



MISSION

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.

VISION

To be the premier provider of emergency medical and healthcare services in our Big Bear Valley.

**NOTICE AND CALL OF A
SPECIAL MEETING OF THE
BOARD OF DIRECTORS**

Wednesday, May 15, 2019

Closed Session will begin at 1:00 p.m. – Hospital Conference Room

Open Session @ approximately 3:00 p.m. – Hospital Conference Room

41870 Garstin Drive, Big Bear Lake, CA. 92315

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors for the Bear Valley Community Healthcare District will be held on Wednesday, May 15, 2019 at 1:00 p.m. at the Bear Valley Community Healthcare District 41870 Garstin Drive, Big Bear Lake, CA. 92315. A copy of the agenda is attached hereto.

Dated: May 10, 2019

A handwritten signature in black ink, appearing to read "Shelly Egerer", is written over a horizontal line.

Shelly Egerer
Executive Assistant



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VISION

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

SPECIAL BOARD OF DIRECTORS BUSINESS MEETING AGENDA

Wednesday, May 15, 2019 @ 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)

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

OPEN SESSION

1. CALL TO ORDER

Peter Boss, President

2. PUBLIC FORUM FOR CLOSED SESSION

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

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

3. ADJOURN TO CLOSED SESSION*

CLOSED SESSION

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

- (1) Chief of Staff Report

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

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

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

- (1) Angelica Linen & Laundry Service Agreement
- (2) Matthew Pautz, D.O. Medical Director of Surgery Department Service Agreement
- (3) Bryan Daniel Katz, D.P.M. Podiatric Service Agreement for the Rural Health Clinics
- (4) Bryan Daniel Katz, D.P.M. Podiatric Service Agreement for the Skilled Nursing Facility

4. 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 Property Acquisitions (Disclosure June 12, 2019)

OPEN SESSION

1. CALL TO ORDER

Peter Boss, President

2. ROLL CALL

Shelly Egerer, Executive Assistant

3. FLAG SALUTE

4. ADOPTION OF AGENDA*

5. RESULTS OF CLOSED SESSION

Peter Boss, President

6. PUBLIC FORUM FOR OPEN SESSION

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

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

7. DIRECTORS' COMMENTS

8. INFORMATION REPORTS

A. Foundation Report

Holly Elmer, Foundation President

B. Auxiliary Report

Gail Dick, Auxiliary President

9. CONSENT AGENDA*

Notice to the Public:

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

A. April 10, 2019 Business Board Meeting Minutes: Shelly Egerer, Executive Assistant

B. April 2019 Planning & Facilities Report: Michael Mursick, Plant Director

C. April 2019 Human Resource Report: Erin Wilson, Human Resource Director

D. April 2019 Infection Prevention Report: Heather Loose, Infection Preventionist

E. Policies and Procedures: Summary Attached

(1) General Accounting

F. Board of Directors; Committee Meeting Minutes:

(1) April 02, 2019 Finance Committee Meeting Minutes

10. OLD BUSINESS*

- None

11. NEW BUSINESS*

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

(1) Angelica Linen & Laundry Service Agreement

(2) Matthew Pautz, D.O. Medical Director of Surgery Department Service Agreement

(3) Bryan Daniel Katz, D.P.M. Podiatric Service Agreement for the Rural Health Clinics

(4) Bryan Daniel Katz, D.P.M. Podiatric Service Agreement for the Skilled Nursing Facility

B. Discussion and Potential Approval of the Fiscal Year 2019/2020 Capital Budget

12. ACTION ITEMS*

A. Acceptance of QHR Report

Ron Vigus, QHR

(1) May 2019 QHR Report

B. Acceptance of CNO Report

Kerri Jex, Chief Nursing Officer

(1) April 2019 CNO Report

C. Acceptance of the CEO Report

John Friel, Chief Executive Officer

(1) April 2019 CEO Report

D. Acceptance of the Finance Report & CFO Report

Garth Hamblin, Chief Financial Officer

(1) March 2019 Financials

(2) April 2019 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
April 10, 2019**

PRESENT: Peter Boss, MD, President Donna Nicely, Treasurer
Gail McCarthy, 1st Vice President John Friel, CEO
Steven Baker, 2nd Vice President Shelly Egerer, Exec. Assistant
Rob Robbins, Secretary

ABSENT: None

STAFF: Garth Hamblin Steven Knapik, DO Mary Norman, via phone
Kerri Jex Sheri Mursick Erin Wilson

OTHER: Ron Vigus, QHR Holly Elmer, Foundation Gail Dick, Auxiliary

**COMMUNITY
MEMBERS:** Diana Havey

OPEN SESSION

1. CALL TO ORDER:

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

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

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

2. ADJOURNED TO CLOSED SESSION:

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

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

RECONVENE TO OPEN SESSION

1. CALL TO ORDER:

President Boss called the meeting to Open Session at 3:02 p.m.

2. ROLL CALL:

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

3. FLAG SALUTE:

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

4. ADOPTION OF AGENDA:

President Boss called for a motion to adopt the April 10, 2019 agenda as presented. Motion by Board Member Nicely to adopt the April 10, 2019 agenda as presented. Second by Board Member Baker to adopt the April 10, 2019 agenda as presented. President Boss called for a vote. A vote in favor of the motion was 5/0.

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

5. RESULTS OF CLOSED SESSION:

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

The following reports were approved:

- Chief of Staff Report:
 - Request for Initial Appointment
 - Bryan Katz, DPM- FHC/SNF
 - Request for Reappointment:
 - Bernhard Tagwerker, MD- Emergency Department
 - Brent Beaird, MD- Emergency Department
 - Deanna Sanchez, NP- Emergency Department
 - Dawn Sampson, LCSW- Telehealth FHC
 - Melinda Mueller, PsyD- Tele psychologist FHC
 - Paula Nornes-Lebby, MD- OB/Gyn
 - Delbert Critel, CRNA- Nurse Anesthetist
 - Khalid Javeri, MD- Renaissance Radiology
 - Vartan Vartanians, MD- Renaissance Radiology
 - Steven Newman, MD- Renaissance Radiology
 - Voluntary Resignation
 - Louis Golden, MD- Renaissance Radiology
 - David Aufrichtig, MD- Renaissance Radiology
- Risk Report
- QI Report

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

6. PUBLIC FORUM FOR OPEN SESSION:

President Boss opened the Hearing Section for Public Comment on Open Session items at 3:02 p.m.

Diana Havey, new resident to Big Bear Lake; is a retired RN and would like to ask the Board of Directors to provide home health care to the community, also informed the Board that she was a patient in the ER and our admitting clerk does not understand HIPAA.

President Boss closed the Hearing Section for Public Comment at 3:06 p.m.

7. DIRECTORS COMMENTS

- Board Member Robbins stated that he received an email from IT and would like to eliminate the memory stick on policies & procedures; we will have access to the new policy system and all policies and procedures can be reviewed through the new system.
- Board Member Nicely reported that she attended the QI meeting and it was very productive and a lot of improvement. Board Member Nicely also recognized April Early as ER Director, FHC survey went well, Care Collaboration with RCH is moving forward, education for staff, physicians will be on site and working on a plan for the District.
- President Boss stated the RCH was a productive meeting; staff with RCH is positive and a lot of great things are happening. President Boss also read a thank you card to the Board from a staff member.
- Board Member McCarthy stated that her son is receiving home health care and it is excellent.
- Board Member Baker reported that he is hearing radio ads regarding the SNF van and that he was pleased that pets can be taken into the SNF unit for the patients, and the ER is wonderful.

8. INFORMATION REPORTS:

A. Foundation Report:

- Ms. Elmer reported the following information:
 - Thanked the Board for the volunteer luncheon that was provided to the Auxiliary and Foundation members.
 - New program began; donor perfect system so that mailings can be completed.
 - Van committee continues to meet and hopeful to have the van wrapped and revealing opening in June 2019.
 - Oct. 19 Pasquale Esposito will be performing at the PAC and tickets will be \$100.00 per seat.
 - Donna Harris is a new Foundation member and we are continuing to recruit members.

B. Auxiliary Report:

- Ms. Dick reported the following:
 - Animals in SNF are required to have vaccinations.
 - Golf Tournament Friday August 23, at Bear Mountain.
 - March 28 Scrub Fundraiser had a great turn out and successful.
 - Next event is BINGO Saturday, May 4 at the Senior Center.

9. CONSENT AGENDA:

- A.** March 13, 2019 Business Board Meeting Minutes: Shelly Egerer, Executive Assistant
- B.** March 2019 Planning & Facilities Report: Michael Mursick, Plant Director
- C.** March 2019 Human Resource Report: Erin Wilson, Human Resource Director
- D.** Infection Preventions Annual Risk Assessment and Program Summary 2018
Report: Heather Loose, Infection Preventionist
- E.** Policies and Procedures:
 - (1) Laboratory Administration
 - (2) Pharmacy
 - (3) Nursing Administration
 - (4) Staff Development
 - (5) Skilled Nursing Facility
- I.** Board of Directors; Committee Meeting Minutes:
 - (1) March 05, 2019 Finance Committee Meeting Minutes
 - (2) January 24, 2019 Special Planning & Facilities Committee Meeting

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

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

10. OLD BUSINESS:

- None

11. NEW BUSINESS*

A. Discussion and Review of Bear Valley Community Healthcare District Board of Directors Annual Compliance Training:

- Ms. Norman provided the following information:
 - Healthcare Compliance History
 - Federal False Claims Act (1863)
 - U.S. Sentencing Commission created the first federal sentencing
 - 7 Essential Elements of Compliance were reviewed
 - Fraud and Abuse Regulations were provided
 - Stark Law/Regulations
 - Anti-Kickback Statute
 - False Claim Act

- Civil Monetary Penalties Law
- Exclusion Statue
- Program Integrity
 - Error-Waste-Abuse-Fraud
- Effectiveness
 - Designated Staff
 - Code of Conduct
 - Policies and Procedures
 - Educational Training
 - Chart and Program Audits
 - Exclusion Screening
 - Compliance Hotline
 - Policies and procedures
- Examples of Enforcement were provided to the Board of Directors
- What's on the Radar
 - Reduce regulatory burden
 - Drug Pricing
 - Address the Opioid Crisis
 - Price Transparency
 - Out - of - Network Billing

B. Discussion and Potential Approval of Rescheduling the May 2019 Business Board Meeting:

- Mr. Friel reported QHR regional meeting is scheduled for May 8- May 9, CEO, CFO & CNO will be in attendance and would like to request the Board of Directors to consider rescheduling the May 08 meeting to May 15.

President Boss called for a motion to approve rescheduling the Board Meeting to May 15, 2019. Motion by Board Member Nicely to approve rescheduling the Board Meeting to May 15, 2019. Second by Board Member Baker to approve rescheduling the Board Meeting to May 15, 2019. President Boss called for the vote. A vote in favor of the motion was 5/0.

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

12. ACTION ITEMS*

A. QHR Report:

(1) April 2019 QHR Report:

- Mr. Vigus reported the following information:
 - QHR Regional Meeting is scheduled for May 2019

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

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

B. CNO Report:

(1) March 2019 CNO Report:

- Ms. Jex reported the following:
 - Star rating requirements for SNF RN hours increased in number of RN days required for each month. Current and future regulations indicate a 1 star rating for SNF staff requirements due to RN hours.
 - Introduced April Early, ER Director
 - Working on patient satisfaction process in place
 - Speaking with patients about their care
 - Score Survey completed with 96% rating
 - BETA on site first week of May

President Boss called for a motion to approve the CNO Report as presented. Motion by Board Member Nicely to approve the CNO Report as presented. Second by Board Member Baker to approve the CNO Report as presented. President Boss called for the vote. A vote in favor of the motion was 5/0.

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

C. Acceptance of the CEO Report:

(1) March 2019 CEO Report:

- Mr. Friel reported the following information:
 - Dr. Horner will be on site and a meeting is scheduled for follow up discussion on providing family practice services
 - Dr. Kondal is working with staff in order to begin general surgery services
 - Jeff Tunnell with the Mom & Dad Project was awarded “Shine a Light On Child Abuse” for his work with fathers.
 - Attended the Annual ACHD Legislation Meeting;
 - AB8 law will be one mental health worker per school campus.
 - Increase fines if hospitals do not stay in compliance with patient/nurse ratio.
 - AB1486 surplus line- sell land to make it for low income housing.

(2) 2019 Board & Committee Meeting Calendar:

- Mr. Friel reported that the calendar was included in the packet and all meetings are scheduled according to the Board and Committee Members approval.

President Boss called for a motion to approve the CEO Report and the 2019 Board /Committee Meeting Calendar as presented. Motion by Board Member McCarthy to approve the CEO Report and the 2019 Board/Committee Meeting Calendar as presented. Second by Board Member Nicely to approve the CEO Report and the 2019 Board /Committee Meeting Calendar as presented. President Boss called for the vote. A vote in favor was unanimously approved 5/0.

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

D. Acceptance of the Finance Report:

(1) February 2019 Financials:

- Mr. Hamblin reported the following information:
 - 347 days cash on hand
 - Surplus YTD is better than prior year
 - Expenses under budget
 - AR days under 60

(2) CFO Report:

- Mr. Hamblin reported the following information:
 - Transfers have been summarized at the Finance Committee request
 - TruBridge:
 - AR days are at 61 at the end of February
- David Perry will be on site to complete his review at the end of the month

President Boss called for a motion to approve the February 2019 Finance Report and the CFO Report as presented. Motion by Board Member Nicely to approve the February 2019 Finance Report and the CFO Report as presented. Second by Board Member Robbins to approve the February 2019 Finance Report and the CFO Report as presented. President Boss called for the vote. A vote in favor was unanimously approved 5/0.

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

13. ADJOURNMENT:

Motion by Board Member Nicely to adjourn the meeting at 3:48 p.m. Second by Board Member Robbins to adjourn. President Boss called for the vote. A vote in favor of the motion was unanimously approved 5/0.

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

Bear Valley Community Healthcare District Construction Projects 2019

Department / Project	Details	Vendor and all associated costs	Comments	Date Complete
Public Restroom/Acute Kitchen Plumbing Repair	Remove the concrete in areas to access damaged plumbing.	Pride Plumbing/Facilities	In Progress	
Pyxis Replacement	Pyxis equipment is in place and seismic anchors will be installed soon.	Facilities	Nearly complete, waiting for Pyxis to send last mount that was not recieved during original delivery.	
SNF TV Project	Facilities is installing the necessary cabiling	Facilities	In Progress	
Hospital- Medical Air Compressor	Compressors is failing and no longer meets code requirments	FS Medical	OSHDPD approved planning instalation, in progress	
OR- Remodel & Electrical Repairs	Replace flooring, repair walls & replace LIM's	N/A	In Progress	
SNF Shower Tilt Replacement	Replace the old shower tile	N/A	In Progress	

Bear Valley Community Healthcare District Potential Equipment Requirements

Department / Project	Details	Vendor and all associated costs	Comments	Date Complete
Facilities- New Work Truck	Purchase a new truck for the department. Our current truck has numerous issues and it is time for a replacement	Victorville Motors, Mark Christopher Chevrolet, Redlands Ford	This will be included in our capital budget	

Bear Valley Community Healthcare District Repairs Maintenance

Department / Project	Details	Vendor and all associated costs	Comments	Date Completed
Radiology- Employee break room	Remodeled space for employees	Facilities	Complete	
FHC- New bench & trash can	Formed area for concrete pad	Facilities	Complete	

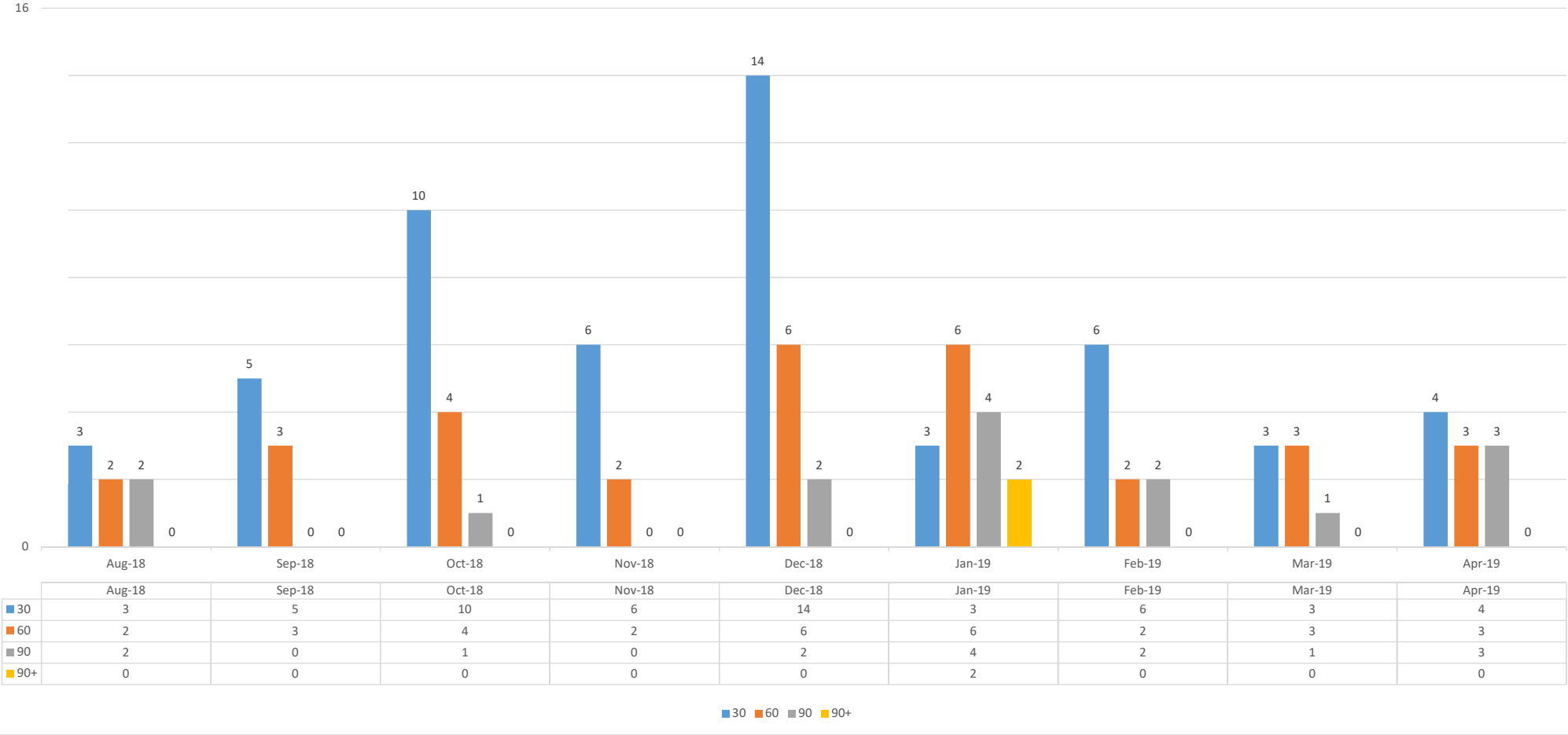


HR Board Report

April 2019

Staffing	Active: 214 – FT: 144 PT: 13 PD: 57 New Hires: 2 Terms: 6 (5 Voluntary 1 Involuntary) Open Positions: 12
Employee Performance Evaluations	DELINQUENT: See attachment 30 days: 4 60 days: 3 90 days: 3 90+ days: 0 See Attachment
Work Comp	NEW CLAIMS: 2 OPEN: 10 Indemnity (Wage Replacement, attempts to make the employee financially whole) - 4 Future Medical Care – 2 Medical Only – 4 Quarterly claims review
Employee Five File Audit	FILE AUDIT: Files are complete One license expired, employee taken off schedule
Job Descriptions/ Evaluation	Job Descriptions: In process Evaluations: In process
Policies for Review	All HR policies have been reviewed/updated
Employee Events	Hospital week (May 13 – 17) See attached flyer
Manager Training	HR Best Practices for California Supervisors Conducted 4/29 and 5/6

Past Due Evaluations





Monday May 13th

Employee Appreciation Lunch Employee Patio 11:00 am – 1:00 pm
Blood Drive Van on site 11:00 am – 1:00 pm
TB Shots administered in Cafeteria 7am -12pm

Tuesday May 14th

Chair Massages 9:00 am -12:00 pm in room 14 on the Acute
TB Shots administered in Cafeteria 7am – 12pm

Wednesday May 15th

Flower Box Competition
TB Shots administered and Read in Cafeteria 7am – 12pm
Vest Distribution with proof of TB

Thursday May 16th

Employee Appreciation Breakfast 7am -9am Mom and Dad Project
Chair Massages 9:00 am – 12:00 pm in the Main Conference Room
Birthday Celebration/Ice Cream Social Cafeteria 2:30 pm
TB Shots Read in Cafeteria 7am – 12pm
Vest Distribution with proof of TB

Friday May 17th

Favorite Sports Team Jersey Day
Chair Massages 5:00 pm – 8:00 pm in the Main Conference Room
TB Shots Read in Cafeteria 7am – 12pm
Vest Distribution with proof of TB

YOU ARE WHAT MAKES BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT SPECIAL

I – INTEGRITY

C – COMPASSION

A – ACCOUNTABILITY

R – RESPECT

E - EXCELLENCE



Infection Prevention Monthly Report

April 2019

TOPIC	UPDATE	ACTION/FOLLOW UP
1. Regulatory	<ul style="list-style-type: none"> Continue to receive updates from APIC. AFL (All Facility Letters) from CDPH have been reviewed. <ol style="list-style-type: none"> AFL 19-17 <ul style="list-style-type: none"> Informed facilities of increase of measles cases in CA. It provided recommendations on identification, treatment, screening and infection control related to measles. Continue NHSN surveillance reporting. Completion of CMR reports to Public Health per Title 17 and CDPH regulations. <ul style="list-style-type: none"> 1 case of Chlamydia / Gonorrhea reported to SB County DPH and CDPH through CalRedie. 	<ul style="list-style-type: none"> Review ICP regulations. AFL to be reviewed at Infection Control Committee and Regulatory committee. Continue Monthly Reporting Plan submissions.
2. Construction	<ul style="list-style-type: none"> 2 ICRA Permits issued during April <ul style="list-style-type: none"> Vinyl flooring was replaced in Ultrasound, radiology, and CNO's office. Ongoing project replacing/ adding TV boxes and mounts in Skilled Nursing resident rooms. 	<ul style="list-style-type: none"> Work with Maintenance and contractors to ensure compliance.

3. QI	<ul style="list-style-type: none"> Continue to work towards increased compliance with Hand Hygiene <ul style="list-style-type: none"> 76% for April Will be sending monitoring tool to managers to increase surveillance. 	<ul style="list-style-type: none"> Continue monitoring hand hygiene compliance.
4. Outbreaks/ Surveillance	<p>Public Health Report</p> <ul style="list-style-type: none"> Ebola – Outbreak going strong in the Democratic Republic of Congo. It's recommended to ask all ED patients about recent travel history. Measles –continuing to increase, including in CA Hepatitis A outbreak in San Bernardino County among homeless population. Vaccination for Hep A will be offered to all homeless patients who come through the Emergency Department. <ul style="list-style-type: none"> Community Health Report <ul style="list-style-type: none"> 2 cases of MRSA in March in outpatients. 1 case of c-diff, (outpatient lab) in March 	<ul style="list-style-type: none"> Informational
5. Policy Updates	<ul style="list-style-type: none"> None this month. 	<ul style="list-style-type: none"> Clinical Policy and Procedure Committee to review and update Infection Prevention policies.
6. Safety/Product	<ul style="list-style-type: none"> Continue working with EVS to obtain competencies and improve compliance with OR Cleaning through checklists and surveillance. 	<ul style="list-style-type: none"> Continue to monitor compliance with approved cleaning procedures.

7. Antibiotic Stewardship	<ul style="list-style-type: none"> Pharmacist continues to monitor antibiotic usage. 	<ul style="list-style-type: none"> Informational.
8. Education	<ul style="list-style-type: none"> ICP continues to attend the APIC meetings in Ontario when possible. 	<ul style="list-style-type: none"> ICP to share information at appropriate committees.
9. Informational	<p>Immediate Use Steam Sterilization</p> <ul style="list-style-type: none"> Number of times IUSS utilized in March = 0 April = 0 Number of surgical cases in March = 15 April = 13 <p>Culture Follow-Up</p> <ul style="list-style-type: none"> IP oversees culture follow-up process carried out by clinical managers. Statistics are recorded onto a dashboard and will be presented at P&T monthly. For March, the average was 0.8 days to resolution, with only 5 patients needing follow up. <p>Infection control rounds for plan of correction</p> <ul style="list-style-type: none"> Since compliance has been at 100% for one year, the decision was unanimously approved to discontinue monitoring. <p>NHSN</p> <ul style="list-style-type: none"> 2567 received stating NHSN reporting not complete for 2017. <ul style="list-style-type: none"> Reporting was completed on time for the NHSN deadlines, but CDPH runs their data before that time, so our data had not been reported yet. Plan of correction submitted. IP will be presenting NHSN data to P&T on a quarterly basis. 	<ul style="list-style-type: none"> Informational Will continue to monitor for Plan of Correction

<i>Heather Loose, BSN, RN</i>	<i>Infection Preventionist</i>	<i>Date: March 4, 2019</i>

General Accounting	Date Reviewed	Action Taken
Accounts Payable Disbursement Approval & Documentation	4/12/2019	Annual review. Revised verbiage and formatted.
Bank Signatures	4/12/2019	Annual review. Revised verbiage and formatted.
Bank Statement Reconciliation	4/12/2019	Annual review. Revised verbiage and formatted.
Capital Expenditure	4/19/2019	Annual review. Revised to reflect current process and formatted.
Cash Drawer Reconciliation		Department moved to Patient Financial Services.
Cash Handling		Department moved to Patient Financial Services.
Cost Allocation Plan - Grant and Non-Hospital Activities	4/12/2019	Annual review. Revised verbiage and formatted.
Investment Policy	4/12/2019	Annual review. Revised verbiage and formatted.
Mileage Reimbursement Rate		Archived. Combined policy with the Administration policy titled "Reimbursement for Travel and Training".
Petty Cash	4/19/2019	Annual review. Revised to reflect current process and formatted.
Purchase Approval	4/12/2019	Annual review. Revised verbiage and formatted.
Security of District Checks	4/12/2019	Annual review. Revised verbiage and formatted.
1099 Tax Reporting & Withholding	4/12/2019	Annual review. Revised verbiage and formatted.
Payroll Policy	4/12/2019	New polciy.

