



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

**VISION**

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

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**BOARD OF DIRECTORS BUSINESS MEETING AGENDA**  
**Wednesday, October 11, 2017@ 1:00 p.m. –Hospital Conference Room**  
**41870 Garstin Drive, Big Bear Lake, CA 92315**

(Closed Session will be held upon adjournment of Open Session as noted below. Open Session will reconvene @ approximately 3:00 p.m. –Hospital Conference Room 41870 Garstin Drive, Big Bear Lake, CA 92315)

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

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**OPEN SESSION**

**1. CALL TO ORDER**

**Donna Nicely, 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. CONFERENCE WITH LABOR NEGOTIATORS: \*Government Section Code: 54957.6: Negotiator(s): Mike Sarrao, Esq.**

(1) Continuing Union Negotiations with: UNAC & OPEIU

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

(1) Risk / Compliance Management Report

(2) QI Management Report

**OPEN SESSION**

**1. CALL TO ORDER**

**Donna Nicely, President**

**2. ROLL CALL**

**Shelly Egerer, Administrative Assistant**

**3. FLAG SALUTE**

**4. ADOPTION OF AGENDA\***

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

**Donna Nicely, 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. September 13, 2017 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant**

**B. August/September 2017 Planning & Facilities Report: Michael Mursick, Plant Manager**

**C. September 2017 Human Resource Report: Erin Wilson, Human Resource Director**

**D. September 2017 Infection Control Report: Heather Loose, Infection Preventionist**

**E. Policies and Procedures: (Summary Attached)**

(1) Laboratory

(2) Employee Health

(3) Pharmacy

(4) Family Health Center

(5) Radiology

(6) Skilled Nursing Facility

(7) Nursing Administration

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

(1) September 05, 2017 Finance Committee Meeting Minutes

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

**A. Discussion and Potential Approval of the Following Bylaws:**

(1) Bear Valley Community Healthcare District Foundation Bylaws

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

**A. Discussion and Potential Approval of Michael Ritchey w/QHR for Revenue Cycle Assistance Travel Expenses**

**B. Discussion and Potential Approval of Medical Staff Bylaw: Allied Health Professional Rules & Regulations Amendment to Physician Assistant Supervision**

**C. Discussion and Potential Approval of Radiology Clinical Delineation of Privileges**

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

### **A. Acceptance of QHR Report**

Ken Ward, Regional AVP QHR

- (1) October 2017 QHR Report
- (2) Quorum Purchasing Advantage Report

### **B. Acceptance of CNO Report**

Kerri Jex, Chief Nursing Officer

- (1) September 2017 CNO Report

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

John Friel, Chief Executive Officer

- (1) September 2017 CEO Report

### **D. Acceptance of the Finance Report & CFO Report**

Garth Hamblin, Chief Financial Officer

- (1) August 2017 Financials
- (2) September 2017 CFO Report
- (3) IT Assessment Update

## **13. ADJOURNMENT\***

**\* Denotes Possible Action Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BUSINESS BOARD MEETING MINUTES  
41870 Garstin Drive, Big Bear Lake, Ca. 92315  
SEPTEMBER 13, 2017**

**PRESENT:** Donna Nicely, President  
Rob Robbins, 1<sup>st</sup> Vice President  
Jack Roberts, 2<sup>nd</sup> Vice President  
Barbara Willey, Treasurer  
John Friel, CEO  
Shelly Egerer, Admin. Assistant

**ABSENT:** Gail McCarthy, Secretary

**STAFF:** Garth Hamblin Mary Norman Kerri Jex  
Sherry Greenaway Sheri Mursick Steven Knapik, DO

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

**COMMUNITY  
MEMBERS:** ET Russell w/bigbearlake.net

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**OPEN SESSION**

**1. CALL TO ORDER:**

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

**CLOSED SESSION**

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

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

**2. ADJOURNED TO CLOSED SESSION:**

**President Nicely called for a motion to adjourn to Closed Session at 1:00 p.m. Motion by Board Member Roberts to adjourn to Closed Session at 1:00 p.m. Second by Board Member Willey to adjourn to Closed Session. President Nicely called for a vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member Roberts - yes

**RECONVENE TO OPEN SESSION**

**1. CALL TO ORDER:**

President Nicely called the meeting to Open Session at 3:05 p.m.

**2. ROLL CALL:**

Donna Nicely, Rob Robbins, Jack Roberts, Barbara Willey were present. Also present were John Friel, CEO, and Shelly Egerer, Administrative Assistant. Absent was Gail McCarthy.

