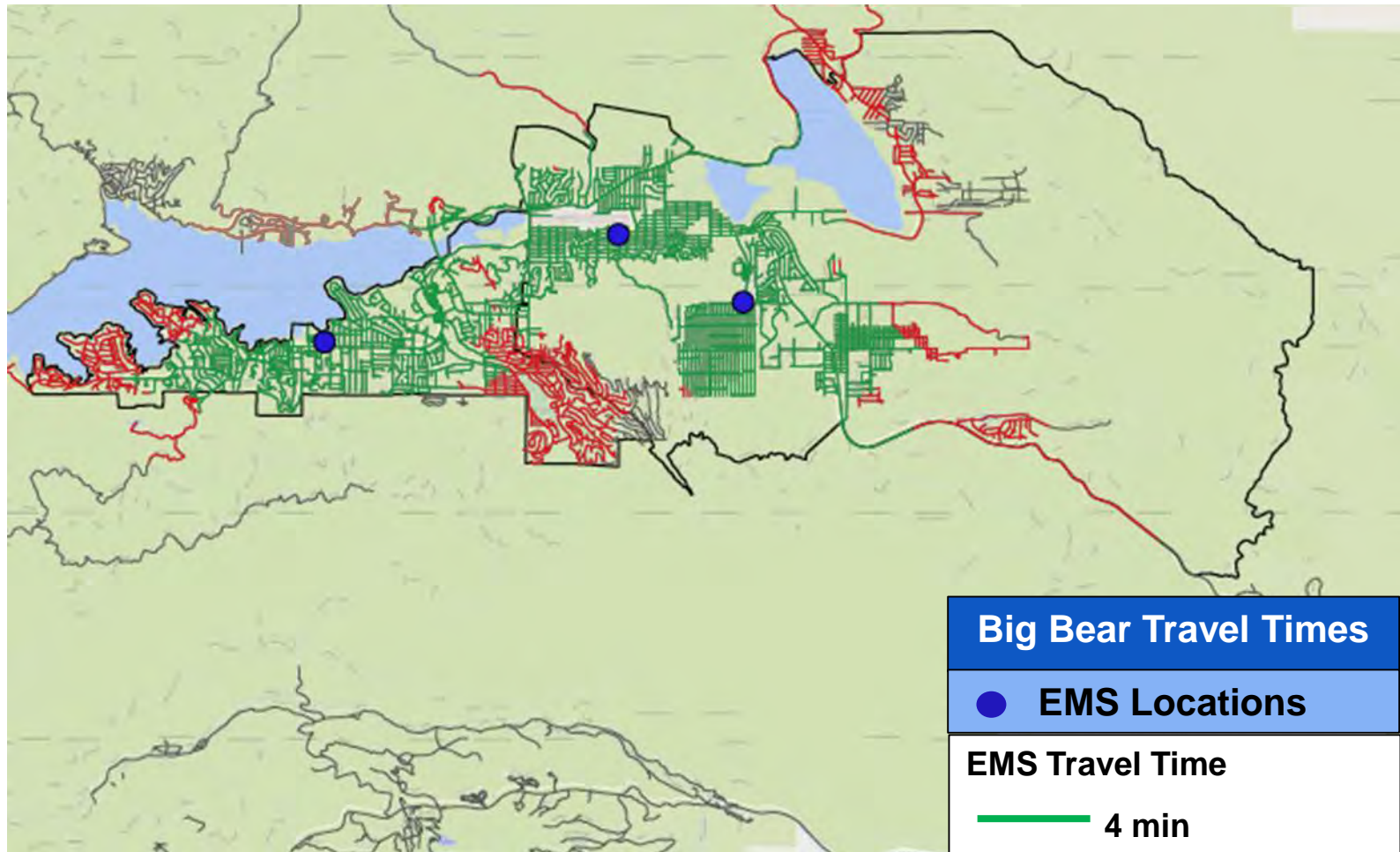
\* Does Not Include 434 Intrafacility Hospital Transfers

# Fire Travel Times



NFPA Standard Travel Time = 5 minutes

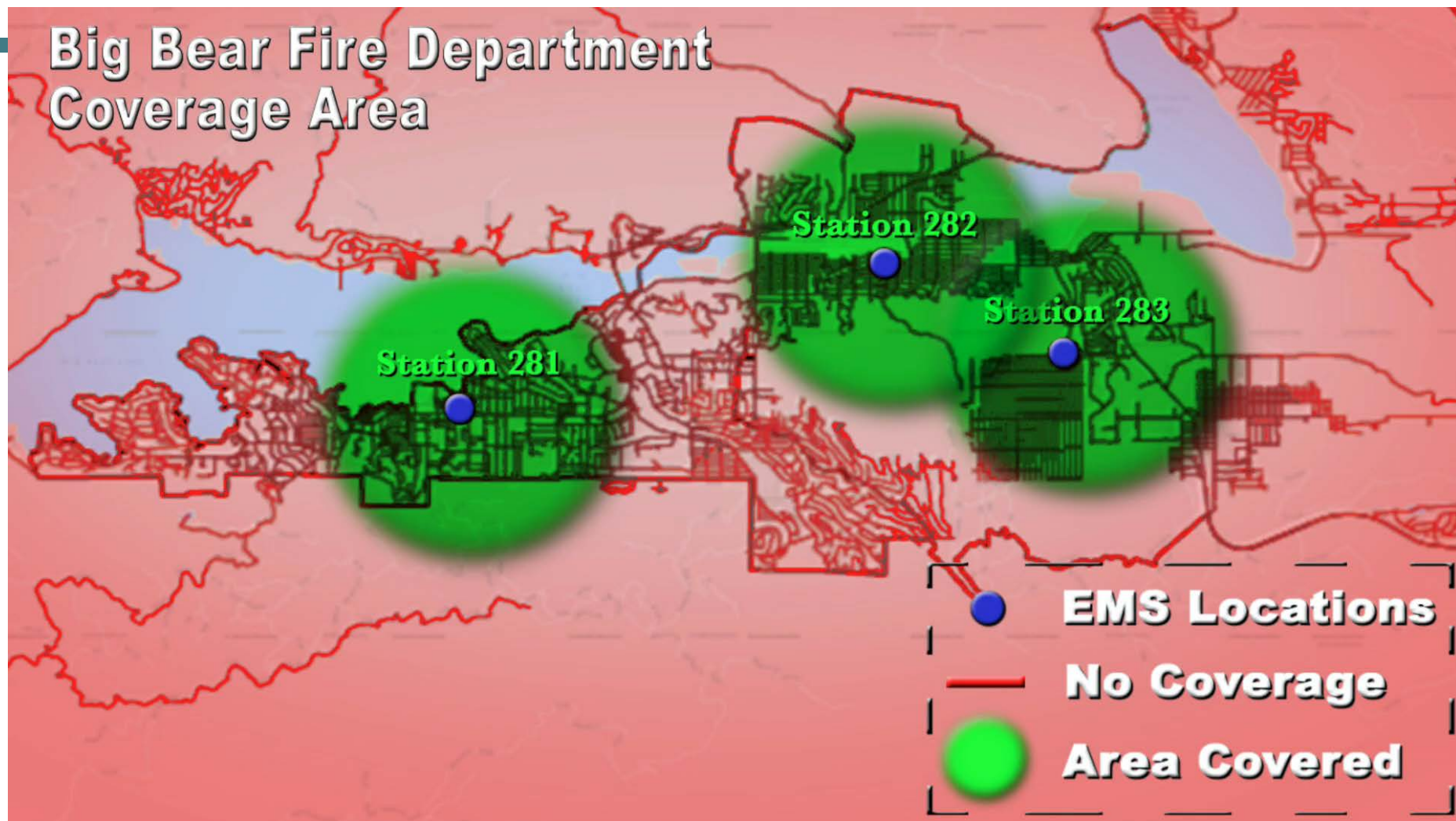
# EMS Travel Times



NFPA Standard Travel Time = 4 minutes



# Big Bear Fire Department Coverage Area



# Personnel Required for Critical Fire Scene Operations

Critical Task	Maximum Risk	High Risk	Moderate Risk	Low Risk
Attack Line	4	4	4	2
Structure Search & Rescue	4	2	2	0
Ventilation	4	2	2	0
Backup Line	2	2	2	2
Rapid Intervention	2	2	0	0
Pump Operator	1	1	1	1
Water Supply	1*	1*	1*	1*
Support (Utilities)	1*	1*	1*	1*
Command	1	1	1	1
Safety Officer	1	1	1	1
Salvage/Overhaul	2	0	0	0
Command Aid	1	1	0	0
Operations Chief	1	1	0	0
Logistics	1	0	0	0
Planning	1	0	0	0
Staging Officer	1	1	0	0
Rehabilitation	1	1	0	0
Division Supervisors	2	1	0	0
High-rise Evacuation	10	0	0	0
Stairwell Support	10	0	0	0
<b>Total Personnel</b>	<b>50-51</b>	<b>21-22</b>	<b>14-15</b>	<b>8-9</b>

\*Can be performed by same person

# Short-Term Recommendations – 5 Years

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## ◆ **Staffing:**

- Increase Engine Company Staffing to 3 Personnel Per Shift
- Add Ambulance and Staffing to Response System
- Staff Moonridge Station
- Fill Vacant 3<sup>rd</sup> Battalion Chief Position

## ◆ **Capital:**

- Type 1 Structure Engine
- Type 3 Brush Engine
- Staff vehicle replacement
- Construct Fire Station in Moonridge
- Construct Fire Station in Sugarloaf



# Long-Term Needs – 6 to 20 Years

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- ◆ Relocation of Baldwin Lake Station to Improve Response Times
- ◆ Possible Staffing of Boulder Bay Station

# Call to Action

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**The Fire Department is asking for one or more members of your organization to be part of this planning process**



**PLEASE SIGN UP TODAY!**

Or contact Dawn Marschinke at  
(909) 866-7566 or [dmarschinke@bigbearfire.org](mailto:dmarschinke@bigbearfire.org).



## Contract Cover Sheet

Contract Name: STEVEN KNADIK D.D.

Purpose of Contract: HOSPITALIST SERVICE

Contract # / Effective Date / Term 1 8-1-18 - 7-31-20

Originating Dept. Name / Number: ADMIN

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

BAA: Yes No

on file

W-9: Yes No

on file

<u>Administrative Officer</u>	Signature: <u>Kerrifox</u>	Date: <u>5/8/18</u>
<u>HIPAA/Privacy Officer</u> (as appropriate)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>via email</u>	Date: <u>5/3/18</u>
<u>Compliance Officer</u>	Signature: <u>Mary Norman</u>	Date: <u>5/18/18</u>
<u>Chief Financial Officer</u>	Signature: <u>Southwell</u>	Date: <u>16 May 2018</u>
<u>Chief Executive Officer</u>	Signature: <u>John Frew</u>	Date: <u>5/21/18</u>
<u>Board of Directors</u> When Applicable	Signature: _____	Date: _____

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

## **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 5/2017





**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
PHYSICIAN AGREEMENT FOR HOSPITALIST SERVICES  
WITH  
STEVEN KNAPIK, D.O.**

THIS PHYSICIAN AGREEMENT FOR HOSPITALIST SERVICES ("Agreement") is made and entered into as of the 1st day of August, 2018 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Steven Knapik, D.O., ("Physician").

**RECITALS**

WHEREAS, Hospital, is the owner and operator of a general acute care hospital located in Big Bear Lake, California.

WHEREAS, Physician is licensed by the Osteopathic Medical Board of California to practice medicine, board certified in internal medicine and is qualified to perform physician services for the hospital's patients.

WHEREAS, Hospital and Physician desire to enter into this Agreement pursuant to which Physician shall provide Hospitalist 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 render such Hospitalist Services as may be required for the care and treatment of Hospital's inpatients requiring said services in accordance with the prevailing standard of care in the community, including 24 hour on-call coverage as scheduled by mutual agreement between Hospital Administration and Physician.
  2. Physician shall complete and maintain adequate and proper medical records with respect to all patients examined and treated in accordance 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 (12) month 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/her 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/herself in a manner consistent with the principles of medical ethics promulgated by the American Medical Association; and comply with the Hospital's 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 its Chief Executive Officer, in connection with providing the Services.

## **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 its 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;
- 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 and
- 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 internists/hospitalists 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 or intentional acts, errors or omissions of Physician, including those relating to Physician's billing practices; (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 AND BILLING FOR PHYSICIAN SERVICES.**

- A. On a monthly basis, Hospital shall pay Physician, as sole compensation hereunder, a fee of \$1,400.00 per 24 hour shift worked. 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.
- B. Physician shall be solely responsible for billing and submitting claims to third party payors, including all government sponsored programs, for Professional Services rendered pursuant to this Agreement. Physician shall also be solely responsible for collecting

payment from any such third party payors. Physician agrees to follow all applicable rules, regulations, laws and policies pertaining to billing practices.

## **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 August 01, 2018 to July 31, 2020; however this Agreement is subject to early termination as provided in Section. VIII. below.

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

- A. Hospital may terminate this Agreement immediately upon written notice to Physician based on the occurrence of any of the following events:
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;
  3. Medicare and/or Medi-Cal significantly changes the RHC program;
  4. Hospital fails to maintain RHC status;
  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 fails to complete medical records in a timely fashion;
  8. Physician fails to maintain the minimum professional liability insurance coverage;
  9. Physician inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
  10. 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;
  11. Physician is unable to provide medical services under the terms of this Agreement due to a physical or mental disability;
  12. Physician becomes impaired by the use of alcohol or the abuse of drugs;

13. Physician is convicted of any criminal offense, regardless of whether such action arose out of Physician's provision of professional services;
14. 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
15. 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 ninety (90) days prior written notice.

D. This Agreement may be terminated automatically upon mutual written agreement terminating This Agreement entered into by Hospital and Physician.

E. **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.

F. **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 into any new agreement or arrangement during the remainder of such twelve (12) month period for similar services.

## **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 (including Family Health Center 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 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. INSURANCE.**

**PROFESSIONAL LIABILITY.** Physician shall maintain, at Physician's sole expense, a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Physician 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 (\$1,000,000.00) per claim/Three Million Dollars (\$3,000,000.00) annual aggregate for "claims made" insurance coverage. Physician 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 thereof, and for a period thereafter of no less than three (3) years. In order to maintain continuous coverage for the entire relevant term Physician 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. Physician 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, Physician shall give Hospital written notice thereof within thirty (30) business days of Physician's receipt of such notification from any of his/her insurers.

#### **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 on the date of personal deliver or, if mailed, two (2) business days 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: Steven Knapik, DO  
P. O. Box 7007  
Big Bear Lake, CA 92315

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

This Contract 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 XX. HIPAA BUSINESS ASSOCIATE AGREEMENT.**

The parties have concurrently with the execution of this Agreement, executed Exhibit A 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: \_\_\_\_\_  
Rob Robbins, President, Board of Directors  
Bear Valley Community Healthcare District  
P. O. Box 1649  
Big Bear Lake, CA 92315

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Steven Knapik, D.O.  
P. O. Box 7007  
Big Bear Lake, CA 92315



## Contract Cover Sheet

Contract Name: Calvin Prossman D.C.  
Purpose of Contract: CLIN. CH. PRAC  
Contract # / Effective Date / Term: 1 7-11-18 - 7/10/20  
Originating Dept. Name / Number: Admin  
Department Manager Signature: Smurwick Date: 4-30-18  
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/Privacy Officer</u> (as appropriate)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>via email</u>	Date: <u>5-4-18</u>
<u>Compliance Officer</u>	Signature: <u>Mary Norman</u>	Date: <u>4/30/18</u>
<u>Chief Financial Officer</u>	Signature: <u>[Signature]</u>	Date: <u>30 APR 2018</u>
<u>Chief Executive Officer</u>	Signature: <u>[Signature]</u>	Date: <u>5/17/18</u>
<u>Board of Directors</u> When Applicable	Signature: _____	Date: _____

1. Final Signatures on Contract, BAA & W-9: Date: \_\_\_\_\_
2. Copy of Contract/BAA/W-9 forwarded to Department Manager: Date: \_\_\_\_\_
3. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable): Date: \_\_\_\_\_
4. Copy of Contract/BAA/W-9 scanned/mailed to Controller and Legal: (if applicable) 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 5/2017





**FAMILY HEALTH CENTER CHIROPRACTIC SERVICES AGREEMENT  
BETWEEN  
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
AND  
CALVIN P. PRAMANN, D.C.**

THIS AGREEMENT ("Agreement") is made and entered into as of the 11 day of July 2018 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Calvin P. Pramann, D.C. ("Chiropractor").

**RECITALS**

WHEREAS, Hospital, a licensed California hospital, has a Federally approved hospital-based 95-2310 Rural Health Clinic ("RHC"), under which Hospital may contract health care providers to provide medical treatment to its RHC patients. The RHC will be referred to as the "Family Health Center"; and

WHEREAS, Chiropractor is licensed by the California State Board of Chiropractic Examiners; and

WHEREAS, Hospital desires to retain the services of Chiropractor and Chiropractor desires to so contract with Hospital.

**AGREEMENTS**

**SECTION I. RESPONSIBILITIES OF CHIROPRACTOR.**

- A. **SERVICES.** During the term of this Agreement, Chiropractor agrees to the following:
1. Chiropractor shall provide professional chiropractic services at the Family Health Center practicing a minimum of 4 (four) hours per week.
  2. Chiropractor shall maintain 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. Chiropractor shall cooperate with any quality management and utilization management programs instituted by Hospital.
- B. **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 Chiropractor shall make available to the Secretary those contracts, books, documents, and Records necessary to verify the nature and extent of the cost of providing his services.
- C. If Chiropractor carries 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; Chiropractor 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, (S952)(v)(1) of the Social Security Act and regulations promulgated thereunder.

- D. If Chiropractor carries out any of the duties of the Agreement through a subcontract with a value of \$10,000 or more over a 12 (twelve) month period with any other individual or organization; Chiropractor agrees to specify that all terms of this Agreement shall be explicitly incorporated by reference into said subcontract.
- E. **ETHICS.** In performing services under this Agreement, Chiropractor 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 highest standards of chiropractic treatment; conduct himself in a manner consistent with the principles of medical ethics promulgated by the California Board of Chiropractic Examiners and the American Chiropractic Association; and comply with all applicable Hospital rules and regulations.
- F. In respect to Chiropractor's performance of Chiropractor's professional duties, the Hospital shall neither have nor exercise control or direction over the specific methods by which Chiropractor performs Chiropractor'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.
- G. Chiropractor recognizes that the professional reputation of the Hospital is a unique and valuable asset. Chiropractor shall not make any negative, disparaging, or unfavorable comments regarding the Hospital or any of its owners, officers, employees to any person, either during the term of this Agreement or following termination of this Agreement.

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

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

- A. Chiropractor is not bound by any agreement or arrangement which would preclude Chiropractor from entering into, or from fully performing the services required under this Agreement;
- B. Chiropractor's license to perform chiropractic services 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. Chiropractor's 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. Chiropractor 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 its Medical Staff;
- E. Chiropractor has not in the past conducted and is not presently conducting his practice in such a manner as to cause Chiropractor 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. Chiropractor has, and shall maintain throughout the term of this Agreement, an unrestricted license to practice in the State of California;
- G. Chiropractor 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 Chiropractor 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 Chiropractor and (2) any allegation of substandard care or professional misconduct raised against Chiropractor by any person, organization, governmental agency, health care facility, peer review organization or professional society;
- H. Chiropractor agrees to promptly disclose any change to the status of his license to practice medicine or any changes the status of any privileges Chiropractor may have at any other health care facility;
- I. Chiropractor shall deliver to the Hospital promptly upon request copies of all certificates, registrations, certificates of insurance and other evidence of Chiropractor's compliance with the foregoing as reasonably requested by the Hospital;
- J. Chiropractor 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 Chiropractor to Hospital/Clinic's patients. If Hospital/Clinic deems it advisable for Doctor to contract with a payer with which Hospital/Clinic has a contract, Chiropractor agrees in good faith to negotiate a contractual agreement equal to the reasonable prevailing reimbursement rates for chiropractors within the geographic area of Hospital/Clinic.