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, CA 92315
April 02, 2019**

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

Garth Hamblin, CFO
Shelly Egerer, Exec. Asst.

STAFF: Kathy Breuer

COMMUNITY

MEMBERS: Diana Havey

ABSENT: None

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, M.D. 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 April 02, 2019 Finance Committee Meeting Agenda as presented. Second by President Boss to adopt the April 02, 2019 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
- President Boss- yes

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member 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 1:01 p.m. Second by President Boss to adjourn to Closed Session at 1:01 p.m. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 2:00 p.m.

2. RESULTS OF CLOSED SESSION:

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

3. PUBLIC FORUM FOR OPEN SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Open Session items at 2:00 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 2:00 p.m.

4. DIRECTOR'S COMMENTS:

- None

5. APPROVAL OF MINUTES:

A. March 05, 2019

President Boss motioned to approve the March 05, 2019 Finance Committee Meeting Minutes as presented. Second by Board Member Nicely to approve the March 05, 2019 Finance Committee Meeting Minutes as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

6. OLD BUSINESS:

A. Discussion and Update on Policies and Procedures Under the CFO Supervision:

- Mr. Hamblin reported that the new policy system is being activated and there are several departments that have their policies in the review or the approval process. The goal is to begin bringing policies to the Finance Committee next month; May meeting.
 - Accounting department policies are in review
 - Purchasing in draft/review
 - IT has begun revising policies and are in draft
 - BO policies will be reviewed by Stacey & Garth

Board Member Nicely reported no action required.

7. NEW BUSINESS*

A. Discussion and Review of the Fiscal Year 2019/2020 Capital Budget:

- Mr. Hamblin reported the capital budget has been provided to the committee; this is draft one of the three year capital plan.
- The Finance Committee reviewed each department and the following was discussed:
 - Lab analyzer is for blood gas
 - Microbiology analyzer to complete cultures- current system is out of date
 - Medication scanning system is required for patient safety and MU objectives

- The committee members would like to know why so many items on the budget for purchase are required for patient safety and the District has not purchased the items. Information is to be brought back as to why 2018/19 items are not completed.
 - SNF: funds were donated by Foundation and would like to know if the TV's have been installed.
- Board Member Nicely asked that any donations for specific items on the capital budget add a column to show how much the donation was and deduct the total cost from the donation amount to show a realistic cost. The cost on the budget is not accurate if donations were made. The Capital Budget needs to reflect this.
 - SNF tub has not been completed and the Auxiliary donated \$20,000 to purchase the tub. This needs to begin and also add the donation amount to budget, what is the cost of the tile and do we have bids for the work to be completed.
 - FHC chiropractic bed will need to be replaced; current one is aged.
 - PACS is for images that are stored; there is a potential that we may not need to purchase this item and will follow up with the Finance Committee on this item at the next meeting.
 - Pharmacy renovation will be eliminated from the budget at this time.
 - RT is requesting the purchase of infant warmer, this is a required item for standard of care.
 - Transport ventilator needs replaced, the current unit that we have will be discontinued in 2020.
 - Dietary renovations will need additional information to approve any cost.
 - Plant Maintenance:
 - SNF TV's; money for the TV's were donated by the Foundation and would like to know when the project will be completed and how much money was donated.
 - Dodge truck will not be approved and needs to be removed from the budget.
 - Boiler system vendor has provided poor service and would like to go with another vendor; boiler system was completed and would like to remove cost of \$19,000.
 - RHC needs pavement completed; is a dirt parking lot at this time.
 - Parking lot repairs cost approximately \$15,000 that has been spent.
 - Hazmat equipment needs to be replaced at this time we have some expired items.
- Board Member Nicely asked why several projects under the Plant Maintenance budget have not been completed; there are several projects that have been completed by contracted services/vendors only and maintenance staff needs to begin completing the projects within the facility.
 - IT:
 - Single sign on solution with badges will be removed from the budget, this will be addressed internally.
 - HIPAA Risk Assessment budgeted for \$30,000; to date only \$3,000 has been spent.

- Goal to replace one server a year.
 - Lenovo computers are budgeted in order to remove all old computer systems and purchase approximately 20 replacements.
 - Overhead paging system needs to be replaced/upgraded; there is a potential to decrease some of the cost.
 - Server refresh is CPSI and is upgraded annually.
 - Network storage closet is to monitor systems remotely and will signal when there is a problem that requires immediate attention.
 - Remove Administration cost for property & housing.
- The Finance Committee has requested that on the next capital budget that quotes are attached to the request and all donations need to be listed on the capital budget with the item the donation goes to and the remaining cost of the project be listed.

Board Member Nicely reported no action required

B. Discussion and Potential Approval of Rescheduling the May 2019 Finance Committee Meeting:

- Board Member Nicely asked that the May Finance Committee Meeting be rescheduled for April 26, 2019 at 9:00 am.

Board Member Nicely motioned to reschedule the Finance Committee Meeting to April 26, 2019 at 9:00 am. Second by President Boss to reschedule the Finance Committee Meeting to April 26, 2019 at 9:00 am. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes

8. Presentation and Review of Financial Statements:

A. February 2019 Finances:

- Mr. Hamblin reported the following:
 - Cash on hand 347 days
 - Surplus under budget for the month
 - ER visits were down
 - Total expenses under budget
 - Dental visits are over budget
 - Potential to add additional telepsychology
 - Revenue down due to low census
 - FTE's shows increasing by department
 - Budget for the month is running higher
 - Total cash receipts were down
 - March was a strong month
 - AR days are trending favorably

B. CFO Report:

- Mr. Hamblin reported the following information:
 - Transfers for the month average 85 per month
 - TruBridge:
 - AR days are 50.8

- David Perry will be on site at the end of the month

Board Member Nicely motioned to approve the February 2019 Finances and the CFO Report as presented. Second by President Boss to approve February 2019 Finances 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 the meeting at 2:49 p.m. Second by President Boss to adjourn the meeting. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- President Boss- yes



Recommendation for Action

Date: May 07, 2019

To: Board of Directors

From: John Friel

Re: Angelica Linen & Laundry Supply
Matthew Pautz, M.D. Medical Director of Surgery Department
Service Agreement
Bryan Kaniel Katz, D.P.M. Podiatric Service Agreement for the
Rural Health Clinics
Bryan Kaniel Katz, D.P.M. Podiatric Service Agreement for the
SNF

Recommendation: To approve the agreements as presented:

- Angelica Linen & Laundry Supply
- Matthew Pautz, M.D. Medical Director of Surgery Department
Service Agreement
- Bryan Kaniel Katz, D.P.M. Podiatric Service Agreement for the Rural
Health Clinics
- Bryan Kaniel Katz, D.P.M. Podiatric Service Agreement for the SNF

Background:

Angelica Linen & Laundry Supply is a renewal agreement. Angelica has provided our linen service for many years.

Matthew Pautz, M.D. Medical Director of Surgery Department Service Agreement is also a renewal agreement.

Bryan Kaniel Katz, D.P.M. is a new podiatrist to provide services for our clinic and SNF residents.

*All agreements have been through the approval process.



Contract Cover Sheet

Contract Name: Angelica Linen & Laundry

Purpose of Contract: new updated agreement

Contract # / Effective Date / Term _____ / _____

Originating Dept. Name / Number: EUS

Department Manager Signature: [Signature] Date: 11-6-18

BAA: ☐ Yes ☐ No

W-9: ☐ Yes ☐ No

<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>4-22-19</u>
<u>Compliance Officer</u>	Signature: <u>Mary Norman</u>	Date: <u>11-13-18</u> ^{5 yr term?}
<u>Chief Financial Officer</u>	Signature: <u>[Signature]</u>	Date: <u>27 Nov 2018</u>
<u>Chief Executive Officer</u>	Signature: <u>[Signature]</u>	Date: <u>4-30-18</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



Linen and Laundry Services Contract

9W Halo OpCo L.P. dba Angelica (**Angelica**) is engaged in the business of providing reusable and disposable linen products and laundry services to hospitals and other healthcare service providers. Angelica is pleased that Bear Valley Community Hospital (**Customer**) has selected it to be the exclusive service provider of those products and services, and will order from Angelica pursuant to this Contract all of the linen and laundry service requirements for each of the Customer facilities identified in **Exhibit A (Facilities)**.

Angelica and Customer agree that this Linen and Laundry Services Contract (**Contract**) includes all of the terms and conditions, including exhibits under which the products and services described in this Contract will be provided by Angelica or one of its subsidiaries to Customer. Each of the exhibits referred to herein and attached is fully included and part of this Contract. This Contract, including the exhibits, may only be changed or amended in writing signed by both parties.

1. **Products and Services.** During the Term of this Contract, Angelica will provide to Customer, on a regularly scheduled basis, supplies of clean linen products in the quantities ordered by Customer.

(a) **Linen Products.** The linen products to be supplied are those items identified in **Exhibit B** (collectively, **Linen Products**). Angelica will retain ownership of all Linen Products identified in Exhibit B, unless otherwise identified as **Customer Owned Goods** or **Disposables**.

(b) **Services.** During this Contract, Angelica will perform the following services for Customer (collectively, **Services**):

(i) **Soiled Linen Pick-Up.** Angelica will regularly pick up **Reusable Linen Products** (i.e. all Linen Products other than Disposables) that have been soiled through Customer's use. Customer will be responsible for placing all soiled Reusable Linen Products in appropriate sealed bags and storing them in secured locations pending pick-up by Angelica. The soiled Reusable Linen Products will be made available to Angelica for pick-up at each Facility location, as specified in **Exhibit A**, or as Angelica and Customer may otherwise, from time to time, agree in writing.

(ii) **Laundering and Processing.** Angelica will transport to its facility all soiled Reusable Linen Products, where they will be laundered, processed, folded, packaged and otherwise prepared for delivery back to Customer by Angelica as clean Reusable Linen Products.

(iii) **Delivery.** Angelica will deliver supplies of clean Linen Products in the quantities ordered. Orders will be presented to Angelica programmatically by the AngelTrak™ system, or when necessary, will be placed by Customer using the AngelLink™ ordering system (or other electronic means acceptable to Angelica), not less than forty-eight (48) hours prior to the required delivery time. Customer will be responsible for providing secured locations in which the clean Linen Products may be stored upon delivery. Supplies of clean Linen Products will be delivered at each Facility location as specified in **Exhibit A** or as Angelica and Customer may otherwise, from time to time, agree in writing.

(iv) **Other Services.** Angelica may, from time to time, provide other products and services to Customer as agreed upon by the parties. All other products and services and prices will be identified in **Exhibit B**.

2. **Term.** Angelica will provide Linen Products and Services to Customer under this Contract during a period that will begin on the date Angelica first provides Linen Products or Services to Customer under this Contract (**Commencement Date**), which the parties agree will not be later than _____, and, unless sooner terminated or extended in accordance with the terms of this Contract, will end on the date that is five (5) years later (**Expiration Date**). (The period from the Commencement Date through the Expiration Date is the Term). The initial five (5) year Term of this Contract will be automatically extended for additional periods of one (1) year each unless, at least ninety (90) days prior to the end of the initial Term (or any extended Term), either party provides the other party with written notice that it does not wish the current Term to be extended. If the Contract expires, but Angelica continues to provide Linen Products and/or Services to Customer, the then current Prices will be increased by fifteen percent (15%) upon the earlier of the Expiration Date or the effective date of Customer's termination. Such Prices will remain in effect until the parties agree in writing to extend the term of the Contract or execute a new agreement.

3. **Prices.** Customer agrees to pay Angelica for the Linen Products and Services provided under this Contract at the prices set forth on **Exhibit B (Prices)**, and otherwise in accordance with the terms and conditions of this Contract. The Prices do not include any taxes that may apply. Customer will also pay all such taxes.

(a) **Changes in Product Mix.** The Linen Products to be provided have been selected by Customer and Angelica based upon Customer's preferences. Customer's good faith estimates of seven (7) days of usage will determine the required quantities of each Linen Product. Prices are based on the particular types and quantities of Linen Products and Services to be provided and a change in the types or quantities may result in a change in Prices. Accordingly, while both parties will use reasonable commercial efforts to accommodate each other's requests to change the types and/or quantities of Linen Products or Services, Angelica will be entitled to increase Prices to reflect costs or expenses related to each such Customer request. In the event that Angelica determines that such a Customer request will result in a price increase, Angelica will inform Customer in writing thirty (30) days prior to those increases becoming effective.

(b) **Energy Adjustments.** The cost of natural gas and diesel fuel used in processing and delivering linen products are among the most significant operating costs experienced by Angelica. At the same time, the cost of these items has been shown to be volatile and not easily predicted. In

Customer Initials: _____

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Angelica Initials: _____

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order that the benefits and burdens of fluctuations in the cost of these items are shared equitably by Angelica and Customer, adjustments (**Energy Adjustment**) will be determined monthly and applied to each invoice in accordance with **Exhibit C**.

(c) **Extraordinary Cost Increases.** From time to time, Angelica may experience unforeseen costs in connection with the Linen Products and Services it provides to Customer. These can include special taxes, fees and other charges imposed by legislative or regulatory action, as well as extraordinary increases in the cost of items over which Angelica has little or no control. Angelica will absorb and be responsible for such increases up to 10%. In the unlikely event Angelica experiences during this Contract such unforeseen or extraordinary increases greater than 10%, Angelica may add an additional charge to the Prices in order to offset those increases; provided, however, that Angelica will provide Customer with written notice of any such charge at least thirty (30) days before it is implemented. Customer may object to any such charge by giving Angelica written notice of its objection prior to the proposed implementation date. If Customer objects to the proposed charge and Angelica fails or refuses to withdraw the proposed charge, then Customer may terminate this Contract without penalty by giving Angelica written notice of termination within ten (10) days following implementation of the charge.

4. **Linen Efficiency Adjustments.** Over time, the Linen Products can be expected to become no longer usable through normal wear. Angelica will be responsible for replacing such Linen Products with products of the same or comparable quality, at no additional cost to Customer. It has been shown that, by following good linen management practices, costs associated with (i) linen losses (resulting from causes other than normal wear) and (ii) excessive linen inventory kept on-hand at Customer locations (**Non-Circulating Inventory**) can be controlled and maintained at acceptable levels, or even reduced. Accordingly, Customer will pay the Linen Replacement Charges and Non-Circulating Inventory Charges determined in accordance with **Exhibit D**.

5. **Invoicing and Payment.** Angelica will issue invoices to Customer weekly for Linen Products and Services provided during the preceding period. Invoices will be transmitted by Angelica to Customer, by e-mail, to such e-mail address specified by Customer in writing. Customer will ensure that such e-mail address remains enabled to receive invoices from Angelica. Invoices will include taxes and such other charges as may be provided for under the terms of this Contract. Customer will be obligated to pay each invoice within not more than 30 days from the date of the invoice. Customer will receive no discount for early payment. Angelica is obligated to launder and process all Linen Products that have been delivered to any customer, including clean Linen Products that have been returned by Customer unused. Accordingly, Customer will not be entitled to a credit for Linen Products that are unused and returned to Angelica. Payment by Customer will be by check or electronic funds transfer or in a manner otherwise agreed upon by Angelica in writing. Any additional charges resulting from a form of payment other than check or electronic funds transfer will be paid for by Customer.

(a) With respect to any invoice that Customer fails to pay within the time specified in Section 5 above, Angelica may charge Customer a late payment charge equal to one and one-half percent (1.5%), per month. Late payment charges may continue to be applied for so long as an invoice remains unpaid.

(b) If Customer has failed to pay invoices on time and the amount of its unpaid, delinquent account becomes, in the judgment of Angelica, material, then Angelica may take any of the following actions:

(i) Angelica may require that Customer pay all, or a portion specified by Angelica, of Customer's unpaid account balance as a condition to any further deliveries of clean Linen Products;

(ii) Angelica may require that Customer pay in advance for all further deliveries of clean Linen Products; and/or

(iii) Angelica may terminate this Contract if, within thirty (30) days of giving Customer written notice of its intent to terminate, Customer fails to pay the entire amount of its unpaid account balance. If Customer fails to pay the amount of its unpaid account balance, and Angelica terminates this Contract, the full amount of Customer's unpaid balance, including all late payment charges, will become immediately due and payable.

6. **Termination.** Angelica has made, and will continue to make during the Term of this Contract, investments needed to fulfill its obligations to Customer. These investments may take the form of linen purchases, facility expansion, equipment replacements and upgrades, additional workforce and others. The Prices have been established based upon the expectation on Angelica's part that the full Term of the Contract will be realized. Accordingly, except as provided below, Customer will not terminate this Contract prior to the Expiration Date.

(a) If Angelica commits a material breach of this Contract that has placed at risk the health or welfare of Customer's patients or employees, Customer may elect to terminate this Contract by giving Angelica not less than sixty (60) days prior written notice. Customer's notice will specify the basis for Customer's decision to terminate. Promptly, but not more than ten (10) days following Angelica's receipt of Customer's notice, authorized representatives of both parties will meet to discuss the basis for Customer's decision and appropriate corrective measures. Angelica will take immediate steps to cure or correct the breach upon which Customer has based its decision to terminate. If, by the end of the sixty (60) day notice period, the material breach has not been cured or corrected and the health or welfare of Customer's patients or employees remains at risk, the Contract will terminate at that time.

(b) Customer may, at its option, elect to terminate this Contract at any time by giving Angelica not less than ninety (90) days prior written notice. If Customer elects to terminate this Contract prior to the Expiration Date for any reason (other than as described in Section 6(a) above), Customer will be obligated to do the following within not more than ten (10) days following the effective date of the termination:

(i) Customer will pay Company an early termination fee equal to the average weekly charges invoiced under this Contract during the eight (8) week period immediately preceding the date of Customer's termination notice, multiplied by the number of weeks remaining in the Term, multiplied by forty percent (40%).

(ii) Customer will purchase from Angelica that quantity of Controlled Inventory Linen Items and linen carts that Angelica has been required to purchase in order to provide Services to Customer under this Contract. New Controlled Inventory Linen Items inventory and new carts will be purchased at 100% of Angelica's cost. Controlled Inventory Linen Items and carts previously placed in service will be purchased at 50% of Angelica's cost.

Customer Initials: _____

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Angelica Initials: _____

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(iii) Customer will pay Angelica the full amount of Customer's unpaid account balance, including all accrued late payment charges. Any account balance that remains unpaid following such ten (10) day period will continue to accrue late charges. If Angelica refers Customer's unpaid account to a third party for collection, Angelica will be entitled to also recover from Customer the costs of collection, including reasonable attorney's fees.

7. *Miscellaneous.*

(a) *Notices.* Any notice that is required under this Contract must be in writing and transmitted by personal delivery, certified United States mail, postage prepaid and return receipt requested or recognized overnight or express courier to the person to whom the notice is intended, at the address shown below, or to such other address as any such person may later designate, in writing, for such notices. Any such notice will be considered to have been given and received upon personal delivery, or three (3) days after it has been deposited in the United States mail or with a recognized courier.

If to Customer:

Bear Valley Community Hospital

Attn: _____

41870 Garstin Drive

Big Bear Lake, CA 92315

If to Angelica:

Angelica

Attn: Vice President

1575 N. Case Street

Orange, CA 92867

(b) *Impossibility of Performance (Force Majeure).* Other than as to payments required to be made under this Contract, neither party will be liable to the other for a failure to perform any of its obligations under this Contract if such performance is made impossible or commercially impractical due to fire, floods, wars, terrorist attack, civil unrest, labor disputes or other causes beyond that party's control. Such performance will be excused only for so long as it remains impossible or commercially impractical.

(c) *Special Items*

(i) *Special Pick-Ups and Deliveries.* Angelica understands that, from time to time, Customer may have a need to request special pick-ups and deliveries beyond those scheduled. For each special pick-up and delivery requested by Customer (and not resulting from a failure by Angelica to deliver the Linen Products ordered by Customer), Angelica may charge a special fee for each round trip.

(ii) *Returned Items.* Customer will use commercially reasonable efforts to remove from the soiled Linen Products, any instruments, patient property or other items of value. However, Angelica understands that, from time to time, such items may inadvertently be returned by Customer among soiled Linen Products. Whether or not notified by Customer that such items may have been returned with soiled Linen Products, Angelica will exercise reasonable diligence in finding such items and returning them to Customer. For each such item returned to Customer, Angelica may charge Customer a handling fee.

(iii) *Waste Materials.* Customer will remove from soiled Linen Products all sharps and other biohazard wastes. In the unlikely event that such wastes are found in soiled Linen Products returned by Customer, and Angelica incurs costs in disposing of such items, then Angelica may charge Customer the amount of those costs. In addition, in each instance in which an employee of Angelica has experienced a needle stick or similar exposure, Angelica may charge Customer a special response fee to help defray the cost of immediate medical attention, testing and associated expenses.

(d) *Assignment.* This Contract may be assigned by Angelica or by Customer without the prior written consent of the other; provided, however, that as to any such assignment, the assignee or successor must agree to assume the obligations of the assigning party under this Contract for the remainder to the Term.

The effective date of this Contract is _____.

Angelica

Bear Valley Community Hospital

By: _____

By: _____

Print name: _____

Print name: _____

Title: _____ Date: _____

Title: _____ Date: _____

Customer Initials: _____

Angelica Initials: _____

EXHIBIT A: Facilities

<u>Facility Name</u>	<u>Facility Type</u>	<u>Address</u>	<u>City</u>	<u>State</u>
Bear Valley Community Hospital	Hospital	41870 Garstin Drive	Big Bear Lake	CA

Additional facilities may be added to this Contract upon mutual written consent of both parties.

All Facilities listed above agree to utilize Angelica as the sole provider of Linen Products and Services for the Term of the Contract.

Customer Initials: _____

Angelica Initials: _____

EXHIBIT B: Linen Products

Linen Items

The items listed below will be charged at the following Prices per piece:

ITEM NUMBER	ITEM DESCRIPTION	PRICE	NON-CIRCULATING INVENTORY CHARGE	LINEN REPLACEMENT CHARGE	**
41.0499	SHEET, HOSPITAL WHITE	\$0.6163	\$0.1386	\$6.93	
50.0507	SHEET, DRAW LIGHT WHITE W/GREE	\$0.3723	\$0.0869	\$4.34	
134.0001	TOWEL, SM TERRY WHITE	\$0.1440	\$0.0122	\$0.61	
209.0468	GOWN, BARIATRIC TEAL BSKTWV	\$0.8180	\$0.1878	\$9.39	
216.019	BLANKET, THERMAL EMERALD	\$2.0982	\$0.3192	\$15.96	
414.0003	TOWEL, SURGERY MISTY GREEN	\$0.1716	\$0.0266	\$1.33	
614.0289	PANT, PJ ADULT LIGHT BLUE	\$0.3856	\$0.1257	\$6.28	
637.0001	MOP, WET LARGE WHITE	\$1.2555	\$0.2364	\$5.91	**
642.0058	MOP, MICROFIBER WET BLUE	\$0.2037	\$0.1638	\$4.10	**
849.0001	TOWEL, BATH SPECIAL WHITE	\$0.3438	\$0.0712	\$3.56	
973.0484	PAD, ANGELDERM STAY DRY TURQ	\$0.8946	\$0.1855	\$9.28	
2411.0001	SHEET, KNIT FIT POLY WHITE	\$0.8899	\$0.1766	\$8.83	
2814.0058	SHEET, GURNEY POLY BLUE	\$0.6769	\$0.1473	\$7.36	
3061.0004	ANGEL SLIDER NAVY	\$2.3625	\$0.4019	\$10.05	**
6181.015	GOWN, IV CHILD-MD CLOWN BLU PT	\$0.3806	\$0.1488	\$7.44	
6615.0476	GOWN, CHILD-LG TIGER PRINT-BLU	\$0.3551	\$0.1076	\$5.38	
6615.0477	GOWN, CHILD-MD TIGER PRINT-GRN	\$0.3563	\$0.1076	\$5.38	
6615.0478	GOWN, CHILD-SM TIGER PRINT-YLW	\$0.3567	\$0.1076	\$5.38	
10500.0001	APRON, BIB WHITE	\$0.3495	\$0.0728	\$1.82	
14236.0001	PILLOWCASE, 80/20 BLEND	\$0.1766	\$0.0530	\$2.65	
14981.0001	NAPKIN, ALLURA WHITE	\$0.1266	\$0.0170	\$0.85	**
16976.0001	CLOTH, TABLE SIG WHITE	\$1.3404	\$0.4936	\$12.34	**
18508.0247	CLOTH, TABLE HUNTER GREEN	\$1.6369	\$0.5372	\$13.43	**
20053.0001	WASHCLOTH, 1.5# WHITE	\$0.0753	\$0.0078	\$0.39	
20107.0517	TOWEL, CLEANING WHITE/GOLD STR	\$0.1091	\$0.0074	\$0.37	
21825.0001	BLANKET, BATH WHITE	\$0.8732	\$0.1115	\$5.58	
44559.0539	MOP, 24-QC YELLOW	\$0.7584	\$0.5144	\$12.86	**
80410.0288	GOWN, PATIENT BLUE PRISM PRINT	\$0.4999	\$0.1213	\$6.07	
99991.9999	PREP CHARGE	\$1.0000	N/A	N/A	

Angelica will increase the Prices as to processing charges on or after each annual anniversary of the Commencement Date by a percentage amount based on increases in the Consumer Price Index – Medical Care Services (i.e. the Consumer Price Index – All Urban Consumers, series title 'U.S. Medical Care Services,' with the index base period of 1982 – 84 = 100) (Index). Any such increase will be determined by comparing the average monthly change in the Index during the twelve (12) month period immediately preceding the annual anniversary date (**Anniversary Base Period**), to the average monthly change in the Index during the twelve (12) month period immediately preceding the Anniversary Base Period. As a courtesy, Angelica agrees to provide written notice of any such increase sixty (60) days or more prior to the anniversary of the commencement date of the agreement.