**3. FLAG SALUTE:**

President Nicely led the flag salute all present participated.

**4. ADOPTION OF AGENDA:**

**President Nicely called for a motion to adopt the agenda as presented. Motion by Board Member Willey to adopt the agenda as presented. Second by Board Member Robbins to adopt the agenda as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member Roberts - yes

**5. RESULTS OF CLOSED SESSION:**

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

- Chief of Staff Report
  - Request for Initial Appointment:
    - Raymond Azab, MD – Renaissance Radiology
    - John Lin, MD – Renaissance Radiology
  - Request for Reappointment-
    - Calvin Pramann, DC - Chiropractor
  - Request for Additional Privileges
    - William White, MD- Request for additional procedures
  - Voluntary Resignation-
    - Carol Lam, PA – Emergency Medicine
- Risk Report
- QI Report

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

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member Roberts – yes

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

President Nicely opened the Hearing Section for Public Comment on Open Session items at 3:12 p.m. Hearing no request to make public comment. President Nicely closed Public Forum for Open Session at 3:12 p.m.

## **7. DIRECTORS COMMENTS**

- Board Member Willey attended the Helen Walsh event and was very nice.

## **8. INFORMATION REPORTS:**

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

- Ms. Elmer reported the following:
  - The event for Helen Walsh was a great success.
  - Eight new members have joined the Foundation.
- President Nicely stated that the Board received a thank you note and this has been shared with the full Board.

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

- Ms. Dick reported the following:
  - Four new volunteers- now 24-25 Auxiliary Members.
  - Mall in the Hall is scheduled for November 27 through December 1, 2017.
  - Still unknown of the funds raised at the Annual Golf tournament.

## **9. CONSENT AGENDA:**

**A. July 12, 2017 Board of Directors Meeting Minutes: Shelly Egerer, Admin. Assistant**

**B. June/July 2017 Planning & Facilities Report: Michael Mursick, Plant Manager**

**C. July 2017 Human Resource Report: Erin Wilson, Human Resource Director**

**D. July 2017 Infection Control Report: Heather Loose, Infection Preventionist**

**E. Policies and Procedures: (Summary Attached)**

- (1) Petty Cash
- (2) Clinic Vaccine Storage
- (3) License, Certification and Mandatory Training Requirements
- (4) Drug and Alcohol Policy
- (5) District Parking Policy
- (6) Legal Matters Concerning Employees
- (7) Unlawful Harassment, Discrimination and Retaliation Prevention and Complaint Policy
- (8) Nursing Administration
- (9) Pharmacy

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

- (1) June 26, 2017 Human Resource Committee Meeting Minutes
- (2) July 27, 2017 Planning & Facilities Committee Meeting Minutes
- (3) August 07, 2017 Finance Committee Meeting Minutes

**President Nicely called for a motion to approve the Consent Calendar as presented. Motion by Board Member Roberts to approve the Consent Calendar as presented with the exception of Item C. August Human Resource Report and Item E. Policies and Procedures one through nine. Second by Board Member Willey to approve the Consent Calendar as presented with the exception of Item C. August Human Resource Report and Item E. Policies and Procedures one through nine. President Nicely stated that these items will be removed from the Consent Agenda and added to New Business. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

## **10. OLD BUSINESS:**

### **A. Discussion and Potential Approval of Dissolving/Discharging the Policy & Procedure & BVCHD District Bylaw Committee (Committee Purpose, Achievement and Goals have been accomplished):**

- President Nicely reported that the committee has completed the District bylaws and ask the Board to dissolve the committee.

**President Nicely motioned to dissolve the Policy & Procedure & BVCHD District Bylaw Committee. Second by Board Member Robbins to dissolve the Policy & Procedure & BVCHD District Bylaw Committee. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

### **B. Discussion and Potential Approval of the Following Bylaws:**

- (1) Bear Valley Community Healthcare District Bylaws
- (2) Bear Valley Community Healthcare District Foundation Bylaws
- (3) Bear Valley Community Healthcare District Auxiliary Bylaws

- Board Member Willey stated that she was in favor of the Foundation Bylaws being tabled; Auxiliary Bylaws approved but was not in favor of the District Bylaws being approved.