### **SECTION III. INDEPENDENT CONTRACTOR.**

In performing the services herein specified, Chiropractor is acting as an independent contractor, and shall not be considered an employee or agent 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. Chiropractor shall be liable for Chiropractor's own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and benefits. As an independent contractor, Chiropractor is responsible for filing such tax returns and paying such self-employment taxes as may be required by law or regulations.

### **SECTION IV. COMPENSATION.**

At the end of each month Chiropractor shall submit to the Hospital a completed time sheet of time spent in the Family Health Clinic seeing patients. Upon receipt of completed and signed provider time sheet for services rendered under this Agreement, Hospital shall pay Chiropractor as sole compensation hereunder on a fee per visit basis at \$65.00 (sixty-five dollars) per visit, payable on or before the 10<sup>th</sup> day of the month, following the month when services are rendered. Chiropractor agrees to accept this payment as sole compensation for the professional services rendered pursuant to this agreement.



## **SECTION V. COMPLIANCE.**

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

At a minimum, Chiropractor is expected to:

- (1) Be aware of those procedures which affect the chiropractor and which are necessary to implement the Compliance Program, including the mandatory duty of contractor 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 chiropractor'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 Chiropractor's arrangement with the Hospital and may be grounds for action by Hospital, including termination of the relationship.

## **SECTION VI. TERM.**

The term of this Agreement shall commence on July 11, 2018 and terminate on July 10, 2020, subject to early termination as provided below.

## **SECTION VII. EARLY TERMINATION.**

- A. Hospital may terminate this Agreement immediately in the event that:
1. Chiropractor's breaches any material term of this Agreement;
  2. Chiropractor's Chiropractic license is suspended, revoked, terminated, or otherwise restricted;
  3. Chiropractor's staff privileges at this Hospital or any other health care facility are in any way suspended, revoked, or otherwise restricted;
  4. Chiropractor's failure to comply with the standards of the Hospital's Compliance Program;
  5. Chiropractor fails to complete medical records in a timely fashion;
  6. Fails to maintain the minimum professional liability insurance coverage;
  7. Chiropractor inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
  8. Chiropractors 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;
  9. Chiropractor is unable to provide chiropractic services under the terms of this Agreement due to a physical or mental disability;
  10. Chiropractor becomes impaired by the use of alcohol or the abuse of drugs;
  11. Chiropractor is convicted of any criminal offense, regardless of whether such action arose out of Chiropractor's provision of professional services;
  12. Chiropractor commits any act of fraud as determined by reasonable discretion of the Hospital Board whether related to the Chiropractor's provision of professional services or otherwise; or

13. A mutual written agreement terminating this Agreement is entered into between the Hospital and Chiropractor.

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

C. This Agreement may be terminated automatically upon mutual written agreement terminating this Agreement entered into by Hospital and Chiropractor.

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

F. **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 into any new agreement or arrangement during the remainder of such twelve (12) month period for similar services.

## **SECTION VIII. CONFIDENTIALITY.**

Contractor 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 (including Family Health Center patients), and Chiropractor 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. Chiropractor is full bound by the provisions of the federal regulations governing Confidentiality of Alcohol and drug Abuse Patient Records as codified at 42 C.F.R. Chapter1, 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 IX. INSURANCE.**

Chiropractor shall maintain, at Chiropractor's sole expense, a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Chiropractor as the named insured, and such policy shall cover any acts of Chiropractor'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. Chiropractor 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 Chiropractor 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. Chiropractor 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, Chiropractor shall *give* Hospital written notice thereof within thirty (30) business days of Chiropractor's receipt of such notification from any of its insurers. In the event Chiropractor fails 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, Chiropractor shall reimburse Hospital for the cost thereof, and failure to repay the same upon demand by Hospital shall constitute a material breach hereunder.

#### **SECTION X. ASSIGNMENT.**

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

#### **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, CEO  
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
P. O. Box 1649  
Big Bear Lake, CA 92315

Chiropractor: Calvin P. Pramann, D.C.  
Pramann Chiropractic Center  
P. O. Box 297  
Big Bear City, CA 92314

#### **SECTION XII. PRE EXISTING AGREEMENT.**

This Contract replaces and supersedes any and all prior arrangements for services rendered to Family Health Center, or understandings by and between Hospital and Chiropractor 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, for services rendered to Family Health Center, 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 Chiropractor are conditioned on any requirement that Chiropractor make referrals to, be in a position to make or influence referrals to, or otherwise generate business for Hospital or Hospital's facilities. The parties further acknowledge that Chiropractor is not restricted from establishing privileges at, referring any service to, or otherwise generating any business for any other facility of Chiropractor's choosing.

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

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

**SECTION XIX. HIPAA BUSINESS ASSOCIATE AGREEMENT.**

The parties have concurrently with the execution of this Agreement, executed Exhibit A 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: \_\_\_\_\_  
Rob Robbins, Board Chair  
Bear Valley Community Healthcare District  
P. O. Box 1649  
Big Bear Lake, CA. 92315

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Calvin P. Pramann, D.C.  
P. O. Box 297  
Big Bear City, CA 92314



## MEMO

Date: 5 June 2018  
To: BVCHD Finance Committee  
From: Garth M Hamblin, CFO  
Re: JWT & Associates, FY 2018 Independent Auditor

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### Recommended Action

Approve JWT & Associates, to conduct FY 2018 Audit

### Background

Jerrel Tucker, CPA, of JWT & Associates, has conducted our independent audit for a number of years. Our recommendation is that he and his firm conduct our audit for fiscal year ending June 30, 2018 (July 1, 2017 through June 30, 2018)

Costs would be \$25,000 audit fee and reimbursement of out-of-pocket expenses.

# **JWT & Associates, LLP**

## **Advisory Assurance Tax**

1111 E. Herndon Avenue, Suite 211, Fresno, CA 93720

Voice: (559) 431-7708 Fax: (559) 431-7685

May 16, 2018

Garth Hamblin, CFO  
Bear Valley Community Healthcare District  
PO Box 1649  
Big Bear Lake, CA 92315

We are pleased to confirm our understanding of the services we are to provide for Bear Valley Community Healthcare District (the District) for the year ended June 30, 2018. We will audit the financial statements of the District, which comprise the statement of net position as of June 30, 2018, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the board of directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or we may withdraw from this engagement.



### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

The auditors' procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid antifraud and abuse. It is the responsibility of management of the entity, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provision of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements. Therefore, management's responsibilities for compliance with laws and regulations applicable to its operations, include, but are not limited to, those related to Medicare and Medicaid antifraud and abuse statutes.

### **Other Services**

We will also assist in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you.

### **Management Responsibilities**

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon.

Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### **HIPAA Business Associate Agreement**

You agree that you are solely responsible for the accuracy, completeness, and reliability of all data and information you provide us for our engagement. You agree to provide any requested information on or before the date we commence performance of the services. To protect the privacy and provide for the security of any protected health information, as such is defined by the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, and the regulations and policy guidance thereunder (HIPAA), we shall enter into a HIPAA Business Associate Agreement.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers. We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of JWT & Associates, LLP (JWT) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to authorized regulators or their designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of JWT personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators or their designee. The regulators or their designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.



Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$25,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered periodically as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*JW7 & Associates, LLP*

RESPONSE:

This letter correctly sets forth the understanding of Bear Valley Community Healthcare District.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## **FY 2019 Budget (July 1, 2018 through June 30, 2019)**

**Overview of Process** - Heads of each Department received budget worksheets containing historical information - statistics, staffing, revenue, and expenses. The worksheets also included information for the first 7 months of the current fiscal year with a projection through the end of the current fiscal year. Managers reviewed these and updated for FY 2019 budget request which was submitted to the Accounting staff. After input into the budget model, the CFO and Controller met with each department head to review and discuss their budget proposal. This included a review of Capital requests, Statistics (including discussion of any changes seen or projected - which drives revenue projections), detailed review of FTE (Full Time Equivalent employees) by individual and position, and review of Expenses by account code.

### **Overall Summary -**

#### **Margins –**

Operating Margin is Income from Operations over Total Patient Revenue.

Total Margin is “Surplus” (Net Income) over Total Patient Revenue

The budget presented here shows an Operating Margin of 1.6% ( we are on a pace for Operating Margin of 0.7% in the current year), and a 6.0% Total (surplus of \$3,32,622 over Total Patient Revenue of \$55,822,262).

Historical Net Margins have been -

	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimate FY 2018	Budget FY 2019
Operating Margin	-1.80%	0.40%	4.00%	0.7%	1.6%
Total Margin	4.20%	6.20%	8.90%	5.2%	6.0%

Overall budget P & L for the budget year with Prior and Current year comparisons follow on the next page –

**BEAR VALLEY COMMUNITY HOSPITAL**  
FY 6/30/19 BUDGET

	ACTUAL FY 6/30/17	ESTIMATE FY 6/30/18	BUDGET FY 6/30/19	VARIANCE FROM CURR EST	PERCENT CHANGE from Current
GROSS PATIENT REVENUE					
INPATIENT REVENUE	2,668,176	1,930,883	2,090,851	159,968	8.3%
OUTPATIENT REVENUE	43,814,804	48,515,436	50,659,156	2,143,719	4.4%
LONG TERM CARE	2,956,461	3,098,492	3,072,255	(26,236)	-0.8%
TOTAL PATIENT REVENUE	49,439,441	53,544,811	55,822,262	2,277,451	4.3%
REVENUE DEDUCTIONS					
CONTR. ADJ.-CURR.	23,739,041	28,308,935	28,473,631	164,696	0.6%
PROV.FOR BAD DEBTS	1,929,651	1,406,755	1,630,010	223,255	15.9%
TOTAL REVENUE DEDUCTIONS	25,668,691	29,715,690	30,103,641	387,951	1.3%
<b>NET PATIENT REVENUE</b>	23,770,749	23,829,120	25,718,620	1,889,500	7.9%
OTHER OPERATING INCOME	909,802	332,724	556,841	224,117	67.4%
NET OPERATING REVENUE	24,680,551	24,161,844	26,275,461	2,113,617	8.7%
OPERATING EXPENSES					
SALARY & WAGES	9,168,859	9,673,302	10,305,235	631,933	6.5%
EMPLOYEE BENEFITS	3,568,108	3,610,513	4,267,429	656,916	18.2%
PROFESSIONAL FEES	1,781,433	1,975,152	1,976,024	872	0.0%
SUPPLIES	1,469,766	1,564,830	1,595,842	31,012	2.0%
UTILITIES	533,430	493,062	499,959	6,897	1.4%
REPAIR	314,833	350,860	336,079	(14,781)	-4.2%
PURCHASED SERVICES	3,582,789	4,082,276	3,998,657	(83,619)	-2.0%
INSURANCE	300,352	309,215	323,700	14,485	4.7%
DEPRECIATION & AMORT	619,591	790,959	980,000	189,041	23.9%
RENTAL EXPENSE	277,463	324,273	253,356	(70,918)	-21.9%
INTEREST	96,343	93,392	93,392	0	0.0%
DUES & SUBSC	60,739	58,215	70,907	12,692	21.8%
OTHER EXPENSE	948,016	474,052	672,291	198,239	41.8%
<b>TOTAL OPERATING EXPENSE</b>	22,721,723	23,800,101	25,372,870	1,572,769	6.6%
<b>INCOME (LOSS) FROM OPERATIONS</b>	1,958,828	361,743	902,591	540,848	149.5%
NON-OPERATING INCOME					
TAX REVENUE	2,301,190	2,210,931	2,210,931	0	0.0%
OTHER NON-OPERATING	152,839	186,275	219,100	32,825	17.6%
NET NON-OPERATING	2,454,029	2,397,206	2,430,031	32,825	1.4%
<b>NET INCOME (LOSS)</b>	4,412,856	2,758,949	3,332,622	573,673	20.8%
=====					

total margin	8.9%	5.2%	6.0%
operating margin	4.0%	0.7%	1.6%
SW&B % tot oper exp	56.1%	55.8%	57.4%
rev ded % tot pat rev	52%	55%	54%



## Statistics

The following is a comparison of key statistics used in the budget and some historical information. We have not budgeted big increases in any of these statistics for the budget year and in some cases are budgeting decreases.

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected	FY 2019 Budget
Inpatient	459	444	652	880	861	565	565
Acute Days	459	444	398	468	414	254	283
Swing Days			254	412	447	311	283
SNF Days	7,074	6,600	5,620	5,289	6,667	6,962	6,570
Emergency Room	9,672	9,373	10,593	11,184	11,315	11,877	12,115
OR	290	270	233	105	101	166	105
Lab	59,512	61,188	73,339	78,916	71,870	74,114	74,225
EKG	2,558	2,701	3,473	3,655	3,344	3,721	3,721
Radiology	10,195	9,947	10,334	10,380	9,959		
Mammography			771	633	414		
Radiology incl Mammo			11,105	11,013	10,373	11,133	10,375
Ultrasound	1,734	1,883	1,967	2,366	2,488	2,725	2,725
CT	2,894	3,045	3,362	3,575	3,081	3,144	3,144
Pharmacy	41,816	39,320	47,850	60,181	58,802	50,755	59,000
RT	1,542	2,037	2,084	1,684	1,501	1,620	1,551
PT	8,016	12,086	14,245	13,406	18,914	16,262	16,400
FHC	8,699	12,730	17,420	17,939	18,518	18,518	18,200
RHC Medical	5,200	3,501	667	-	593		
RHC Dental	806	962	464	-	1,339		
RHC (incl Dental)	6,006	4,463	1,131	-	1,932	3,677	3,700
combined clinics	14,705	17,193	18,551	17,939	20,450	22,195	21,900
adc snf	19.38	18.08	15.40	14.49	18.27	19.07	18.00

We have seen an increase in average daily census on the Skilled Nursing Facility from 14.5 in fiscal year 2016 to a projected 19.07 in fiscal year 2018. We are budgeted an average daily census of 18.0 for fiscal year 2019 budget.

We have seen steady growth in ER Visits since FY 2014.

## FTE / Salaries and Wages

Salaries, Wages, and Benefits make up 57.0 % of Total Operating Expenses. The current fiscal year salaries wages and benefits are 55.8% of total operating expenses. For fiscal year 2017 salaries wages and benefits were 56.1% of total operating expenses.

For the current fiscal year, FTE are running below the budget by 5.1 or 3.0%. The table below summarizes FTE by Department for the FY 2019 budget. The budget is for a total of 169.3 FTE.

	Dept	FY 2015	FY 2016	FY 2017	FY 2018 YTD	FY 2018 Budget	FY 2019 Budget	change from budget
Acute	006170	5.6	6.1	6.0	5.4	8.3	7.1	1.20
SNF	006582	22.0	21.0	21.9	22.7	21.2	22.4	(1.20)
ER	007010	18.0	20.0	19.7	20.1	21.3	21.3	0.00
Risk / Compl	008754			0.4	1.0	1.0	1.0	0.00
RHC	007181	1.2	-	0.7	1.8	2.3	2.3	0.00
OR	007420	1.4	1.2	1.3	1.9	2.1	2.1	0.00
DISASTER	008490	0.4	0.5	0.4	0.2	0.2	0.2	0.00
LAB	007500	8.3	8.6	8.2	8.9	8.9	8.9	0.00
XRAY	007630	8.2	7.2	6.6	7.0	7.4	6.6	0.80
US	007670	-	1.2	1.2	1.2	1.0	1.3	(0.30)
PHARM	007710	1.0	1.2	1.3	1.2	1.2	1.2	0.00
RT	007720	2.7	3.1	2.7	2.7	2.3	2.3	0.00
PT	007770	4.6	4.8	5.5	5.4	6.2	6.0	0.20
DIETARY	008340	8.6	8.6	8.9	9.2	8.7	8.7	0.00
PURCH	008400	1.0	1.5	1.6	1.2	1.4	1.4	0.00
HSKPG	008440	8.3	8.3	9.6	9.9	9.5	9.5	0.00
PLANT	008460	2.7	2.8	3.2	3.3	3.0	3.0	0.00
IS	008480	3.2	2.5	3.4	4.1	4.0	4.0	0.00
ACCTG	008510	3.2	2.8	3.0	2.9	3.0	3.0	0.00
PT.ACCTG	008530	4.9	2.8	3.2	3.9	4.0	4.0	0.00
ADMTG	008560	9.5	10.2	10.6	10.2	9.8	9.8	0.00
ADMIN	008610	2.2	1.4	1.5	1.7	1.7	1.7	0.00
DISTRICT	008620		-					0.00
HR	008650	1.9	1.9	2.1	2.3	3.1	3.1	0.00
HIM	008700	5.6	6.1	6.7	5.8	6.3	6.3	0.00
MD.STAFF	008710	1.0	0.8	1.0	0.9	0.8	0.8	0.00
N.ADMN	008720	3.5	3.2	3.4	3.2	3.4	3.4	0.00
FHC	008760	20.5	24.9	22.4	20.1	19.4	19.4	0.00
MOMS	008770	4.9	4.1	4.2	5.0	5.4	5.3	0.10
PRIME				1.2	1.9	3.3	3.2	0.10
		154.4	156.9	160.7	165.1	170.2	169.30	0.90

## Major changes in P & L

**Total Patient Revenue** budget reflects budgeted statistics and a budgeted 5% charge or rate increase.

**Total Revenue Deductions** as a % of Total Patient Revenue are budgeted at 54%. During the current year we are seeing a revenue deduction percentage of 55%, but this percentage will be lower by year and with recording of IGT money and some prior year settlements from Medicare and Medi-Cal.

**Total Operating Expense** increases by 6.6% or \$,1572,769 over the current year projection. Many of the increases are normal inflationary increases. Below is more detail about some of the changes in the year's budget –

- **Salaries, Wages, and Benefits** total increased by over \$1.29 million with the budgeted number of FTEs being a little higher than we are running in the current fiscal year to the budget and an estimate of impact of the Wage and Salary Administration review currently underway. Benefits increase with increase in PTO due to accrual rates changing for individual employees, Health Insurance increases, Worker's Comp increases, and other benefit costs what are a percentage of Salary and Wages expenses.
- **Professional / Physician Fees** are budgeted at just about the same amount which we are experiencing in the current fiscal year.
- **Purchased Services** decrease with projected decrease in contract services / labor.
- **Depreciation and Amortization** increases with the addition of full year depreciation expense for CT scanner and digital mammography equipment.
- **"Other Expense" includes the following:**
  - Minor Equipment of \$127,608
  - Taxes and Licenses of \$79,182
  - Outside Training of \$96,790
  - Travel of \$84,355
  - Marketing of \$105,003
  - Postage of \$8400
  - Telephone of \$38,351

As in the past, we have included funds for employee appreciation (Christmas party, Hospital Week, Thanksgiving gift certificates and the like), employee health, and employee wellness.

**Tax Revenue** is budgeted showing a slight increase, 1%, over the current year projections.

**Mom & Dad's** – as part of our commitment with First 5, BVCHD funds \$50,000 each year. \$50,000 is 13% of the total budget for Mom & Dad's.



## **Capital Budget**

During the last fiscal year, we completed installation of our new CT scanner and Digital Mammography system.