EMS item availability is dependent upon quantities on hand and is not guaranteed.

Angelica will make available, annually on February 1st, a revised national price list for the Non-Circulating Inventory Charges and Linen Replacement Charges of all Linen Products used by Customer. Angelica may increase these charges no more than once annually based upon the most current national price list.

Customer Initials: _____

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Angelica Initials: _____

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*** Denotes a Dedicated Inventory Item. Deliveries of a Dedicated Inventory Item will be based upon a return of pieces received as soiled from Customer and dependent upon the item inventory established explicitly for Customer. Item deliveries will not be based upon daily orders. The initial minimum requirement will be mutually agreed upon by Customer and Angelica before installation.*

Customer Initials: _____

Angelica Initials: _____

EXHIBIT B: Linen Products (continued)

Customer Owned Goods (COG) Items

The items listed below will be charged at the following Prices per piece:

ITEM NUMBER	ITEM DESCRIPTION	PRICE
7362.9999	COG PANT, SCRUB DR	\$0.5038
7372.9999	COG SHIRT, SCRUB DR	\$0.4359

Customer retains ownership of Customer Owned Goods and Angelica will pick up, process and return those items on a pre-scheduled basis.

Replacement of Customer Owned Goods is Customer's sole responsibility.

Customer Owned Goods are exempt from all Non-circulating Inventory Charges and Linen Replacement Charges.

Price increases will be applied in the same manner described previously in Exhibit B.

Customer Initials: _____

Angelica Initials: _____

EXHIBIT C: ENERGY ADJUSTMENT

**ENERGY ADJUSTMENT MATRIX
NATURAL GAS AND DIESEL FUEL**

Natural Gas One Month Settle Price * (Dollars per dekatherm)		Natural Gas Component
<i>At least</i>	<i>but less than</i>	<i>Surcharge</i>
\$0.00	\$2.75	0.0%
\$2.75	\$3.25	0.3%
\$3.25	\$3.75	0.6%
\$3.75	\$4.25	0.9%
\$4.25	\$4.75	1.2%
\$4.75	\$5.25	1.5%
\$5.25	\$5.75	1.8%
\$5.75	\$6.25	2.1%
\$6.25	\$6.75	2.4%
\$6.75	\$7.25	2.7%
\$7.25	\$7.75	3.0%
\$7.75	\$8.25	3.3%
\$8.25	\$8.75	3.6%
\$8.75	\$9.25	3.9%
\$9.25	\$9.75	4.2%
\$9.75	\$10.25	4.5%
\$10.25	\$10.75	4.8%
\$10.75 or over equates to an additional 0.3% increase in the Natural Gas Surcharge component for every 50 cent increase in the \$/dekatherm		

National Average Diesel Fuel ** (Dollars per gallon)		Diesel Fuel Component
<i>At least</i>	<i>but less than</i>	<i>Surcharge</i>
\$0.00	\$2.50	0.0%
\$2.50	\$2.75	0.2%
\$2.75	\$3.00	0.4%
\$3.00	\$3.25	0.6%
\$3.25	\$3.50	0.8%
\$3.50	\$3.75	1.0%
\$3.75	\$4.00	1.2%
\$4.00	\$4.25	1.4%
\$4.25	\$4.50	1.6%
\$4.50	\$4.75	1.8%
\$4.75	\$5.00	2.0%
\$5.00	\$5.25	2.2%
\$5.25	\$5.50	2.4%
\$5.50	\$5.75	2.6%
\$5.75	\$6.00	2.8%
\$6.00	\$6.25	3.0%
\$6.25	\$6.50	3.2%
\$6.50 or over equates to an additional 0.2% increase in the Diesel Fuel Surcharge component for every 25 cent increase in the \$/gallon		

* **Source:** <http://www.cmegroup.com>

Henry Hub Natural Gas Futures - Last settle price for next month; US\$/mmBTU

** **Source:** <http://eia.doe.gov>

"U.S. On-Highway Diesel Fuel Prices" for the current date

Ver. 16

The Energy Adjustment Matrix above represents the percentage amount to be added to each invoice based on the total charges for that billing period.

Customer Initials: _____

Angelica Initials: _____

EXHIBIT D: Linen Replacement Charge

AngelTrak™ Products

In an effort to take advantage of the most innovative linen management solutions, Angelica has developed the AngelTrak™ system to ensure accurate accountability for clean linen delivered by Angelica and soiled linen returned by Customer. As part of the AngelTrak™ system, Linen Products selected for participation in the AngelTrak™ system under this Contract will be electronically scanned or otherwise identified and accurately counted. This will allow Angelica to identify and account for individual linen items, and to provide to Customer, regular reports that compare: (a) the clean linen items shipped from Angelica to; (b) the soiled linen items returned by Customer.

For purposes of this Contract, the Linen Products identified on Exhibit B have been selected for initial participation in the AngelTrak™ system (the "AngelTrak™ Products"). From time to time during the Term of this Contract, Angelica may elect to add or eliminate Linen Products as AngelTrak™ Products under this Contract.

During the Term of this Contract, AngelTrak™ Products will be electronically scanned or otherwise counted by Angelica at the time they are delivered clean to Customer and at the time they are returned by Customer. The respective results will be compiled and maintained by Angelica, and will be deemed conclusive for purposes of this Contract. Based on these results, Angelica will compare: (a) the AngelTrak™ Products delivered to Customer to; (b) the AngelTrak™ Products returned by Customer. If it is determined by Angelica that any item has not been returned by Customer within sixty (60) days following the date it was last delivered to Customer, the item will be deemed lost. On that basis, Angelica will invoice Customer a replacement charge for lost AngelTrak™ items in accordance with Angelica's then current national price list referred to in Exhibit B. (*Linen Replacement Charge*)

Non-AngelTrak™ Products

As part of the AngelTrak™ system, Angelica will determine, from time to time, the percentage of total AngelTrak™ Products that have been lost during a particular period, as compared to the total quantity of AngelTrak™ Products delivered by Angelica to Customer during that same period. That percentage, known as the "AngelTrak™ Loss Ratio", will be applied to the total quantity of each Linen Product that has not been selected as an AngelTrak™ Product ("Non-AngelTrak™ Products"), delivered to Customer during that same period. The resulting quantity of Non-AngelTrak™ Products will be deemed lost and, on that basis, Angelica will invoice Customer for replacement charges for the lost Non-AngelTrak™ items.

Replacement Charges and Return Credits

Replacement charges will be invoiced in accordance with Angelica's then-current schedule of replacement charges. If, within thirty (30) days following the issuance of an invoice for replacement charges, Customer returns to Angelica, in usable condition, any of the lost items for which replacement charges have been invoiced, credit will be issued in the amount of the replacement charges invoiced for the items returned. Customer will not be responsible for replacement charges for any Linen Products that are returned by Customer but removed from service by Angelica and replaced due to normal wear.

Non-Circulating Inventory Charges

In order to facilitate the efficient utilization of Linen Products and avoid the costs associated with excess inventory of clean Linen Products stored at Customer's Facility, Customer will be subject to a ***Non-Circulating Inventory Charge*** determined in accordance with the following. Beginning with the date a Linen Product item is delivered clean to Customer's Facility, Angelica will monitor the period of time until that item is returned by Customer. As to each item that is not returned by Customer within the fifteen (15) day period following delivery, Customer shall be charged a ***Non-Circulating Inventory Charge*** as set forth in Exhibit B. As to each additional week (or portion thereof) beyond that initial fifteen (15) day period that the item has not been returned by Customer, Customer shall be charged an additional ***Non-Circulating Inventory Charge*** equal to that same amount. Any item not returned by Customer within sixty (60) days of delivery shall be deemed lost and Customer will be charged the Linen Replacement Charge.

Additionally, Angelica will determine, from time to time, the percentage of AngelTrak™ Products that have incurred a Non-Circulating Inventory Charge during a particular period, as compared to the total quantity of AngelTrak™ Products delivered by Angelica to Customer during that same period. That percentage, known as the "AngelTrak™ NIC Ratio", will be applied to the total quantity of each Non-AngelTrak™ Product delivered to Customer during that same period. The resulting quantity of each Non-AngelTrak™ Product will be deemed subject to a Non-Circulating Inventory Charge and, on that basis, Customer will be charged a Non-Circulating Inventory Charge as set forth in Exhibit B.

Customer Initials: _____

Angelica Initials: _____



Contract Cover Sheet

Contract Name: MATTHEW PAUTZ, M.D.
Purpose of Contract: MEDICAL DIRECTOR OF SURGERY
Contract # / Effective Date / Term 1 year / 6/1/19 to 6/14/21
Originating Dept. Name / Number: Admin / Surgery
Department Manager Signature: _____ Date: _____
BAA: ☒ Yes ☐ No W-9: ☒ Yes ☐ No
on file 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>4/4/19</u>
<u>Compliance Officer</u>	Signature: <u>via email</u>	Date: <u>4/23/19</u>
<u>Chief Financial Officer</u>	Signature: <u>[Signature]</u>	Date: <u>6 APR 2019</u>
<u>Chief Executive Officer</u>	Signature: <u>[Signature]</u>	Date: <u>4-24-19</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:

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Updated 5/2017

**MEDICAL DIRECTOR AGREEMENT FOR SURGERY
BETWEEN
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
AND
MATTHEW PAUTZ, D.O.**

THIS SURGERY for MEDICAL DIRECTOR SERVICES ("Agreement") is made and entered into as of the 15th day of June 2019, by and between Bear Valley Community Healthcare District (a public entity), ("District") and Matthew Pautz D. O. ("Physician" and/or "Contractor").

RECITALS

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

WHEREAS, Physician is licensed by the Medical Board of California to practice medicine in the specialty of General Surgery.

WHEREAS, the District desires Physician to provide medical director services in the Hospital's Department of Surgery and Anesthesia; and, the Physician is willing to provide medical director services to the District and its patients.

AGREEMENTS

SECTION I. RESPONSIBILITIES OF PHYSICIAN.

A. Physician shall be and remain: (note: Medical Staff Bylaws Section 8.3)

1. Duly licensed and qualified to practice medicine in the State of California, County of San Bernardino;
2. A member in good standing on the Hospital's Active Medical Staff, with all privileges necessary to undertake the services contemplated by this agreement; and
3. Certified by the American Board of Surgery.

B. Physician shall:

1. Generally monitor the quality of patient care and professional performance rendered by members with clinical privileges in surgery.
2. Conduct investigations and submit reports and recommendations to the appropriate committees regarding the clinical privileges to be exercised within service by members or of applicants to the medical staff.
3. Be a member of the medical executive committee, and give guidance on the overall medical policies of the medical staff and make specific recommendations and suggestions regarding the service, and
4. Perform such other duties commensurate with the office as may from time to time be reasonably requested by the chief of staff or the medical executive committee.

C. Physician shall also provide the administrative direction and supervision required for the proper operation of the department, including the services described below.

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

2. Equipment and Supplies. Physician shall advise the District as to the selection, replacement, condition, and repair of the supplies and medical equipment in the Radiology Department. Physician is not authorized to enter into any contract on behalf of the District for the purchase, rental, or other acquisition of equipment or supplies.

3. Surgery and Anesthesia Policies. Physician shall develop and/or review for the District's approval, the Department's professional policies, protocols, procedures, and standards.

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

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

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

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

8. Marketing. Physician shall actively participate in the marketing of the District's and the Department's services to the public and physician community.

9. Budget. Physician shall, upon the District's request, assist in the preparation of the annual and long-term operating and capital budgets for the Department.

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

11. Orders. Physician shall establish the necessary guidelines for the timely implementation of orders for Department services through appropriate Medical Staff committees. Physician shall review and countersign an order of a nonmember of the Medical Staff prior to the implementation of that order in the Department.

12. Other Duties. Physician shall attend Pharmacy and Therapeutics/Infection Control meeting at least annually. Physician shall report on a quarterly basis to the medical executive committee overall status of department, and perform such other administrative duties as the District/Hospital shall reasonably request. Physician shall attend a minimum of 75% of Medical Staff meetings (minimum of 8 per year).

D. Surgical Service Staff. (note: Title 22, Chp. 3, Art. 3, Sec. 70225 referenced)

1. Physician shall have overall responsibility for the surgical service. This physician shall be certified or eligible for certification in surgery by the American Board of Surgery. If such a surgeon is not available a physician with additional training and experience in surgery shall be responsible for the service.

E. Insurance.

1. Hospital. District represents that Physician shall be covered under Hospital's Directors and Officers Liability Insurance against liability arising from Physician's performance of Director Services within the course and scope of the directorship duties stated in this Agreement and/or the applicable Medical Staff bylaws.

2. Professional Liability. Physician shall, at his expense, obtain Professional Liability Insurance covering all professional services rendered in Hospital by Physician. The minimum liability protection shall be one million dollars (\$1,000,000) per individual claim and three million dollars (\$3,000,000) in aggregate claims and shall provide the same amount of tail insurance coverage upon termination of this Agreement. The Physician shall notify District, in writing, of any change of coverage at least thirty (30) days prior to the occurrence of any policy changes. Physician will provide District with evidence of coverage as stated above, showing professional liability coverage. All professional liability coverage must meet the requirements of the Medical Staff and Medical Staff Bylaws.

F. Access to Books and Records. Upon written request of the Secretary of Health and Human Services for the Comptroller General or any of their duly authorized representatives, the Contractor shall make available to the Secretary those contracts, books, documents, and records necessary to verify the nature and extent of the cost providing his services. If Contractor carried out any of the duties of the Agreement through a subcontract with a value of \$10,000 or more over a twelve (12) month period with a related individual or organization, Contractor agrees to include this requirement in any such subcontract. This

section is included pursuant to and is covered by the requirements of Public Law 96-499, (S 952)(v)(1) of the Social Security Act and regulations promulgated thereunder.

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

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

I. Notification of Certain Events. Physician shall notify Hospital in writing within twenty-four (24) hours 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;
7. Physician changes the location of his offices;
8. Physician is charged with or convicted of a criminal offense; and
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.

SECTION II. RESPONSIBILITIES OF THE DISTRICT

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

B. Personnel. The District shall provide the nursing, technical, administrative, clerical and other support personnel that are reasonably necessary for Physician to serve under this Agreement.

SECTION III. REPRESENTATIONS AND WARRANTIES

Physician represents and warrants to District, 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 the Joint Commission on Accreditation of Healthcare Organizations, California State Title 22, the Department of Health and Human Services or other relevant accrediting organizations; (3) participate in continuing education as necessary to maintain licensure, certification by the American Board of Surgery, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession; and (4) all applicable Bylaws, Rules and Regulations of Hospital and its Medical Staff;
- E. 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; and
- 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.

SECTION IV. COMPENSATION.

Payment to Physician. At the end of each month, physician shall submit to the District Administration a completed and signed Director Monthly Administrative Services Log (Exhibit A). Upon receipt of completed and signed log, District shall pay physician monthly the sum of \$1,000.00 (one thousand dollars) for services under this agreement. The District shall remit payments to physician at intervals of time as established by the District accounting department.

SECTION V. INDEPENDENT CONTRACTOR.

In performing the services herein specified, Physician is acting as an independent contractor, and shall not be considered an employee of the District. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as agent for the other. 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 VI. COMPLIANCE.

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

At a minimum, all agents are expected to:

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

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

SECTION VII. TERM.

This Agreement shall be in effect for one year from June 15, 2019 through June 14, 2021, unless District or Physician terminates this Agreement early pursuant to Section VIII below.

SECTION VIII. EARLY TERMINATION.

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

1. Physician's license to practice medicine is suspended, revoked, terminated, or otherwise restricted;
2. Physician's medical staff privileges at the Hospital are in any way suspended, revoked, or otherwise restricted;
3. Physician's failure to comply with the standards of the Bear Valley Community

- Healthcare District Compliance Program to the extent that such failure results in material fine and or sanction from Medicare or Medi-Cal Program.
4. Neglect of professional duty by Physician in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's or the Medical Staff's policies, rules and regulations;
 5. The failure of Physician to make a timely disclosure required pursuant to Section I, subdivision I;
 6. Breach by Physician of any of the confidentiality provisions under this Agreement;
 7. Failure by Physician to maintain the insurance required under this Agreement;
 8. The conviction of Physician of a criminal offense related to health care, or the listing of Physician by a federal agency as being debarred, excluded or otherwise ineligible for federal program participation;
 9. Breach of this Agreement by Physician where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Physician;
 10. Physician is removed from office by the Medical Executive Committee according to the applicable Medical Staff Bylaws; or
 11. Physician's failure to perform any of the responsibilities outlined in in this Agreement, including but not limited to the failure of Physician to meet minimum attendance requirements for meetings of the Medical Staff, shall constitute grounds for termination for cause.

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

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

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

E. Termination Within First Twelve (12) Months. If this Agreement is terminated, with or without cause, during the first twelve (12) months of the term, the parties shall not enter another agreement for the same or similar services for the remainder of such twelve (12) month period.

SECTION IX. CONFIDENTIALITY.

Physician shall not disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the patient in writing, any patient or medical record information regarding District patients (including clinic patients) and Physician shall comply with all federal and state laws and regulations, and all rules, regulations, and policies of District, Hospital and it's Medical Staff, regarding the confidentiality of such information from Hospital or Clinic 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 1, Part 2, enacted pursuant to 42 U.S.C. 290ee and agrees to be separately bound by a Business Associate Agreement drafted pursuant to HIPAA as set forth in Public Law 104-191, as codified at 42 U.S.C. 1301 et seq.

SECTION X. ASSIGNMENT.

Physician shall not assign, sell, or otherwise transfer his Agreement or any interest in it without consent of District.

SECTION XI. NOTICES.

The notice required by this Agreement shall be effective if mailed, postage prepaid, as follows:

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

Physician: Matthew Pautz, D.O.
Orthopedic Institute of California
18031 US Hwy 18, Suite A
Apple Valley, CA 92307

SECTION XII. 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 XIII. HOSPITAL NOT PRACTICING MEDICINE.

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

SECTION XIV. ENTIRE AGREEMENT.

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

SECTION XV. SEVERABILITY.

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

SECTION XVI. GOVERNING LAW.

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

SECTION XVII. REFERRALS.

The parties acknowledge that none of the benefits granted 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 XVIII. 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 XIX. HIPAA BUSINESS ASSOCIATE AGREEMENT.

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

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

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

Dated: _____ **By:** _____
Matthew Pautz, D.O.
Orthopedic Institute of California
18031 US Hwy 18, Suite A
Apple Valley, CA 92307



Contract Cover Sheet

Contract Name: Bryan Daniel Katz, D.P.M.

Purpose of Contract: Podiatric Services – Rural Health Clinics

Contract # / Effective Date / Term _____ / 5/16/19 -5/15/21

Originating Dept. Name / Number: _____

Department Manager Signature: _____ Date: _____

BAA: ☒ Yes ☐ No

W-9: ☒ Yes ☐ No

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Privacy Officer</u> (as appropriate)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>via email</u>	Date: <u>5/6/19</u>
<u>Compliance Officer</u>	Signature: <u>via email</u>	Date: <u>5/6/19</u>
<u>Chief Financial Officer</u>	Signature: <u>sent via email</u>	Date: <u>25 Apr 2019</u>
<u>Chief Executive Officer</u>	Signature: _____	Date: _____
<u>Board of Directors</u> When Applicable	Signature: _____	Date: _____

1. Final Signatures on Contract, BAA & W-9: Date: _____
2. Copy of 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

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Updated 5/2017



**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
AGREEMENT FOR PODIATRIC SERVICES AT THE RURAL HEALTH CLINICS
WITH
BRYAN DANIEL KATZ, D.P.M.**

THIS DOCTOR AGREEMENT ("Agreement") is made and entered into as of the 16th day of May 2019 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Bryan Daniel Katz, D.P.M., ("Doctor").

RECITALS

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

WHEREAS, Doctor is licensed by the California Board of Podiatric Medicine and is qualified to perform podiatric services for the Clinic's patients.

WHEREAS, Hospital desires to retain the services of Doctor to provide professional podiatric services, and Doctor 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 DOCTOR.

- A. SERVICES. During the term of this Agreement, Doctor agrees to the following:
1. Doctor shall provide professional Doctor podiatric services at the Clinic on an as needed basis as agreed upon by Hospital and Doctor.
 2. Doctor shall maintain medical records for all patients consistent with standard industry practices and shall provide such other record keeping and administrative services as may be reasonably requested by Hospital. All medical records remain the property of the Hospital.
 3. Doctor 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, Doctor agrees as follows:
1. Until the expiration of four (4) years after the furnishing of such Services, Doctor 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 Doctor shall enforce, a clause to the same effect as subparagraph 1. immediately above.

The availability of Doctor'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. Doctor will not carry out any of the duties of the Agreement through a subcontract.
- D. **ETHICS.** In performing services under this Agreement, Doctor 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 Podiatric Medical Association and comply with the Hospital's rules and regulations.
- E. In respect to Doctor's performance of Doctor's professional duties, the Hospital shall neither have nor exercise control or direction over the specific methods by which Doctor performs Doctor'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. Doctor recognizes that the professional reputation of the Hospital is a unique and valuable asset. Doctor 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.** Doctor shall notify Hospital in writing within three (3) business days after the occurrence of any one or more of the following events:
 1. Doctor's medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished;
 2. Doctor becomes the subject of any suit, action or other legal proceeding arising out of Doctor's professional services;
 3. Doctor is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;
 4. Doctor 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. Doctor becomes incapacitated or disabled from practicing medicine;
 6. Any act of nature or any other event occurs which has a material adverse effect on Doctor's ability to perform the Services under this Agreement;
 7. Doctor changes the location of her offices;
 8. Doctor is charged with or convicted of a criminal offense; or

9. Doctor 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. Doctor shall cooperate with Hospital, through its Chief Executive Officer, in connection with providing the Services.

SECTION II. REPRESENTATIONS AND WARRANTIES

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

- A. Doctor is not bound by any agreement or arrangement which would preclude Doctor from entering into, or from fully performing the services required under this Agreement;
- B. Doctor's license to practice podiatric 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. Doctor'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. Doctor 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. Doctor has not in the past conducted and is not presently conducting Doctor's medical practice in such a manner as to cause Doctor 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. Doctor 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. Doctor 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 Doctor 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 Doctor; and (2) any allegation of substandard care or professional misconduct raised against Doctor by any person, organization, governmental agency, health care facility, peer review organization or professional society.
- H. Doctor agrees to promptly disclose any change to the status of his license to practice medicine or any changes the status of any privileges Doctor may have at any other health care facility;

- I. Doctor shall deliver to the Hospital promptly upon request copies of all certificates, registrations, certificates of insurance and other evidence of Doctor's compliance with the foregoing as reasonably requested by the Hospital; and
- J. Doctor 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 Doctor 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, Doctor agrees in good faith to negotiate a contractual agreement equal to the reasonable prevailing reimbursement rates for podiatrists within the geographic area of Hospital/Clinic.

SECTION III. INDEMNIFICATION OF LIABILITY.

Doctor 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 Doctor; (2) any violations of federal, state, or local statutes or regulations arising out of or resulting from any negligent act, error or omission of Doctor; (3) the use of any copyrighted materials or patented inventions by Doctor; or (4) Doctor'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, Doctor 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. Doctor shall be liable for Doctor's own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and benefits. As an independent contractor, Doctor is responsible for filing such tax returns and paying such self-employment taxes as may be required by law or regulations.

SECTION V. COMPENSATION.

At the end of each month, Doctor shall submit to the administration 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 Doctor, as for sole compensation hereunder, on a fee per visit basis at \$65.00 (Sixty-Five Dollars) per visit. A billable visit is a face to face encounter where services are rendered at a level that justifies a clinic charge of 99201 or higher for a new patient, or 99212 or higher for an established patient, or 99381 or higher for a preventative medicine visit. "No charge/courtesy" visits are not eligible for provider payment. Hospital will provide Doctor a list of patients seen per Hospital records that supports the payment made to Doctor. All patient billings for Doctor services remain the property of Hospital. Monthly payments to Doctor shall be made on or before the 10th (tenth) day of the month, following the month in which services are rendered.

SECTION VI. COMPLIANCE.

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

At a minimum, Doctor is expected to:

1. Be aware of those procedures which affect the Doctor and which are necessary to implement the Compliance Program, including the mandatory duty of Doctor 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 Doctor'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 Doctor'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 May 16, 2019 to May 15, 2021; 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 Doctor based on the occurrence of any of the following events:
1. Doctor's license to practice medicine is suspended, revoked, terminated, or otherwise restricted;
 2. Doctor'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. Doctor Services Agreement is terminated or expires;
 6. Doctor'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. Doctor fails to complete medical records in a timely fashion;
 8. Doctor fails to maintain the minimum professional liability insurance coverage;
 9. Doctor inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
 10. Doctor'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. Doctor is unable to provide medical services under the terms of this Agreement due to a physical or mental disability;
 12. Doctor becomes impaired by the use of alcohol or the abuse of drugs;
 13. Doctor is convicted of any criminal offense, regardless of whether such action arose out of Doctor's provision of professional services;

14. Doctor commits any act of fraud as determined by reasonable discretion of the Board whether related to the Doctor's provision of professional services or otherwise; or
15. A mutual written agreement terminating this Agreement is entered into between the Hospital and Doctor.