**President Nicely motioned to approve the BVCHD District Bylaws, table the BVCHD Foundation Bylaws and approve the Auxiliary Bylaws. Second by Board Member Roberts to approve the BVCHD District Bylaws, table the BVCHD Foundation Bylaws and approve the Auxiliary Bylaws. President Nicely called for the vote. A vote in favor of the motion was 3/1.**

- Board Member Robbins - yes
- Board Member Willey- no
- President Nicely - yes
- Board Member Roberts - yes

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

### **A. Discussion and Presentation of 2017 Hospital Survey On Patient Safety Culture:**

- **Ms. Norman provided a power point:**
  - This is the 2<sup>nd</sup> year we have conducted a Patient Safety Survey.
  - 69% of staff participated.
  - Overall, we have seen improvement.
  - Goal for 2018 is unknown, will be using BETA.
  - Feedback and communication 68% feel they are informed about errors in their departments through staff meetings.
  - Teamwork in all departments have room for improvement.

- Non-punitive response to errors 37% needs to improve.
- Information has been provided to department managers.
- Have attended department meetings to go over the survey.
- Team STEPP: four managers attended training and are now trainers.
- Hotline is going to be completed for employee's incident reports.
- This information is sent to the department managers
- Board Member Roberts stated that presentation was well conducted and applauded Ms. Norman's efforts.
- The full Board appreciated the presentation and the survey that was completed.

**President Nicely reported no action required.**

**B. Discussion and Potential Approval of the Following Service Agreement (s):**

- (1) WIPFLI Cost Report Preparation Agreement
- (2) Pyxis Medication and Supply Dispensing System Agreement
- (3) Health Information Partners Agreement (Interim HIM Manager)
- (4) IRIS Telehealth
- (5) B.E. Smith Interim Pharmacy Director Agreement
- (6) James Skoien, L.A.c dba Healthy Practice Physician Agreement
- (7) William White, M.D. Physician Agreement
- (8) Matheson Tri Gas

**President Nicely called for a motion to approve the contracts one through eight as presented. Second by Board Member Roberts to approve the contracts one through eight as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

**C. Discussion and Potential Approval of Tomi K. Hagan w/QHR Travel Expense for Compliance Program Implementation Services:**

- Ms. Norman reported that Tomi would be on site to complete a Risk Assessment for Compliance; this will also develop the Compliance Plan for the following year.

**President Nicely motioned to approve travel expenses for Tomi Hagan w/QHR not to exceed \$2,000.00. Second by Board Member Willey to approve travel expenses for Tomi Hagan w/QHR not to exceed \$2,000.00. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

**D. Consent Agenda:**

**(1) August Human Resource Report:**

- Board Member Roberts stated that there is a spike in employee evaluations and the full Board feels that it is important to monitor the evaluations so they do not continue to be past due.



- Mr. Friel stated that he would remind staff that the employee evaluations need to be current.

**Board Member Roberts motioned to approve the August HR Report as presented. Second by Board Member Robbins to approve the August HR Report as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

## **(2) Policies & Procedures**

- Board Member Roberts stated that at the last HR Committee they provided a directive that all HR Policies & Procedures are to go the committee prior to the Board Meeting. There are several policies that should have gone to the HR Committee prior to the Board Meeting.

**Board Member Roberts motioned to approve the Policies and Procedures as presented with all future Policies and Procedures being presented to the appropriate Committees. Second by President Nicely to approve the Policies and Procedures as presented with all future Policies and Procedures being presented to the appropriate Committees. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

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

### **A. Quorum Health Resource Report:**

#### **(1) September 2017 QHR Report:**

- Mr. Vigus provided the following information:
  - Consulting engagement for the Revenue Cycle – data has been exchanged from Mr. Hamblin to QHR.
  - Ken Ward will be on site in October.
  - Purchasing Contract discusses Group Purchasing; disclosure was provided to the Board President and CEO.
- The full Board stated that they are to receive the report; not just the Board President, all Board Members should receive the same information. The Board of Directors asked that this report be on the Oct. Board Meeting Agenda.

**President Nicely motioned to approve the QHR Report as presented. Second by Board Member Willey to approve the QHR Report as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts - yes

**B. CNO Report:****(1) August 2017 CNO Report:**

- Ms. Jex provided the following information:
  - One swing patient
  - Received Tier 2 Award: ER staff took training and there was 0% Risk.
  - Patient & Family Advisory Council continues to meet.
  - County is establishing MOU'S for grant funding and then we can use Tele-Psych council for ER patients.