The proposed capital budget is included on the next two pages. 3 year Capital is attached at the end of the packet. Key capital items include the following –

\$300,000 for Telemetry System and Bedside Monitors. This would replace our “end-of-life” patient monitoring system throughout the facility.

\$100,000 for pharmacy renovation. This may be just the start in addressing the needs in pharmacy to meet new CMS mandates.

\$384,900 for various facilities renovation and upgrade projects.

\$289,000 for various Information Technology projects.

With ongoing discussions related to residency program, we have included in the budget \$350,000 for potential purchase and furnishing of a house to house residents and / or other temporary or contract employees.

Dept No.	Department	CER	Request Description	FY 2019
001/010	Med-Surg/ED		Telemetry System & Bedside Monitors	300,000.00
				300,000.00
075	PT		Second Lightforce EXP Laser	29,000.00
075	PT		Total Gym exercise device (replace Reformer)	5,500.00
				34,500.00
070	RT		Airway Clearance System	5,382.11
				5,382.11
005	SNF		TV for each Resident (19 needed @ 1600 ea plus installation)	35,000.00
005	SNF		Patio Furniture and outdoor equipment	10,000.00
005	SNF		Paint, flooring, furniture, décor-activity room	20,000.00
				65,000.00
040	Laboratory		Replacement Microscope	6,865.83
040	Laboratory		Replacement Microbiology ID/senser analyzer	19,000.00
				25,865.83
080	Dietary		POS System (basic system only)	10,000.00
				10,000.00
015	FHC		Replace Chiropractic Table	7,000.00
				7,000.00
065	Pharmacy		Renovate to meet new CMS mandates USP800	100,000.00
				100,000.00
115	Plant		Badge Readers	11,000.00
115	Plant		PT Flooring	12,500.00
115	Plant		Lobby Flooring	7,200.00
115	Plant		Fire Door Repairs	20,000.00
115	Plant		Back Flow at FHC	18,000.00
115	Plant		Re Skin SNF Cabinets	22,000.00
115	Plant		Equipment Trailer for Plant Maintenance	7,000.00
115	Plant		Business Office Heater	8,000.00
115	Plant		SNF Tub Replacement	14,000.00
115	Plant		A/C 1 Steam Coil	8,000.00
115	Plant		A/C 2 Steam Coil	10,000.00
115	Plant		SNF Exit Doors	25,000.00
115	Plant		Sprinkler Head Replacement	10,000.00
115	Plant		SNF Shower Tile	25,000.00
115	Plant		Medical Air Compressor	17,000.00
115	Plant		Disassembly, rebuild, anchor Med AirCompress	16,600.00
115	Plant		Plant Plumbing Repairs	16,000.00

115	Plant	Control Air Compressor	10,000.00
115	Plant	New Snow Plow Blade for Existing Truck	7,000.00
115	Plant	Acute/SNF Ice Machine	7,000.00
115	Plant	Repaint Business Office	7,000.00
115	Plant	Parking Lot Repairs	24,000.00
115	Plant	Landscaping	24,800.00
115	Plant	New Service to Current Camera System	13,000.00
115	Plant	Update Badge Rendering Software	13,000.00
115	Plant	Add more cameras	9,800.00
115	Plant	Exterior RHC	7,000.00
115	Plant	Renovate Front Lobby	15,000.00
			<hr/>
			384,900.00
125	IT	Disaster Prepard/Business Continuity solution	30,400.00
125	IT	Software Upgrade 2010 Veritas Backup Exec	6,908.68
125	IT	Service Addition to Nutanix farm	20,313.86
125	IT	Proactive Server and Storage Upgrade-Cloud T-System	12,500.00
125	IT	Server/Storage Refresh for CPSI	98,234.00
125	IT	Single Sign-on Solution with badges	45,000.00
125	IT	Upgrade Licenses - Microsoft Windows	17,000.00
125	IT	30 Lenovo ThinkCentre M710q computers	28,000.00
125	IT	HIPAA Risk Assessment Penitration Testing by Dell	30,400.00
			<hr/>
			288,756.54
Total for FY 2019			<hr/>
			1,221,404.48
115	Plant	OR LIM Removal	5,200.00
115	Plant	OR Lim Replacement	18,000.00
025	Surgery	New baseboards, flooring	50,000.00
025	Surgery	Zimmer Pneumatic Tournequet Model ATS4000	11,500.00
			<hr/>
			84,700.00
150	Admin	Purchase and furnish of House	350,000.00
150	Admin	Build-out and furnishing of library building	75,000.00
150	Admin	Possible property purchase	750,000.00
150	Admin	1823 Master Plan	-
			<hr/>
			1,175,000.00
			<hr/>
			2,481,104.48



Capital Budget / Capital Plan FY 2017, 2018 & 2019							will change until 6/30/18			
Dept No.	Department	CER	Request Description	FY 2017	FY 2018	FY 2019	Total Budget	Total Paid Prior	Total Paid FY 2019	Budget Remaining
050	Radiology		(2) 5mp medical grade Monitors	20,000.00			20,000.00			20,000.00
050	Radiology		DR plate		32,055.62		32,055.62			32,055.62
050'	Radiology		High Level Ultrasound probe disinfecter		9,253.00		9,253.00			9,253.00
			<b>Total for Radiology:</b>	<b>20,000.00</b>	<b>41,308.62</b>	<b>-</b>	<b>61,308.62</b>	<b>-</b>	<b>-</b>	<b>61,308.62</b>
075	PT		Second Lightforce EXP Laser			29,000.00	29,000.00			29,000.00
075	PT		Total Gym exercise device (replace Reformer)	-	-	5,500.00	5,500.00	-	-	5,500.00
			<b>Total for Physical Therapy:</b>	<b>-</b>	<b>-</b>	<b>34,500.00</b>	<b>34,500.00</b>	<b>-</b>	<b>-</b>	<b>34,500.00</b>
125	Info Technology		1706 35 Dell 22" monitors	6,200.00			6,200.00			6,200.00
125	Info Technology	a	Fifty Microsoft Office 2016 licenses		12,900.00		12,900.00			12,900.00
125	Info Technology		1801 Forty Lenovo M700 Micro computers		32,928.40		32,928.40	22,092.61		10,835.79
126	Info Technology		1814 Meaningful Use 3 software & BI reporting		115,000.00		115,000.00	(8,596.00)		123,596.00
125	Info Technology		1802 Microsoft server and connection licenses		9,682.00		9,682.00			9,682.00
125	Info Technology		Disaster Prepard/Business Continuity solution			30,400.00	30,400.00			30,400.00
125	Info Technology		Software Upgrade 2010 Veritas Backup Exec			6,908.68	6,908.68			6,908.68
125	Info Technology		Service Addition to Nutanix farm			20,313.86	20,313.86			20,313.86
125	Info Technology		Proactive Server and Storage Upgrade-Cloud T-System			12,500.00	12,500.00			12,500.00
125	Info Technology		Server/Storage Refresh for CPSI			98,234.00	98,234.00			98,234.00
125	Info Technology		Single Sign-on Solution with badges			45,000.00	45,000.00			45,000.00
125	Info Technology		Upgrade Licenses - Microsoft Windows			17,000.00	17,000.00			17,000.00
125	Info Technology		30 Lenovo ThinkCentre M710q computers			28,000.00	28,000.00			28,000.00
125	Info Technology		HIPAA Risk Assessment Penitration Testing by Dell			30,400.00	30,400.00			30,400.00
			<b>Total for Info Technology:</b>	<b>6,200.00</b>	<b>170,510.40</b>	<b>288,756.54</b>	<b>465,466.94</b>	<b>13,496.61</b>	<b>-</b>	<b>451,970.33</b>
115	Plant Maint.		1711 Add second Air Conditioner at the Lab	10,000.00			10,000.00	4,640.00		5,360.00
115	Plant Maint.		Firewall Repairs	11,000.00			11,000.00			11,000.00
115	Plant Maint.		1820 replace medical air compressor		38,000.00	17,000.00	55,000.00	32,743.36		22,256.64
115	Plant Maint.	c	repaint exterior RHC		4,800.00		4,800.00			4,800.00
115	Plant Maint.	a	replace failing control air compressor-heat		7,000.00		7,000.00			7,000.00
115	Plant Maint.		1811 remodel staff bathroom near mammo		5,500.00		5,500.00	2,553.85		2,946.15
115	Plant Maint.	b	install two tvs in every SNF room		25,000.00		25,000.00			25,000.00
115	Plant Maint.	b	to allow us to run boilers for hot water & air		11,220.00		11,220.00			11,220.00
115	Plant Maint.	a	replace water softners for boilers		20,000.00		20,000.00			20,000.00
115	Plant Maint.		Badge Readers			11,000.00	11,000.00			11,000.00
115	Plant Maint.		PT Flooring			12,500.00	12,500.00			12,500.00
115	Plant Maint.		Lobby Flooring		7,200.00		7,200.00			7,200.00
115	Plant Maint.		Fire Door Repairs		20,000.00		20,000.00			20,000.00
115	Plant Maint.		Back Flow at FHC		18,000.00		18,000.00			18,000.00
115	Plant Maint.		Re Skin SNF Cabinets		22,000.00		22,000.00			22,000.00
115	Plant Maint.		Equipment Trailer for Plant Maintenance		7,000.00		7,000.00			7,000.00
115	Plant Maint.		Business Office Heater		8,000.00		8,000.00			8,000.00
115	Plant Maint.		SNF Tub Replacement		14,000.00		14,000.00			14,000.00
115	Plant Maint.		A/C 1 Steam Coil		8,000.00		8,000.00			8,000.00
115	Plant Maint.		A/C 2 Steam Coil		10,000.00		10,000.00			10,000.00
115	Plant Maint.		SNF Exit Doors		25,000.00		25,000.00			25,000.00
115	Plant Maint.		Sprinkler Head Replacement		10,000.00		10,000.00			10,000.00
115	Plant Maint.		SNF Shower Tile		25,000.00		25,000.00			25,000.00
115	Plant Maint.		Disassembly, rebuild, anchor Med AirCompress		16,600.00		16,600.00			16,600.00
115	Plant Maint.		Plant Plumbing Repairs		16,000.00		16,000.00			16,000.00
115	Plant Maint.		Control Air Compressor		10,000.00		10,000.00			10,000.00
115	Plant Maint.		New Snow Plow Blade for Existing Truck		7,000.00		7,000.00			7,000.00
115	Plant Maint.		Acute/SNF Ice Machine		7,000.00		7,000.00			7,000.00
115	Plant Maint.		Repaint Business Office		7,000.00		7,000.00			7,000.00
115	Plant Maint.		Parking Lot Repairs		24,000.00		24,000.00			24,000.00
115	Plant Maint.		Landscaping		24,800.00		24,800.00			24,800.00
115	Plant Maint.		New Service to Current Camera System		13,000.00		13,000.00			13,000.00
115	Plant Maint.		Update Badge Rendering Software		13,000.00		13,000.00			13,000.00
115	Plant Maint.		Add more cameras		9,800.00		9,800.00			9,800.00
115	Plant Maint.		Exterior RHC		7,000.00		7,000.00			7,000.00
115	Plant Maint.		Renovate Front Lobby		15,000.00		15,000.00			15,000.00
			<b>Total for Plant Maintenance:</b>	<b>21,000.00</b>	<b>111,520.00</b>	<b>384,900.00</b>	<b>517,420.00</b>	<b>39,937.21</b>	<b>-</b>	<b>477,482.79</b>
070	Respiratory Therapy		Replace Cabinets		6,000.00		6,000.00			6,000.00
070	Respiratory Therapy		Airway Clearance System			5,382.11	5,382.11			5,382.11
			<b>Total for Respiratory Therapy:</b>	<b>-</b>	<b>6,000.00</b>	<b>5,382.11</b>	<b>11,382.11</b>	<b>-</b>	<b>-</b>	<b>11,382.11</b>
010	Emergency Room		1810 Privacy Screens	30,000.00			30,000.00	17,543.50		12,456.50
010	Emergency Room		1821 Bathroom/Flooring/countertops Remodel	150,000.00	100,000.00		250,000.00	2,840.57		247,159.43
010	Emergency Room	a	Heat curtain for waiting room		10,000.00		10,000.00			10,000.00

Dept No.	Department	CER	Request Description	FY 2017	FY 2018	FY 2019	Total Budget	Total Paid Prior	Total Paid FY 2019	Budget Remaining
010	Emergency Room	b	Medical Grade tablets with docking stations		10,775.00		10,775.00			10,775.00
			<b>Total for Emergency Room:</b>	<b>180,000.00</b>	<b>120,775.00</b>	<b>-</b>	<b>300,775.00</b>	<b>20,384.07</b>	<b>-</b>	<b>280,390.93</b>
130	Disaster		Replace expired hazmat equipment		33,500.00		33,500.00			33,500.00
130	Disaster		2 backup disaster vents for nursing use		7,500.00		7,500.00			7,500.00
			<b>Total for Disaster:</b>	<b>0.00</b>	<b>41,000.00</b>	<b>-</b>	<b>41,000.00</b>	<b>-</b>	<b>-</b>	<b>41,000.00</b>
015	FHC		Telehealth Cart with camera		18,888.91		18,888.91			18,888.91
015	FHC		Replace Chiropractic Table			7,000.00	7,000.00			7,000.00
			<b>Total for Laboratory:</b>	<b>-</b>	<b>18,888.91</b>	<b>7,000.00</b>	<b>25,888.91</b>	<b>-</b>	<b>-</b>	<b>25,888.91</b>
040	Laboratory	a	Microbiology analyzer for cultures		54,000.00		54,000.00			54,000.00
040	Laboratory		Replacement Microscope			6,865.83	6,865.83			6,865.83
040	Laboratory		Replacement Microbiology ID/senser analyzer			19,000.00	19,000.00			19,000.00
			<b>Total for Laboratory:</b>	<b>-</b>	<b>54,000.00</b>	<b>25,865.83</b>	<b>79,865.83</b>	<b>-</b>	<b>-</b>	<b>79,865.83</b>
080	Dietary		POS System (basic system only)			10,000.00	10,000.00			10,000.00
			<b>Total for Dietary:</b>	<b>0.00</b>	<b>-</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>-</b>	<b>-</b>	<b>10,000.00</b>
065	Pharmacy		Renovate to meet new CMS mandates USP800			100,000.00	100,000.00			100,000.00
			<b>Total for Pharmacy:</b>	<b>0.00</b>	<b>-</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>-</b>	<b>-</b>	<b>100,000.00</b>
001	Med-Surg		Medication Scanning System		10,200.00		10,200.00			10,200.00
001	Med-Surg		Telemetry System & Bedside Monitors			300,000.00	300,000.00			300,000.00
			<b>Total for Med-Surg:</b>	<b>-</b>	<b>10,200.00</b>	<b>300,000.00</b>	<b>310,200.00</b>	<b>-</b>	<b>-</b>	<b>310,200.00</b>
025	Surgery		Upgrade equipment		40,000.00		40,000.00			40,000.00
025	Surgery		Knee Scope (Arthrex)		15,000.00		15,000.00			15,000.00
			<b>Total for Surgery:</b>	<b>-</b>	<b>55,000.00</b>	<b>-</b>	<b>55,000.00</b>	<b>-</b>	<b>-</b>	<b>55,000.00</b>
005	SNF	1819	Bariatric Bed		15,000.00		15,000.00			15,000.00
005	SNF		Liko 660 Lift		15,000.00		15,000.00			15,000.00
005	SNF		TV for each Resident 19 @1600 plus install			35,000.00	35,000.00			35,000.00
005	SNF		Patio Furniture and outdoor equipment			10,000.00	10,000.00			10,000.00
005	SNF		Paint, flooring, furniture, décor-activity room			20,000.00	20,000.00			20,000.00
			<b>Total for SNF:</b>	<b>-</b>	<b>30,000.00</b>	<b>65,000.00</b>	<b>95,000.00</b>	<b>-</b>	<b>-</b>	<b>95,000.00</b>
<b>Total for Hospital:</b>				<b>227,200.00</b>	<b>659,202.93</b>	<b>1,221,404.48</b>	<b>2,107,807.41</b>	<b>73,817.89</b>	<b>-</b>	<b>2,033,989.52</b>
<b><u>Other Possible Capital Purchases</u></b>										
115	Plant		OR LIM Removal			5,200.00	5,200.00			5,200.00
115	Plant		OR Lim Replacement			18,000.00	18,000.00			18,000.00
025	Surgery		New baseboards, flooring			50,000.00	50,000.00			50,000.00
025	Surgery		Zimmer Pneumatic Tourniquet Model ATS4000			11,500.00	11,500.00			11,500.00
				<b>-</b>	<b>-</b>	<b>84,700.00</b>	<b>84,700.00</b>	<b>-</b>	<b>-</b>	<b>84,700.00</b>
150	Admin		Purchase and furnish House			350,000.00	350,000.00			350,000.00
150	Admin		Build-out and furnishing of library building			75,000.00	75,000.00			75,000.00
150	Admin		Possible property purchase			750,000.00	750,000.00			750,000.00
150	Admin	1823	Master Plan			-	-			-
				<b>-</b>	<b>-</b>	<b>1,175,000.00</b>	<b>1,175,000.00</b>	<b>-</b>	<b>-</b>	<b>1,175,000.00</b>
				<b>227,200.00</b>	<b>659,202.93</b>	<b>2,481,104.48</b>	<b>3,367,507.41</b>	<b>73,817.89</b>	<b>0.00</b>	<b>3,293,689.52</b>

will change  
until 6/30/18

Dept No.	Department	CER	Request Description	FY 2017	FY 2018	FY 2019	Total Budget	Total Paid Prior	Total Paid FY 2019	Budget Remaining
				454,400.00	1,318,405.86	6,221,908.96	7,994,714.82	147,635.78	-	7,847,079.04



Bear Valley Community  
Healthcare District

# Memo

To: Board of Directors

From: Erin Wilson, HR Director

Date: June 6, 2018

Re: CalPERS Benefit Comparison

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Termination resolutions must be filed with CalPERS no later than 60 days after the CalPERS Board approves the health premiums for the new contract year. Termination resolutions are irrevocable once filed. Terminated agencies may not re-enter for five years from the termination date. The CalPERS Board typically announces the health plan premium rates for the following year after the **second week of June**. If rates are announced by June 13<sup>th</sup> then **August 13<sup>th</sup>** is the date BVCHD will need to withdraw.

Current benefit brokers have received an intent to terminate from CalPERS and presented it to carriers. Broker is in process of obtaining quotes from those carriers. At the time of presentation of quotes BVCHD can decide what option is best.

Note: Total benefits cost to employer including medical, dental, vision and life insurance last budget year = \$1,011,108



## MEMO

Date: June 08, 2018  
To: Board of Directors  
From: John Friel, CEO  
Re: Surgery Study

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Management has been studying the continued operation of the surgery services at BVCHD given the lack of a general surgeon for more than three years and the poor utilization of the services by other specialties; i.e. ophthalmology and orthopedics.

The attached data through May 2018 is presented for discussion purposes and future planning.

Given the recent engagement of Moon & Mayoras to develop a potential plan for retrofit under SPC4d and the need for surgical services availability as a Rural Critical Access Hospital (CAH) and upcoming visit of a part-time surgeon through Riverside Community Hospital we should expand the discussion prior to making further decisions.