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

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

SECTION IX. CONFIDENTIALITY.

Doctor 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 Doctor 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. Doctor 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. Doctor shall procure and maintain a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Doctor as the named insured, and such policy shall cover any acts of Doctor'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. Doctor 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 Doctor 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. Doctor 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, Doctor shall *give* Hospital written notice thereof within thirty (30) business days of Doctor's receipt of such notification from any of its insurers. In the event Doctor fails to procure, maintain or pay for said insurance as required in this section, Hospital shall have the right, but not the obligation to obtain such insurance. In that event, Doctor shall reimburse Hospital for the cost thereof, and failure to repay the same upon demand by Hospital shall constitute a material breach hereunder.

SECTION XI. ASSIGNMENT.

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

SECTION XII. NOTICES.

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

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

Doctor: Bryan Daniel Katz, D.P.M.
5353 Woodridge Ct.
Alta Loma, CA 91737

SECTION XIII. PRE EXISTING AGREEMENT.

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

SECTION XIX. 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 XXI. 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: _____
Peter Boss, M.D., President, BOD
Bear Valley Community Healthcare District
P. O. Box 1649
Big Bear Lake, CA 92315

Dated: _____ By: _____
Bryan Daniel Katz, D.P.M.
5353 Woodridge Ct.
Alta Loma, CA 91737



Contract Cover Sheet

Contract Name: Bryan Daniel Katz, D.P.M.

Purpose of Contract: Podiatric Services – Hospital - SNF

Contract # / Effective Date / Term _____ / 5/16/19 -5/15/21

Originating Dept. Name / Number: _____

Department Manager

Signature: _____ Date: _____

BAA: ☒ Yes ☐ No

W-9: ☒ Yes ☐ No

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Privacy Officer</u> (as appropriate)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>VIA EMAIL</u>	Date: <u>5/16/19</u>
<u>Compliance Officer</u>	Signature: <u>VIA EMAIL</u>	Date: <u>5/16/19</u>
<u>Chief Financial Officer</u>	Signature: <u>SAK M/2 IL</u>	Date: <u>25 APR 2019</u>
<u>Chief Executive Officer</u>	Signature: _____	Date: _____
<u>Board of Directors</u> When Applicable	Signature: _____	Date: _____

1. Final Signatures on Contract, BAA & W-9: _____ Date: _____
2. Copy of 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/emailed 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
AGREEMENT FOR PODIATRIC SERVICES AT BEAR VALLEY COMMUNITY HOSPITAL,
SKILLED NURSING UNIT
WITH
BRYAN DANIEL KATZ, D.P.M.**

THIS DOCTOR AGREEMENT ("Agreement") is made and entered into as of the 16th day of May 2019 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Bryan Daniel Katz, D.P.M., ("Doctor").

RECITALS

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

WHEREAS, Doctor is licensed by the California Board of Podiatric Medicine and is qualified to perform podiatric services for the Hospital's patients.

WHEREAS, Hospital desires to retain the services of Doctor to provide professional podiatric services to patients/residents in Hospital's Skilled Nursing Unit, and Doctor 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 DOCTOR.

- A. SERVICES. During the term of this Agreement, Doctor agrees to the following:
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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 Doctor shall enforce, a clause to the same effect as subparagraph 1. immediately above.

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- C. Doctor'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. Doctor 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. Doctor has not in the past conducted and is not presently conducting Doctor's medical practice in such a manner as to cause Doctor 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;
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1. Be aware of those procedures which affect the Doctor and which are necessary to implement the Compliance Program, including the mandatory duty of Doctor 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 Doctor'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 Doctor'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 May 16, 2019 to May 15, 2021; 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 Doctor based on the occurrence of any of the following events:
1. Doctor's license to practice medicine is suspended, revoked, terminated, or otherwise restricted;
 2. Doctor'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. Doctor Services Agreement is terminated or expires;
 6. Doctor'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. Doctor fails to complete medical records in a timely fashion;
 8. Doctor fails to maintain the minimum professional liability insurance coverage;
 9. Doctor inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
 10. Doctor'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. Doctor is unable to provide medical services under the terms of this Agreement due to a physical or mental disability;
 12. Doctor becomes impaired by the use of alcohol or the abuse of drugs;
 13. Doctor is convicted of any criminal offense, regardless of whether such action arose out of Doctor's provision of professional services;

14. Doctor commits any act of fraud as determined by reasonable discretion of the Board whether related to the Doctor's provision of professional services or otherwise; or
15. A mutual written agreement terminating this Agreement is entered into between the Hospital and Doctor.

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

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

SECTION IX. CONFIDENTIALITY.

Doctor 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 Doctor 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. Doctor 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. Doctor shall procure and maintain a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Doctor as the named insured, and such policy shall cover any acts of Doctor'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. Doctor 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 Doctor 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. Doctor 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, Doctor shall *give* Hospital written notice thereof within thirty (30) business days of Doctor's receipt of such notification from any of its insurers. In the event Doctor fails to procure, maintain or pay for said insurance as required in this section, Hospital shall have the right, but not the obligation to obtain such insurance. In that event, Doctor shall reimburse Hospital for the cost thereof, and failure to repay the same upon demand by Hospital shall constitute a material breach hereunder.

SECTION XI. ASSIGNMENT.

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

SECTION XII. NOTICES.

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

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

Doctor: Bryan Daniel Katz, D.P.M.
5353 Woodridge, Ct.
Alta Loma, CA 91737

SECTION XIII. PRE EXISTING AGREEMENT.

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

SECTION XIX. 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 XXI. 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:** _____
Peter Boss, M.D., President, BOD
Bear Valley Community Healthcare District
P. O. Box 1649
Big Bear Lake, CA 92315

Dated: _____ **By:** _____
Bryan Daniel Katz, D.P.M
5353 Woodridge, Ct.
Alta Loma, CA 91737



FY 2020 Capital Budget & 3 Year Capital Expenditure Plan

The attached Capital Budget request for FY 2020 totals \$558,301.85. Our overall 3-year Capital Budget plan FY 2018 through FY 2020 totals \$1,477,606.79.

For FY 2020 budget, we have asked each manager about priority needs and possible reductions or deferrals. The original request was \$723,521.85. The new total for FY 2020 is \$558,301.85.

Managers also reviewed FY 2018 and 2019 on purchased items. With some turnover in managers in the past couple of years we found items that were no longer needed or where the need been met in another way.

A number of projects for facilities from FY 2019 need to be started now that the weather is improving. After further discussion with the Plant Maintenance department about the age and wear and tear on the existing truck we are requesting that the budget for replacement of that truck be included in the FY 2020 budget.

We have added a column to reflect donations.

We have deleted the \$75,000 item for Avreo Storage Server. This is for on-site storage of images. If space needs grow, we may need to revisit the need for such an expenditure. All Avreo (PASCs) images are stored with Avreo and backed up in the cloud.

Items requested under Plant Maintenance have been eliminated from the Capital Budget request and moved to the operating budget as they are for repairs and maintenance.

Hazmat Equipment from the FY 2018 budget is retained. This is equipment requested of State and Federal agencies for disaster preparedness. We are still waiting for their final determination on funding.

The request to address overhead paging issues was reduced to \$10,000, as we believe we found a vendor that can do it for half of the anticipated cost.

Bear Valley Community Hospital

Capital Budget / Capital Plan FY 2018, 2019 & 2020

Draft 4

Dept No.	Department	Request Description	FY 2018	FY 2019	FY 2020	Total Budget	Donations	Total Paid Prior	Total Paid FY 2020	Budget Remaining
001	Med-Surg	Medication Scanning System	10,200.00			10,200.00				10,200.00
		Total Med-Surg	10,200.00	-	-	10,200.00	-	-	-	10,200.00
001/005	Med-Surg/SNF	4 WOW x3-4 Computers			6,400.00	6,400.00				6,400.00
		Total Med-Surg/SNF	-	-	6,400.00	6,400.00		-	-	6,400.00
005	SNF	TV for each Resident 19 @1600 plus install incl Pillow Speakers		35,000.00		35,000.00	15,000.00			20,000.00
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
		Total SNF	-	65,000.00	-	65,000.00	15,000.00	-	-	50,000.00
010	Emergency Room	Heat curtain for waiting room	10,000.00			10,000.00				10,000.00
		Total Emergency Room	10,000.00	-	-	10,000.00	-	-	-	10,000.00
015	FHC	Chiropractic Bed		7,000.00	9,000.00	16,000.00				16,000.00
		Total FHC	-	7,000.00	9,000.00	16,000.00	-	-	-	16,000.00
025	Surgery	Upgrade equipment	40,000.00		9,000.00	49,000.00				49,000.00
025	Surgery	Knee Scope (Arthrex)	15,000.00			15,000.00				15,000.00
025	Surgery	Pneumatic Tourniquet		11,500.00	3,500.00	15,000.00				15,000.00
025	Surgery	OR LIM Removal		5,200.00		5,200.00				5,200.00
025	Surgery	OR Lim Replacement		18,000.00		18,000.00				18,000.00
025	Surgery	New baseboards, flooring, wall repairs		50,000.00	30,000.00	80,000.00				80,000.00
025	Surgery	2 Gurneys			30,000.00	30,000.00				30,000.00
025	Surgery	Steam Sterilizers - Autoclaves			90,000.00	90,000.00				90,000.00
025	Surgery	GI Scopes and processor, 2 colonoscopes and 2 EGD Scopes and procesor			60,000.00	60,000.00				60,000.00
		Total Surgery	55,000.00	84,700.00	222,500.00	362,200.00	-	-	-	362,200.00
040	Laboratory	Plasma Thawing Bath			5,570.50	5,570.50				5,570.50
040	Laboratory	Point-of-Care Testing hand held i-STAT meters for T-System			17,073.50	17,073.50				17,073.50
040	Laboratory	Point-of-Care Testing hand held i-STAT interface for T-System			15,000.00	15,000.00				15,000.00
		Total Laboratory	-	-	37,644.00	37,644.00	-	-	-	37,644.00
070	Respiratory Therapy	Replace Cabinets	6,000.00			6,000.00				6,000.00
070	Respiratory Therapy	Transport Ventilator replacement			18,044.14	18,044.14				18,044.14
070	Respiratory Therapy	Infant Warmer			22,738.84	22,738.84				22,738.84
070	Respiratory Therapy	PAPRs program - Replaces fit testing and N95 masks for general use			28,867.92	28,867.92				28,867.92
		Total Respiratory Therapy	6,000.00	-	69,650.90	75,650.90	-	-	-	75,650.90
075	Physical Therapy	Leander Variable Height Flexion/Distratration Table			5,731.60	5,731.60				5,731.60
		Total Physical Therapy	-	-	5,731.60	5,731.60		-	-	5,731.60
080	Dietary	POS System (basic system only)		10,000.00		10,000.00				10,000.00
080	Dietary	Renovation of Dining Room for Residents			17,000.00	17,000.00				17,000.00
		Total Dietary	-	10,000.00	17,000.00	27,000.00	-	-	-	27,000.00
115	Plant Maint.	replace medical air compressor	38,000.00	17,000.00		55,000.00		43,303.36		11,696.64
115	Plant Maint.	to allow us to run boilers for hot water & air	11,220.00			11,220.00				11,220.00
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.	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.	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

Dept No.	Department	Request Description	FY 2018	FY 2019	FY 2020	Total Budget	Donations	Total Paid Prior	Total Paid FY 2020	Budget Remaining
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	6,000.00			19,000.00
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.	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.	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.	Renovate Front Lobby		15,000.00		15,000.00				15,000.00
115	Plant Maint.	new Dodge Truck			55,000.00	55,000.00				55,000.00
115	Plant Maint.	Asphalt adjacent to RHC for parking			28,000.00	28,000.00				28,000.00
		Total Plant Maintenance	49,220.00	334,900.00	83,000.00	467,120.00	20,000.00	43,303.36	-	403,816.64
125	Info Technology	Forty Lenovo M700 Micro computers	32,928.40			32,928.40		25,417.20		7,511.20
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		93,469.89		4,764.11
125	Info Technology	Upgrade Licenses - Microsoft Windows	17,000.00			17,000.00		6,670.00		10,330.00
125	Info Technology	30 Lenovo ThinkCentre M710q computers	28,000.00			28,000.00		22,199.50		5,800.50
125	Info Technology	HIPAA Risk Assessment Penetration Testing by Dell	30,400.00			30,400.00		15,798.88		14,601.12
125	Info Technology	20 Lenovo Tiny in One Computers			20,148.93	20,148.93				20,148.93
125	Info Technology	Overhead Paging System			10,000.00	10,000.00				10,000.00
125	Info Technology	Upgrade licenses-Microsoft			50,976.42	50,976.42				50,976.42
125	Info Technology	Server refresh to the Nutanix farm			17,250.00	17,250.00				17,250.00
125	Info Technology	Environ monitoring and alerting system servers and network storage closets			9,000.00	9,000.00				9,000.00
		Total Info Technology	32,928.40	213,356.54	107,375.35	353,660.29	-	163,555.47	-	190,104.82
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
		Total Disaster	41,000.00	-	-	41,000.00	-	-	-	41,000.00
Total for Hospital:			204,348.40	714,956.54	558,301.85	1,477,606.79	35,000.00	206,858.83	-	1,235,747.96
<u>Other Possible Capital Purchases</u>										
			-	-		-	-	-	-	-
<u>Emergency Additions to Budget:</u>										
			-	-		-	-	-	-	-
			204,348.40	714,956.54	558,301.85	1,477,606.79	35,000.00	206,858.83	-	1,235,747.96



Board Report

May 2019

Leadership Meeting

Our networking meeting for CEOs, CNOs and CFOs was held on May 9. Kerri Jex presented Bear Valley's Culture of Safety journey.

Mid-Year Contractual Review

David Perry was onsite April 29 – May 1 for the mid-year contractual review as well as some education for finance team. The report will be completed in May.

Community Health Needs Assessment

This engagement has been initiated and is scheduled for the third quarter.

Upcoming Education Events – May

Webinars:

Regulatory Update: QAPI and the PI Plan – The Regulatory Requirements

Thursday, May 2, 2019 | 10:30 am - 11:30 am CST

Managing Charge Performance: Series III - Claims Management

Tuesday, May 7, 2019 | 10:30 am - 11:30 am CST

Supply Chain: Inventory Management

Thursday, May 9, 2019 | 10:30 am - 11:30 am CST

Board Leadership Series - May Webinar

Tuesday, May 14, 2019 | 12:00 pm - 1:00 pm CST

Topic: Compliance Update

Managing Charge Performance: Series IV - Remit Posting – Interpreting Payer Payments & Denials

Thursday, May 16, 2019 | 10:30 am - 11:30 am CST

Workforce Efficiency - Maximizing Labor Resources

Friday, May 17, 2019 | 10:30 am - 11:30 am CST



Reimbursement & Regulatory Update: Inpatient Proposed Rules 2-Part Series

May 21-22, 2019 | 2:00 pm - 3:00 pm CST

Classroom:

Sustainable Readiness: Regulatory, Quality & the Healthcare Environment

May 14 - 17 | Brentwood, TN

Project Management 101 for Healthcare Leaders

May 21 - 22 | Brentwood, TN

Other

- Ron Vigus is planning to attend the Board meeting.

Upcoming Projects

- Community Health Needs Analysis – scheduled for 3rd Quarter

Completed Projects

- Contractual Accounts and Bad Debt Analysis
- Productivity Benchmarking Assessment
- Debt Financing Capability Analysis
- Mock Survey – Quality and Life Safety
- Compliance Assessment
- Cost Report Review



CNO Monthly Report

TOPIC	UPDATE
1. Regulatory Updates	<ul style="list-style-type: none"> Working on implanting additional Homeless Discharge regulations, new regulations will be added as of July 1st.
2. Budget/Staffing	<ul style="list-style-type: none"> Overtime and call offs are assessed each shift. Flexing of staff is done daily as warranted by census. Budget meetings with department managers have been completed.
3. Departmental Reports	
<ul style="list-style-type: none"> Emergency Department 	<ul style="list-style-type: none"> New ED Director performing well in her new position. She just graduated with a MSN degree from Grand Canyon University 2 additional RNs graduated with Masters degrees from Grand Canyon University. ED volumes remain at budget 1 RN out on FMLA 2 PD RNs hired (replacements for resignations) ED staff working on Quest for Zero project (Communication) MERCY was onsite to do Landing Zone training with ED and maintenance staff.
<ul style="list-style-type: none"> Acute 	<ul style="list-style-type: none"> Swing Census currently at 1
<ul style="list-style-type: none"> Skilled Nursing 	<ul style="list-style-type: none"> Van update- Policy is in approval, waiting on DMV to return driving record requests. Star rating system has been “unfrozen” we are likely to see our star rating change soon. Outing was held to Saucy Mama’s Pizza in the Village. 1 CNA resignation
<ul style="list-style-type: none"> Surgical Services 	<ul style="list-style-type: none"> Orthopedic procedures are being done weekly. Ophthalmic procedures are being done monthly. OR manager is working on selected quote for equipment purchase to prepare for general surgeon/ expanded ortho services. (budgeted purchase) OR Manager is working on OR supply inventory and ordering in anticipation of a general surgeon.

	<ul style="list-style-type: none"> General surgeon will be onsite in May to meet with OR manager regarding supply and equipment needs.
<ul style="list-style-type: none"> Case Management 	<ul style="list-style-type: none"> DON and Eligibility Worker are working on referrals for SNF residents and Swing patients. Case Management continues to attend re-admissions collaborative.
<ul style="list-style-type: none"> Respiratory Therapy 	<ul style="list-style-type: none"> RT is planning for fit testing in May.
<ul style="list-style-type: none"> Physical Therapy 	<ul style="list-style-type: none"> A new therapy table is being ordered for patient use.
<ul style="list-style-type: none"> Food and Nutritional Services 	<ul style="list-style-type: none"> FNS department hosted a candlelight dinner for SNF residents. FNS catered the recent event to recognize Foundation and Auxiliary for their volunteer efforts. A Quality Improvement project is ongoing, utilizing the California Association of Healthcare Facilities Guidelines for: <ul style="list-style-type: none"> Proper labeling, storage and rotation of food Safe food storage Hand Hygiene monitoring Administrative Rounding Staff Competencies Forms/ tracking tools implemented for multiple areas in the kitchen
4. Infection Prevention	<ul style="list-style-type: none"> Hand Hygiene monitoring continues. Infection Preventionist is rounding weekly to educate staff on hand hygiene and infection issues.
5. Quality Improvement	<ul style="list-style-type: none"> BETA will be onsite May 7th for HEART validation. SCORE survey was administered March 18- Apr 5, final response rate was 97% (second place in all of the BETA insured hospitals that are participating). After results are received Department debriefs will be held. Interviews for the next Patient and Family Advisory Council were held. 7 interviews completed. PFAC information was submitted to BETA for review for ED Quest for Zero Tier 2 award.
6. Policy Updates	<ul style="list-style-type: none"> Policies reviewed weekly by Policy and Procedure committee.
7. Safety & Products	<ul style="list-style-type: none"> Workplace Violence training is being provided to all BVCHD staff. Workplace Violence reports are submitted to CalOSHA on an ongoing basis. Disaster drill was completed on March 27th - tabletop earthquake scenario.\ Shelf stable disaster food has arrived.

	<ul style="list-style-type: none"> ▪ Meeting with BBFD and ICEMA at the end of May to discuss multi-agency evacuation and surge drill.
8. Education	<ul style="list-style-type: none"> ▪ BLS Classes scheduled monthly, ACLS & PALS scheduled quarterly ▪ Quarterly clinical skills day was held ▪ EMTALA class was presented by Envision (EmCare) to ED and Patient Access staff (2 BRN continuing education hours were awarded to nurses). ▪ SNF DON will be attending CDPH Rap Session in San Bernardino 5/2/19
9. Information Items/Concerns	<ul style="list-style-type: none"> ▪ BVCHD will be presenting on the work done regarding "Culture of Safety" at a QHR meeting May 8th.
Respectfully Submitted by: <i>Kerri Jex, CNO</i> <div style="text-align: right;"><i>Date: April, 30th 2019</i></div>	

2019 Surgery Report

Apr-19		
Physician	# of Cases	Procedures
Critel - CRNA	1	LESI
Pautz - DO	2	ORIF Finger
Pautz - DO	2	ORIF Hand
Pautz - DO	1	ORIF Wrist
Pautz - DO	1	Reconstruct ulnar collateral ligament of thumb
Pautz - DO	1	Acromioplasty, rotator cuff repair, biceps tenodesis shoulder
Tayani	6	Cataracts
Total	14	

May-19		
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		
Tayani		
Total	0	

Jun-19		
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-19		
Physician	# of Cases	Procedures



CHIEF EXECUTIVE OFFICER REPORT

April 2019

CEO Information:

CDPH completed the Annual Clinic's Licensing & Recertification Survey. The Plan of Corrections was accepted by CDPH. (Attachment)

We have begun the process of preparing for the Community Health Needs Assessment. A list of community members was provided to QHR requesting their participation in the survey. The assessment will be completed in June and presented to the Board of Directors in July.

I will be attending the Annual HASC Inland Empire Strategic Community Planning the morning of May 22 and will then be attending the BETA Heart Workshop May 22 & 23.

BVCHD Foundation is scheduled to have the SNF Van reveal event on June 5, 2019 from 3:00 pm to 5:00 pm. Refreshments will be served.

BVCHD 45th Birthday Celebration is scheduled for August 17 at Swim Beach. We are in the beginning planning stage and will provide additional information as we schedule the event.

BVCHD Annual Health Fair is scheduled for September 21, 2019. We look forward to another successful event.

Big Bear Chamber of Commerce has scheduled the EBBIE Award Ceremony for June 4th at the Elks Lodge from 8:00 am to 9:30 am. If you would like to attend please contact Administration.

Physician Recruitment:

Dr. David Horner a family practice physician has continued to express interest of relocating permanently to BBL. A meeting with Dr. Horner, Dr. Knapik, Rick Howell's w/Heritage and myself took place in April we are hopeful that the final target date is August 2019.

Marketing:

We continue to advertise in the Grizzly Newspaper and KBHR. We continue to advertise the ER and SNF and Telehealth services. We have begun advertising through Vons on the shopping carts; Dental, FHC and PT.