**President Nicely motioned to approve the CNO Report as presented. Second by Board Member Roberts to approve the CNO Report as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.**

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member Roberts - yes

**C. Acceptance of the CEO Report:****(1) August 2017 CEO Report:**

- Mr. Friel provided the following information:
  - CT Scanner: OSHPD Representative called in sick and did not complete the inspection.
  - Unexpected State Annual review of Pharmacy, spent ½ day doing an inspection. No deficiencies were noted.
  - Received thank you notes for donations they are attached to the CEO Report.
- Discussion took place on the additional staff being hired and why we had so many new hires; the district will have approximately 230 employees. Administration informed the Board that the departments are hiring Per Diem's for the upcoming winter season (RN, EMT's & 2 Acute positions). Mr. Hamblin is to obtain what positions are being advertised and report to the Board.
- Board Member Roberts asked again the status of when the district insurance will be accepted at the clinic, this has been an ongoing request for several months.

**President Nicely motioned to approve the CEO Report as presented. Second by Board Member Roberts to approve the CEO Report as presented. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts- yes

**D. Acceptance of the Finance Report:****(1) July 2017 Financials:**

- Mr. Hamblin reported the following information:
  - Cash position over \$13 million.
  - Paying construction and other projects with cash.
  - Cash on hand is 238.

- Expenses under budget.
- Net Revenue was under budget; continue working with TruBridge. They are working on older accounts.
- AR days are 68.9; we continue to make improvement.
- Board Member Roberts stated he received a bill after 8 months of being seen in the ER. We are seeing positive improvement but feels that we owe the community to have the billing kept in the community. Trubridge contract needs to be reviewed at the beginning of the year and the Board needs to consider bringing billing back “in house”.

(2) CFO Report:

- Mr. Hamblin reported that in the CFO Report there is some information on Healthcare Reform, which is still unknown, and that an IT assessment/evaluation will be conducted as requested by the Board. QHR can provide a vendor to complete this project.
- Board Member Roberts stated that there was evaluation of IT System by a consultant that has multiple specialties, feels the district’s current system is vulnerable and there have been some significant issues. Board Member Roberts feels that staff has narrow function ability; IT staff does a good job but there is only so much our IT staff knows. The district needs an IT analysis and there are several organizations that can provide this service for a minimal amount; approximately \$10,000.00.
- Further discussion took place on the IT staff and the current IT system. The Board agreed that the district needs to use a vendor that is local and does not want to use a QHR vendor. The Senior Administration Team will begin looking into vendors and provide an update to the full Board.

**President Nicely motioned to approve the July 2017 Finance Report and the CFO Report as presented. Second by Board Member Roberts to approve the July 2017 Finance Report and CFO Report as presented. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts- yes

**13. ADJOURNMENT:**

**President Nicely called for a motion to adjourn the Board Meeting at 4:03 p.m. Motion by Board Member Willey to adjourn. Second by Board Member Roberts to adjourn. President Nicely called for the vote. A vote in favor of the motion was unanimously approved 4/0.**

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member Roberts- yes

## Bear Valley Community Healthcare District Construction Projects 2017

| Department / Project                                          | Details                                          | Vendor and all associated costs      | Comments                                                                                                                           | Date Completed |
|---------------------------------------------------------------|--------------------------------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>CT Scanner Project</b>                                     | CT received Certificate of Occupancy from OSHPD. | E.H. Butland                         | Completed minus bathrooms due to poor air balance. Facilities will have this repaired this week so that we can open the bathrooms. |                |
| <b>Painting the Hospital exterior &amp; repairing stucco.</b> | Planning start of project with contractor.       | Loose Painting                       | Completed                                                                                                                          |                |
| <b>Install Fire Riser &amp; Nitrogen Compressor</b>           | Planning install with vendor                     | Simplex Grinnell                     | In Progress                                                                                                                        |                |
| <b>Room 30 Renovations</b>                                    | Planning workload                                | Mike's Flooring, Warren Construction | In Progress                                                                                                                        |                |
| <b>Medical Gas Repairs</b>                                    | Replace MedGas panel in ER                       | FS Medical                           | In Progress                                                                                                                        |                |
|                                                               |                                                  |                                      |                                                                                                                                    |                |
|                                                               |                                                  |                                      |                                                                                                                                    |                |
|                                                               |                                                  |                                      |                                                                                                                                    |                |