## Shelly Egerer

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**From:** Garth Hamblin  
**Sent:** Thursday, June 07, 2018 4:21 PM  
**To:** Shelly Egerer  
**Subject:** FW: updated Surgery Numbers

**From:** Garth Hamblin  
**Sent:** Wednesday, June 6, 2018 15:47  
**To:** John Friel <John.Friel@bvchd.com>; Kerri Jex <Kerri.Jex@bvchd.com>; 'Stacey Black (Stacey.Bertorello@bvchd.com)' <Stacey.Bertorello@bvchd.com>; Sheri Mursick (Sheri.Mursick@bvchd.com) <Sheri.Mursick@bvchd.com>  
**Subject:** updated Surgery Numbers

May need to look at clinic visits (I do not have that information)

Overall reimbursement picture had not improved

	charges	payment	% payment
through Sept 2017	533,834	72,190	14%
Sept 2017 through May 2018	413,832	35,709	9%
	947,666	107,899	11%

Not much change in zip code information (most cases still from Victor Valley)



zip code	Sept 2017 through Sept 2017	Sept 2017 through May 2018	combined				
92301	3	4	7	5.3%	9.5%	7.1%	Adelanto near Victorville
92307	4	5	9	7.0%	11.9%	9.1%	Near Victorville Apple Vall
92308	6	5	11	10.5%	11.9%	11.1%	Near Apple Valley
92311	1		1	1.8%	0.0%	1.0%	Barstow
92314	2	3	5	3.5%	7.1%	5.1%	Big bear city
92315	5	5	10	8.8%	11.9%	10.1%	Big Bear Lake
92329	1	1	2	1.8%	2.4%	2.0%	Phelan west of Hesperia
92333	1		1	1.8%	0.0%	1.0%	Fawnskin
92342	1		1	1.8%	0.0%	1.0%	Helendale between Victor
92344	2	1	3	3.5%	2.4%	3.0%	Near Hesperia
92345	7	5	12	12.3%	11.9%	12.1%	Hesperia
92356	2	1	3	3.5%	2.4%	3.0%	Lucerne Valley
92372	1		1	1.8%	0.0%	1.0%	Opinion Hills West of Hesp
92382		1	1	0.0%	2.4%	1.0%	Running Springs
92386	2	1	3	3.5%	2.4%	3.0%	Sugarloaf
92392	4	5	9	7.0%	11.9%	9.1%	Northwest of Hesperia
92393	1		1	1.8%	0.0%	1.0%	Northwest of Hesperia
92394	3	1	4	5.3%	2.4%	4.0%	West of Victorville
92395	9	3	12	15.8%	7.1%	12.1%	Victorville
92837	1		1	1.8%	0.0%	1.0%	Fullerton
92870		1	1	0.0%	2.4%	1.0%	Placentia
93550	1		1	1.8%	0.0%	1.0%	Palmdale
	57	42	99			100.0%	
	10	9	19	17.5%	21.4%	19.2%	Big Bear
	44	31	75	77.2%	73.8%	75.8%	Victor Valley

Not much change in payer mix

	through Sept 2017	Sept 2017 through May 2018	total	% of total	through Sept 2017	Sept 2017 May 2018
Applied Underwriters		1	1	1.0%	0.0%	2.4%
Blue Cross	9	3	12	12.1%	15.8%	7.1%
Brand New Day Medi-Cal		1	1	1.0%	0.0%	2.4%
Cigna		1	1	1.0%	0.0%	2.4%
Contract Claims Services	1		1	1.0%	1.8%	0.0%
Employer	1		1	1.0%	1.8%	0.0%
IEHP (Medi-Cal managed)	27	21	48	48.5%	47.4%	50.0%
Kaiser	1		1	1.0%	1.8%	0.0%
Medi-Cal	7	10	17	17.2%	12.3%	23.8%
Medicare	4	3	7	7.1%	7.0%	7.1%
Molina Medical Grp (Medi-Cal n	4	2	6	6.1%	7.0%	4.8%
United Healthcare	1		1	1.0%	1.8%	0.0%
Vantage Medical Group	2		2	2.0%	3.5%	0.0%
	57	42	99	100.0%		
sum for Medi-Cal	40	33	73	73.7%	70.2%	78.6%

One account with charges totaling \$11,769 was denied as no authorization was obtained. Another account where the procedure was discontinued had billed charges of \$6,556.



## Board Report

June 2018

### Compliance Assessment

The Compliance Assessment engagement began with a pre-consulting call for the consultants and hospital team to discuss goals and scheduling. The QHR team will be on-site Sept. 9 – 7.

### Mock Survey

The consultant that will review the Environment of Care and Life Safety compliance will be onsite in August to complete the Survey.

### Financial Operating Review

The Financial Operating Review has been completed and the report provided to management.

### Upcoming Education Events – June

#### 06/01/18 Avoiding Readmissions

June 1, 2018 10:30 - 11:30 am CST

#### 06/07/18 Workforce Efficiency Webinar

June 7, 2018 10:30 - 11:30 am CST

#### 06/08/18 Lean Webinar

June 8, 2018 10:30 - 11:30 am CST

#### 06/11/18 Defining Success Metrics

June 11, 2018 2:00 - 3:00 pm CST

#### 06/12/18 Board Leadership Series Topic #6

June 12, 2018 12:00 - 1:00 pm CST

#### 06/14/18 Compliance Officer Hot Topics: Section 1557

June 14, 2018 10:30 - 11:30 am CST

#### 06/22/18 Quality Regulatory Updates

June 22, 2018 10:30 - 11:30 am CST

### Other

- Ken Ward is planning to attend the Board meeting.

### 2018 Quorum Health Board Essentials Workshop

August 8, 2018 – Omni Hotel, Nashville, TN

August 9-10, 2018 – Omni Hotel, Nashville, TN





## **Upcoming Projects**

- CAH Mock Survey – August 2018
- Cost Report Review – following preparation of Cost Report

## **Completed Projects**

- IT Assessment
- Revenue Cycle Assessment
- Compliance Implementation/ Compliance Risk Assessment
- Mock Survey (Quality)
- QPA Supply Chain Review
- Contractual Allowances and Bad Debt Review
- Financial Operating Review



## CNO Monthly Report

TOPIC	UPDATE	ACTION/FOLLOW UP
<b>1. Regulatory Updates</b>	<ul style="list-style-type: none"> <li>▪ QHR completed a CAH mock survey. A Management Action Plan has been developed and the Regulatory QI subcommittee is following up on recommendations. Department Managers will be invited to attend Regulatory committee as needed to review departmental recommendations.</li> <li>▪ CDPH onsite for re-licensing survey. Plan of Correction received- working with department managers on response. POC will be submitted back to CDPH by 6/14/18.</li> <li>▪ CDPH was onsite to visit the SNF unit regarding a self-report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> </ul>
<b>2. Budget/Staffing</b>	<ul style="list-style-type: none"> <li>▪ Overtime, call offs assessed each shift</li> <li>▪ Flexing of staff as warranted by census</li> <li>▪ Departments have submitted budget plans and requests for FY19.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor</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>▪ ED Manager is working with Plant Maintenance on "ED remodel" project. Calendar for all work is in place. ER lobby has been painted and new flooring installed, ER 2 has new flooring, both bathrooms have new tile. Work is scheduled to conclude by June 2018, may experience delays due to OSHPD approving the cabinet resurfacing.</li> <li>▪ 100% of the ED nursing staff and physicians have completed the "High Risk Chest Pain" training and testing for BETA Quest for Zero Program.</li> <li>▪ New stroke policy &amp; patient care plan is being evaluated/ implemented.</li> </ul>	<ul style="list-style-type: none"> <li>• Informational</li> </ul>

	<ul style="list-style-type: none"> <li>▪ ED Manager attended SB County sponsored training for Disaster drill planning.</li> <li>▪ 1 Clinical manager attended Hospital Preparedness Planning Partners meeting at ICEMA.</li> <li>▪ ED Manager/ clinical managers are developing ED specific skills fairs.</li> <li>▪ ED Manager developing policies for Heart/ Trauma patients.</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Acute</li> </ul>	<ul style="list-style-type: none"> <li>▪ Swing bed current census=0</li> <li>▪ New Admissions folder has been implemented to enhance patient experience. The folder will be given to each patient admitted to Acute.</li> <li>▪ SNF DON and CNO attended Swing Bed Webinar</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor</li> </ul>
<ul style="list-style-type: none"> <li>▪ Skilled Nursing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Interim DON has implemented monitoring from recent SNF survey POC.</li> <li>▪ Interim DON has been working with PT and RNA to expand the Restorative program and develop patient centered care practices.</li> <li>▪ SNF remains at 5-star rating.</li> <li>▪ Census is currently at 18 residents.</li> <li>▪ SNF QAPI meeting was held, several projects are being implemented and monitored including: Fall reduction, Restorative Nursing program &amp; Hand Hygiene monitoring.</li> <li>▪ SNF DON has resigned. The job has been posted on Indeed, CAHF, and AADNS websites.</li> <li>▪ SNF DON and DSD attended CDPH Roundtable regarding new and upcoming regulations to prepare for.</li> <li>▪ SNF DON starting revision on SNF Policies.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor</li> <li>▪ Informational</li> </ul>
<ul style="list-style-type: none"> <li>▪ Surgical Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ OR undergoing repairs for leak in ceiling after April snow storm. No surgeries are scheduled until repairs are completed and signed off by IOR. Construction is being managed by facilities.</li> <li>▪ Orthopedic surgeon has not been doing surgeries for the last 4 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monitor surgical services costs and FTEs</li> </ul>



	<ul style="list-style-type: none"> <li>Recommendations from mock CAH survey and Re-licensing survey are being implemented to improve processes.</li> </ul>	
<ul style="list-style-type: none"> <li>Case Management</li> </ul>	<ul style="list-style-type: none"> <li>DON and Eligibility Worker are working on referrals for SNF residents and Swing patients.</li> <li>Case Management and Eligibility Services are working on alternative placement for a resident who needs a higher level of service.</li> <li>Case Manager attended Readmissions Collaborative at Victor Valley Medical Center.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor</li> </ul>
<ul style="list-style-type: none"> <li>Respiratory Therapy</li> </ul>	<ul style="list-style-type: none"> <li>Working with Department Lead to revise job description to include management duties as necessary to run the Respiratory Department. (On hold pending salary survey)</li> <li>Department has been re-organized due to recommendations from CAH mock survey and Re-licensing survey, new processes are in place to monitor for expiration dates.</li> </ul>	<ul style="list-style-type: none"> <li>Informational</li> </ul>
<ul style="list-style-type: none"> <li>Physical Therapy</li> </ul>	<ul style="list-style-type: none"> <li>Department is experiencing staffing challenges:</li> <li>1 PTA resignation, position has been offered to a qualified applicant.</li> <li>1 PT will be going on a three month LOA, options for a travel PT are being explored.</li> <li>1 PT will be going on a 2 week LOA</li> <li>1 PTA sustained (non-work related) injury, will be returning on light duty.</li> <li>Department manager attended Bear Valley PIO meeting.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor</li> </ul>
<ul style="list-style-type: none"> <li>Food and Nutritional Services</li> </ul>	<ul style="list-style-type: none"> <li>New Policy manual has been purchased, all policies will go through the review process upon implementation of the new manual.</li> </ul>	<ul style="list-style-type: none"> <li>Informational</li> </ul>
<b>4. Infection Prevention</b>	<ul style="list-style-type: none"> <li>Hand Hygiene monitoring continues.</li> <li>Infection Preventionist is rounding weekly to educate staff on hand hygiene and infection issues.</li> </ul>	<ul style="list-style-type: none"> <li>Informational</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Infection Preventionist is working with EVS to review cleaning logs and competencies.</li> <li>▪ Infection Prevention and 1 Clinical Manager attended CDHP IP Roadshow</li> <li>▪ Infection Preventionist will attend Infection Control Risk Assessment class June 15<sup>th</sup>.</li> </ul>	
<b>5. QAPI</b>	<ul style="list-style-type: none"> <li>▪ All management staff have been trained on Just Culture, staff training has started and will continue through the end of June.</li> <li>▪ BETA HEART gap analysis workgroup has conducted a staff survey on “staff communication preferences” <ul style="list-style-type: none"> <li>▪ Findings from the communication survey were presented to Managers and the workgroup including frontline staff.</li> <li>▪ Three recommendations from the workgroup are in the process of being implemented District wide <ul style="list-style-type: none"> <li>▪ Rounding program</li> <li>▪ Stoplight boards</li> <li>▪ huddles</li> </ul> </li> </ul> </li> <li>▪ PFAC met Monday April, 30<sup>th</sup>. The group discussed putting up inspirational/ nature pictures in the hospital, specifically the ED and ED waiting room; opportunities for involvement with the Auxiliary and Foundation; Community preferences for dissemination of information; Approved admission packets for Acute department; BETA HEART update, recent “Coffee with Jeff” discussions &amp; ED construction.</li> <li>▪ SCORE survey closed with an 87% respondent rate. Webinars were presented on data interpretation and debriefing. BETA will be onsite June 14<sup>th</sup> to assist with manager debriefing. Results will be shared with all departments at debriefing sessions.</li> <li>▪ BETA heart program overview and anticipated implementation timeline is attached.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> <li>▪ Continue process for Just Culture/ BETA Heart implementation</li> <li>▪ Continue quarterly PFAC meetings</li> <li>▪ Continue CARE grant program and reporting</li> </ul>

<b>6. Policy Updates</b>	<ul style="list-style-type: none"> <li>▪ Policies reviewed weekly by Policy and Procedure committee.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reviewed through P&amp;P Committee</li> </ul>
<b>7. Safety/Product</b>	<ul style="list-style-type: none"> <li>▪ Workplace Violence training is being provided to all BVCHD staff.</li> <li>▪ Attended HASC Workplace Violence Forum, questions resolved regarding reporting specifications and feedback from other facilities regarding their programs was received. Continuing implementation of the Workplace Violence program was discussed at Safety meeting.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to monitor new regulation and compliance dates</li> </ul>
<b>8. Education</b>	<ul style="list-style-type: none"> <li>▪ BLS Classes scheduled monthly, ACLS &amp; PALS scheduled quarterly</li> <li>▪ Smoking Cessation classes being held as scheduled.</li> <li>▪ Nursing skills orientation/ annual review of competency is being held quarterly for all clinical staff.</li> <li>▪ Annual Relias (online courses) training assigned through HR and department managers.</li> <li>▪ Heart rhythm class is being offered at BVCHD to EMTs and RNs, taught by a clinical manager in June/July.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to monitor</li> </ul>
<b>9. Information Items/Concerns</b>	<ul style="list-style-type: none"> <li>▪ Nurse Leaders have been rounding daily to educate staff on current issues in the district and to encourage feedback on staff that need to be recognized for excellent performance. Staff feedback for this program has been positive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informational</li> </ul>
Respectfully Submitted by: <i>Kerri Jex, CNO</i>		
<i>Date: May 31<sup>st</sup>, 2018</i>		



## 2018 Surgery Report

Apr-18		
Physician	# of Cases	Procedures
Critel - CRNA	3	LESI
Critel - CRNA	1	Shoulder Injection
Critel - CRNA	1	Hip Injection
Critel - CRNA	1	Carpal Tunnel Injection
Critel - CRNA	1	Trigger Point
Pautz - DO	2	Fulkerson's Osteotomy Knee
Pautz - DO	1	Orif Ankle
Tayani	10	Cataracts
Total	20	

May-18		
Physician	# of Cases	Procedures
Critel - CRNA	3	Hip Injection
Critel - CRNA	1	LESI
Critel - CRNA	1	Trigger Point
Critel - CRNA	1	Elbow Injection
Tayani	0	Cataracts
Total	6	

Jun-18		
Physician	# of Cases	Procedures
Critel - CRNA		
Critel - CRNA		
Critel - CRNA		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Tayani		
Total	0	

Jul-18		
Physician	# of Cases	Procedures
Critel - CRNA		
Critel - CRNA		
Critel - CRNA		
Pautz - DO		
Pautz - DO		
Pautz - DO		



Healing • Empathy • Accountability • Resolution • Trust

# An Introduction to HEART

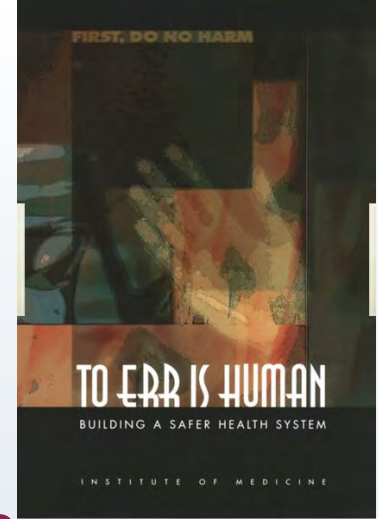
Bear Valley Community Hospital  
Board of Directors

Paul D'Aquila, RN, JD  
Director, Risk Management and  
Patient Safety

April 12, 2017

# The Problem:

1999 Institute of Medicine Report: To Err is Human

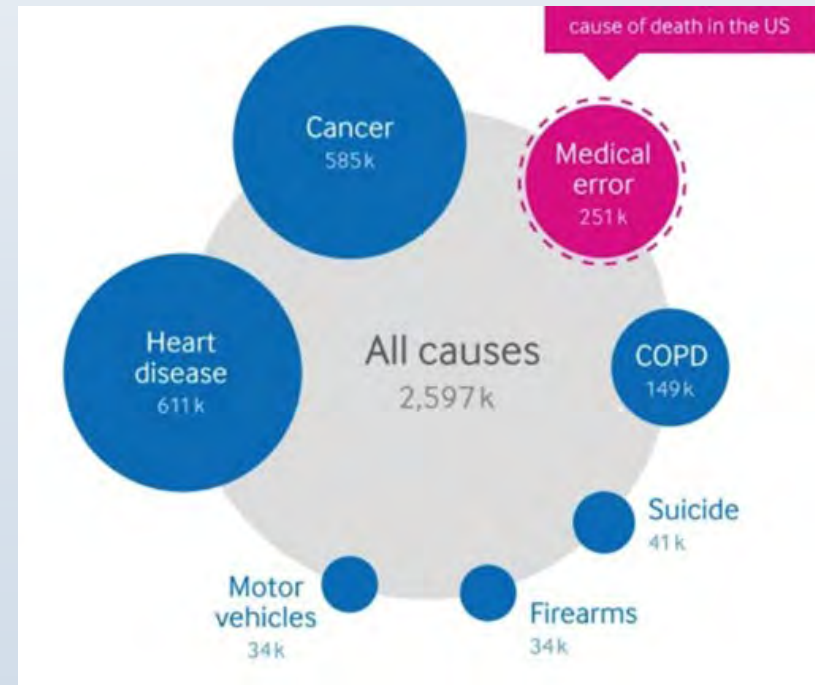


Restated 16 years later -

Makary and Daniel *BMJ* 2016; 352:i2139

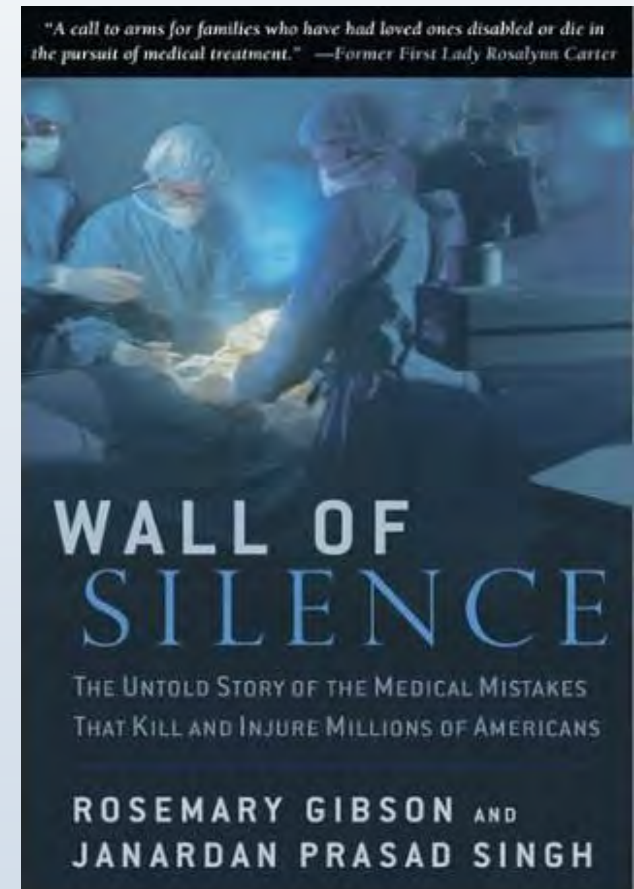
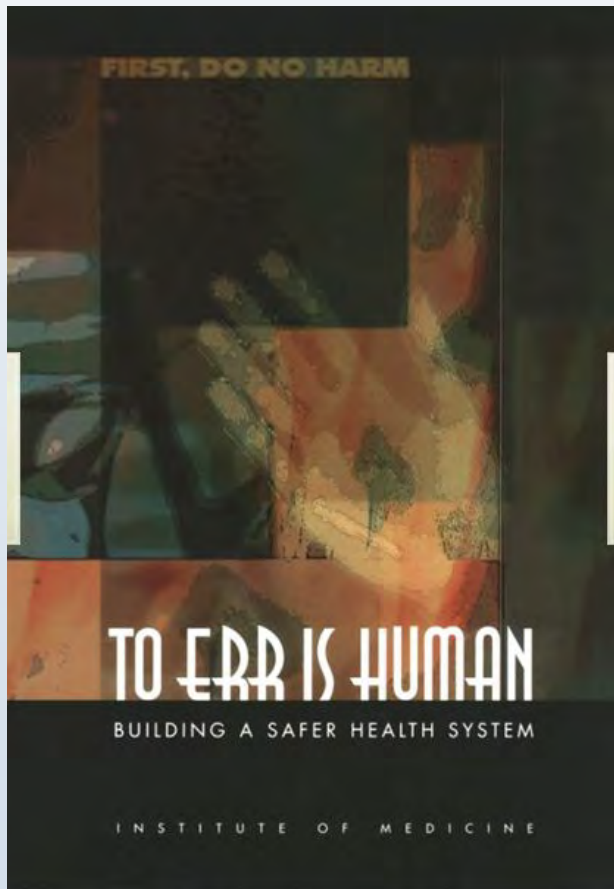
Researchers:

Medical errors now third  
Leading cause of death in  
United States





# Making Matters Worse





## Purpose

Promote organization-wide culture change and instill trust, that results in improved partnerships with patients, patients' families and caregivers

## Goal

Introduce a holistic approach to reducing harm in healthcare



# BETA HEART Guiding Principles

## Healing

- Patients, families, clinicians

## Empathy

- Being able to feel what another is experiencing

## Accountability

- Both individual and organizational

## Resolution

- Method for bringing about closure

## Trust

- The overall goal and outcome of BETA HEART – rebuilding Trust





Paradigm Shift	Traditional Response	HEART
Incident reporting by clinicians	Delayed, often absent	Immediate
Communication with patient, family	Deny/defend	Transparent, ongoing
Event analysis	Physician, nurse are root cause	Focus on Just Culture, system, human factors, high reliability
Quality improvement	Provider training	Drive value through system solutions, disseminated learning, high reliability
Financial resolution	Only if family prevails on a malpractice claim	Proactively address patient/family needs
Care for the caregivers	None	Offered immediately
Patient, family involvement	Little to none	Extensive and ongoing



# The Path to Achieving BETA HEART Five Individual Domains

Culture

Event Analysis

Care 4 Caregiver

Communication  
Transparency

Early Resolution



# Organizational Culture

## SCORE Survey Instrument for Baseline Measurement

Safety, Communication, Operational Risk, Reliability & Resilience, Engagement

- The next generation of culture measurement
- Co-developed by Bryan Sexton, PhD., (SAQ), Allan Frankel, M.D., Michael Leonard, M.D.
- Measures safety and teamwork climate, staff engagement, reliability and resilience
- Strongest clinical and statistical validity scores of any healthcare survey instrument

Culture Domains	Alpha Score
Learning Environment	0.935
Local Leadership	0.964
Burnout Climate	0.902
Personal Burnout	0.924
Teamwork	0.821
Safety	0.869
Work Life Balance	0.820

Engagement Domains	Alpha Score
Growth Opportunities	0.918
Workload	0.844
Job Uncertainty	0.894
Intentions to Leave	0.898
Advancement	0.885
Participation in Decision Making	0.881



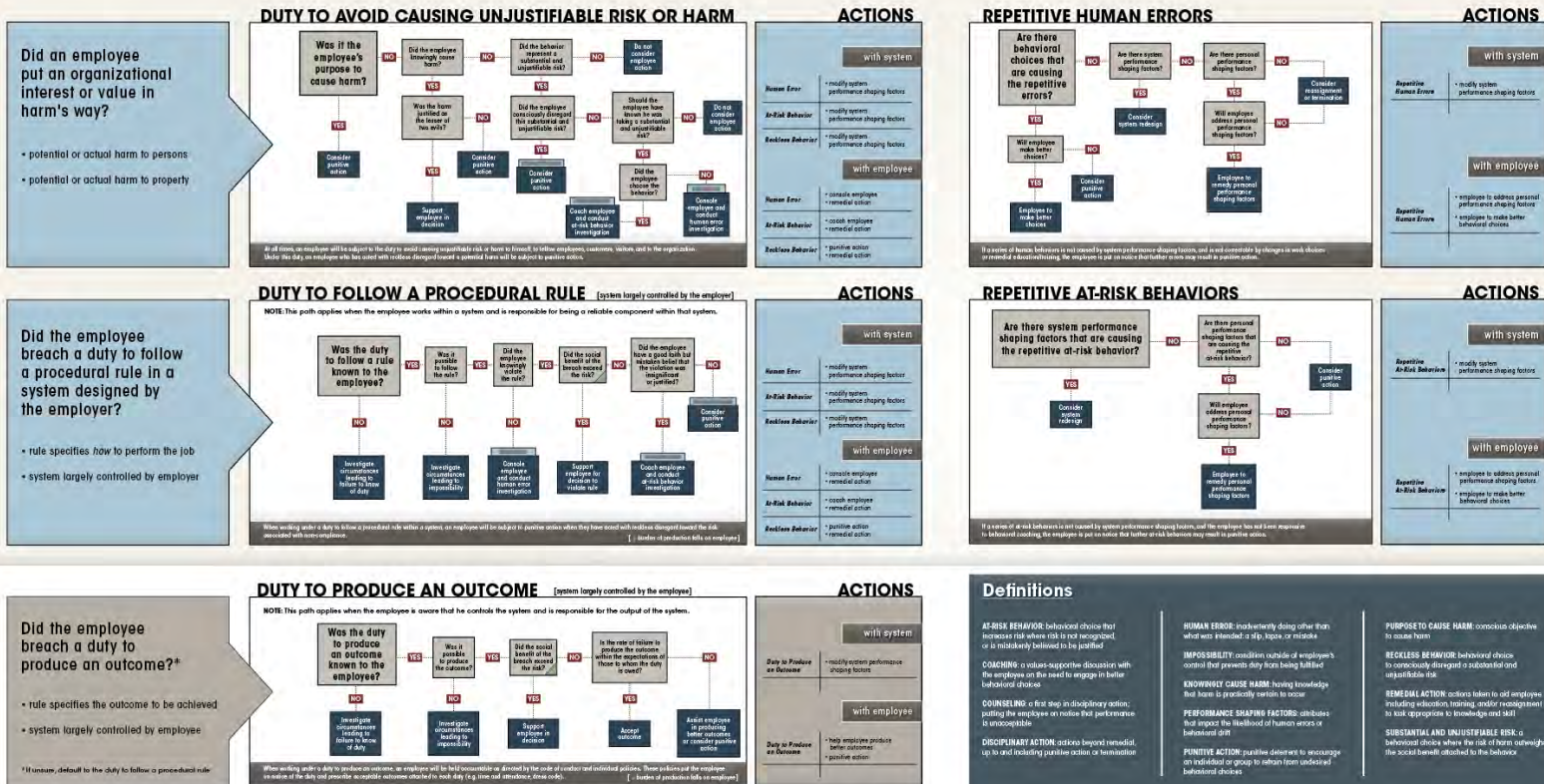
# Application of Just Culture Principles



## Just Culture ALGORITHM™ v3.2 FOR EMPLOYERS

### Threshold Investigation

- What happened?
- What normally happens?
- What does procedure require? (if applicable)
- Why did it happen?
- How was the organization managing the risk?





# Event Response and Analysis



Timely and thorough – supports **fair accountable** culture in context of high Reliability

**Organizational accountability** for development of highly reliable, safe systems that are sensitive to **human factors**

- Focus on process and systems that facilitated the errors or mistakes
  - Seek facts, not fault
  - Observe everything
  - Understand the “whole
  - Collect time sensitive information
  - Applies human factors science principles
- Incorporated cognitive interview process
  - Open ended questions initially
  - Interviewee asked to mentally revisit the event
  - Mental picture of environment, any external factor – lighting, position, emotional state
  - Encourage step by step description of the event
  - Try to illicit all details
  - Use props, if appropriate
- Includes input from patient and families



# Communication and Transparency

*"You mean that after an adverse event - when we do our investigation and we discover that we are at fault for patient harm, we are going to tell them the truth?" **YES!***

- Assess skills
- Develop core team
- Empathic
- Immediate - initial communication within 60 minutes of event



## Personal Candor and the Practice of Medicine

By Daniel L. Cohen, MD, FRCPCH, FAAP

*Following a national inquiry into tragic incidents in a regional hospital, disclosure, transparency, and apology are now legally required of healthcare institutions in England.*

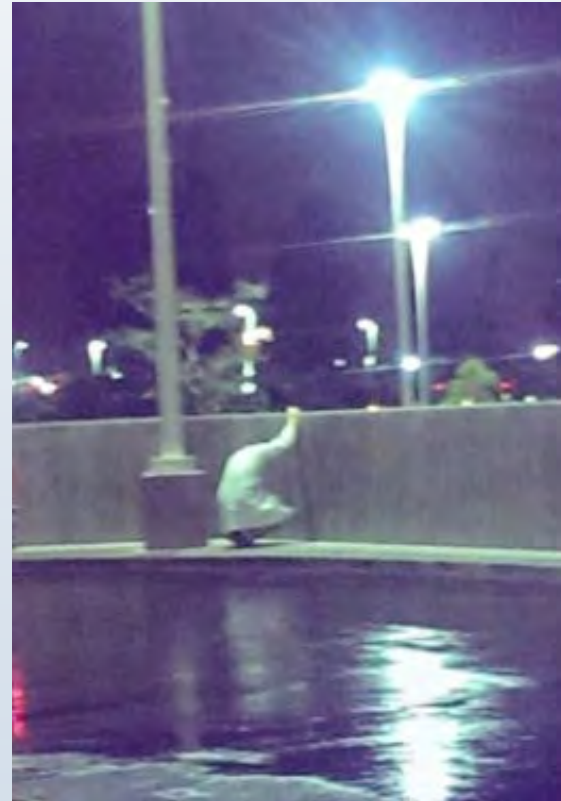
**C**aring for patients is fraught with hazards and risks. As physicians, every time we approach the bedside we bring the potential for benefit and the possibility of harm. Benevolent intentions do not guarantee safe and effective care or highest-quality outcomes. Problems with our systems and processes of care, as well as personal lapses, often result in preventable harm and even death. The processes of diagnosis are complex and encumbered by numerous human factors and cognitive biases. Even if everything is aligned for success, achieving

WWW.PSQH.COM

NOVEMBER/DECEMBER 2015 31

# Care for Caregiver

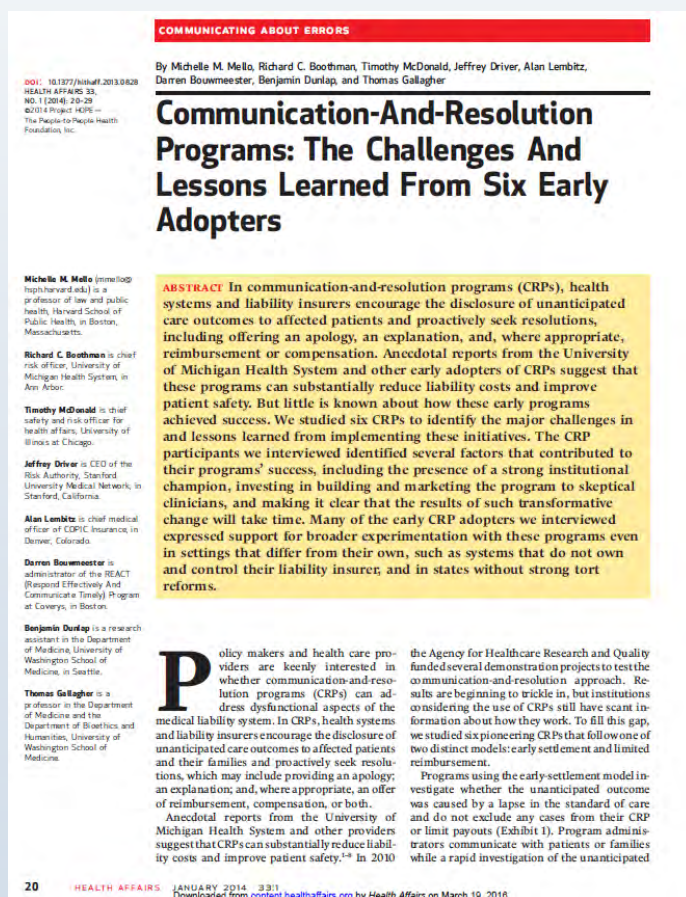
- Recognizing the impact of patient harm on those closest to the event – the second victims
  - ✓ Development of an organizational program
  - ✓ Identification of “victims”
  - ✓ Peer supporters
  - ✓ Process for referral



# Early Resolution

Must meet **all** harm event detection, investigation and determination of care criteria

- Process that re-establishes trust
  - Apology
  - Taking responsibility
  - Commitment to improvement
  - Reparation





# Incentive Structure

Domain	Incentive/ Renewal Credit
Culture measurement and debrief	2%
Comprehensive process for early identification and investigation of harm events	2%
Core team measured and developed in empathic communication techniques. Formal disclosure process in place	2%
Care for the Caregiver program (C4C)	2%
Early resolution process	2%
<b>Total potential renewal premium credit</b>	<b>10%</b>



## HCL Claims Profile For Bear Valley Community Healthcare District Limited To Professional Liability Claims Only

Calendar Year	2011	2012	2013	2014	2015	2016
Claims Opened	0	3	3	3	1	3
Claims Closed	4	1	1	4	2	1
Open at Year End	0	2	4	3	2	4
Closed Without Indemnity	100%	100%	0%	75%	100%	100%
Average Defense Expenses – All Claims**	\$47,052	\$0	\$32,341	\$9,580	\$40,156	\$0
Average Defense Expenses – No Indemnity Claims**	\$47,052	\$0	\$0	\$12,774	\$40,156	\$0
Average Defense Expenses - Indemnity Claims**	\$0	\$0	\$32,341	\$0	\$0	\$0
Average Indemnity Payment – All Claims**	\$0	\$0	\$125,000	\$1,250	\$0	\$0
Average Indemnity Payment – Indemnity Claims**	\$0	\$0	\$125,000	\$5,000	\$0	\$0

\* Companion files are excluded in claim counts but included in financial data

\*\* Includes closed claims only

Date Prepared: 3/4/17 HEART Member HCL Claims Profile - Summary



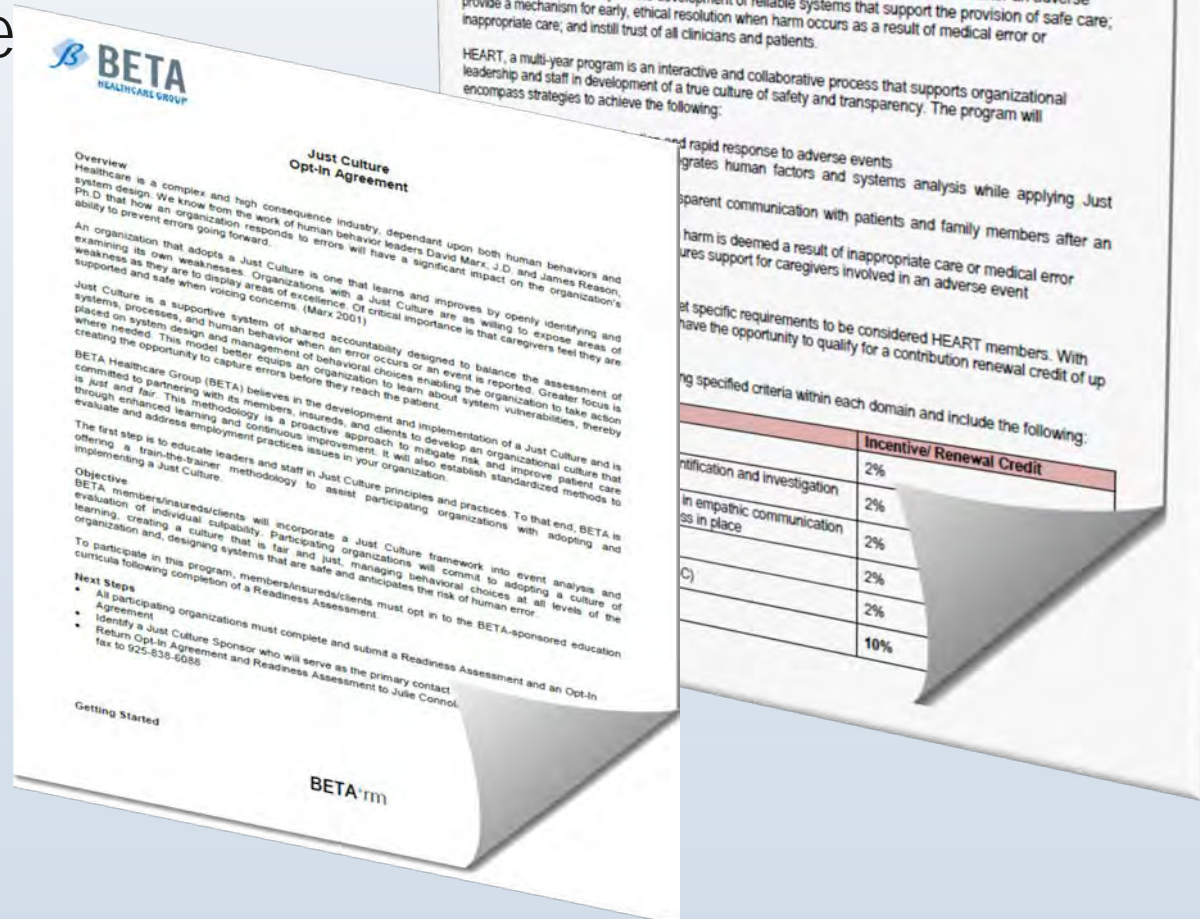
# The Math

$$\begin{aligned} & 2 \text{ claims closed in 2015} \\ & \times 100\% \text{ (closed without indemnity)} = 2 \\ & \times \$40,156.00 \text{ (average cost of expenses)} = \\ & \quad \mathbf{\$80,312.00} \\ & \text{In potential savings} \end{aligned}$$



# Requirement for Opting-In

- Executive leadership commitment to evolve culture through engagement and participation in process
- Attestation illustrating support to the organization with necessary resources to achieve this goal





# Opting In Triggers Next Steps

## Just Culture

- Opt In period is open
- Just Culture will help prepare organizations for implementation of BETA HEART
- Organizational policy review
- Train-the-trainers methodology
- Full organizational implementation
- Monthly collaborative calls

## BETA HEART

- Opt In period – anticipate re-opening fall, 2017
- Multi-year program
- Production of documents
- Gap Analysis
- Attend workshops as a team
- Implement domain specific strategies
- Validation assessment



# Questions





**CHIEF EXECUTIVE OFFICER REPORT**  
**May 2018**

**CEO Information:**

We conducted two Town Hall Meetings; April 24 at the Community Church and May 21 at 5:30 p.m. at the Christian Center. Attendance was disappointing.