Attachments:

QHR Board Minutes

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 04/22/2019
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 058564	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 04/08/2019
NAME OF PROVIDER OR SUPPLIER FAMILY HEALTH CENTER RHC			STREET ADDRESS, CITY, STATE, ZIP CODE 41820 GARSTIN DRIVE BIG BEAR LAKE, CA 92315		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
E 000	<p>Initial Comments</p> <p>The following reflects the findings of the California Department of Public Health during a Recertification survey for Emergency Preparedness conducted on April 8, 2019.</p> <p>Representing the California Department of Public Health:</p> <p>Surveyors: 33787, HFEN</p> <p>Sample Patients: 19</p> <p>There were no deficiencies identified for Emergency Preparedness.</p>	E 000			

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

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J 000	INITIAL COMMENTS The following reflects the findings of the California Department of Public Health during a Rural Health Clinic recertification survey conducted on April 8, 2019. Representing the California Department of Public Health: Surveyors: 33787, HFEN Sample Patients: 19 The following Condition of Certification was not met: Section 491.10 Condition of Certification: Patient Health Records PATIENT HEALTH RECORDS CFR(s): 491.10 491.10 Patient health records This CONDITION is not met as evidenced by: 1. Based on interview and record review the Rural Health Clinic (RHC) failed to maintain a complete and comprehensive patients' clinical records affecting four of 19 patients (Patient 8, 9, 10, and 18). The patients' clinical records did not include the following essential information that would help in the diagnosis and treatment of the patient's medical condition: a. Pertinent medical history. b. Assessment of the health status and health care needs of the patient. c. Brief summary of the episode, disposition, and instructions to the patient. d. Report of physical examinations.	J 000	J 150 Upon notification of the findings, a plan of correction was developed by the Administrative Team, Director of Outpatient Services, Chief of Staff and Governing Board. The following is the plan of correction that was put into place: The Documentation Standards for Patient Care policy was reviewed. A memo with copy of the policy was sent to all clinic provider staff. Survey findings were shared with provider staff at the April Clinic Provider meeting. The Documentation Standards for Patient Care policy was also reviewed. The policy states "it is the responsibility of the attending Physician and other care providers caring for patient at Bear Valley Community Healthcare District (BVCHD) to prepare a complete health record. The health record should include identification data, chief complaint, history of present illness,	4/12/19 4/24/19	
J 150		J 150			

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J 150	Continued From page 1 e. Clinical Laboratory and Radiology Services. f. Diagnostic findings and consultative findings. g. Medication ordered/administered. h. Signature of the provider/physician. This failure had the potential to result in the facility not being able to determine whether there was anything in the patient's overall condition that could affect each patient's course of treatment. (Refer to J 152). 2. Based on interview and record review the RHC failed to ensure patients' clinical records were safe and secured from unauthorized access and a policy and procedure was in place when patient's clinical records were removed from the clinic. (Refer to J 153). The cumulative effect of this systemic problem resulted in the inability of the facility to ensure the provision of care in a safe manner and prevent the possibility of a health data breach from lost or stolen patients' information.	J 150	appropriate personal and family medical history, physical examination and systems review, diagnostic and treatment orders and results, clinical observations, progress notes, special or procedural reports, informed consent for surgical cases, final diagnosis, problem list, condition on discharge, and follow-up notes and/or instructions". MONITORING: The Clerical Assistant II (MRC 1) audits clinic charts to verify appropriate documentation of services. The Clerical Assistant II monitors medical records for completeness and assures deficiencies are brought to the staff member's attention. This position works through the hospital HIM and financial departments to identify physician and clinic practices that require improved documentation. The Clerical Assistant II will notify the Clinic Medical Director, Director of Outpatient Services and HIM Director of chart deficiencies greater 14 days. The Medical Director shall follow-up with the provider.	10/31/19	
J 152	PATIENT HEALTH RECORDS CFR(s): 491.10(a)(3)(i)-(iv) 491.10(a) Records system. (3) For each patient receiving health care services, the clinic . . . maintains a record that includes, as applicable: (i) Identification and social data, evidence of consent forms, pertinent medical history, assessment of the health status and health care needs of the patient, and a brief summary of the episode, disposition, and instructions to the patient;	J 152			

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J 152	Continued From page 2 (ii) Reports of physical examinations, diagnostic and laboratory test results, and consultative findings; (iii) All physician's orders, reports of treatments and medications, and other pertinent information necessary to monitor the patient's progress; (iv) Signatures of the physician or other health care professional. This STANDARD is not met as evidenced by: Based on interview and record review, the Rural Health Clinic (RHC) failed to maintain complete and comprehensive patients' clinical records affecting four of 19 patients (Patient 8, 9, 10, and 18). The patient's clinical records did not include the following important information that was relevant to help in the diagnosis and treatment of the patient's medical condition: a. Pertinent medical history. b. Assessment of the health status and health care needs of the patients. c. Brief summary of the episode, disposition, and instructions to the patient. d. Report of physical examinations. e. Diagnostic findings and consultative findings. f. Signature of the provider/physician. This failure had the potential to result in the facility not being able to determine whether there was anything in the patient's overall condition that could affect each patient's course of treatment. Findings:	J 152	MONITORING continued: Delinquent chart counts shall be conducted monthly by the Clerical Assistant II and reported to the HIM Director. Statistics shall be reported to the Medical Executive Committee (MEC) up through the Governing Board for a minimum of six (6) months at which time the indicator will be evaluated for continuation, modification or deletion. PERSONS RESPONSIBLE: HIM Director, Director Outpatient Services J 152: An immediate review of documentation guidelines and expectations was completed with the Primary Care Provider Doctor of Chiropractor (DC1) 4/8/19. DC1 completed all delinquent charts 4/9/19. To expedite the process, the provider was allowed to complete outstanding documentation using paper SOAP notes. The notes were then scanned into the electronic medical record.	4/8/19	4/9/19

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J 152	Continued From page 3 1. A review of Patient 8's clinical records with the Medical Record Clerk 1 (MRC 1) indicated, Patient 8 was treated at the RHC, on March 6, 2019 by the Primary Care Provider Doctor of Chiropractor (DC 1) with complaint of back problems. Patient 8's clinical records did not include the following important information that was relevant to help in the diagnosis and treatment of Patient 8's medical condition: a. Past medical history b. Preventative list (steps to prevent health problems) c. Review of system (a list of questions, arranged by organ system, designed to uncover dysfunction and disease) d. Physical examination (a process by which a medical professional investigates the body of a patient for signs of disease) e. Assessment (making observation and or decision about someone health condition). f. Plan g. Procedures h. Medication administered i. Doctor's orders j. No provider/physician's signature 2. A review of Patient 9's clinical records with the Medical Record Clerk 1 (MRC 1) indicated Patient 9 was treated at the RHC, on March 6, 2019 by the Primary Care Provider Doctor of Chiropractor (DC 1) with complaints of back and neck pain. Patient 9's clinical records did not include the following important information that was relevant to help in the diagnosis and treatment of Patient	J 152	Moving forward, DC1's appointment schedule was amended to allow additional time for charting during office hours. A memo regarding documentation expectations and PHI security was given to all clinic provider staff. Provider staff was required to provide signed acknowledgement of understanding. The Documentation Standards for Patient Care policy was reviewed. A memo with copy of the policy was sent to all clinic provider staff. Survey findings were shared with provider staff at the April Clinic Provider meeting. The Documentation Standards for Patient Care policy was also reviewed. The policy states "it is the responsibility of the attending Physician and other care providers caring for patient at Bear Valley Community Healthcare District (BVCHD) to prepare a complete health record. The health record should include identification data, chief complaint, history of present illness,	4/9/19 4/10/19 4/12/19 4/24/19	

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J 152	<p>Continued From page 4</p> <p>9's medical condition:</p> <ul style="list-style-type: none"> a. Preventative list b. Review of system c. Physical examination d. Assessment e. Plan f. Procedures g. Medication administered h. No provider/physician's signature <p>3. A review of Patient 10's clinical records with the Medical Record Clerk 1 (MRC 1) indicated Patient 10 was treated at the RHC, on March 6, 2019 by the Primary Care Provider Doctor of Chiropractor (DC 1) with complaints of back pain.</p> <p>Patient 10's clinical records did not include the following important information that was relevant to help in the diagnosis and treatment of Patient 10's medical condition:</p> <ul style="list-style-type: none"> a. Preventative list b. Review of system c. Physical examination d. Assessment e. Plan f. Procedures g. Medication administered h. No provider/physician's signature <p>4. A review of Patient 18's clinical records with the Medical Record Clerk 1 (MRC 1) indicated Patient 18 was treated at the RHC, on March 6, 2019 by the Primary Care Provider Doctor of Chiropractor (DC 1) with complaints of back pain.</p> <p>Patient 18's clinical records did not include the following important information that was relevant</p>	J 152	<p>appropriate personal and family medical history, physical examination and systems review, diagnostic and treatment orders and results, clinical observations, progress notes, special or procedural reports, informed consent for surgical cases, final diagnosis, problem list, condition on discharge, and follow-up notes and/or instructions".</p> <p>MONITORING: The Clerical Assistant II (MRC 1) audits clinic charts to verify appropriate documentation of services. The Clerical Assistant II monitors medical records for completeness and assures deficiencies are brought to the staff member's attention. This position works through the hospital HIM and financial departments to identify physician and clinic practices that require improved documentation. The Clerical Assistant II will notify the Clinic Medical Director, Director of Outpatient Services and HIM Director of chart deficiencies greater 14 days. The Medical Director shall follow-up with the provider.</p>	10/31/19	

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J 152	<p>Continued From page 5 to help in the diagnosis and treatment of Patient 18's medical condition:</p> <ul style="list-style-type: none"> a. Preventative list b. Review of system c. Physical examination d. Assessment e. Plan f. Procedures g. Medication administered h. No provider/physician's signature <p>During an interview with the Medical Record Clerk 1 (MRC 1) on April 8, 2019 at 10:45 AM, MRC 1 verified that Patient 8, 9, 10, and 18's medical records were missing the provider's documentation. MRC 1 stated that the provider did not complete the medical records. MRC 1 further stated the provider was supposed to complete the patients' clinical records within 14 days of the specified time for completion as per policy.</p> <p>During an interview of the Clinic Program Coordinator (CPC) on April 8, 2019 at 1:55 PM, the CPC stated the RHC policy on timeliness of clinical records completion was within 14 days after the patient was discharged.</p> <p>A review of the Rural Health Clinic Policy and Procedure titled "Timeliness of Documentation" dated March 30, 2012, indicated the following:</p> <p>"Policy: 1.0 Documentation entries made in the patient medical records will be written within the timeframes outlined in accordance to the state and federal regulations."</p> <p>"Procedure: 8.0 Discharge Summary; 8.1 Shall be</p>	J 152	<p>MONITORING continued: Delinquent chart counts shall be conducted monthly by the Clerical Assistant II and reported to the HIM Director. Statistics shall be reported to the Medical Executive Committee (MEC) up through the Governing Board for a minimum of six (6) months at which time the indicator will be evaluated for continuation, modification or deletion.</p> <p>PERSONS RESPONSIBLE:</p> <p>HIM Director, Director Outpatient Services</p>		

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NAME OF PROVIDER OR SUPPLIER

FAMILY HEALTH CENTER RHC

STREET ADDRESS, CITY, STATE, ZIP CODE

**41820 GARSTIN DRIVE
BIG BEAR LAKE, CA 92315**

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J 152

Continued From page 6
completed within 14 days after discharge."

"Procedure: 12.0 The entire medical record,
including signatures, shall be completed within 14
days after discharge.

"Procedure: 12.0 The completed medical record
will then be coded consistent with appropriate
guidance from medical documentation, Physician,
as well as the references mentioned in the coding
ethics policy."

During an interview with the Medical Assistant
(MA 1) on March 8, 2019 at 3:40 PM, MA 1
stated they usually assist DC 1 and they provided
DC 1 with a pre-printed form that contains
patient's information like patient's name, vital
signs (temperature, pulse, blood pressure, pulse,
and respirations) and if the patient was previously
seen at the clinic, previous health history and
medications will be on the pre-printed note/form.
DC 1 will use the form to write his notes. DC 1 will
take the notes with him upon completion of the
visit and transfer them to his computer.

During an interview with the Doctor of
Chiropractor (DC 1) on April 8, 2019 at 4:10 PM,
DC 1 stated that he documented his patient's
notes on the clinic form provided to him during
each patient's visit/treatment. DC 1 was asked to
provide the clinical notes of specific patients (8, 9,
10, and 18) he saw at the clinic, however he was
not able to show documentation that the patients'
(8, 9, 10, and 18) clinical records were
completed. DC 1 verified that essential medical
information pertaining to each patient's visit were
not entered into the electronic medical record and
were missing. DC 1 stated he did not complete
the clinical records of each patient he saw in the

J 152

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J 152	<p>Continued From page 7</p> <p>clinic, because he completes the patient's medical information at home and then transfers them in his computer. DC 1 stated that he thought he had 30 days to complete the records.</p> <p>A review of the Rural Health Clinic Policy and Procedure titled "Timeliness of Documentation" dated March 30, 2012, indicated the following:</p> <p>"Policy: 1.0 Documentation entries made in the patient medical records will be written within the timeframes outlined in accordance to the state and federal regulations."</p> <p>"Policy: 2.0 The HIM department will perform qualitative and quantitative reviews of all medical records to ensure records are complete."</p> <p>"Policy: 2.1 Ongoing assessments of incomplete records are performed by HIM staff to ensure timely completion."</p> <p>"Policy: 2.2 It is the responsibility of the Physician to come in and complete his/her charts."</p> <p>"Procedure: 7.0 Medical documentation, content, and authentication requirements shall transpire concurrently with the physician or practitioners' assessment of the patient."</p> <p>"Procedure: 12.0 The entire medical record, including signatures, shall be completed within 14 days after discharge."</p> <p>"Procedure: 12.0 The completed medical record will then be coded consistent with appropriate guidance from medical documentation, Physician, as well as the references mentioned in the coding ethics policy."</p>	J 152			

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J 153	<p>PATIENT HEALTH RECORDS CFR(s): 491.10(b)</p> <p>491.10(b) Protection of record information.</p> <p>(1) The clinic . . . maintains the confidentiality of record information and provides safeguards against loss, destruction or unauthorized use.</p> <p>(2) Written policies and procedures govern the use and removal of records from the clinic or center and the conditions for release of information.</p> <p>(3) The patient's written consent is required for release of information not authorized to be released without such consent.</p> <p>This STANDARD is not met as evidenced by: Based on interview and record review, the Rural Health Clinic (RHC) failed to ensure that clinical records were secured and a policy and procedure was in place to include the usage and removal of patient records from the clinic for four of 19 records reviewed (Patient 8, 9, 10 and 18).</p> <p>This failure had the potential to compromise the confidentiality of patient medical information and the safety of patient medical data from loss, theft and/or unauthorized usage.</p> <p>Findings:</p> <p>During a review of electronic clinical records conducted on April 8, 2019 with the Medical Record Clerk (MRC 1), the medical records for Patient 8, 9, 10 and 18 were incomplete and not available for review by RHC staff and care providers.</p> <p>During an interview with the Medical Assistant</p>	J 153	<p>J 153</p> <p>An immediate review of HIPAA and PHI security guidelines was completed with the Primary Care Provider Doctor of Chiropractor (DC1) 4/8/19.</p> <p>A memo regarding documentation expectations and PHI security was given to all clinic provider staff. Provider staff was required to provide signed acknowledgement of understanding.</p> <p>HIPAA guidelines and Confidentiality of Patient Information policy were reviewed at Clinic Provider meeting and Clinic Staff meeting.</p> <p>A memo regarding the Confidentiality of Patient Information policy was sent to clinic staff and providers.</p> <p>Staff to attend classroom HIPAA training provided by the HIPAA Privacy Officer and Compliance Officer scheduled May 20-23, 2019.</p>	<p>4/8/19</p> <p>4/10/19</p> <p>4/24/19 and 4/26/19</p> <p>4/30/19</p> <p>5/23/19</p>	

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(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
J 153	<p>Continued From page 9</p> <p>(MA 1) on March 8, 2019 at 3:40 PM, MA 1 stated they usually assist DC 1 and they provided DC 1 with a pre-printed form that contained patient's information like patient's name, vital signs (temperature, pulse, blood pressure, pulse, and respirations) and if the patient was previously seen at the clinic, previous health history and physician ordered medications will be on the pre-printed note/form. DC 1 will use the form to write his notes. DC 1 will take the notes with him upon completion of the visit and transfer them to his computer.</p> <p>During an interview with the Doctor of Chiropractor (DC 1) on April 8, 2019 at 4:10 PM, DC 1 stated that he documented his patient's notes on the clinic form provided to him during each patient's visit/treatment. DC 1 was asked to provide the clinical notes of specific patients (8, 9, 10, and 18) he saw at the clinic; however, he was not able to show documentation that the patients' (8, 9, 10, and 18) clinical records were completed. DC 1 verified that essential medical information pertaining to each patient's visit were not entered into the electronic medical record and were missing. DC 1 stated he did not complete the clinical records of each patient he saw in the clinic, because he completed the patient's medical information at home and then transferred them in his computer. DC 1 stated that he thought he had 30 days to complete the records.</p> <p>During an interview with the Clinic Program Director (CPD) on April 8, 2019 at 5:00 PM, the CPD was asked if the RHC had a log of how many patient records were with the DC 1. The CPD stated they do not have an account of how many records DC 1 was working on outside the clinic.</p>	J 153	<p>MONITORING:</p> <p>The HIPAA Privacy Officer shall oversee all on-going activities related to the development, implementation, maintenance of, and adherence to the organization's policies and procedures covering the privacy of and access to patient health information (PHI) and electronic patient health information (ePHI) in compliance with federal and state laws and BVCHD's information privacy and security policies.</p> <p>The Compliance Committee monitors compliance with the Security Rule to protect the confidentiality, integrity and availability of PHI/ePHI. It reviews and analyzes the administrative, technical and physical safeguards in place to protect patient's health information.</p> <p>PERSONS RESPONSIBLE:</p> <p>HIPAA Privacy Officer, Director Outpatient Services</p>	On-going	

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 04/22/2019
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 058564	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 04/08/2019
NAME OF PROVIDER OR SUPPLIER FAMILY HEALTH CENTER RHC			STREET ADDRESS, CITY, STATE, ZIP CODE 41820 GARSTIN DRIVE BIG BEAR LAKE, CA 92315		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
J 153	Continued From page 10 During an interview with the Clinic Program Director (CPD) on April 8, 2019 at 5:00 PM, the CPD was asked if the RHC had a policy regarding the safeguards for the medical records while a specific provider is taking the records outside the clinic. The CPD stated the RHC does not have a policy.	J 153			

Quorum Board Minutes

Addressing Changes in the Healthcare Landscape



When Healthcare Tech Meets 5G

April 2019

Accessing a cloud database securely from a remote location at anytime...

Downloading webpages ten times faster...

Viewing MRI procedural visuals and results from halfway across the world within milliseconds...

These are just some of the enhancements 5G could bring to healthcare. However, speed is not the only benefit promised from this advancement. In fact, 5G networks are promising an **ultra-reliable, high speed**, and **exceptionally large communications network**, vastly improving the provider-to-patient experience.



What is 5G and how does it differ from the current 4G LTE network?

5G is the fifth generation of wireless internet speed. It is not simply a slight improvement from 4G LTE's ability to download webpages in 8 seconds or less; it is a major shift and is expected to load websites and download images and information at least ten times faster than 4G. Along with speed, the networks are operating via cellular versus cables, meaning **higher reliability and a larger bandwidth and computing power**. The implications for how it can expand healthcare solutions are progressing quickly, but here's what you need to know today about 5G and healthcare:

Key Takeaways:

- **It is going to take a while.**
 - ♦ For 5G networks to operate as quickly as claimed, there needs to be many towers. This will significantly impact rural areas, as cities are typically first to receive the 5G network towers.

- **Doctors will be able to quickly gain a second opinion.**
 - ♦ 5G can provide remote access to databases and can rapidly share information in time sensitive patient care scenarios.
- **The cloud on a 5G network will be able to help rural areas and underserved urban populations.**
 - ♦ Doctors will always have access to files needed in order to take advantage of these latest developments.
- **Patients will not have to travel physically in order to get access to high quality medical assistance.**
 - ♦ Patients with serious or chronic health issues can access a pool of medical talent from all over the world.
 - ♦ Patients who lack mobility and have limited travel options can virtually see and be tested remotely by the doctor with this new network.
 - ♦ Patients with non-urgent appointments and check-ups can see a doctor via video conference.
- **Hospitals can save money.**
 - ♦ According to a Paul Budd Communications report, “cost savings through e-health are expected to be between 10% and 20% of total healthcare costs.”
 - ♦ A McKinsey study found that “between \$300-\$450 billion [in] healthcare costs could be saved in the US alone by embracing Big Data,” something enhanced by improved access.
- **Administrative office improvements.**
 - ♦ The network could support a paperless environment making it easier to protect, store, and locate information and records.

The opportunities of the 5G network in the healthcare sphere will monumentally shift the way providers give care and how patients receive care. It is our responsibility to learn about these advancements now so that when this updated network does arrive, a smooth transition can be put in place to realize these potential benefits.

Read more on this topic:

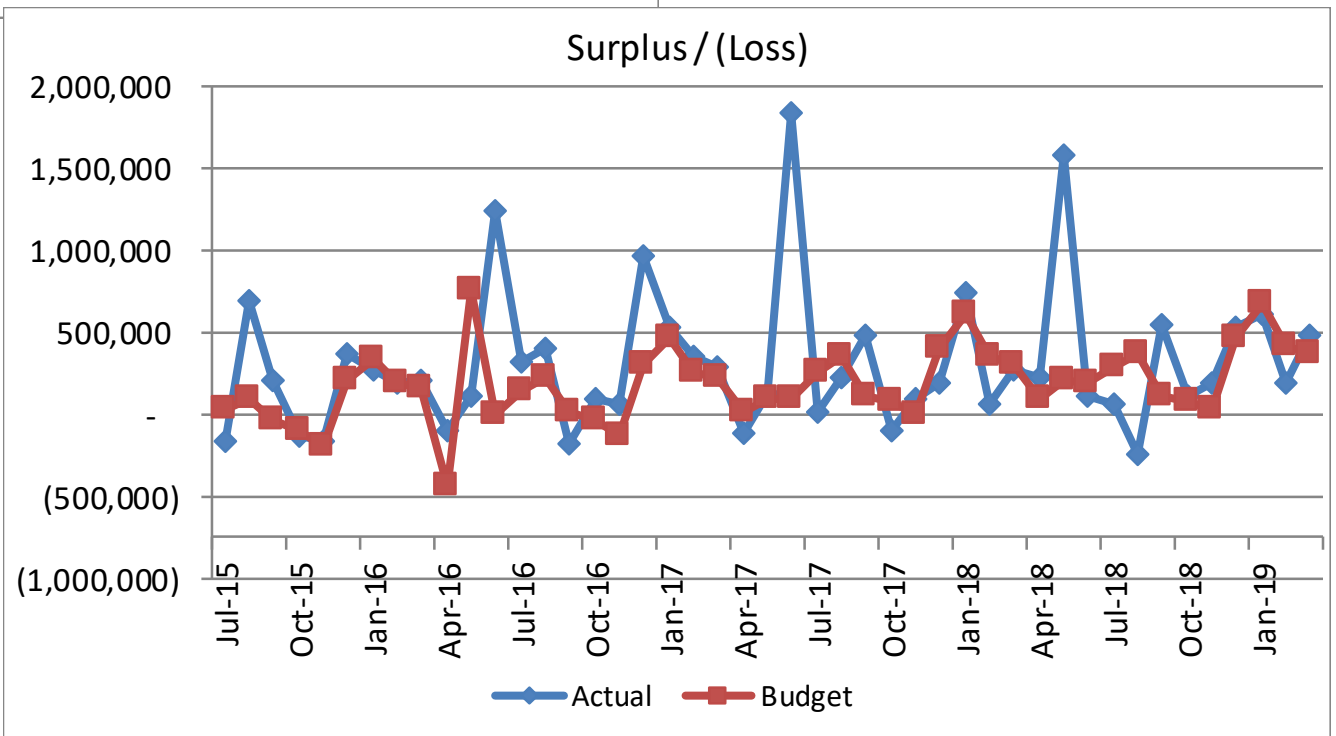
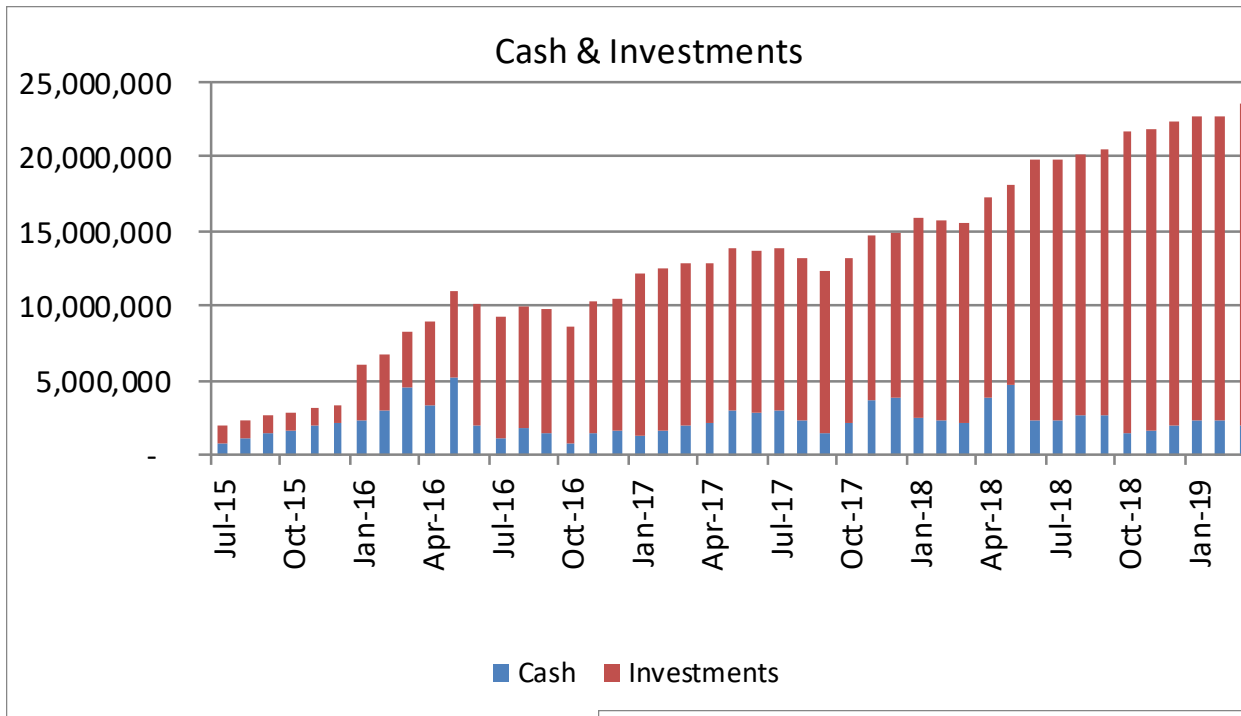
- The Dawn of the 5G World: <https://www.forbes.com/sites/att/2018/12/19/the-dawn-of-the-5g-world/#48989695ab31>