## Bear Valley Community Healthcare District Potential Equipment Requirements

| Department / Project                                    | Details                              | Vendor and all associated costs                        | Comments                                                       | Date<br>Complete |
|---------------------------------------------------------|--------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|------------------|
|                                                         |                                      |                                                        |                                                                |                  |
| <b>Facilities- Mezzanine<br/>Control air compressor</b> | Compressor needs replaced.           | Ingersoll Rand- Approximately \$6500                   | In Progress                                                    |                  |
| <b>Facilities- Electric Cart</b>                        | Cart for guys performing small jobs. | Caddy Shack Carts- \$10,486.25 for a street legal cart | Waiting for board approval                                     |                  |
| <b>Facilities-Medical Air<br/>Compressor</b>            | Compressor is failing                | Certified Medical Sales                                | Has been approved in this years capital, planning with vendor. |                  |
|                                                         |                                      |                                                        |                                                                |                  |
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|                                                         |                                      |                                                        |                                                                |                  |
|                                                         |                                      |                                                        |                                                                |                  |

## Bear Valley Community Healthcare District Repairs Maintenance

| Department / Project                         | Details                                                      | Vendor and all associated costs | Comments    | Date Completed |
|----------------------------------------------|--------------------------------------------------------------|---------------------------------|-------------|----------------|
|                                              |                                                              |                                 |             |                |
| <b>Facilities-Annual Boiler Service</b>      | Inspected and performed PM's                                 | RF MacDonald                    | Completed   |                |
| <b>Lab- New Equipment Installation</b>       | Modified Lab spaces to accommodate new equipment             | Facilities                      | Completed   |                |
| <b>Facilities-Repaired Water Heater Leak</b> | Water heater had a leak                                      | Facilities                      | Completed   |                |
| <b>Facilities- Water Softners</b>            | Repaired broken water line                                   | Facilities                      | Completed   |                |
| <b>Facilities- Annual MedGas Inspection</b>  | Completed inspection and found some items that need repaired | FS Medical                      | In Progress |                |
|                                              |                                                              |                                 |             |                |
|                                              |                                                              |                                 |             |                |



HR Monthly Report  
September 2017

|                                  |                                                                                                                                                                                                                                    |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| STAFFING                         | <b>Active:</b> 213<br><b>New Hires:</b> 4<br><b>Terms:</b> 2<br><b>Open Positions:</b> 22                                                                                                                                          |
| EMPLOYEE PERFORMANCE EVALUATIONS | <b>DELINQUENT:</b><br>30 days: 5<br>60 days: 0<br>90 days: 2<br>90+ days: 1<br><br><b>MOVING FORWARD:</b> Enforce Delinquent Evaluation Policy and continue monitoring ongoing annual evaluations.                                 |
| WORK COMP                        | <b>NEW CLAIMS:</b> 0<br><b>OPEN:</b> 13<br>Indemnity (Wage Replacement, attempts to make the employee financially whole) - 7<br>Future Medical Care – 5<br>Medical Only - 1<br><br><b>MOVING FORWARD:</b> Quarterly claims update. |
| FILE AUDIT/ LICENSING            | <b>FIVE FILE AUDIT:</b><br>All files are complete<br><br>All items returned from previous month<br><br>All Licenses are up to date<br><br><b>MOVING FORWARD:</b> Obtain required items, continue file audit.                       |



## Infection Prevention Monthly Report

### September 2017

| TOPIC                                 | UPDATE                                                                                                                                                                                                                                                                                                                                                                                                                       | ACTION/FOLLOW UP                                                                                                                                                                                                           |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1. Regulatory</b>                  | <ul style="list-style-type: none"> <li>▪ Continue to receive updates from APIC.</li> <li>▪ AFL (All Facility Letters) from CDPH have been reviewed.</li> <li>▪ Continue NHSN surveillance reporting.</li> <li>▪ Completion of CMR reports to Public Health per Title 17 and CDPH regulations.               <ul style="list-style-type: none"> <li>▪ CMR submitted for positive syphilis from clinic.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>▪ Review ICP regulations.</li> <li>▪ AFL to be reviewed at Infection Control Committee and Regulatory committee.</li> <li>▪ Continue Monthly Reporting Plan submissions.</li> </ul> |
| <b>2. Construction</b>                | <ul style="list-style-type: none"> <li>▪ CT project complete</li> </ul>                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>▪ Work with Maintenance and contractors to ensure compliance.</li> </ul>                                                                                                            |
| <b>3. QI</b>                          | <ul style="list-style-type: none"> <li>▪ Continue to work towards increased compliance with Hand Hygiene.               <ul style="list-style-type: none"> <li>○ 69% Compliance in August for hand hygiene.</li> </ul> </li> </ul>                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>▪ Continue monitoring hand hygiene compliance.</li> </ul>                                                                                                                           |
| <b>4. Outbreaks/<br/>Surveillance</b> | <ul style="list-style-type: none"> <li>▪ Public Health Report               <ul style="list-style-type: none"> <li>○ Candida Auris continues to be an emerging public health threat. Recommendations regarding treatment patients with C. Auris were given to committee.</li> </ul> </li> </ul>                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Informational</li> </ul>                                                                                                                                                          |