On May 30, I spoke to the Big Bear High School, Real World Group Project on healthcare professions.

It is with great pleasure to announce that Megan Meadors was the recipient of the Rotary "Eagle of Excellence" Award on May 30<sup>th</sup>. The Rotary Club of Big Bear Lake is dedicated to honoring members of the Big Bear community that exhibit a very high caliber of professionalism, enthusiasm, work ethic and commitment to service, not only in their vocational field but also in how they demonstrate excellence in the personal giving of time energy and influence on others within the Bear Valley community. The Hospital purchased a table and we had staff, Board Members and family members in attendance.

Administration conducted a meet & greet with Dr. Faustina, with the Medical Staff and employees. Dr. Faustina is interested in providing services as a family practitioner at the FHC.

Administration is continuing to work with Dr. Knapik and staff on the medical student program with Western University College of Osteopathic Medicine of the Pacific in Pomona, CA. We are in the process of vetting an agreement and look forward to the program beginning June 25.

We are also working with representatives of UC Riverside and RCH for a family residency program beginning in July 2019.

Discussion regarding an alliance with Riverside Community Hospital continues. They plan to present a proposal to the BVCHD Board of Directors at the July Meeting.

Our 1<sup>st</sup> meeting with Moon & Mayoras regarding the retrofit vs replace project was held on June 5. We identified steps to be taken to complete the study with a target date for a final recommendation by July 30<sup>th</sup>.

Plans for a Board Retreat are under way for September or October.

**Marketing:**

We are currently advertising for the June 30 Annual Health Fair.

**Attachment:**

Quorum Board Minutes



# Quorum Board Minutes

Addressing Changes in the Healthcare Landscape



## Establishing a Tailor-Made Workforce Strategy

May 2018

### ***Personnel and physician shortages top the list of concerns for community hospital CEOs***

With little margin to cushion the impact of the changing reimbursement schemes, personnel shortages, rising labor costs, payer mix variation, fluctuating volumes, market competition and more; health systems must be innovative and strategic to achieve a sustainable future. In fact, personnel shortages have become one of the top three concerns among community hospital CEOs.

Compounding the issue is while recruiting and retaining talent is a common concern (particular for rural hospitals); there may not be enough doctors to go around. The Association of American Medical Colleges recently determined the U.S. could see a shortage of up to 120,000 physicians by 2030. That's an increase from last year, when the AAMC projected a shortage of between 40,800 and 104,900 doctors by 2030.

Some states are already feeling the effects of this continued shortage. Even in medical hubs like Greenville, SC, there are shortages of a variety of specialists from endocrinologists and neurologists to rheumatologists and psychiatrists.

“How do we attract and retain talent to meet patient needs—especially with the physician shortage increasing each year?” To overcome the physician shortage issue, health systems need a multi-pronged approach to address the supply-and-demand of its community.

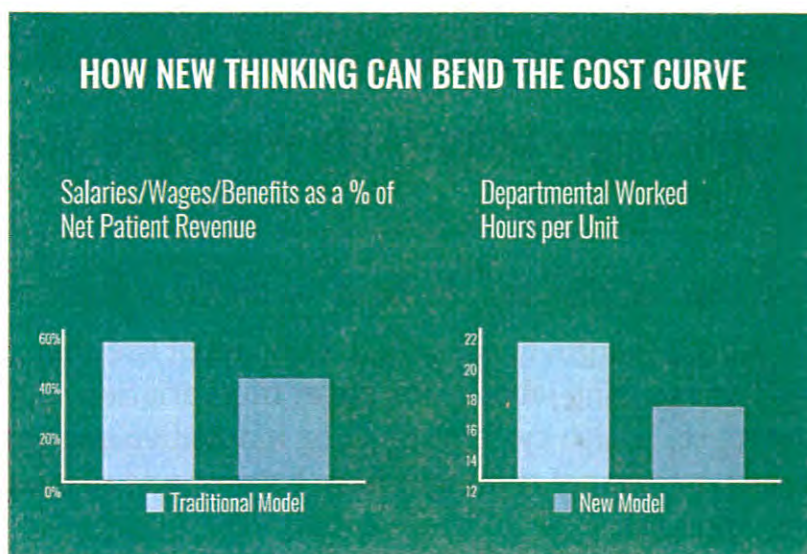
Part of this approach is to rethink staffing models. As the industry evolves, organizations must move away from traditional thinking, which based its labor budget on department volume projections or static overhead staffing. To bend the cost curve, hospitals must model its trajectory downward using year-over-year revenue projections and margin goals at the facility level. Hospitals can then allocate those projections to meet department level staffing targets.

(Continued)



To start, hospitals should follow these initial steps:

1. Align labor deployment with revenue: Staffing models in clinical and overhead department are determined by revenue and volume using custom performance metrics and benchmarks, as well as revenue projections.
2. Identify barriers and opportunities: Finding gaps and required structural improvements to optimize staff deployment. Doing so will help manage and measure performance, instill accountability and establish the appropriate course for your hospital.
3. Set deployable tactics and goals: Establishing a plan of action will help your facility achieve an efficient, productive and affordable workforce.



Work with your regional vice president to pinpoint a tailor-made strategy to help your hospital improve financial performance, and ensure your staffing model meets the needs of your community.

## Heard in the News

**Read more about the topics discussed above:**

<http://www.healthcarefinancenews.com/news/tackling-physician-shortage-reduce-inefficiency-add-residency-slots>

<https://www.fiercehealthcare.com/practices/physician-shortage-could-hit-120k-by-2030-aamc-darrell-g-kirch>

<https://www.healthcaredive.com/news/home-health-nursing-face-job-shortages-report-finds/522948/>

<https://www.greenvilleonline.com/story/news/2018/04/22/why-finding-doctor-s-c-could-get-harder/525461002/>

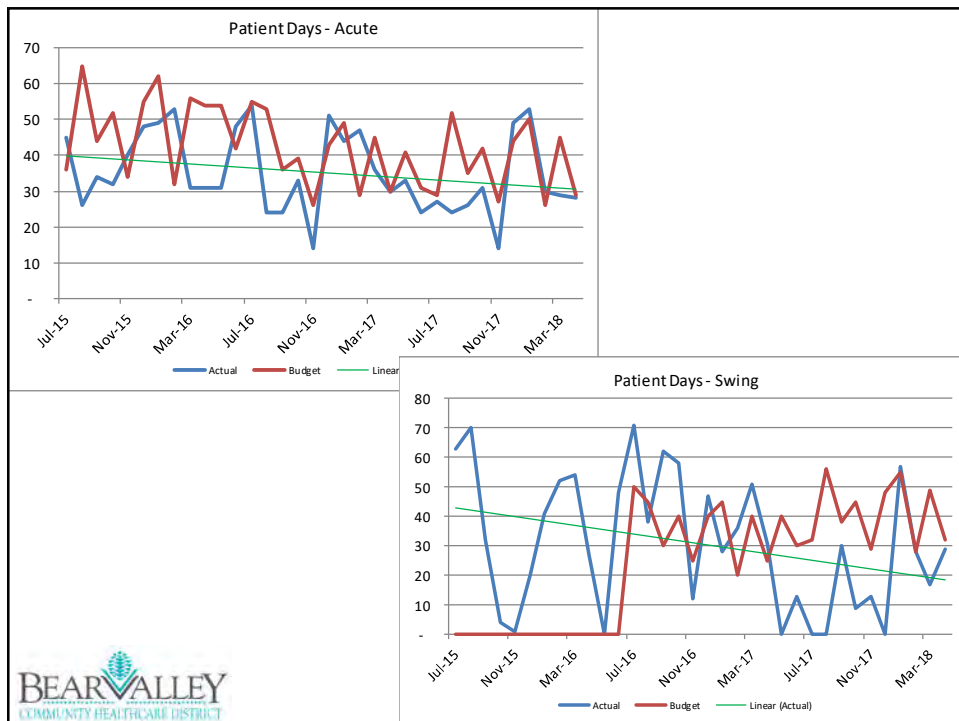
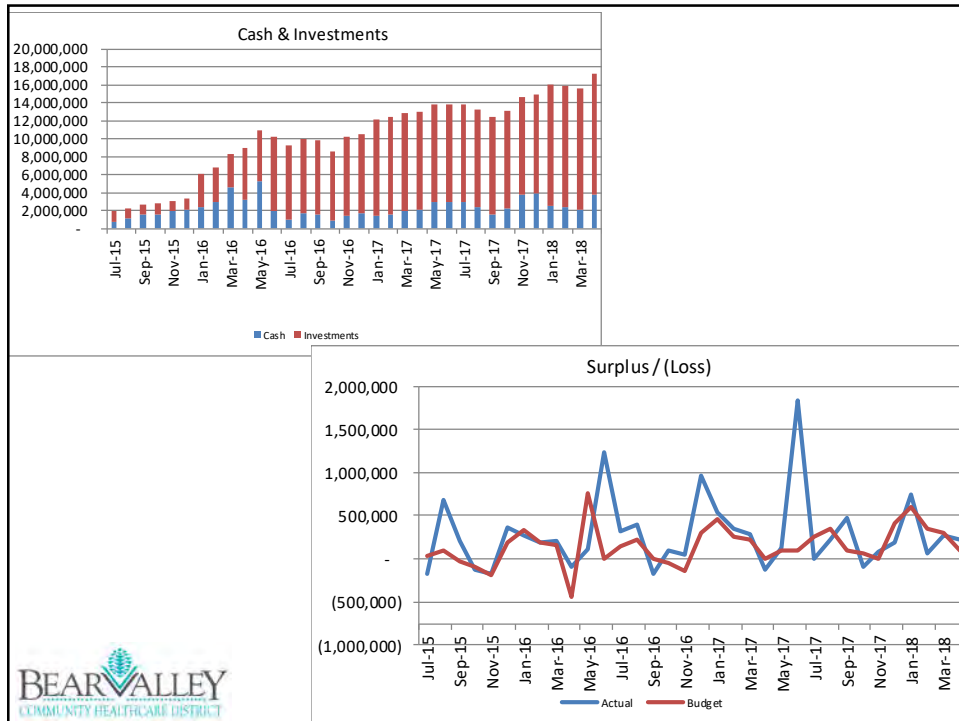


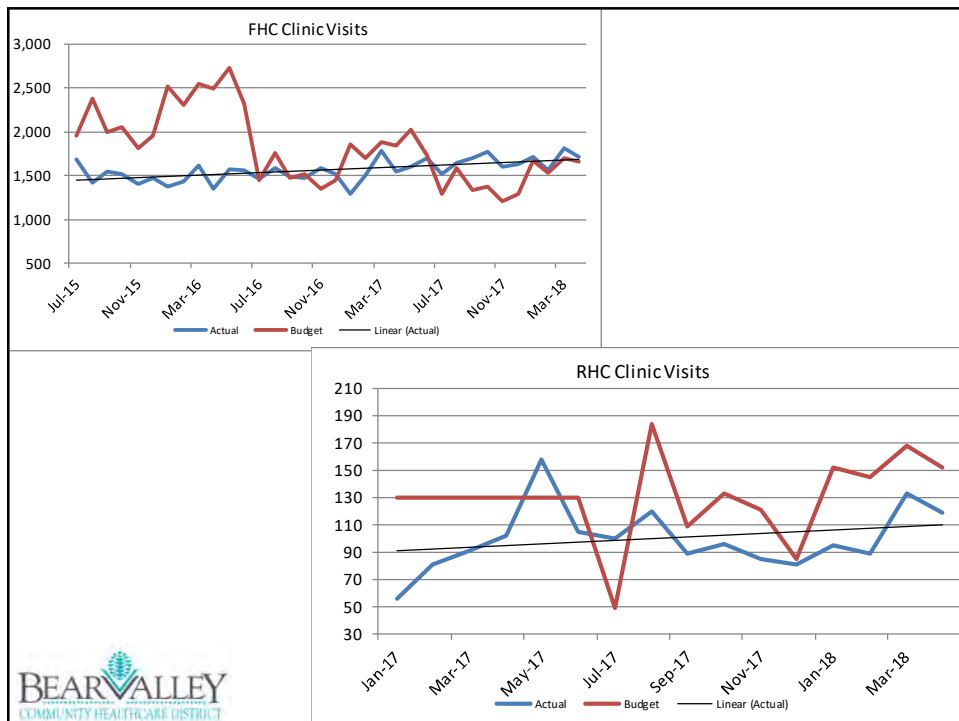
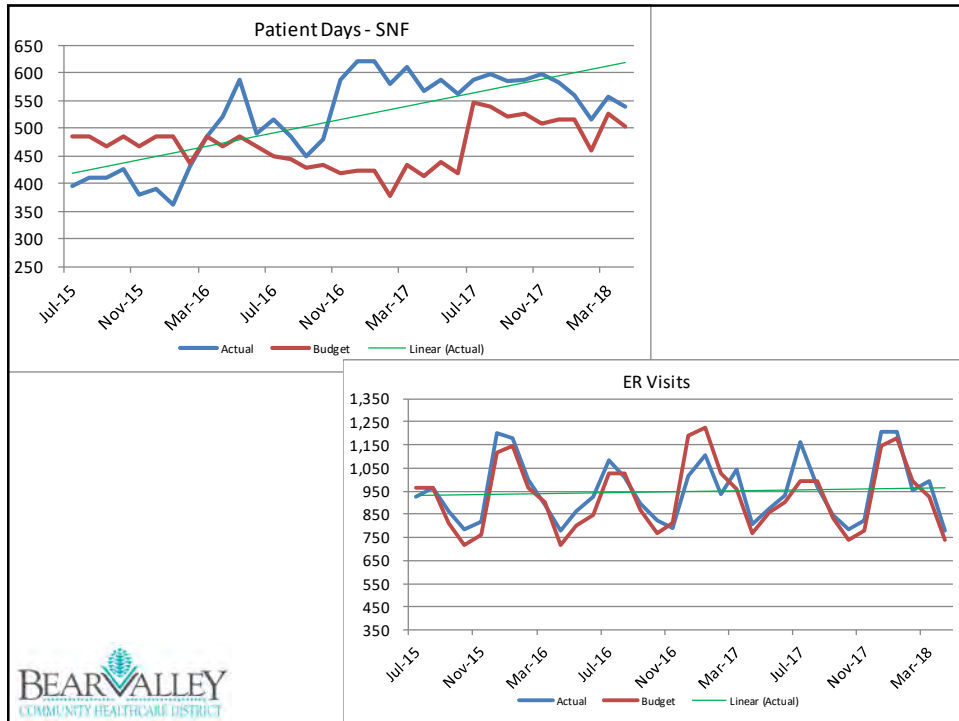
Finance Report  
April 2018 Results

Summary for April 2018

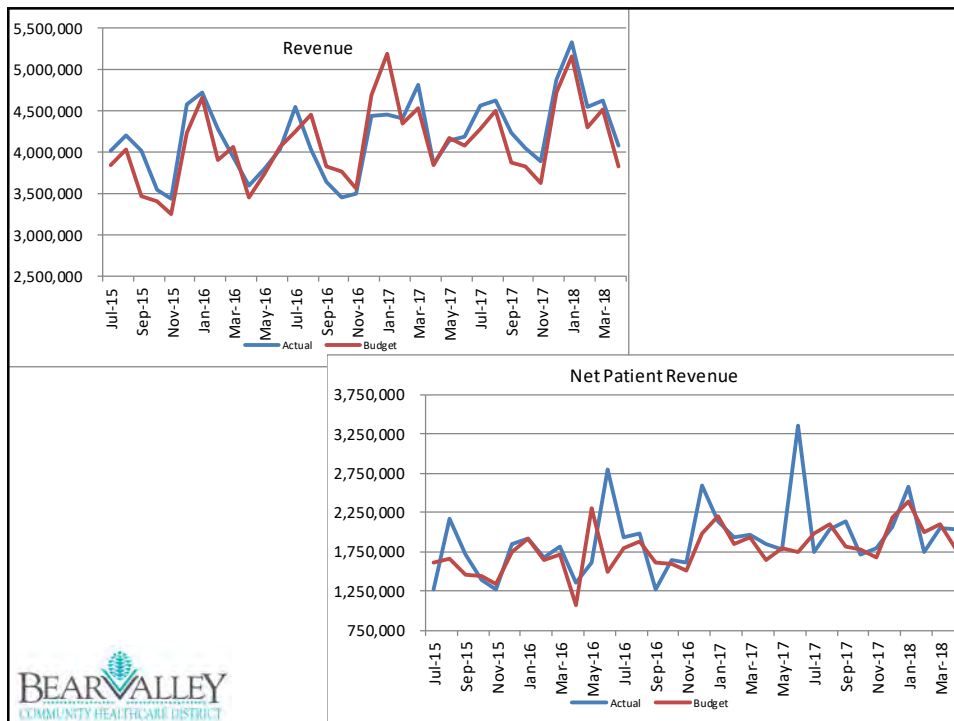
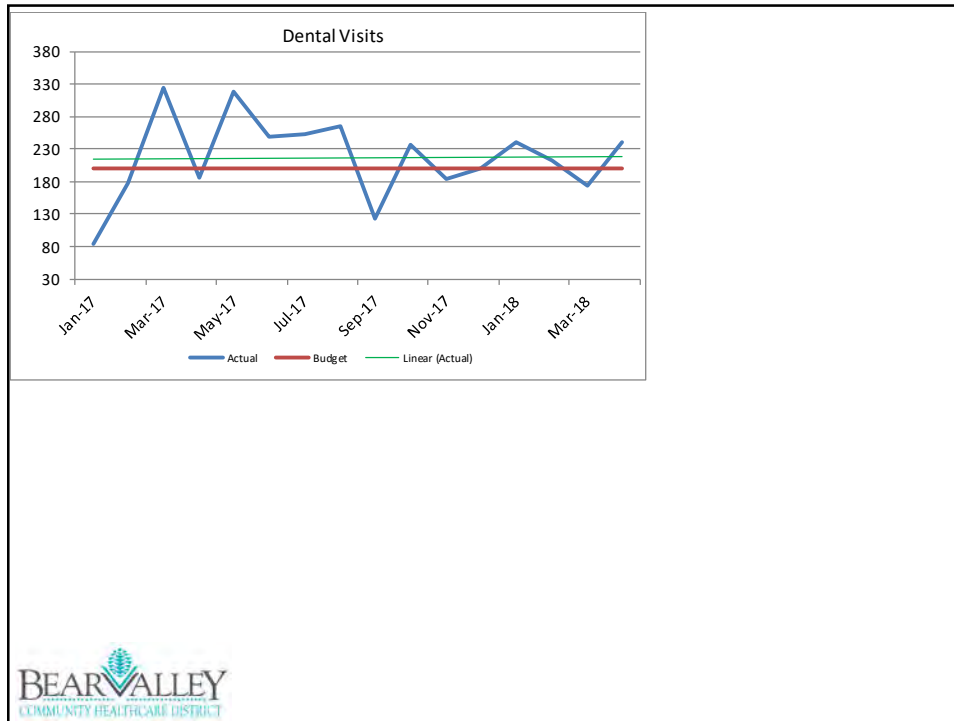
- Cash on Hand - \$3,771,817
- Investments - \$13,497,614
- Days Cash on hand, including investments with LAIF – 273
- Surplus of \$218,011 for the month compared to budgeted surplus of \$94,422.
- Total Patient Revenue over Budget by 6.6% for the month
- Net Patient Revenue was 13.9% over budget.
- Total Expenses 3.9% more than budget