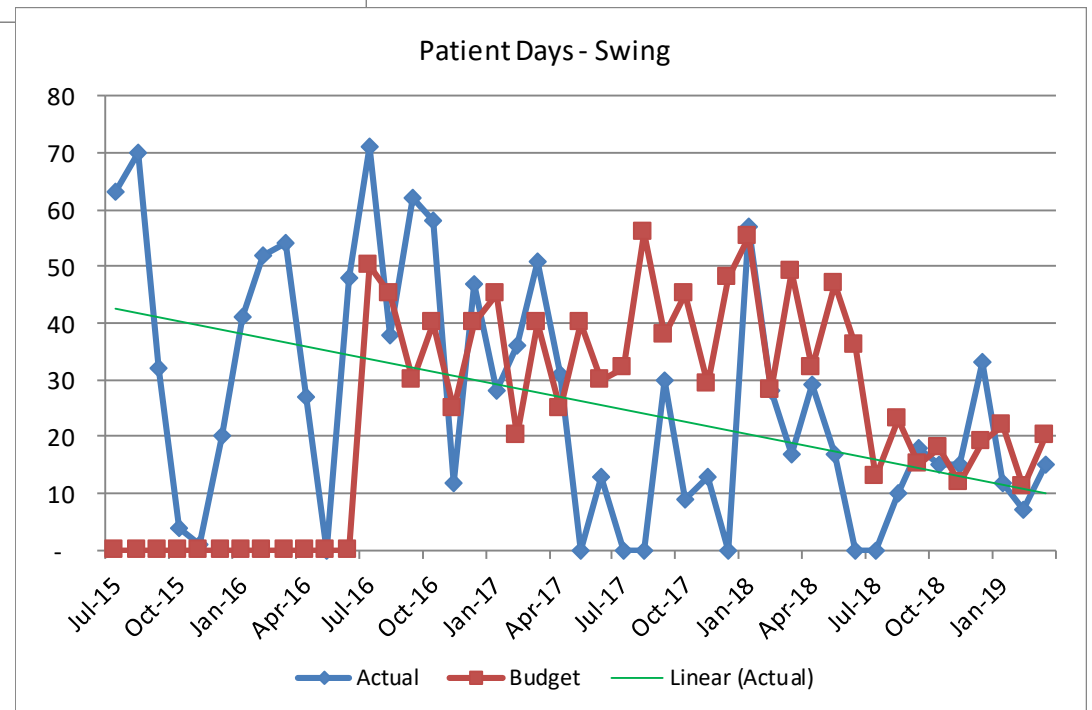
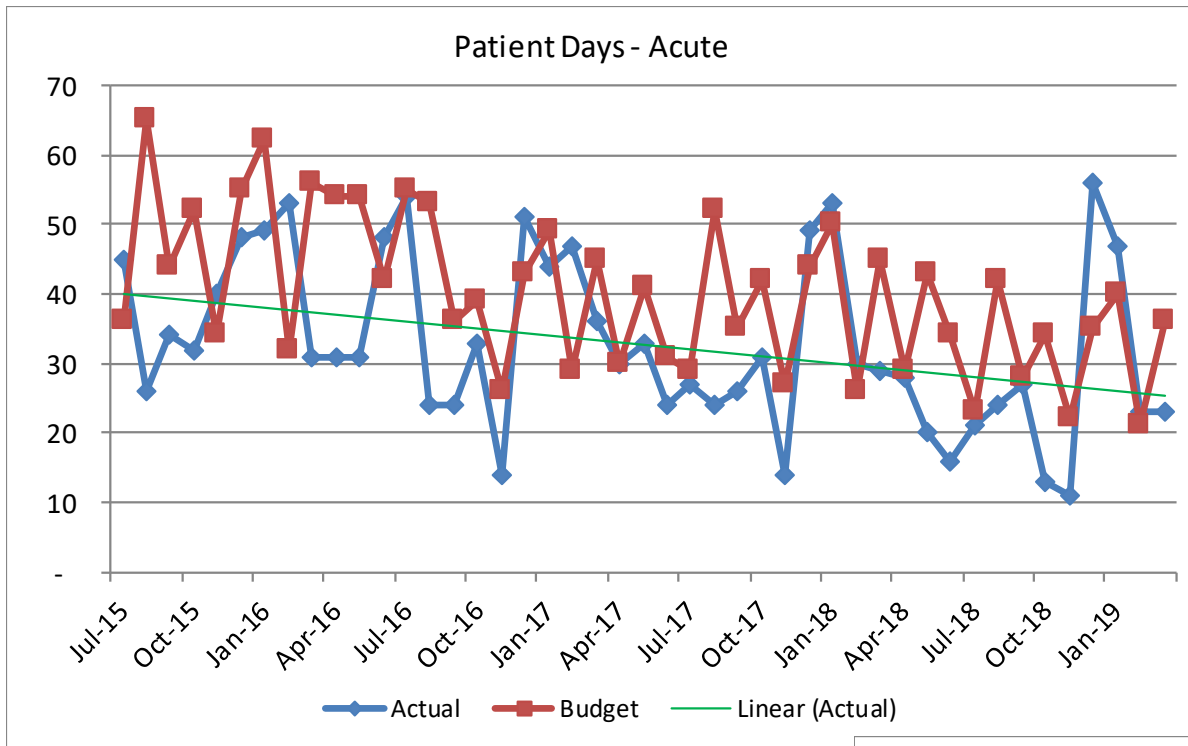


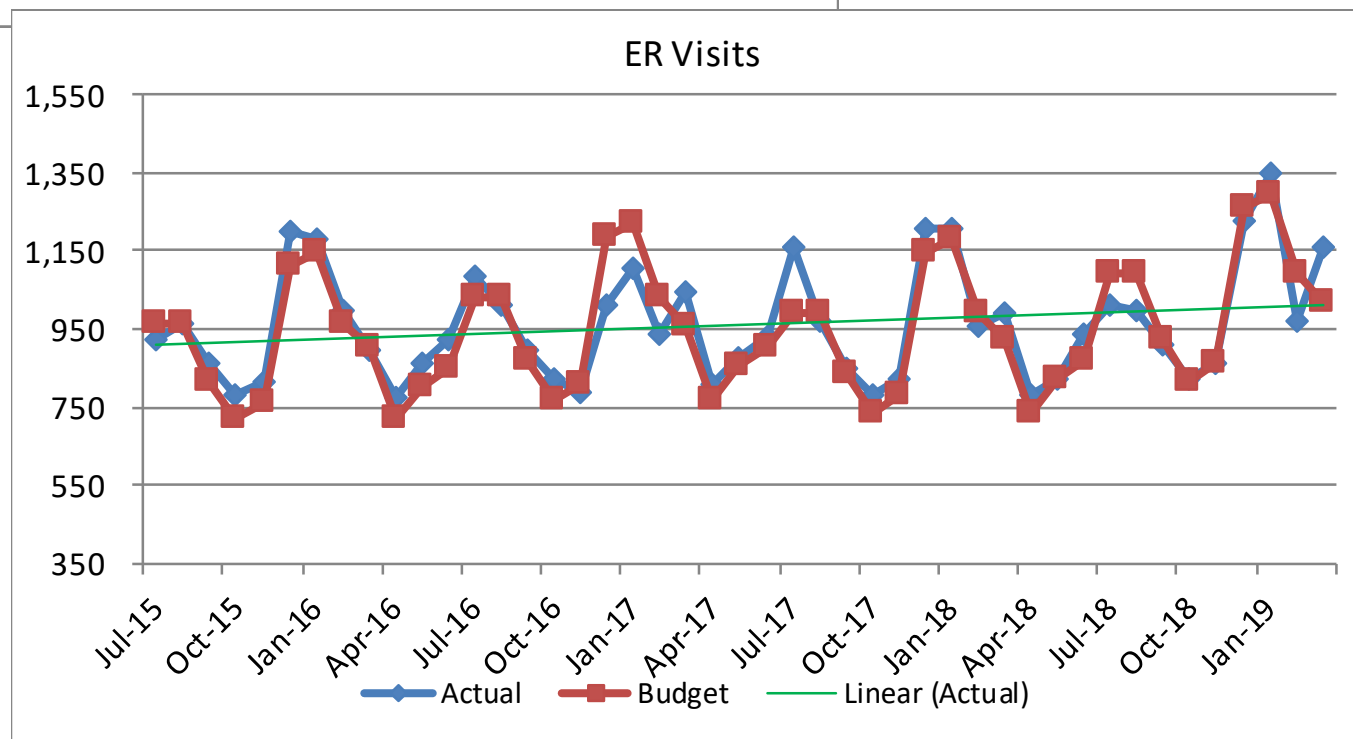
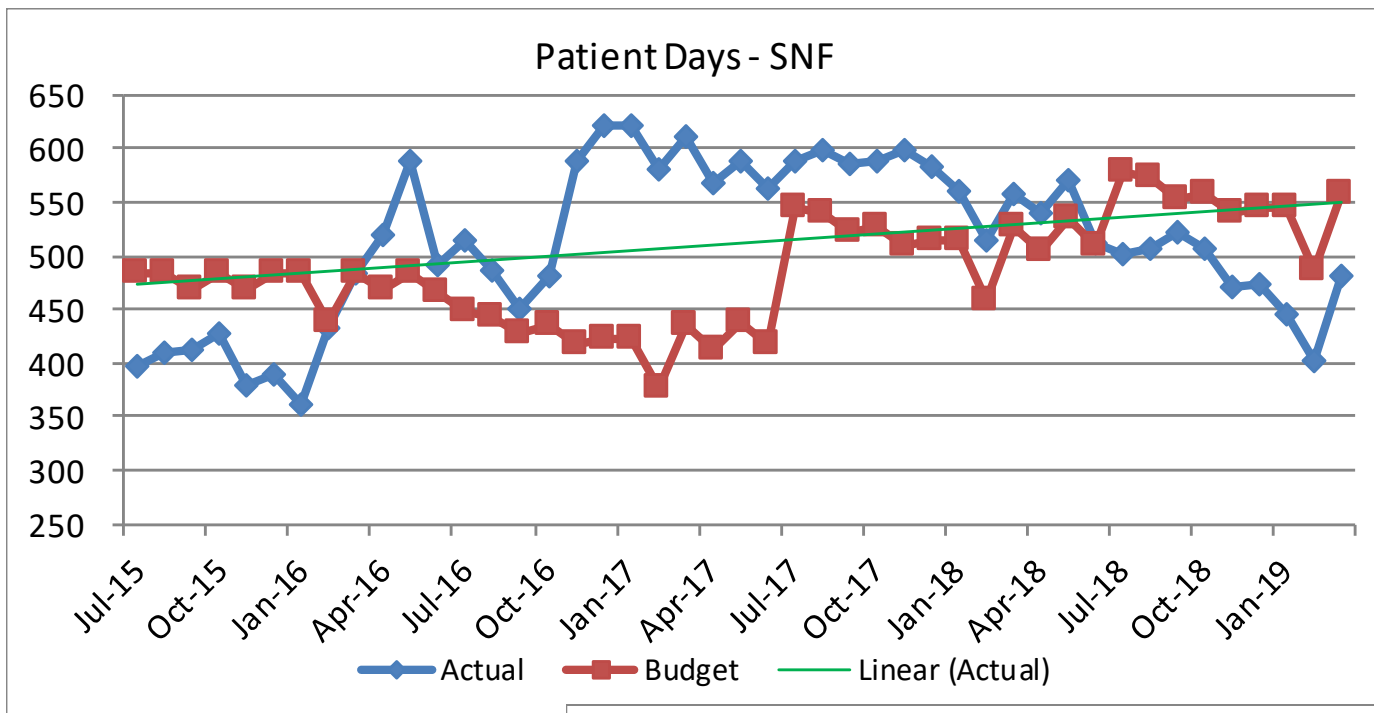
Finance Report
March 2019 Results

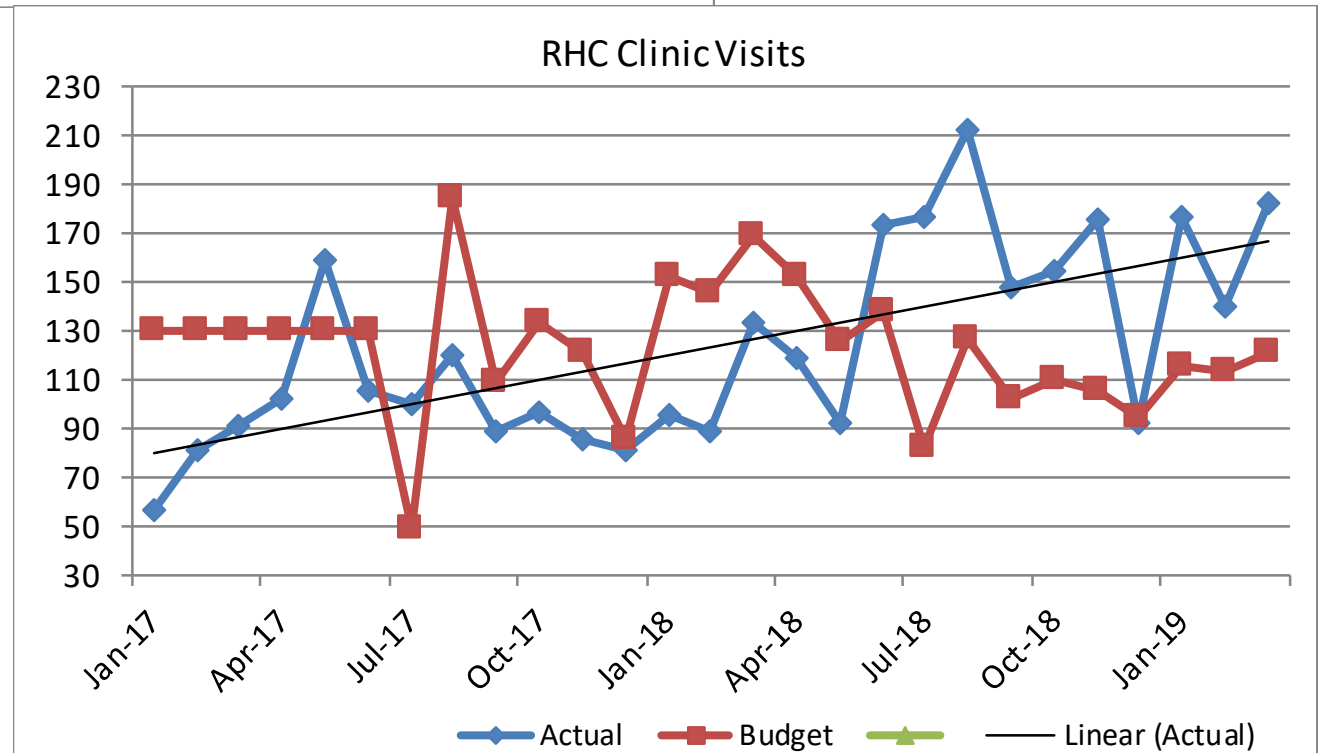
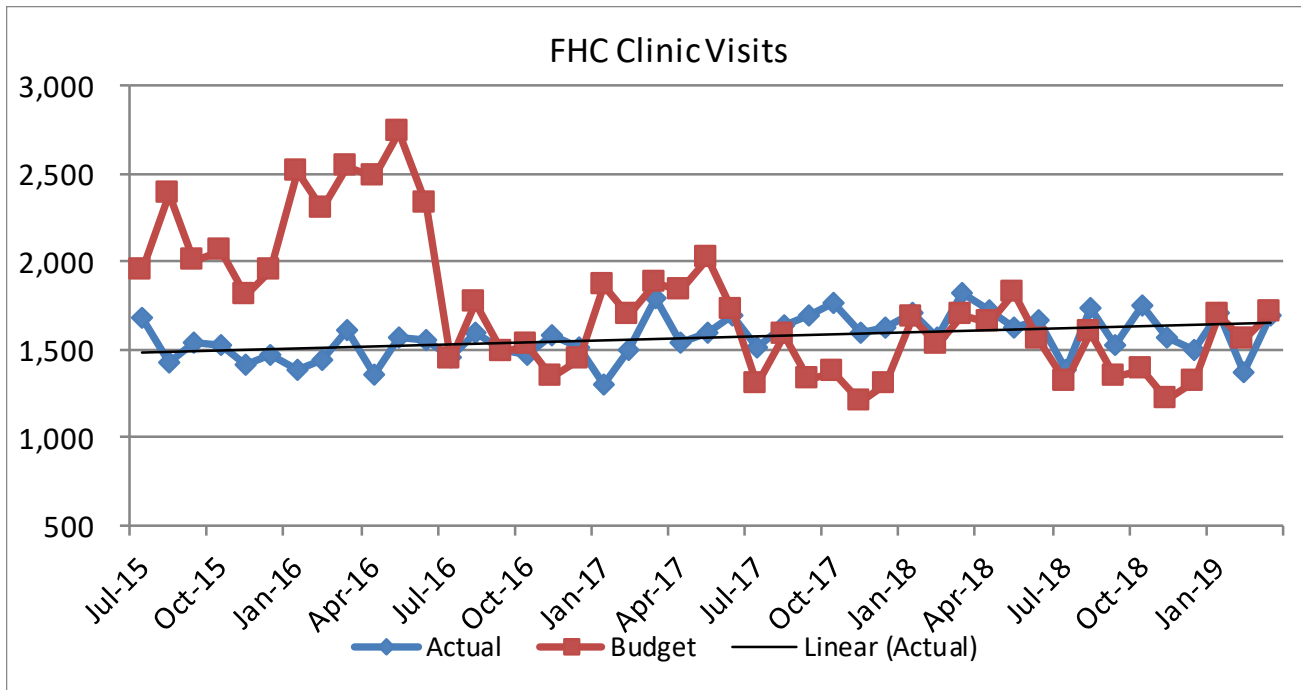
Summary for March 2019

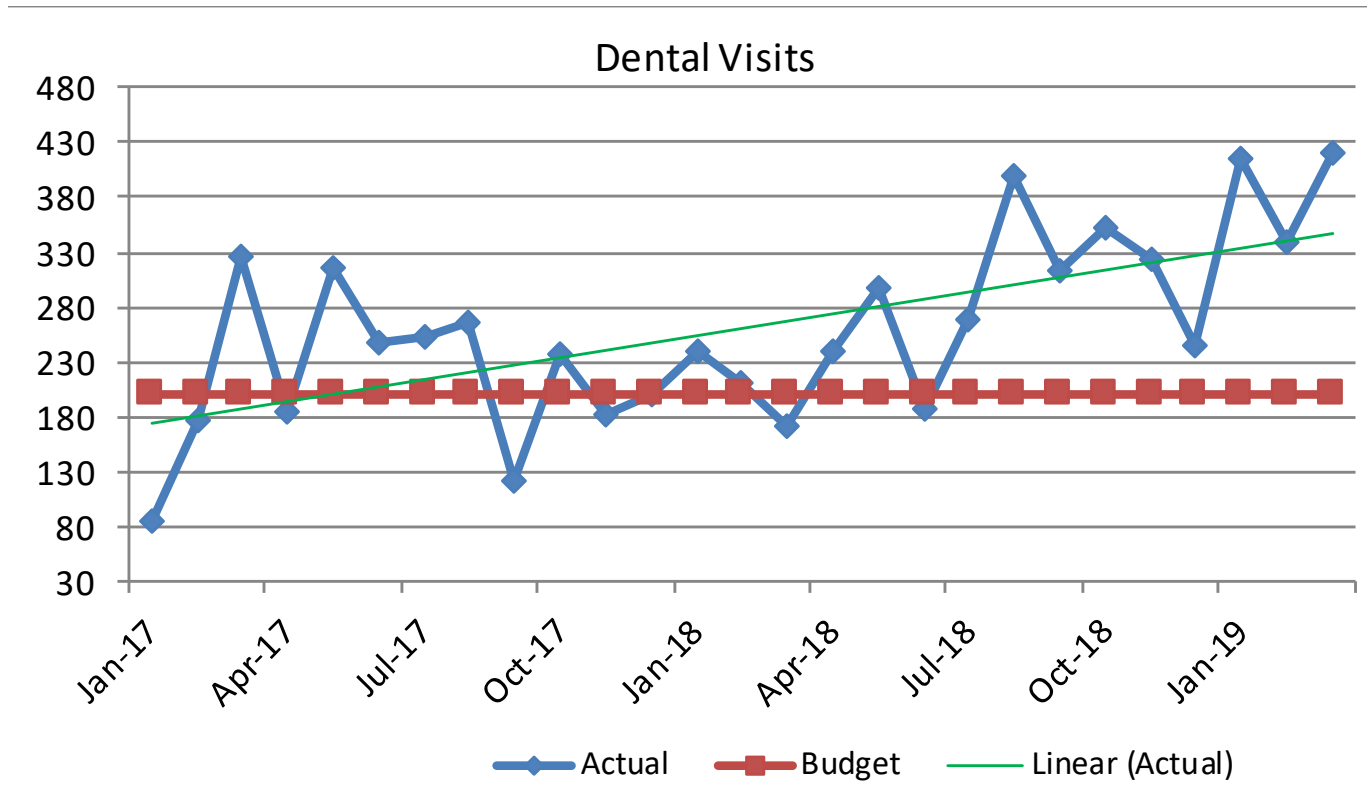
- Cash on Hand - \$ 1,969,738
Investments - \$21,645,412
- Days Cash on hand, including investments with LAIF – 363
- Surplus of \$482,168 for the month was \$122,455 over our budgeted Surplus
- Total Patient Revenue was under Budget by 2.1% or the month
- Net Patient Revenue was 7.7% under budget.
- Total Expenses were 7.5% lower than budget

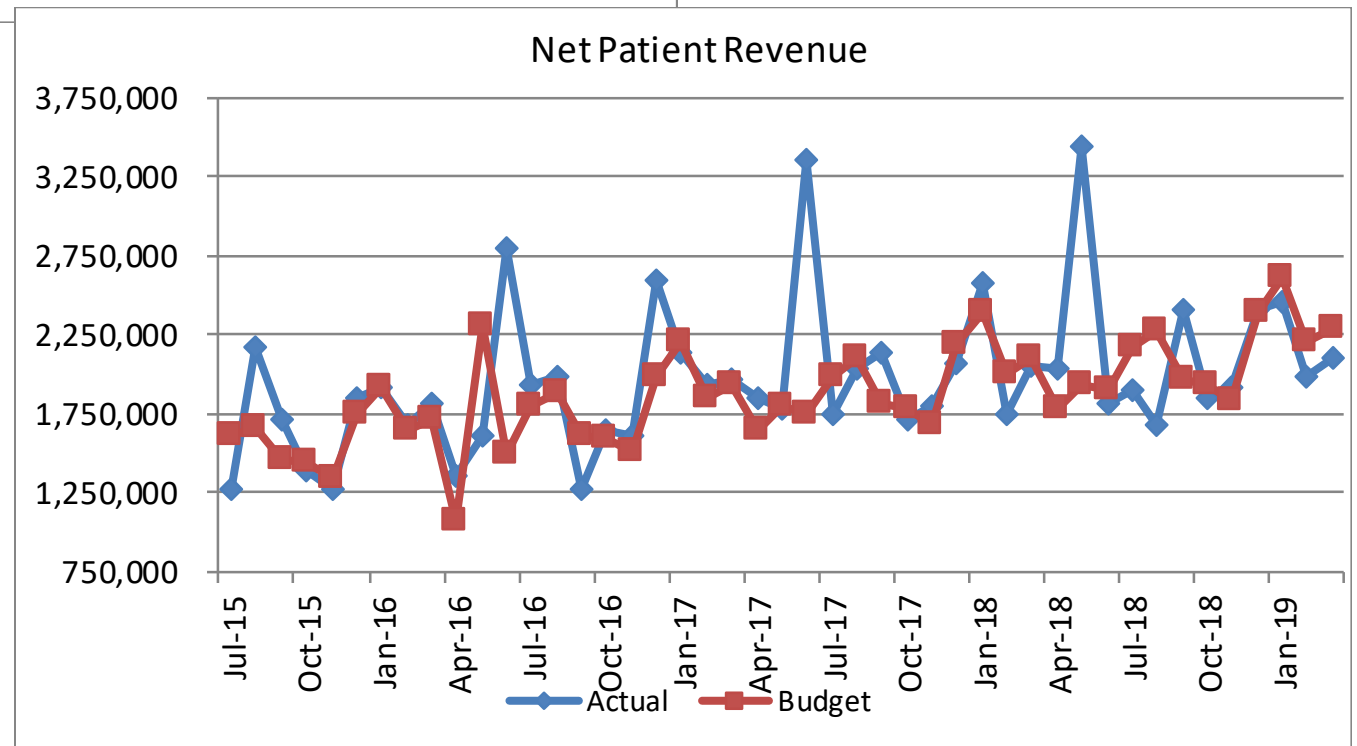
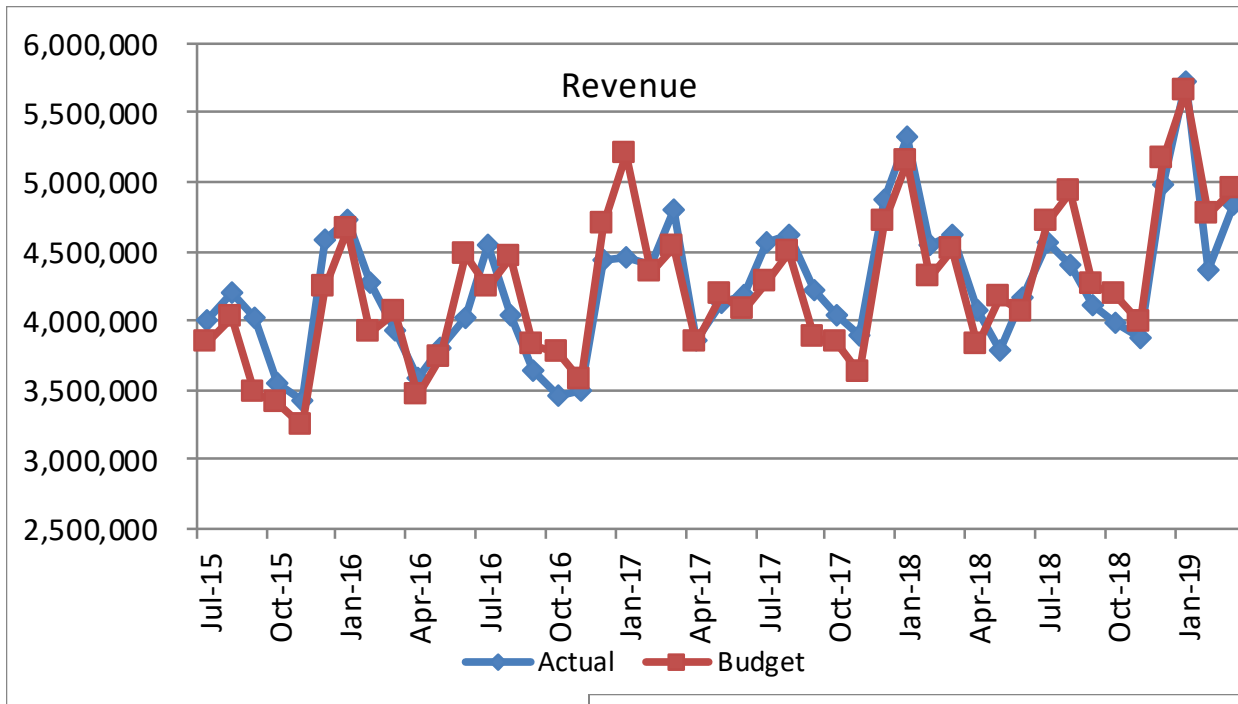