|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                 |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <ul style="list-style-type: none"> <li>○ Hepatitis A outbreak in San Diego County continues to be a problem. Streets being sprayed with bleach to help combat problem. There have been 15 deaths and 194 hospitalizations.</li> <li>○ Zika virus- 4 cases in San Bernardino County, all travel-related. Because of hurricane flooding in TX and FL, Zika cases expected to rise in those areas.</li> <li>○ West Nile Virus – there have now been 3 confirmed deaths in Southern California, in Kern, San Bernardino, and Los Angeles Counties.</li> <li>○ Congenital Syphilis has had a 400% increase from 2014 to 2016. New guidelines for testing of pregnant women were given to committee.</li> </ul> |                                                                                                                                                 |
| <b>5. Policy Updates</b>         | <ul style="list-style-type: none"> <li>▪ Policies reviewed, approved: <ul style="list-style-type: none"> <li>○ Kerri Jex created “Fit for Duty” policy.</li> <li>○ Employee Physical policy. Changes were made to reflect current practices regarding positive PPD testing and tuberculosis screening.</li> <li>○ Unanimously approved</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>▪ Clinical Policy and Procedure Committee to review and update Infection Prevention policies.</li> </ul> |
| <b>6. Safety/Product</b>         | <ul style="list-style-type: none"> <li>○ Recommendations given for environmental cleaning of rooms with C. Auris patients.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>▪ Continue to monitor compliance with approved cleaning procedures.</li> </ul>                           |
| <b>7. Antibiotic Stewardship</b> | <ul style="list-style-type: none"> <li>▪ Danggiao Phan created Vancomycin usage protocol which will be shared with Medical Staff.</li> <li>▪ Vancomycin use remains in compliance. 1 case corrected by pharmacist.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>▪ Informational.</li> </ul>                                                                              |
| <b>8. Education</b>              | <ul style="list-style-type: none"> <li>▪ ICP continues to attend the APIC meetings in Ontario.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>▪ ICP to share information at appropriate</li> </ul>                                                     |

|                                                                                       |                                                                                    |                                                                   |
|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------|
|                                                                                       |                                                                                    | committees.                                                       |
| <b>9. Informational</b>                                                               | <ul style="list-style-type: none"> <li>▪ As discussed above.</li> <li>▪</li> </ul> | <ul style="list-style-type: none"> <li>▪ Informational</li> </ul> |
| <i>Heather Loose, BSN, RN      Infection Preventionist      Date: October 3, 2017</i> |                                                                                    |                                                                   |

| Department | Policies                                | Reviewed  | Summary                                                                                          |
|------------|-----------------------------------------|-----------|--------------------------------------------------------------------------------------------------|
| Laboratory | ABO Type of Red Cells and Serum         | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Antibody Screen - Presence of Rouleaux  | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Compatibility Testing                   | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Emergency Blood Release Protocol        | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Handling of Materials in Blood Bank     | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Quality Control - Blood Bank            | 9/8/2017  | Annual review. Formatted. Policy name changed from 'Quality Assurance - To Validate Blood Bank'. |
| Laboratory | Acetest                                 | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Bilirubin Confirmation Testing          | 9/8/2017  | Archive; test DC'd.                                                                              |
| Laboratory | Clinitest                               | 9/8/2017  | Archive; test DC'd.                                                                              |
| Laboratory | Drug Of Abuse - Med Tox                 | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Cell Counts                             | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Malarial Smears                         | 9/8/2017  | Archived; switch to reference lab.                                                               |
| Laboratory | Back-Up Services                        | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Chemical Hygiene Plan                   | 8/25/2017 | Annual review. Formatted.                                                                        |
| Laboratory | Chemical Hygiene Plan- Formaldehyde     | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Critical Values                         | 8/25/2017 | Annual review. Formatted. Revised verbiage.                                                      |
| Laboratory | Competency Assessment                   | 8/25/2017 | Annual review. Formatted and revised to reflect current process.                                 |
| Laboratory | Correcting Erroneous Test Results       | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Delegation of Authority                 | 8/25/2017 | New policy.                                                                                      |
| Laboratory | Disaster - Lab Responsibilities         | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Employee Orientation                    | 8/25/2017 | Archived. Covered in District policy.                                                            |
| Laboratory | Mission Roles & Statements              | 9/8/2017  | Archived; refer to Hospital wide policy.                                                         |
| Laboratory | Organizations Code of Ethical Behavior  | 8/25/2017 | Archived; covered in District policy.                                                            |
| Laboratory | Proficiency Testing                     | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Quality Assurance                       | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Quality Control                         | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Reference Laboratory                    | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | STAT Testing at BVCHD                   | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Turn Around Time for Lab Tests          | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Blood Cultures                          | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Culture Urine Reflex Orders             | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Orders and Specimen Collection          | 9/8/2017  | Annual review. Formatted.                                                                        |
| Laboratory | Collection & Submission of Lab Specimen | 9/8/2017  | Annual review. Formatted.                                                                        |