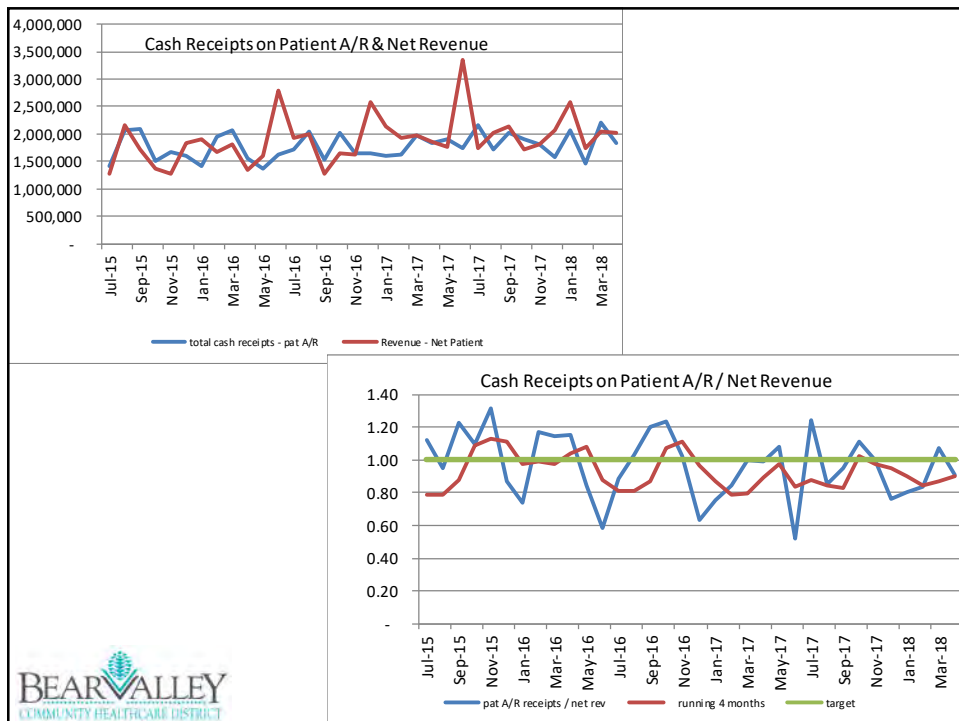
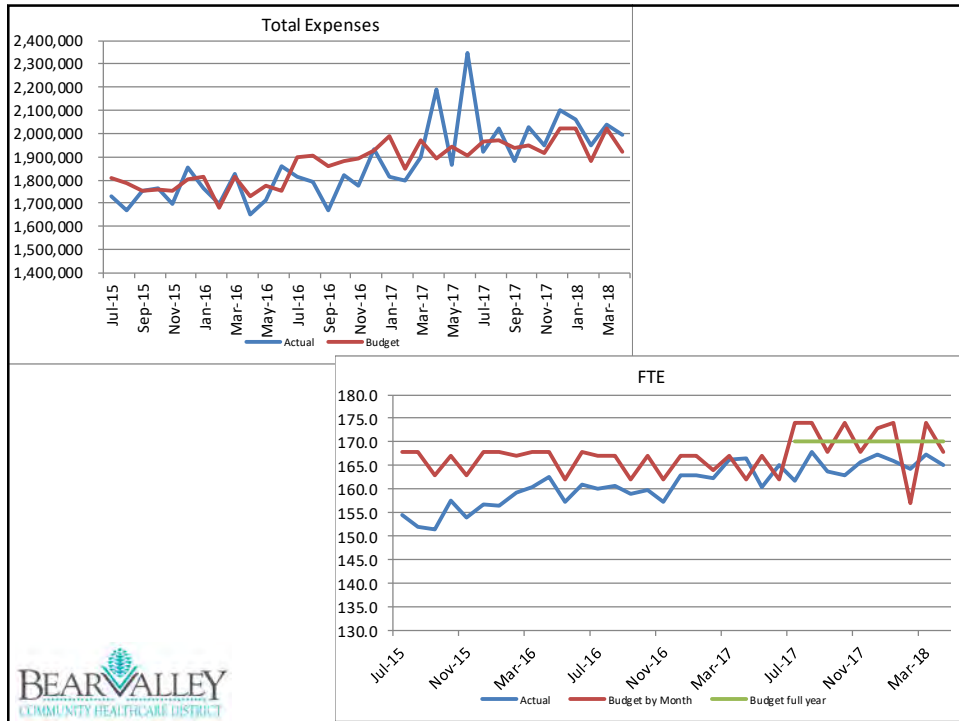


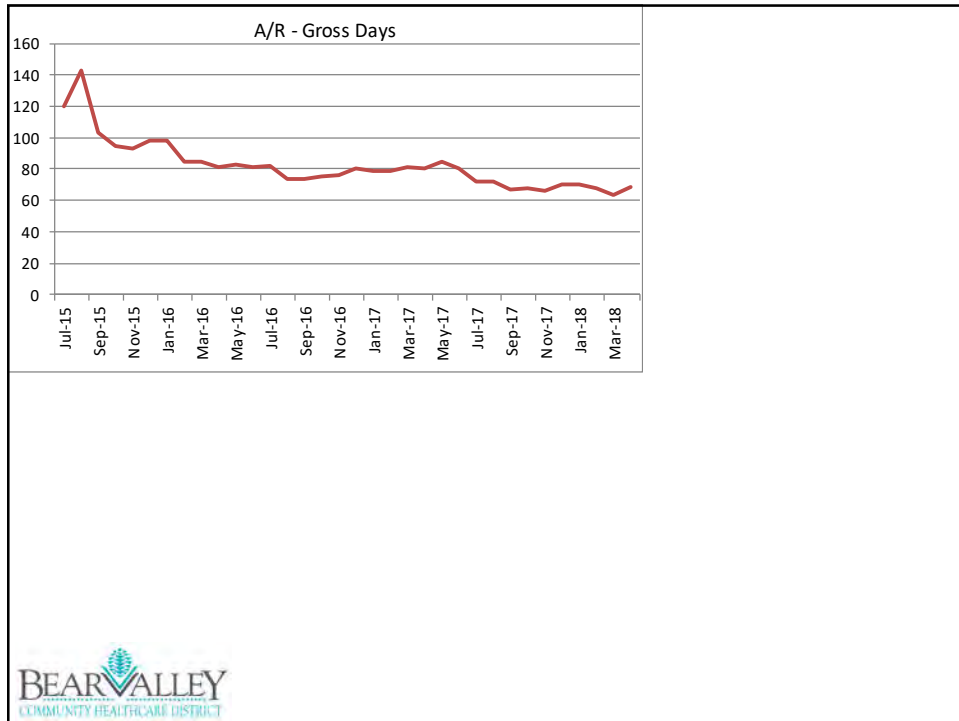














## **April 2018 Financial Results**

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

Total Patient Revenue of \$4,081,611 for April was 6.6% over budget. Outpatient revenue, Clinic revenue, Emergency Room revenue, and SNF revenue were all over budget for the month. Inpatient revenue was below budget for the month.

Deductions from Revenue of \$2,055,950 or .3% over budget.

Total operating Revenue of \$2,034,419 was 11.2% over budget.

Total Expenses of \$1,995,680 were 3.9% over budget. Professional fees were higher in FHC due to volumes. Supply expense as significantly under budget in Lab. Purchased Services were over budget with Interim Director in SNF and with payment to WIPFLi for Medi-Cal reporting and reimbursement work.

Our Surplus for the month of April 2018 was \$218,011, this was \$123,589 higher than budget for the month.

Our Operating Cash and Investments total \$17,269,431 as of the end of April 2018 total days cash on hand are 273.

### **Key Statistics**

Acute patient days of 28 for the month were just 1 less than budget. Swing patient days of 29 for the month were 3 lower than budgeted. Patient days on SNF days totaled 540 which was 7% over the budgeted amount. Emergency room visits of 778 were 5.6% over budget.

### **Through the first ten months of our Fiscal Year . . .**

Patient revenue is 5.1% over budget, total revenue deductions are 9.3% more than budget. Net Patient Revenue is 0.4% more than budget. Total expenses are 1.7% higher than budget, and our surplus of \$2,168,282 is \$389,646 lower than budget. We do still have some IGT and prior year settlement amounts to take into income by year end.

Acute and Swing patient days continue significantly lower than budgeted. SNF days are 11% over budget. ER Visits are 4.5% over budget. FTE continue to be under budget.



**Bear Valley Community Healthcare District**  
**Financial Statements April 30, 2018**

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

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 16/17	FY 17/18		VARIANCE		FY 16/17	FY 17/18		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1 Total patient revenue	3,857,008	4,081,611	3,827,509	254,102	6.6%	41,123,635	44,790,444	42,601,230	2,189,214	5.1%
2 Total revenue deductions	2,008,652	2,055,950	2,049,121	6,829	0.3%	22,226,473	24,926,259	22,807,289	2,118,970	9.3%
3 % Deductions	52%	50%	54%			54%	56%	54%		
4 Net Patient Revenue	1,848,356	2,025,661	1,778,388	247,273	13.9%	18,897,162	19,864,185	19,793,941	70,244	0.4%
5 % Net to Gross	48%	50%	46%			46%	44%	46%		
6 Other Revenue	25,629	8,758	51,584	(42,826)	-83.0%	271,432	302,884	517,425	(214,541)	-41.5%
7 Total Operating Revenue	1,873,985	2,034,419	1,829,972	204,447	11.2%	19,168,594	20,167,069	20,311,366	(144,297)	-0.7%
8 Total Expenses	2,178,566	1,995,680	1,921,297	74,383	3.9%	18,421,601	19,949,407	19,610,908	338,499	1.7%
9 % Expenses	56%	49%	50%			45%	45%	46%		
10 Surplus (Loss) from Operations	(304,581)	38,738	(91,325)	130,063	142.4%	746,993	217,661	700,458	(482,797)	68.9%
11 % Operating margin	-8%	1%	-2%			2%	0%	2%		
12 Total Non-operating	184,022	179,273	185,747	(6,474)	-3.5%	1,959,170	1,950,620	1,857,470	93,150	5.0%
13 Surplus/(Loss)	(120,559)	218,011	94,422	123,589	-130.9%	2,706,163	2,168,282	2,557,928	(389,646)	15.2%
14 % Total margin	-3%	5%	2%			7%	5%	6%		

**BALANCE SHEET**

	A	B	C	D	E
	April	April	March	VARIANCE	
	FY 16/17	FY 17/18	FY 17/18	Amount	%
15 Gross Accounts Receivables	11,783,203	10,279,582	10,228,715	50,867	0.5%
16 Net Accounts Receivables	4,436,270	3,940,291	3,912,152	28,139	0.7%
17 % Net AR to Gross AR	38%	38%	38%		
18 Days Gross AR	80	69	64	6	8.7%
19 Cash Collections	1,826,794	1,836,686	2,202,921	(366,235)	-16.6%
21 Investments	10,852,271	13,497,614	13,497,614	-	0.0%
22 Cash on hand	2,055,415	3,771,817	2,044,038	1,727,779	84.5%
23 Total Cash & Invest	12,907,686	17,269,431	15,541,651	1,727,779	11.1%
24 Days Cash & Invest	218	273	246	27	11.0%
Total Cash and Investments	12,907,686	17,269,431			
Increase Current Year vs. Prior Year		4,361,745			

**Bear Valley Community Healthcare District**  
Financial Statements April 30, 2018

**Statement of Operations**

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 15/16	FY 16/17		VARIANCE		FY 15/16	FY 16/17		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
<b>Gross Patient Revenue</b>										
1 Inpatient	202,673	151,595	195,949	(44,354)	-22.6%	2,361,522	1,646,969	2,407,884	(760,915)	-31.6%
2 Outpatient	820,964	967,226	893,587	73,639	8.2%	8,713,987	10,019,615	9,108,401	911,214	10.0%
3 Clinic Revenue	313,136	381,601	251,745	129,856	51.6%	2,116,272	3,588,904	2,288,624	1,300,280	56.8%
4 Emergency Room	2,263,020	2,338,042	2,244,598	93,444	4.2%	25,459,559	26,989,910	26,343,518	646,392	2.5%
5 Skilled Nursing Facility	257,215	243,147	241,630	1,517	0.6%	2,472,295	2,545,046	2,452,803	92,243	3.8%
6 <b>Total patient revenue</b>	<b>3,857,008</b>	<b>4,081,611</b>	<b>3,827,509</b>	<b>254,102</b>	<b>6.6%</b>	<b>41,123,635</b>	<b>44,790,444</b>	<b>42,601,230</b>	<b>2,189,214</b>	<b>5.1%</b>
<b>Revenue Deductions</b>										
7 Contractual Allow	1,605,694	1,718,143	1,875,726	(157,583)	-8.4%	18,533,017	21,889,168	20,877,358	1,011,810	4.8%
8 Contractual Allow PY	(2,904)	(37,694)	-	(37,694)	#DIV/0!	(24,863)	(252,207)	-	(252,207)	#DIV/0!
9 Charity Care	9,753	9,031	8,197	834	10.2%	89,563	77,012	91,234	(14,222)	-15.6%
10 Administrative	5,807	7,151	7,183	(32)	-0.4%	75,740	322,573	79,943	242,630	303.5%
11 Policy Discount	10,782	11,150	5,850	5,300	90.6%	67,745	112,933	65,116	47,817	73.4%
12 Employee Discount	3,901	5,739	3,183	2,556	80.3%	34,894	63,030	35,428	27,602	77.9%
13 Bad Debts	255,342	274,537	148,982	125,555	84.3%	1,576,967	1,462,038	1,658,210	(196,172)	-11.8%
14 Denials	266,959	67,892	-	67,892	#DIV/0!	1,873,411	1,251,712	-	1,251,712	#DIV/0!
15 <b>Total revenue deductions</b>	<b>2,008,652</b>	<b>2,055,950</b>	<b>2,049,121</b>	<b>6,829</b>	<b>0.3%</b>	<b>22,226,473</b>	<b>24,926,259</b>	<b>22,807,289</b>	<b>2,118,970</b>	<b>9.3%</b>
16 <b>Net Patient Revenue</b>	<b>1,848,356</b>	<b>2,025,661</b>	<b>1,778,388</b>	<b>247,273</b>	<b>13.9%</b>	<b>18,897,162</b>	<b>19,864,185</b>	<b>19,793,941</b>	<b>70,244</b>	<b>0.4%</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>	25,629	8,758	51,584	(42,826)	-83.0%	271,432	302,884	517,425	(214,541)	-41.5%
18 <b>Total Operating Revenue</b>	<b>1,873,985</b>	<b>2,034,419</b>	<b>1,829,972</b>	<b>204,447</b>	<b>11.2%</b>	<b>19,168,594</b>	<b>20,167,069</b>	<b>20,311,366</b>	<b>(144,297)</b>	<b>-0.7%</b>
<b>Expenses</b>										
19 Salaries	728,157	795,713	799,351	(3,638)	-0.5%	7,633,976	8,117,610	8,095,530	22,080	0.3%
20 Employee Benefits	357,455	296,588	321,171	(24,583)	-7.7%	2,932,814	3,028,575	3,245,255	(216,680)	-6.7%
21 Registry	-	-	-	-	#DIV/0!	33,285	16,028	-	16,028	#DIV/0!
22 Salaries and Benefits	<b>1,085,611</b>	<b>1,092,301</b>	<b>1,120,522</b>	<b>(28,221)</b>	<b>-2.5%</b>	<b>10,600,074</b>	<b>11,162,212</b>	<b>11,340,785</b>	<b>(178,573)</b>	<b>-1.6%</b>
23 Professional fees	166,886	169,338	154,007	15,331	10.0%	1,481,058	1,682,065	1,597,611	84,454	5.3%
24 Supplies	118,595	88,343	119,407	(31,064)	-26.0%	1,207,412	1,290,888	1,251,169	39,719	3.2%
25 Utilities	49,735	40,945	37,825	3,120	8.2%	447,299	413,312	451,029	(37,717)	-8.4%
26 Repairs and Maintenance	74,634	23,136	22,565	571	2.5%	262,517	280,602	226,062	54,540	24.1%
27 Purchased Services	318,783	406,858	292,204	114,654	39.2%	2,817,727	3,466,821	2,994,848	471,973	15.8%
28 Insurance	25,014	25,912	25,917	(5)	0.0%	250,327	259,878	259,170	707	0.3%
29 Depreciation	50,869	82,710	75,000	7,710	10.3%	482,514	714,036	750,000	(35,964)	-4.8%
30 Rental and Leases	36,822	16,197	16,297	(100)	-0.6%	198,255	232,373	162,970	69,403	42.6%
32 Dues and Subscriptions	7,513	7,941	5,046	2,895	57.4%	48,545	56,201	50,458	5,743	11.4%
33 Other Expense.	244,104	42,000	52,507	(10,507)	-20.0%	625,873	391,020	526,806	(135,786)	-25.8%
34 <b>Total Expenses</b>	<b>2,178,566</b>	<b>1,995,680</b>	<b>1,921,297</b>	<b>74,383</b>	<b>3.9%</b>	<b>18,421,601</b>	<b>19,949,407</b>	<b>19,610,908</b>	<b>338,499</b>	<b>1.7%</b>
35 <b>Surplus (Loss) from Operations</b>	<b>(304,581)</b>	<b>38,738</b>	<b>(91,325)</b>	<b>130,063</b>	<b>142.4%</b>	<b>746,993</b>	<b>217,661</b>	<b>700,458</b>	<b>(482,797)</b>	<b>68.9%</b>
36 <b>Non-Operating Income</b>										
37 Tax Revenue	189,917	186,047	186,047	-	0.0%	1,899,170	1,860,470	1,860,470	-	0.0%
38 Other non-operating	2,000	-	3,283	(3,283)	-100.0%	96,702	52,581	32,830	19,751	60.2%
Interest Income	490	884	4,167	(3,283)	-78.8%	43,614	115,657	41,670	73,987	177.6%
Interest Expense	(8,385)	(7,658)	(7,750)	92	-1.2%	(80,316)	(78,088)	(77,500)	(588)	0.8%
39 <b>Total Non-operating</b>	<b>184,022</b>	<b>179,273</b>	<b>185,747</b>	<b>(6,474)</b>	<b>-3.5%</b>	<b>1,959,170</b>	<b>1,950,620</b>	<b>1,857,470</b>	<b>93,150</b>	<b>5.0%</b>
40 <b>Surplus/(Loss)</b>	<b>(120,559)</b>	<b>218,011</b>	<b>94,422</b>	<b>123,589</b>	<b>-130.9%</b>	<b>2,706,163</b>	<b>413,281</b>	<b>1,557,928</b>	<b>389,969</b>	<b>15.1%</b>