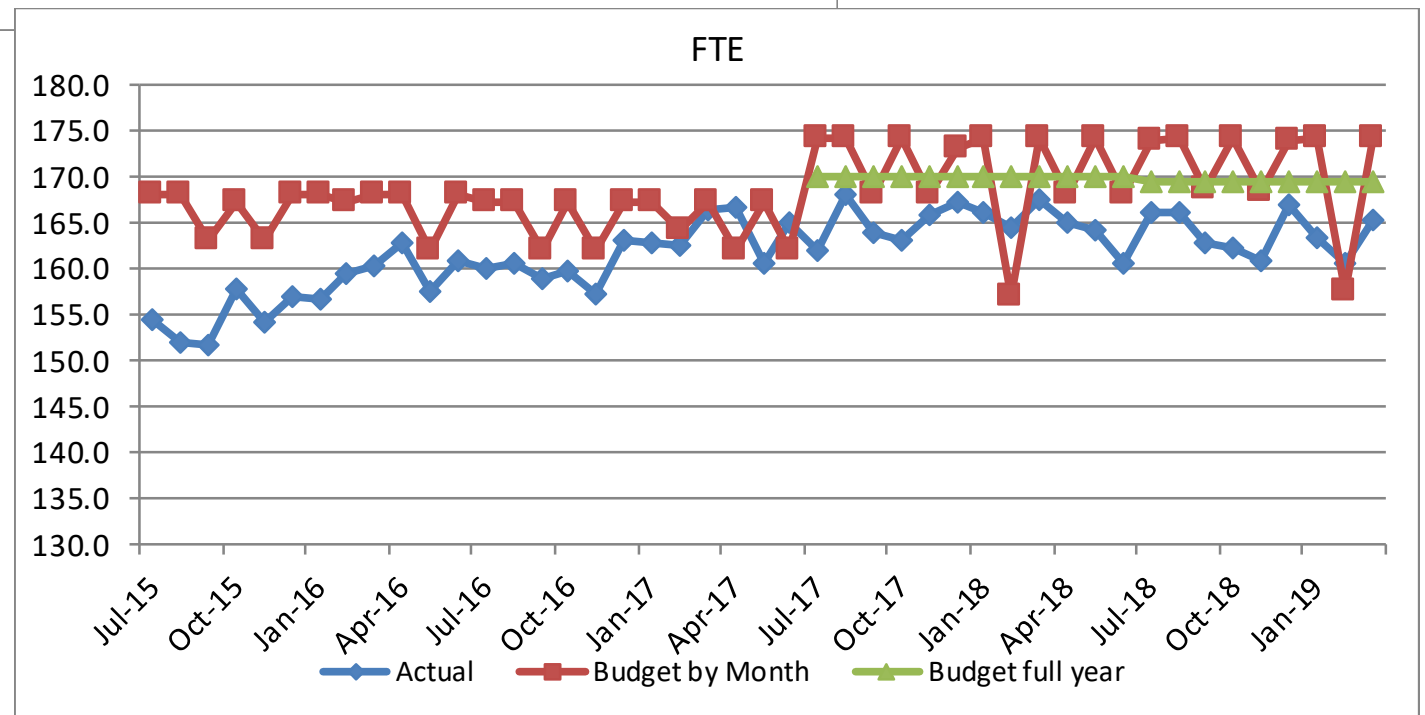
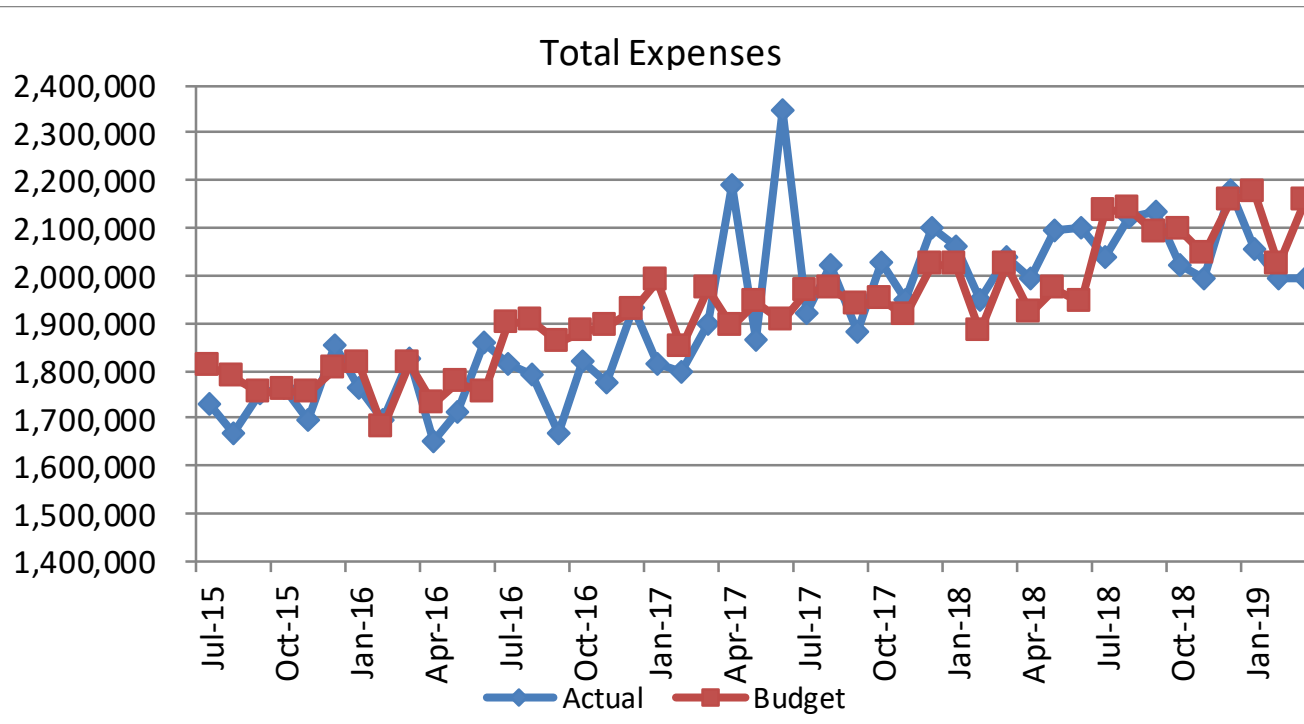


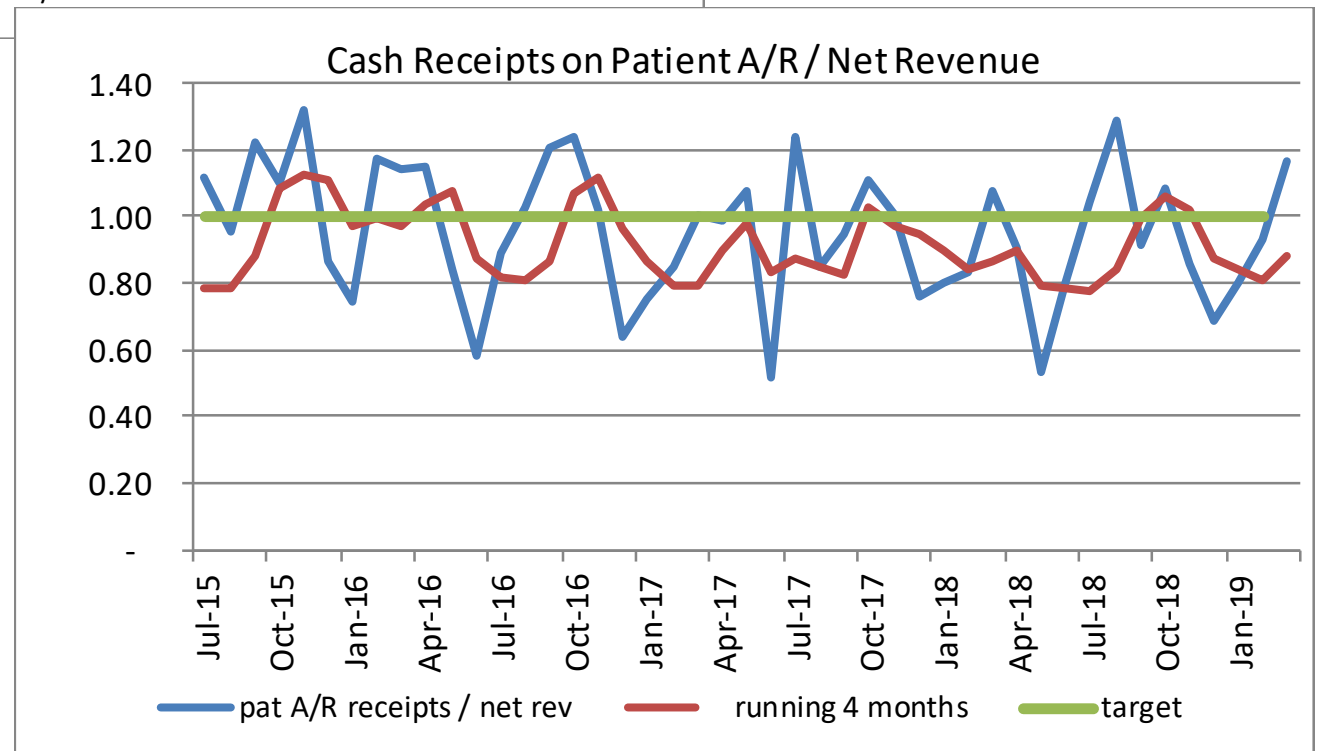
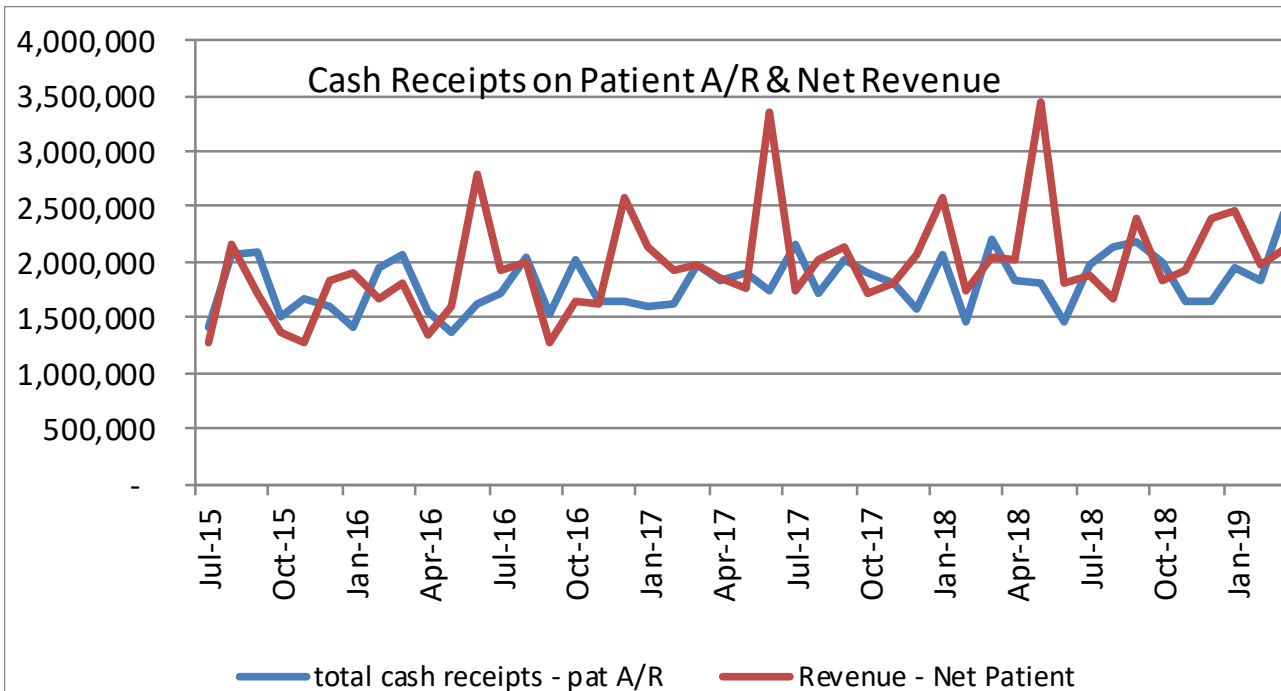


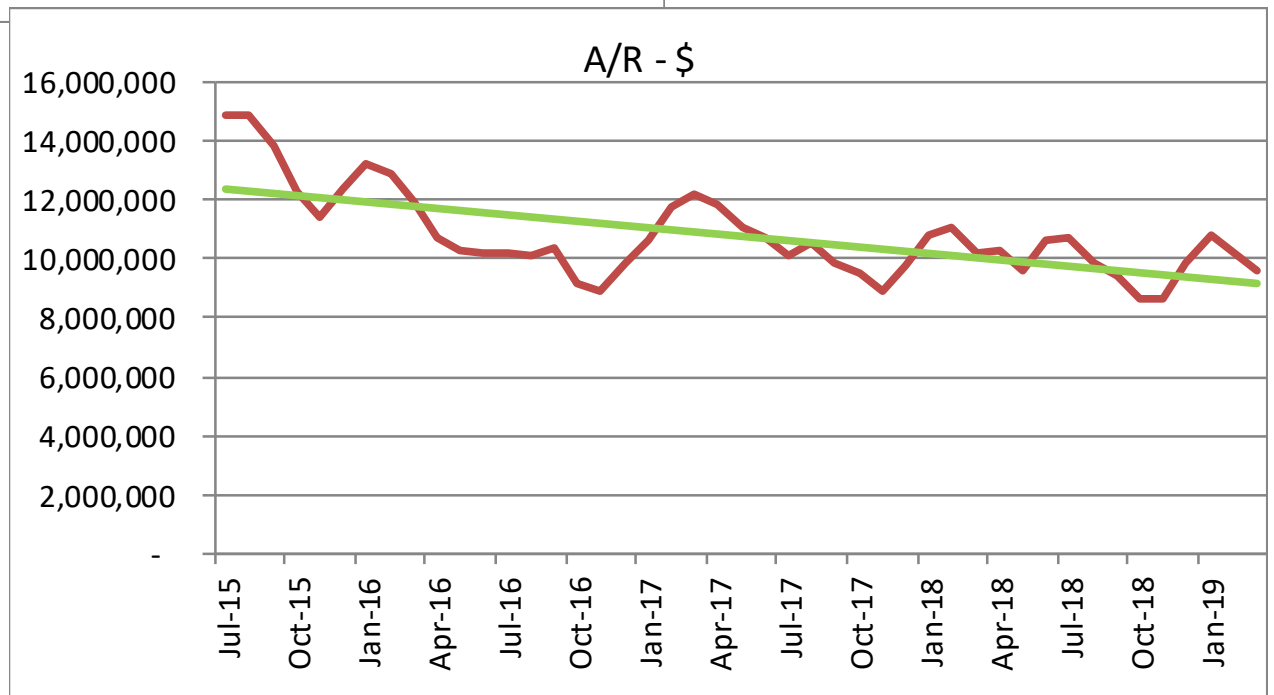
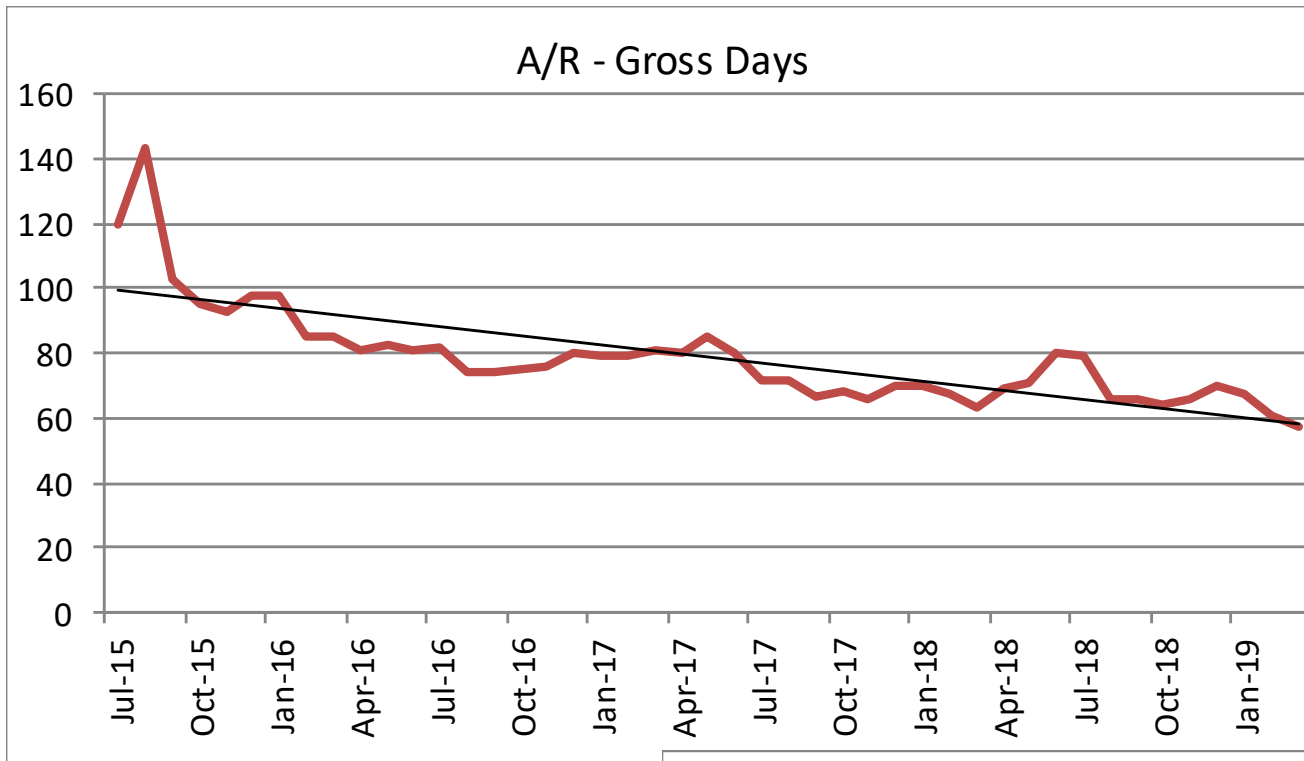














March 2019 Financial Results

For the month . . .

Total Patient Revenue for March 2019 was \$4,888,087 - this was \$101,349 or 2.1% lower than budget. Inpatient revenue was under budget with both acute and swing patient days under budget. Outpatient revenue was under budget while Clinic and Emergency Room revenue were both over budget with increased volumes. SNF revenue was again under budget but we saw an increase in average daily census.

Revenue deductions of \$2,736,753 were 2.7% over budget.

Total Expenses of \$2,139,686 were 7.5% under budget.

Our surplus for the month of March 2019 was \$482,168 - \$122,455 over budget.

Our Operating Cash and Investments total \$23,615,150 as of the end of month. Total days cash on hand as of the end of March 2019 are 363.

Key Statistics

Acute patient days of 23 were 36% under budget, Swing days of 15 were 25% under budget. SNF days of 481 were 14% lower than budget – our Average Daily Census increased to 15.5. ER Visits of 1,157 were 13.7% higher than budget. FHC Clinic visits were 1.4% lower than budget. RHC Clinic visits were 50% higher than budget. Dental visits were over two times the budgeted level.

FTE continue to be under budget.

Year-to-Date

Total Patient Revenue of \$40,845,762 is 4.0% below budget. Net patient revenue of \$18,647,253 is 4.9% below budget. Total expenses of \$18,522,659 are 2.5% below budget. Our surplus for the first nine months of our fiscal year is \$2,464,298. This is \$320,041 less than budget but \$514,028 ahead of where we were at this time last year.

Acute days are 13% below budget. Swing days are 18% below budget. SNF days are 13% below budget. ER visits are 1.4 below budget. All clinic visit categories are above budget

Bear Valley Community Healthcare District
Financial Statements March 31, 2019

Financial Highlights—Hospital
STATEMENT OF OPERATIONS

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 17/18	FY 18/19		VARIANCE		FY 17/18	FY 18/19		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1 Total patient revenue	4,618,877	4,838,087	4,939,436	(101,349)	-2.1%	40,708,833	40,845,762	42,561,185	(1,715,423)	-4.0%
2 Total revenue deductions	2,566,251	2,736,753	2,663,725	73,028	2.7%	22,870,310	22,198,509	22,952,269	(753,760)	-3.3%
3 % Deductions	56%	57%	54%			56%	54%	54%		
4 Net Patient Revenue	2,052,626	2,101,334	2,275,711	(174,377)	-7.7%	17,838,523	18,647,253	19,608,917	(961,664)	-4.9%
5 % Net to Gross	44%	43%	46%			44%	46%	46%		
6 Other Revenue	25,710	38,351	46,585	(8,234)	-17.7%	294,126	309,648	417,711	(108,063)	-25.9%
7 Total Operating Revenue	2,078,337	2,139,686	2,322,296	(182,611)	-7.9%	18,132,650	18,956,901	20,026,627	(1,069,726)	-5.3%
8 Total Expenses	2,040,119	1,996,019	2,157,303	(161,284)	-7.5%	17,953,727	18,522,659	18,994,761	(472,102)	-2.5%
9 % Expenses	44%	41%	44%			44%	45%	45%		
10 Surplus (Loss) from Operations	38,218	143,667	164,994	(21,327)	12.9%	178,923	434,242	1,031,866	(597,624)	57.9%
11 % Operating margin	1%	3%	3%			0%	1%	2%		
12 Total Non-operating	225,405	338,501	194,719	143,782	73.8%	1,771,347	2,030,056	1,752,473	277,583	15.8%
13 Surplus/(Loss)	263,623	482,168	359,713	122,455	-34.0%	1,950,270	2,464,298	2,784,339	(320,041)	11.5%
14 % Total margin	6%	10%	7%			5%	6%	7%		

BALANCE SHEET

	A	B	C	D	E
	March	March	February		
	FY 17/18	FY 18/19	FY 18/19	VARIANCE	
				Amount	%
15 Gross Accounts Receivables	10,228,715	9,560,251	10,216,291	(656,040)	-6.4%
16 Net Accounts Receivables	3,912,152	3,165,897	3,545,170	(379,273)	-10.7%
17 % Net AR to Gross AR	38%	33%	35%		
18 Days Gross AR	64.0	57.7	61.0	(3.3)	-5.4%
19 Cash Collections	2,202,291	2,427,742	1,836,915	590,827	32.2%
21 Investments	13,497,614	21,645,412	20,377,496	1,267,916	6.2%
22 Cash on hand	2,044,038	1,969,738	2,318,185	(348,447)	-15.0%
23 Total Cash & Invest	15,541,652	23,615,150	22,695,681	919,469	4.1%
24 Days Cash & Invest	246	363	347	16	4.7%
Total Cash and Investments	15,541,652	23,615,150			
Increase Current Year vs. Prior Year		8,073,498			