|                          |                                                       |           |                                                                                                                                                 |
|--------------------------|-------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Laboratory               | Daily Duties                                          | 8/25/2017 | Annual review. Formatted. Revised to reflect current process.                                                                                   |
| Laboratory               | Glucose Tolerance                                     | 8/25/2017 | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Infection Control                                     | 9/8/2017  | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Isolation Room Specimen Collection                    | 9/8/2017  | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Patient Identification                                | 8/25/2017 | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Reaction to Blood Collection                          | 9/8/2017  | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Rejection of Specimens                                | 8/25/2017 | Archived; covered in 'Specimen Rejection'.                                                                                                      |
| Laboratory               | Specimen Collection for Coagulation Studies           | 8/25/2017 | Archived; covered in 'Specimen Rejection'.                                                                                                      |
| Laboratory               | Specimen Rejection                                    | 9/8/2017  | Annual review. Formatted.                                                                                                                       |
| Laboratory               | Specimen Rejection Coagulation Hematology             | 8/25/2017 | Archived; covered in 'Specimen Rejection'.                                                                                                      |
| Employee Health          | Healthcare District Personnel Vaccine Recommendations | 9/1/2017  | Annual review. Revised verbiage. 'New Employee Lab Draw Protocol' attached.                                                                     |
| Employee Health          | Employee Physical Recommendations                     | 9/1/2017  | Annual review. Revised verbiage to reflect CDC recommendations. 'New Employee Lab Draw Protocol' attached.                                      |
| Employee Health          | Fit for Duty Examination                              | 9/1/2017  | New policy. Reviewed by Legal                                                                                                                   |
| Employee Health          | Injury and Illness Prevention Program (IIPP)          | 9/1/2017  | Annual review. No changes.                                                                                                                      |
| Pharmacy                 | After Hours Banana Bag Preparation                    | 9/1/2017  | New policy.                                                                                                                                     |
| Family Health Center     | Dismissal from Clinic Practice                        | 6/30/2017 | Annual review. No changes.                                                                                                                      |
| Radiology                | Imaging Department                                    | 6/9/2017  | Annual review, formatted.                                                                                                                       |
| Radiology                | Ultrasound Probes                                     | 6/9/2017  | Annual review. Updated verbiage to reflect Trophon.                                                                                             |
| Skilled Nursing Facility | Activities                                            | 9/8/2017  | New policy to replace all archived Activities policies.                                                                                         |
| Skilled Nursing Facility | Elopement and Wonderguard                             | 9/8/2017  | Annual review. Revised to reflect current process. Changed policy name from "Wandering Program - SNF".                                          |
| Skilled Nursing Facility | Fall Sequence and Culture of Fall Safety              | 9/8/2017  | Annual review. Revised to reflect current process. Changed policy named "Fall Reporting Sequence". Attached "QAPI Fall Incident Reporting Log". |
| Nursing Admin            | Time Out                                              | 8/4/2017  | Annual review. No changes.                                                                                                                      |
| Skilled Nursing Facility | Pain Management- SNF                                  | 9/8/2017  | Annual review. Revised to reflect current process. Attached "Advanced Demntia Pain Scale (PainAD)".                                             |



## MEMO

Date: October 03, 2017  
To: Board of Directors  
From: John Friel, CEO  
Re: BVCHD Foundation Bylaws

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**Recommendation:**

The BVCHD Foundation has requested that the Foundation Bylaws be presented at the January 2018 Board Meeting. They would like additional time to review their bylaws and make any necessary changes.