**Bear Valley Community Healthcare District  
Financial Statements**

**Current Year Trending Statement of Operations**

**A Statement of Operations—CURRENT YEAR 2018**

	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
<b>Gross Patient Revenue</b>													
1 Inpatient	95,787	98,514	150,843	142,719	77,702	202,529	368,022	205,698	153,559	151,595			1,646,969
2 Outpatient	868,939	1,205,964	1,063,953	1,047,978	997,359	857,747	1,077,117	960,070	973,262	967,226			10,019,615
3 Clinic	347,893	369,602	339,870	391,164	329,577	339,330	370,318	332,540	387,011	381,601			3,588,904
4 Emergency Room	2,985,253	2,686,283	2,407,574	2,203,306	2,221,976	3,207,446	3,260,191	2,822,859	2,856,980	2,338,042			26,989,910
5 Skilled Nursing Facility	261,793	265,487	262,653	261,572	265,920	259,078	248,635	228,695	248,065	243,147			2,545,046
6 Total patient revenue	4,559,665	4,625,850	4,224,893	4,046,739	3,892,534	4,866,130	5,324,283	4,549,861	4,618,877	4,081,611	-	-	44,790,444
<b>Revenue Deductions</b>	C/A 0.56	0.47	0.47	0.47	0.44	0.53	0.46	0.58	0.48	0.42	#DIV/0!	#DIV/0!	0.49
7 Contractual Allow	2,548,409	2,192,333	1,994,911	1,909,156	1,696,412	2,569,127	2,429,042	2,617,795	2,213,838	1,718,143			21,889,168
8 Contractual Allow PY	-	463	1,249	(1,739)	-	-	(3)	(132,608)	(81,875)	(37,694)			(252,207)
9 Charity Care	7,675	12,842	-	-	9,999	1,812	7,644	7,866	20,144	9,031			77,012
10 Administrative	(746)	114,668	169,442	10,431	2,860	989	1,974	10,254	5,551	7,151			322,573
11 Policy Discount	11,532	11,940	7,202	10,680	10,915	9,781	13,595	12,725	13,413	11,150			112,933
12 Employee Discount	4,711	9,099	3,938	4,084	4,131	4,202	6,231	10,571	10,324	5,739			63,030
13 Bad Debts	(59,348)	69,295	45,428	236,304	205,433	130,228	201,297	96,436	262,428	274,537			1,462,038
14 Denials	307,852	190,797	(129,516)	169,768	162,874	89,070	93,291	177,257	122,427	67,892			1,251,712
15 Total revenue deductions	2,820,085	2,601,437	2,092,654	2,338,683	2,092,624	2,805,209	2,753,071	2,800,296	2,566,251	2,055,950	-	-	24,926,259
16 Net Patient Revenue	1,739,580	2,024,413	2,132,239	1,708,056	1,799,911	2,060,921	2,571,212	1,749,565	2,052,626	2,025,661	-	-	19,864,185
net / tot pat rev	38.2%	43.8%	50.5%	42.2%	46.2%	42.4%	48.3%	38.5%	44.4%	49.6%	#DIV/0!	#DIV/0!	44.3%
17 Other Revenue	7,162	35,245	20,043	45,312	35,896	16,992	35,338	72,429	25,710	8,758			302,884
18 Total Operating Revenue	1,746,742	2,059,658	2,152,282	1,753,369	1,835,807	2,077,912	2,606,549	1,821,994	2,078,337	2,034,419	-	-	20,167,069
<b>Expenses</b>													
19 Salaries	800,028	842,003	802,366	798,066	721,536	884,119	849,855	786,053	837,872	795,713			8,117,610
20 Employee Benefits	286,721	318,469	300,954	292,526	296,309	316,321	315,442	285,480	319,765	296,588			3,028,575
21 Registry	12,718	-	-	-	-	3,310	-	-	-	-			16,028
22 Salaries and Benefits	1,099,467	1,160,472	1,103,320	1,090,592	1,017,845	1,203,749	1,165,297	1,071,533	1,157,637	1,092,301	-	-	11,162,212
23 Professional fees	163,392	159,614	149,941	191,107	168,319	157,808	173,264	169,956	179,324	169,338			1,682,065
24 Supplies	130,715	136,046	101,350	139,091	134,939	107,112	172,497	150,603	130,192	88,343			1,290,888
25 Utilities	42,342	42,209	43,009	40,689	40,990	39,869	41,326	42,100	39,834	40,945			413,312
26 Repairs and Maintenance	22,461	19,239	35,825	30,007	38,216	28,409	32,513	27,659	23,136	23,136			280,602
27 Purchased Services	302,014	346,148	281,012	373,876	381,162	395,485	308,903	329,029	342,334	406,858			3,466,821
28 Insurance	25,762	25,762	25,762	25,835	25,762	27,345	25,912	25,912	25,912	25,912			259,878
29 Depreciation	48,568	49,162	58,815	61,486	82,456	82,710	82,710	82,710	82,710	82,710			714,036
30 Rental and Leases	46,445	39,979	35,360	23,454	15,317	16,214	14,242	14,670	10,495	16,197			232,373
32 Dues and Subscriptions	5,518	5,427	5,725	5,181	4,523	5,207	2,710	1,944	12,026	7,941			56,201
33 Other Expense.	36,147	35,255	43,441	47,022	39,491	38,655	39,225	33,265	36,519	42,000			391,020
34 Total Expenses	1,922,831	2,019,314	1,883,559	2,028,341	1,949,020	2,102,562	2,058,598	1,949,382	2,040,119	1,995,680	-	-	19,949,407
<b>Surplus (Loss) from Operations</b>	(176,089)	40,344	268,723	(274,973)	(113,213)	(24,650)	547,951	(127,388)	38,218	38,738	-	-	217,661
<b>Non-Operating Income</b>													
37 Tax Revenue	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047			1,860,470
38 Other non-operating	10,247	(130)	130	20,000	-	12,000	10,000	334	-	-			52,581
Interest Income	1,906	626	30,375	693	965	31,840	1,071	591	46,706	884			115,657
Interest Expense	(7,717)	(7,902)	(8,002)	(7,752)	(7,763)	(8,047)	(7,830)	(7,737)	(7,681)	(7,658)			(78,088)
39 Total Non-operating	180,236	189,018	208,290	179,118	199,249	209,840	191,288	188,902	225,405	179,273	-	-	1,950,620
40 Surplus/(Loss)	4,147	229,362	477,013	(95,854)	86,036	185,190	739,240	61,513	263,623	218,011	-	-	2,168,282

2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

PY BS

ASSETS:

Current Assets

Cash and Cash Equivalents (Includes CD's)	2,926,360	2,290,992	1,483,027	2,187,881	3,733,239	3,884,817	2,490,708	2,353,707	2,044,038	3,771,817	2,858,405
Gross Patient Accounts Receivable	10,084,033	10,529,969	9,819,853	9,516,577	8,883,930	9,771,838	10,764,545	11,059,822	10,231,024	10,281,906	10,749,524
Less: Reserves for Allowances & Bad Debt	6,481,129	6,632,089	5,818,066	5,954,203	5,590,675	6,111,008	6,570,468	6,769,875	6,318,873	6,341,615	6,824,943
Net Patient Accounts Receivable	3,602,904	3,897,880	4,001,787	3,562,374	3,293,255	3,660,830	4,194,077	4,289,947	3,912,152	3,940,291	3,924,581
Tax Revenue Receivable	2,232,569	2,232,569	2,232,569	2,232,569	1,944,288	970,958	827,168	800,445	768,696	32,882	56,787
Other Receivables	88,537	55,474	750,144	324,224	-1,218,923	-1,160,647	-1,793,802	-1,735,250	-1,036,263	-973,905	107,830
Inventories	217,948	220,580	221,025	226,011	222,712	222,388	229,341	236,269	234,002	234,041	212,805
Prepaid Expenses	330,877	339,259	336,340	352,943	342,699	313,470	295,570	279,301	250,181	260,592	192,216
Due From Third Party Payers	0										
Due From Affiliates/Related Organizations	0										
Other Current Assets	0										
Total Current Assets	9,399,195	9,036,754	9,024,893	8,886,002	8,317,270	7,891,816	6,243,062	6,224,418	6,172,806	7,265,719	7,352,624

Assets Whose Use is Limited

Investments	10,894,184	10,894,184	10,921,640	10,921,640	10,921,640	10,952,520	13,452,520	13,452,520	13,497,614	13,497,614	10,894,184
Other Limited Use Assets	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited Use Assets	11,038,559	11,038,559	11,066,015	11,066,015	11,066,015	11,096,895	13,596,895	13,596,895	13,641,989	13,641,989	11,038,559

Property, Plant, and Equipment

Land and Land Improvements	547,472	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	547,472
Building and Building Improvements	9,657,088	9,659,388	9,686,383	9,696,603	9,699,157	9,699,804	9,737,717	9,752,367	9,752,367	9,752,367	9,657,088
Equipment	9,625,066	9,694,652	10,189,492	10,232,207	11,486,278	11,504,275	11,516,840	11,661,203	11,704,839	11,704,839	9,614,476
Construction In Progress	1,058,659	1,101,848	753,103	1,356,225	146,485	146,485	146,485	16,365	16,365	19,206	532,158
Capitalized Interest	0										
Gross Property, Plant, and Equipment	20,888,285	21,026,502	21,199,592	21,855,650	21,902,534	21,921,179	21,971,657	22,000,549	22,044,186	22,047,027	20,351,194
Less: Accumulated Depreciation	12,764,979	12,814,141	12,872,956	12,934,442	13,016,899	13,099,608	13,182,318	13,265,028	13,347,737	13,430,447	12,716,411
Net Property, Plant, and Equipment	8,123,306	8,212,362	8,326,636	8,921,208	8,885,636	8,821,571	8,789,339	8,735,522	8,696,449	8,616,580	7,634,783
TOTAL UNRESTRICTED ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	26,025,966

Restricted Assets

0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	26,025,966



2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

LIABILITIES:

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	PY BS June
Current Liabilities											
Accounts Payable	1,382,046	985,885	792,559	1,431,694	876,176	956,102	943,576	973,763	711,190	833,399	1,055,031
Notes and Loans Payable											
Accrued Payroll	775,117	846,351	884,291	975,116	996,448	697,894	802,910	817,096	891,764	940,378	684,799
Patient Refunds Payable											
Due to Third Party Payers (Settlements)	709,007	709,470	695,980	695,980	718,109	552,505	718,109	718,109	775,164	1,577,778	649,537
Advances From Third Party Payers											
Current Portion of Def Rev - Txs,	2,046,518	1,860,471	1,674,424	1,488,377	1,302,330	1,151,283	965,236	779,189	593,142	407,095	-4
Current Portion - LT Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Current Portion of AB915											
Other Current Liabilities (Accrued Interest & Accrued Other)	15,243	23,005	30,785	38,407	46,169	7,621	15,350	23,049	30,731	38,373	7,621
Total Current Liabilities	4,962,931	4,460,183	4,113,039	4,664,574	3,974,233	3,400,405	3,480,181	3,346,206	3,036,991	3,832,023	2,431,984
Long Term Debt											
USDA Loan	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,895,000	2,895,000	2,895,000	2,895,000	2,965,000	2,965,000
Leases Payable	0	0	0	0	0	0	0	0	0	0	0
Less: Current Portion Of Long Term Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total Long Term Debt (Net of Current)	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,860,000	2,860,000	2,860,000	2,860,000	2,930,000	2,930,000
Other Long Term Liabilities											
Deferred Revenue	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total Other Long Term Liabilities	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	7,892,931	7,390,183	7,043,039	7,594,574	6,904,233	6,260,405	6,340,181	6,206,206	5,896,991	6,762,023	5,361,984
Fund Balance											
Unrestricted Fund Balance	20,663,982	20,663,983	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	16,251,126
Temporarily Restricted Fund Balance	0	0				0					
Equity Transfer from FRHG	0	0				0					
Net Revenue/(Expenses)	4,147	233,510	710,523	614,668	700,705	885,895	1,625,134	1,686,648	1,950,271	2,168,282	4,412,856
TOTAL FUND BALANCE	20,668,129	20,897,491	21,374,505	21,278,650	21,364,687	21,549,877	22,289,116	22,350,630	22,614,253	22,832,264	20,663,982
TOTAL LIABILITIES & FUND BALANCE	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,594,287	26,025,966

Units of Service												
For the period ending: April 30, 2018												
30						304						
Current Month						Bear Valley Community Hospital		Year-To-Date				
Apr-18		Apr-17	Actual	-Budget	Act.-Act.	Apr-18		Apr-17	Actual	-Budget	Act.-Act.	
Actual	Budget	Actual	Variance	Var %	Var %	Actual	Budget	Actual	Variance	Var %	Var %	
28	29	30	(1)	-4.3%	-6.7%	Med Surg Patient Days	311	379	357	(68)	-18.0%	-12.9%
29	32	31	(3)	-8.7%	-6.5%	Swing Patient Days	183	412	434	(229)	-55.6%	-57.8%
540	503	567	37	7.4%	-4.8%	SNF Patient Days	5,714	5,162	5,515	552	10.7%	3.6%
597	564	628	33	5.9%	-4.9%	Total Patient Days	6,208	5,953	6,306	255	4.3%	-1.6%
14	15	10	(1)	-6.7%	40.0%	Acute Admissions	130	150	139	(20)	-13.3%	-6.5%
12	15	12	(3)	-20.0%	0.0%	Acute Discharges	132	150	146	(18)	-12.0%	-9.6%
2.3	-	2.5	2.3	#DIV/0!	-6.7%	Acute Average Length of Stay	2.4	-	2.4	2.4	#DIV/0!	-3.6%
0.9	1.0	1.0	(0.0)	-4.3%	-6.7%	Acute Average Daily Census	1.0	1	1.2	(0.2)	-18.0%	-12.9%
19.0	17.8	19.9	1.1	6.4%	-4.8%	SNF/Swing Avg Daily Census	19.4	18	19.6	1.1	5.8%	-0.9%
19.9	18.8	20.9	1.1	5.9%	-4.9%	Total Avg. Daily Census	20.4	20	20.7	0.8	4.3%	-1.6%
44%	42%	47%	2%	5.9%	-4.9%	% Occupancy	45%	44%	46%	2%	4.3%	-1.6%
12	15	8	(3)	-20.0%	50.0%	Emergency Room Admitted	117	150	122	(33)	-22.0%	-4.1%
766	1,000	800	(234)	-23.4%	-4.3%	Emergency Room Discharged	9,606	10,000	9,387	(394)	-3.9%	2.3%
778	737	808	41	5.6%	-3.7%	Emergency Room Total	9,723	9,306	9,509	417	4.5%	2.3%
26	25	27	1	5.6%	-3.7%	ER visits per calendar day	32	31	31	1	4.5%	2.3%
86%	100%	80%	33%	33.3%	7.1%	% Admits from ER	90%	100%	88%	61%	60.6%	2.5%
-	-	1	-	#DIV/0!	-100.0%	Surgical Procedures I/P	2	-	-	2	0.0%	#DIV/0!
13	20	8	(7)	-35.0%	62.5%	Surgical Procedures O/P	123	202	67	(79)	-39.1%	83.6%
13	20	9	(7)	-35.0%	44.4%	TOTAL Procedures	125	202	67	(77)	-38.1%	86.6%
583	286	822	297	103.8%	-29.1%	Surgical Minutes Total	8,713	2,895	4,440	5,818	201.0%	96.2%

**Units of Service**  
For the period ending: April 30, 2018

Current Month						Bear Valley Community Hospital			Year-To-Date			
Apr-18		Apr-17	Actual -Budget		Act.-Act.		Apr-18		Apr-17	Actual -Budget		Act.-Act.
Actual	Budget	Actual	Variance	Var %	Var %		Actual	Budget	Actual	Variance	Var %	Var %
6,212	6,024	5,650	188	3.1%	9.9%	Lab Procedures	61,854	57,644	60,090	4,210	7.3%	2.9%
702	670	747	32	4.8%	-6.0%	X-Ray Procedures	8,032	7,613	8,376	419	5.5%	-4.1%
242	222	208	20	9.0%	16.3%	C.T. Scan Procedures	2,703	2,620	2,626	83	3.2%	2.9%
256	207	202	49	23.7%	26.7%	Ultrasound Procedures	2,374	1,978	2,045	396	20.0%	16.1%
61	50	-	11	0.0%	#DIV/0!	Mammography Procedures	645	500	414	145	29.0%	55.8%
300	254	308	46	18.1%	-2.6%	EKG Procedures	3,140	2,529	2,770	611	24.2%	13.4%
131	112	177	19	17.0%	-26.0%	Respiratory Procedures	1,442	1,054	1,284	388	36.8%	12.3%
1,874	1,728	1,359	146	8.4%	37.9%	Physical Therapy Procedures	13,869	15,783	16,454	(1,914)	-12.1%	-15.7%
1,834	1,808	1,642	26	1.4%	11.7%	Primary Care Clinic Visits	17,645	15,932	15,559	1,713	10.8%	13.4%
240	200	185	40	20.0%	29.7%	Specialty Clinic Visits	2,125	2,000	773	125	6.3%	174.9%
2,074	2,008	1,827	66	3.3%	13.5%	Clinic	19,770	17,932	16,332	1,838	10.2%	21.1%
80	77	70	3	3.3%	13.5%	Clinic visits per work day	109	99	90	10	10.2%	21.1%
20.4%	20.00%	20.70%	0.40%	2.00%	-1.45%	% Medicare Revenue	19.00%	20.00%	20.22%	-1.00%	-5.00%	-6.03%
41.40%	37.00%	44.20%	4.40%	11.89%	-6.33%	% Medi-Cal Revenue	39.35%	37.00%	38.65%	2.35%	6.35%	1.81%
34.10%	38.00%	31.20%	-3.90%	-10.26%	9.29%	% Insurance Revenue	36.83%	38.00%	36.70%	-1.17%	-3.08%	0.35%
4.10%	5.00%	3.90%	-0.90%	-18.00%	5.13%	% Self-Pay Revenue	4.82%	5.00%	4.43%	-0.18%	-3.60%	8.80%
145.2	150.00	146.0	(4.8)	-3.2%	-0.5%	Productive FTE's	145.22	152.00	143.7	(6.8)	-4.5%	1.1%
165.0	168.00	166.6	(3.0)	-1.8%	-1.0%	Total FTE's	165.22	170.40	161.7	(5.2)	-3.0%	2.2%



## **CFO REPORT for**

### **June 2018 Finance and Board meetings**

#### **Healthcare Reform - Assembly Bill 3087**

Indications are that Assembly Bill 3087 will not progress during this legislative session. This was the bill that would allow the state to set prices for specific services and procedures provided by hospitals and other health care providers.

#### **Revenue Cycle Assessment update**

Eva, our new HIM Director, has begun work on the PAS (Patient Access Services) section of the MAP (Management Action Plan) from the Revenue Cycle Assessment. PFS (Patient Financial Services) staff continue to work with and learn about Ryca, TruBridge's Electronic Claims Management program. Continued use of the software will help us evaluate our Accounts Receivable Management relationship.

#### **FY 2019 Capital Budget Item - Telemetry System & Bedside Monitors**

The proposed capital budget includes an item to replace our patient monitoring system, "Telemetry System & Bedside Monitors." The vendor, MindRay, has contacted us and offered a \$32,000 discount if we will commit to the purchase before June 30, 2018. This would allow them to record the sale in the quarter ending June 2018. We would not want to move forward with any such commitment without the board's knowledge. The offer makes sense for a couple of reasons.

1. We could get started with the up to 120 day installation, testing, training period by getting the equipment on order sooner rather than later.
2. We can take advantage of a significant discount in pricing.

MindRay is the vendor that was selected by staff after evaluating other options. No money would change hands until July or even August 2018.