Bear Valley Community Healthcare District
Financial Statements March 31, 2019

Statement of Operations

	A	B	C	D	E	F	G	H	I	J
		Current Month					Year-to-Date			
	FY 17/18	FY 18/19		VARIANCE		FY 17/18	FY 18/19		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
Gross Patient Revenue										
1 Inpatient	153,559	126,688	200,231	(73,543)	-36.7%	1,495,374	1,258,174	1,600,159	(341,985)	-21.4%
2 Outpatient	973,262	1,038,683	1,108,964	(70,281)	-6.3%	9,052,388	8,188,885	9,207,350	(1,018,465)	-11.1%
3 Clinic Revenue	387,011	404,519	399,058	5,461	1.4%	3,207,304	3,406,340	3,141,484	264,856	8.4%
4 Emergency Room	2,856,980	3,053,985	2,970,261	83,724	2.8%	24,651,868	26,062,685	26,305,596	(242,911)	-0.9%
5 Skilled Nursing Facility	248,065	214,212	260,921	(46,709)	-17.9%	2,301,899	1,929,678	2,306,597	(376,919)	-16.3%
6 Total patient revenue	4,618,877	4,838,087	4,939,436	(101,349)	-2.1%	40,708,833	40,845,762	42,561,185	(1,715,423)	-4.0%
Revenue Deductions										
7 Contractual Allow	2,213,838	1,941,559	2,488,374	(546,814)	-22.0%	20,171,025	20,211,433	21,441,344	(1,229,910)	-5.7%
8 Contractual Allow PY	(81,875)	-	-	-	#DIV/0!	(214,513)	(1,693,374)	-	(1,693,374)	#DIV/0!
9 Charity Care	20,144	20,667	10,373	10,294	99.2%	67,982	109,726	89,379	20,347	22.8%
10 Administrative	5,551	38,939	9,385	29,554	314.9%	315,422	133,707	80,866	52,841	65.3%
11 Policy Discount	13,413	13,037	7,409	5,628	76.0%	101,782	119,474	63,842	55,632	87.1%
12 Employee Discount	10,324	4,062	3,952	110	2.8%	57,291	49,954	34,051	15,903	46.7%
13 Bad Debts	262,428	630,115	144,232	485,883	336.9%	1,187,501	2,192,113	1,242,787	949,326	76.4%
14 Denials	190,797	88,373	-	88,373	#DIV/0!	1,183,820	1,075,476	-	1,075,476	#DIV/0!
15 Total revenue deductions	2,566,251	2,736,753	2,663,725	73,028	2.7%	22,870,310	22,198,509	22,952,269	(753,760)	-3.3%
16 Net Patient Revenue	2,052,626	2,101,334	2,275,711	(174,377)	-7.7%	17,838,523	18,647,253	19,608,917	(961,664)	-4.9%
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 Other Revenue	25,710	38,351	46,585	(8,234)	-17.7%	294,126	309,648	417,711	(108,063)	-25.9%
18 Total Operating Revenue	2,078,337	2,139,686	2,322,296	(182,611)	-7.9%	18,132,650	18,956,901	20,026,627	(1,069,726)	-5.3%
Expenses										
19 Salaries	837,872	888,895	875,514	13,381	1.5%	7,321,897	7,807,488	7,734,908	72,580	0.9%
20 Employee Benefits	319,765	297,532	371,715	(74,183)	-20.0%	2,731,987	2,510,983	3,187,121	(676,138)	-21.2%
21 Registry	-	19,544	-	19,544	#DIV/0!	16,028	117,516	-	117,516	#DIV/0!
22 Salaries and Benefits	1,157,637	1,205,971	1,247,229	(41,258)	-3.3%	10,069,912	10,435,987	10,922,029	(486,042)	-4.5%
23 Professional fees	179,324	176,526	170,083	6,443	3.8%	1,512,726	1,555,236	1,497,366	57,870	3.9%
24 Supplies	130,192	141,372	140,678	694	0.5%	1,202,544	1,226,085	1,201,608	24,477	2.0%
25 Utilities	39,834	44,086	42,666	1,420	3.3%	372,367	395,800	391,130	4,670	1.2%
26 Repairs and Maintenance	23,136	18,319	28,074	(9,755)	-34.7%	257,466	259,655	252,096	7,559	3.0%
27 Purchased Services	342,334	267,102	338,434	(71,332)	-21.1%	3,059,963	3,097,197	3,020,162	77,035	2.6%
28 Insurance	25,912	9,177	26,975	(17,798)	-66.0%	233,965	255,687	242,775	12,912	5.3%
29 Depreciation	82,710	81,848	81,667	181	0.2%	631,326	709,949	735,003	(25,054)	-3.4%
30 Rental and Leases	10,495	11,877	21,112	(9,235)	-43.7%	216,176	103,255	190,008	(86,753)	-45.7%
32 Dues and Subscriptions	12,026	6,353	5,910	443	7.5%	48,260	56,957	53,190	3,767	7.1%
33 Other Expense	36,519	33,388	54,475	(21,087)	-38.7%	349,021	426,850	489,394	(62,544)	-12.8%
34 Total Expenses	2,040,119	1,996,019	2,157,303	(161,284)	-7.5%	17,953,727	18,522,659	18,994,761	(472,102)	-2.5%
35 Surplus (Loss) from Operations	38,218	143,667	164,994	(21,327)	12.9%	178,923	434,242	1,031,866	(597,624)	57.9%
36 Non-Operating Income										
37 Tax Revenue	186,047	184,244	184,244	(0)	0.0%	1,674,423	1,658,196	1,658,198	(2)	0.0%
38 Other non-operating	334	9,794	3,133	6,661	212.6%	52,581	68,889	28,197	40,692	144.3%
Interest Income	46,706	152,003	15,125	136,878	905.0%	114,773	371,613	136,125	235,488	173.0%
Interest Expense	(7,681)	(7,541)	(7,783)	242	-3.1%	(70,430)	(68,642)	(70,047)	1,405	-2.0%
IGT Expense	-	-	-	-	#DIV/0!	-	-	-	-	#DIV/0!
39 Total Non-operating	225,405	338,501	194,719	143,782	73.8%	1,771,347	2,030,056	1,752,473	277,583	15.8%
40 Surplus/(Loss)	263,623	482,168	359,713	122,455	-34.0%	1,950,270	1,464,298	2,784,339	(1,319,041)	-29.1%

**Bear Valley Community Healthcare District
Financial Statements**

Current Year Trending Statement of Operations

A Statement of Operations—CURRENT YEAR 2019

	1	2	3	4	5	6	7	8	9	10	11	12	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
Gross Patient Revenue													
1 Inpatient	74,791	120,993	132,469	89,286	98,121	284,233	240,009	91,583	126,688				1,258,174
2 Outpatient	972,222	931,894	846,425	957,181	783,804	765,170	956,387	937,118	1,038,683				8,188,885
3 Clinic	342,650	422,712	359,375	399,238	375,441	339,847	423,555	339,004	404,519				3,406,340
4 Emergency Room	2,957,516	2,703,194	2,533,903	2,309,030	2,402,375	3,383,606	3,900,570	2,818,505	3,053,985				26,062,685
5 Skilled Nursing Facility	223,604	228,589	239,665	223,973	208,696	213,621	198,345	178,974	214,212				1,929,678
6 Total patient revenue	4,570,784	4,407,382	4,111,836	3,978,707	3,868,437	4,986,477	5,718,867	4,365,184	4,838,087	-	-	-	40,845,762
Revenue Deductions	C/A 0.51	0.53	0.50	0.49	0.47	0.48	0.54	0.53	0.40	#DIV/0!	#DIV/0!	#DIV/0!	0.49
7 Contractual Allow	2,320,958	2,352,744	2,039,158	1,950,874	1,809,657	2,406,874	3,071,420	2,318,188	1,941,559				20,211,433
8 Contractual Allow PY	62	-	(700,000)	(193,436)	(200,000)	(150,000)	(200,000)	(250,000)	-				(1,693,374)
9 Charity Care	15,343	-	28,015	15,115	17,531	4,625	8,429	-	20,667				109,726
10 Administrative	806	2,818	6,849	2,378	5,496	26,102	34,502	15,817	38,939				133,707
11 Policy Discount	13,989	15,616	12,381	14,966	12,024	9,975	14,346	13,140	13,037				119,474
12 Employee Discount	12,793	5,188	6,356	3,317	2,979	5,688	4,480	5,090	4,062				49,954
13 Bad Debts	215,076	186,926	169,560	231,008	210,921	198,143	199,876	150,488	630,115				2,192,113
14 Denials	103,506	177,395	154,441	110,936	91,507	87,116	129,183	133,021	88,373				1,075,476
Total revenue deductions	2,682,534	2,740,687	1,716,760	2,135,158	1,950,115	2,588,523	3,262,236	2,385,744	2,736,753	-	-	-	22,198,509
	0.59	0.62	0.42	0.54	0.50	0.52	0.57	0.55	0.57	#DIV/0!	#DIV/0!	#DIV/0!	
16 Net Patient Revenue	1,888,250	1,666,694	2,395,076	1,843,550	1,918,322	2,397,954	2,456,631	1,979,440	2,101,334	-	-	-	18,647,253
net / tot pat rev	41.3%	37.8%	58.2%	46.3%	49.6%	48.1%	43.0%	45.3%	43.4%	#DIV/0!	#DIV/0!	#DIV/0!	45.7%
17 Other Revenue	19,441	19,594	11,170	90,789	70,177	4,359	22,846	32,921	38,351				309,648
18 Total Operating Revenue	1,907,691	1,686,288	2,406,246	1,934,339	1,988,499	2,402,313	2,479,478	2,012,361	2,139,686	-	-	-	18,956,901
Expenses													
19 Salaries	885,068	891,463	831,600	891,749	824,872	945,048	840,561	808,233	888,895				7,807,488
20 Employee Benefits	303,328	293,241	289,066	185,368	275,061	295,949	302,442	268,996	297,532				2,510,983
21 Registry	-	-	-	-	-	29,974	40,416	27,582	19,544				117,516
22 Salaries and Benefits	1,188,396	1,184,704	1,120,666	1,077,117	1,099,933	1,270,971	1,183,419	1,104,811	1,205,971	-	-	-	10,435,987
23 Professional fees	173,695	181,120	174,907	179,265	168,548	169,550	161,432	170,192	176,526				1,555,236
24 Supplies	121,217	135,487	136,991	135,960	131,374	136,723	140,504	146,456	141,372				1,226,085
25 Utilities	46,712	43,958	42,464	40,116	40,950	42,170	48,318	47,027	44,086				395,800
26 Repairs and Maintenance	17,407	23,079	32,405	41,525	25,786	42,197	24,908	34,028	18,319				259,655
27 Purchased Services	325,455	373,332	457,562	381,061	360,181	320,095	306,457	305,953	267,102				3,097,197
28 Insurance	28,258	28,258	28,258	28,460	28,216	28,560	28,560	47,942	9,177				255,687
29 Depreciation	76,489	76,489	76,489	76,489	76,489	81,905	81,905	81,848	81,848				709,949
30 Rental and Leases	11,421	11,509	11,219	11,158	11,158	11,158	11,158	12,596	11,877				103,255
32 Dues and Subscriptions	6,882	7,101	5,879	5,746	1,585	10,898	5,856	6,657	6,353				56,957
33 Other Expense.	40,078	55,169	46,430	42,884	47,150	62,756	62,705	36,290	33,388				426,850
34 Total Expenses	2,036,009	2,120,207	2,133,270	2,019,782	1,991,370	2,176,983	2,055,222	1,993,799	1,996,019	-	-	-	18,522,659
Surplus (Loss) from Operations	(128,318)	(433,918)	272,977	(85,443)	(2,871)	225,330	424,256	18,562	143,667	-	-	-	434,242
Non-Operating Income													
36 Tax Revenue	184,244	184,244	184,244	184,244	184,244	184,244	184,244	184,244	184,244				1,658,196
37 Other non-operating	15,020	245	35	9,020	19,775	-	15,000	-	9,794				68,889
Interest Income	543	6,457	92,115	1,124	377	117,923	85	985	152,003				371,613
Interest Expense	(7,638)	(7,621)	(7,626)	(7,561)	(7,717)	(7,693)	(7,655)	(7,590)	(7,541)				(68,642)
IGT Expense	-	-	-	-	-	-	-	-	-				-
39 Total Non-operating	192,169	183,325	268,768	186,827	196,680	294,474	191,673	177,639	338,501	-	-	-	2,030,056
40 Surplus/(Loss)	63,851	(250,594)	541,745	101,384	193,809	519,805	615,929	196,201	482,168	-	-	-	2,464,298

2018-19 Actual BS

BALANCE SHEET

Includes Final Entries 6-30-18

BALANCE SHEET											PY
Includes Final Entries 6-30-18		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	June
ASSETS:											
Current Assets											
Cash and Cash Equivalents (Includes CD's)		2,296,309	2,551,340	2,710,313	1,422,386	1,607,290	2,033,649	2,337,966	2,318,185	1,969,738	2,253,824
Gross Patient Accounts Receivable		10,740,258	9,856,844	9,392,893	8,676,040	8,677,891	9,825,389	10,753,281	10,218,849	9,562,352	10,597,934
Less: Reserves for Allowances & Bad Debt		6,470,520	6,125,057	6,146,633	5,761,444	5,687,266	6,276,859	7,050,939	6,673,679	6,396,455	6,413,352
Net Patient Accounts Receivable		4,269,738	3,731,787	3,246,260	2,914,596	2,990,625	3,548,531	3,702,342	3,545,170	3,165,897	4,184,582
Tax Revenue Receivable		2,210,931	2,210,931	2,210,931	2,210,931	1,815,477	996,688	845,477	805,495	765,368	52,044
Other Receivables		50,484	78,234	93,056	651,781	-247,452	-107,704	-61,991	383,540	711,523	96,628
Inventories		130,292	134,606	136,936	139,583	133,916	136,954	128,410	123,737	121,634	129,318
Prepaid Expenses		299,848	293,739	345,377	346,209	338,892	317,061	304,269	278,151	250,536	199,838
Due From Third Party Payers		0	0								
Due From Affiliates/Related Organizations		0	0								
Other Current Assets		0	0								
Total Current Assets		9,257,602	9,000,637	8,742,873	7,685,486	6,638,748	6,925,179	7,256,472	7,454,279	6,984,695	6,916,233
Assets Whose Use is Limited											
Investments		17,668,421	17,668,421	17,760,225	20,260,225	20,260,225	20,377,496	20,377,496	20,377,496	21,645,412	17,668,421
Other Limited Use Assets		144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited Use Assets		17,812,796	17,812,796	17,904,600	20,404,600	20,404,600	20,521,871	20,521,871	20,521,871	21,789,787	17,812,796
Property, Plant, and Equipment											
Land and Land Improvements		570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615
Building and Building Improvements		9,758,672	9,772,522	9,772,522	9,772,522	9,772,522	9,885,152	9,885,152	9,885,152	9,885,152	9,758,672
Equipment		11,779,820	11,844,577	11,912,516	12,010,795	12,020,625	12,315,178	12,329,873	12,332,572	12,461,698	11,761,910
Construction In Progress		48,953	101,798	127,293	166,571	438,198	48,990	48,990	42,732	51,038	32,516
Capitalized Interest											
Gross Property, Plant, and Equipment		22,158,060	22,289,512	22,382,945	22,520,503	22,801,960	22,819,935	22,834,630	22,831,071	22,968,503	22,123,712
Less: Accumulated Depreciation		13,685,197	13,761,686	13,838,174	13,914,663	13,991,151	14,073,056	14,154,961	14,236,810	14,318,658	13,608,708
Net Property, Plant, and Equipment		8,472,863	8,527,826	8,544,771	8,605,840	8,810,808	8,746,879	8,679,668	8,594,262	8,649,845	8,515,004
TOTAL UNRESTRICTED ASSETS		35,543,261	35,341,260	35,192,244	36,695,926	35,854,156	36,193,928	36,458,011	36,570,412	37,424,328	33,244,034
Restricted Assets											
		0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS		35,543,261	35,341,260	35,192,244	36,695,926	35,854,156	36,193,928	36,458,011	36,570,412	37,424,328	31,316,969

2018-19 Actual BS

BALANCE SHEET

Includes Final Entries 6-30-18

LIABILITIES:

Current Liabilities

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	PY June
Accounts Payable	954,160	880,513	1,028,412	1,133,880	788,405	904,672	719,832	773,963	791,926	906,103
Notes and Loans Payable										
Accrued Payroll	705,323	806,989	844,952	990,998	553,778	691,915	751,801	777,091	887,167	758,370
Patient Refunds Payable										
Due to Third Party Payers (Settlements)	3,983,651	4,173,225	3,473,225	4,800,692	4,804,969	4,547,362	4,497,062	4,510,494	4,930,907	3,769,980
Advances From Third Party Payers										
Current Portion of Def Rev - Txs,	2,061,687	1,877,443	1,693,199	1,508,955	1,324,711	1,140,467	956,223	771,979	587,735	35,000
Current Portion - LT Debt	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)	7,630	22,873	30,494	38,055	136	7,552	15,203	22,794	30,334	7,621

Total Current Liabilities 7,747,451 7,796,043 7,105,281 8,507,580 7,507,000 7,326,968 6,975,121 6,891,322 7,263,070 5,512,074

Long Term Debt

USDA Loan	2,895,000	2,895,000	2,895,000	2,895,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,895,000
Leases Payable	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

Total Long Term Debt (Net of Current) 2,860,000 2,860,000 2,860,000 2,860,000 2,825,000 2,825,000 2,825,000 2,825,000 2,825,000 2,860,000

Other Long Term Liabilities

Deferred Revenue	0	0	0	0	0	0	0	0	0	0
Other	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

TOTAL LIABILITIES 10,607,451 10,656,043 9,965,281 11,367,580 10,332,000 10,151,968 9,800,121 9,716,322 10,088,070 8,372,074

Fund Balance

Unrestricted Fund Balance	24,871,960	24,871,960	24,871,960	24,871,960	24,871,960	24,871,960	24,871,960	24,871,960	24,871,960	20,663,982
Temporarily Restricted Fund Balance	0	0				0				
Equity Transfer from FRHG	0	0				0				
Net Revenue/(Expenses)	63,851	-186,743	355,003	456,387	650,196	1,170,001	1,785,930	1,982,131	2,464,298	4,207,978

TOTAL FUND BALANCE 24,935,811 24,685,217 25,226,963 25,328,347 25,522,156 26,041,960 26,657,890 26,854,091 27,336,258 24,871,960

TOTAL LIABILITIES & FUND BALANCE 35,543,261 35,341,260 35,192,244 36,695,926 35,854,156 36,193,928 36,458,011 36,570,412 37,424,328 33,244,034

Units of Service												
For the period ending: March 31, 2019												
31						274						
Current Month						Bear Valley Community Hospital						
						Year-To-Date						
Mar-19	Mar-18	Actual -Budget	Act.-Act.				Mar-19	Mar-18	Actual -Budget	Act.-Act.		
Actual	Budget	Variance	Var %				Actual	Budget	Variance	Var %		
23	36	29	(13)	-36.1%	-20.7%	Med Surg Patient Days	245	281	283	(36)	-12.8%	-13.4%
15	20	15	(5)	-25.0%	0.0%	Swing Patient Days	125	153	125	(28)	-18.3%	0.0%
481	558	558	(77)	-13.8%	-13.8%	SNF Patient Days	4,310	4,933	5,174	(623)	-12.6%	-16.7%
519	614	602	(95)	-15.5%	-13.8%	Total Patient Days	4,680	5,367	5,582	(687)	-12.8%	-16.2%
12	14	13	(2)	-14.3%	-7.7%	Acute Admissions	103	126	116	(23)	-18.3%	-11.2%
11	14	14	(3)	-21.4%	-21.4%	Acute Discharges	102	126	120	(24)	-19.0%	-15.0%
2.1	2.6	2.1	(0.5)	-18.7%	0.9%	Acute Average Length of Stay	2.4	2.2	2.4	0.2	7.7%	1.8%
0.7	1.2	0.9	(0.4)	-36.1%	-20.7%	Acute Average Daily Census	0.9	1	1.0	(0.1)	-12.8%	-13.4%
16.0	18.6	18.5	(2.6)	-14.2%	-13.4%	SNF/Swing Avg Daily Census	16.2	19	19.3	(2.4)	-12.8%	-16.3%
16.7	19.8	19.4	(3.1)	-15.5%	-13.8%	Total Avg. Daily Census	17.1	20	20.4	(2.5)	-12.8%	-16.2%
37%	44%	43%	-7%	-15.5%	-13.8%	% Occupancy	38%	44%	45%	-6%	-12.8%	-16.2%
10	13	13	(3)	-23.1%	-23.1%	Emergency Room Admitted	87	117	105	(30)	-25.6%	-17.1%
1,147	1,005	980	142	14.1%	17.0%	Emergency Room Discharged	9,214	9,320	8,840	(106)	-1.1%	4.2%
1,157	1,018	993	139	13.7%	16.5%	Emergency Room Total	9,301	9,437	8,945	(136)	-1.4%	4.0%
37	33	32	4	13.7%	16.5%	ER visits per calendar day	34	34	33	(0)	-1.4%	4.0%
83%	93%	100%	67%	71.8%	-16.7%	% Admits from ER	84%	93%	91%	77%	82.6%	-6.7%
-	-	-	-	0.0%	#DIV/0!	Surgical Procedures I/P	-	-	2	-	#DIV/0!	-100.0%
15	10	7	5	50.0%	114.3%	Surgical Procedures O/P	111	80	110	31	38.8%	0.9%
15	10	7	5	50.0%	114.3%	TOTAL Procedures	111	80	112	31	38.8%	-0.9%
184	1,047	894	(863)	-82.4%	-79.4%	Surgical Minutes Total	8,130	9,253	3,618	(1,123)	-12.1%	124.7%

Units of Service
For the period ending: March 31, 2019

Bear Valley Community Hospital												
Current Month						Year-To-Date						
Mar-19 Actual	Budget	Mar-18 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %		Mar-19 Actual	Budget	Mar-18 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %
6,258	6,532	6,273	(274)	-4.2%	-0.2%	Lab Procedures	57,060	54,706	55,642	2,354	4.3%	2.5%
918	934	918	(16)	-1.7%	0.0%	X-Ray Procedures	8,263	7,432	7,330	831	11.2%	12.7%
300	293	300	7	2.4%	0.0%	C.T. Scan Procedures	2,643	2,449	2,461	194	7.9%	7.4%
265	242	265	23	9.5%	0.0%	Ultrasound Procedures	1,983	2,005	2,118	(22)	-1.1%	-6.4%
53	62	53	(9)	-14.5%	0.0%	Mammography Procedures	445	558	584	(113)	-20.3%	-23.8%
295	327	295	(32)	-9.8%	0.0%	EKG Procedures	2,549	2,737	2,840	(188)	-6.9%	-10.2%
190	169	190	21	12.4%	0.0%	Respiratory Procedures	992	1,172	1,311	(180)	-15.4%	-24.3%
1,303	1,443	1,303	(140)	-9.7%	0.0%	Physical Therapy Procedures	12,437	12,005	11,995	432	3.6%	3.7%
1,869	1,832	1,947	37	2.0%	-4.0%	Primary Care Clinic Visits	15,684	14,089	15,811	1,595	11.3%	-0.8%
420	200	173	220	110.0%	142.8%	Specialty Clinic Visits	3,076	1,800	1,885	1,276	70.9%	63.2%
2,289	2,032	2,120	257	12.7%	8.0%	Clinic	18,760	15,889	17,696	2,871	18.1%	6.0%
88	78	82	10	12.7%	8.0%	Clinic visits per work day	103	87	97	16	18.1%	6.0%
16.9%	20.00%	16.90%	-3.10%	-15.50%	0.00%	% Medicare Revenue	18.07%	20.00%	18.84%	-1.93%	-9.67%	-4.13%
39.30%	39.00%	38.40%	0.30%	0.77%	2.34%	% Medi-Cal Revenue	36.98%	39.00%	39.12%	-2.02%	-5.19%	-5.48%
39.20%	36.00%	38.40%	3.20%	8.89%	2.08%	% Insurance Revenue	39.83%	36.00%	37.13%	3.83%	10.65%	7.27%
4.60%	5.00%	6.30%	-0.40%	-8.00%	-26.98%	% Self-Pay Revenue	5.12%	5.00%	4.90%	0.12%	2.44%	4.54%
143.7	156.88	145.0	(13.1)	-8.4%	-0.9%	Productive FTE's	142.68	154.07	145.2	(11.4)	-7.4%	-1.7%
244.9	174.06	167.4	70.8	40.7%	46.3%	Total FTE's	172.56	170.86	165.2	1.7	1.0%	4.4%



CFO REPORT for

April 2019 Finance Committee and May 2019 Board Meetings

TruBridge – Accounts Receivable Management

Accounts Receivable days of 57.7 at the end of March 2019 are the lowest we have seen for at least 4 and a half years.

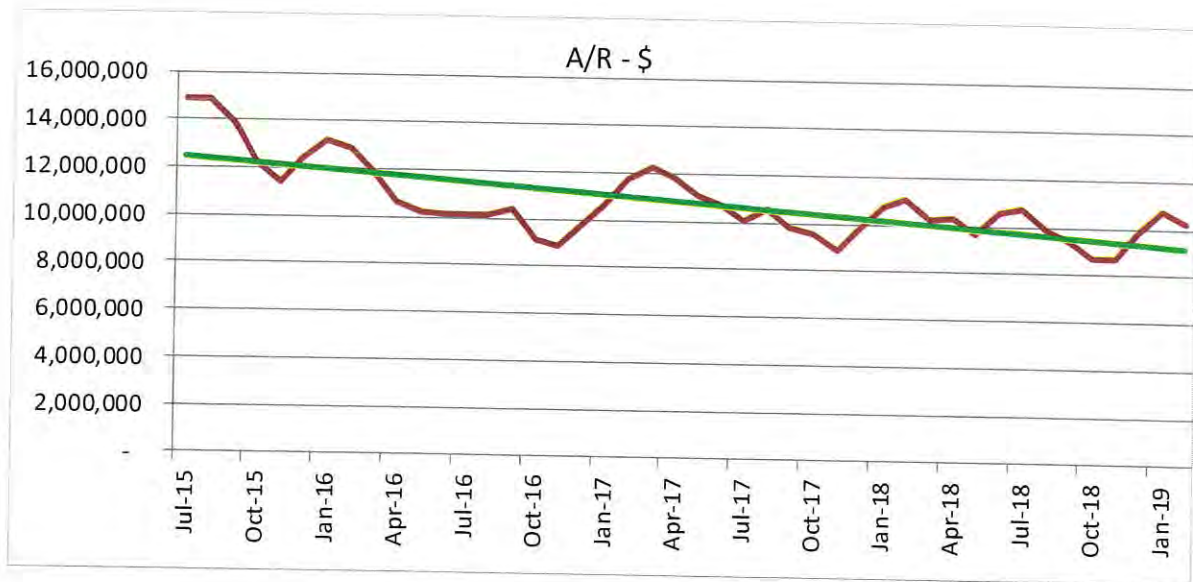


Most recent four month averages of key measures are running under targets –

Uncoded days 1.5, target 3

Unchecked days 2.4, target 3

Discharged Not Final Billed 4.9, target 9



Interest Earnings on Investments

Funds in excess of our operating cash which is held in a local bank account are invested with LAIF (Local Agency Investment Fund). A recent statement from LAIF showed an interest rate of 2.55%.

SHIP (Small Hospital Improving Program) Grants

For the past several years we have received SHIP (Small Hospital Improvement Program) grants. We have used these funds, approximately \$10,000 per year, for revenue cycle and patient satisfaction efforts. Recent communication is that these grants will go up to as much as \$12,000 per year and will be on a four year cycle.