**Background:**

The BVCHD Foundation Bylaws were tabled at the September Board Meeting due to the Board of Directors requesting additional time to review them.

The Foundation has asked Administration to request additional time to review and potentially revise the Foundation Bylaws. At this time, they are not comfortable with the bylaws previously submitted.



## MEMO

Date: 27 September 2017  
To: BVCHD Finance Committee  
From: Garth M Hamblin, CFO  
Re: Travel Expenses for QHR Consultant, Michael Ritchey  
Revenue Cycle Assistance

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### Recommended Action

Approve travel expenses, not to exceed \$2,000, for QHR Consultant, Michael Ritchey to assist with Revenue Cycle improvement.

### Background

We have been working with Michael Ritchey of QHR on consulting in Revenue Cycle improvement focused on front end, Patient Access Services, mostly. We need approval for expenses for him to come on site the week of Oct 16 to continue his review.



## MEMO

Date: October 3, 2017

To: Board of Directors

From: Medical Executive Committee

Re: Medical Staff AHP Rules and Regulations PA Supervision

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The most recent revisions to the AHP Rules and Regulations pertain to the section on “Allied Health Professionals” and, specifically, the supervising physician’s requirements as far as current law revision from a limit of physician supervision of no more than (2) Physician Assistant’s at one time to no more than (4) Physician Assistant’s at one time.

Legal Counsel and the Medical Staff have approved this revision. The current AHP Rules and Regulations will be revised replacing supervision of (2) PA’s with (4) PA’s.

Nicole Wheeler

## **ALLIED HEALTH PROFESSIONAL RULES AND REGULATIONS**

### **A. Definition**

Allied Health Professionals (AHPs) are healthcare workers who are authorized to provide patient care services at Bear Valley Community Healthcare District (BVCHD). These individuals are AHPs and they shall be governed by the Allied Health Professional Bylaws, the content of these Allied Health Professional Rules and Regulations as well as applicable Medical Staff Bylaws and other pertinent Medical Staff policies. AHPs shall not be eligible for appointment to the Medical Staff or have clinical privileges. AHPs are eligible to apply for practice prerogatives. Nothing herein shall create any vested rights for the AHP to receive or to maintain any practice prerogatives at BVCHD.

### **B. Allied Health Professionals**

Allied Health Professionals (AHPs) provide medical care to patients under supervision. They are usually employees of a staff physician or provide services pursuant to a contract with Bear Valley Community Healthcare District (BVCHD). AHPs are not granted privileges. AHPs have practice prerogatives setting forth the functions of the AHP. All AHPs must be a member of the Allied Health Professional Staff.

The following categories of AHPs have been approved by the Medical staff and the Board of Directors as eligible to submit applications for AHP practice prerogatives.

1. Physician Assistant
2. Nurse Practitioner
3. Registered Nurse First Assistant
4. Certified Registered Nurse Anesthetist

AHPs must function under the direction and supervision of a member of the Medical Staff of BVCHD who has been granted clinical privileges in the area in which the AHP will practice. The Medical Staff Member must agree in writing to assume full legal and medical responsibility for the actions of the AHP. Any patient care services granted under this, and like policies, are contingent upon the continued Medical Staff membership of the supervising or sponsoring physician. It is the responsibility of both the applicant and the supervising or sponsoring physician to notify BVCHD, in writing, of any changes in physician supervision or sponsorship, which may occur at any time during the applicant's tenure at BVCHD.

~~A physician may supervise no more than two (2) Physician's Assistants.~~ A physician may supervise no more than (4) Physician Assistants. A physician may supervise up to four (4) Nurse Practitioners.

AHP scope of practice shall be limited to the standards, procedures, and practice prerogatives granted. All AHPs will be accountable to the supervising or sponsoring physician, the department director, and nursing personnel, as applicable. All telephone orders must be received by hospital employees identified to do so as described in the General Rules and Regulations of the Medical Staff and Health Information Records.

Any AHP who cares for patients in the ER setting must have a current ACLS card, Certified



Registered Nurse Anesthetist's must have current ACLS, PALS and NALS cards.



### 1. Does a physician need approval to supervise a PA?

No. Any physician (either M.D. or D.O.) may supervise a PA if they have a current medical license and there are no disciplinary or probationary conditions on the physician's license prohibiting supervision of PAs.

### 2. How many PAs can a physician supervise?

Current law limits a physician to supervise no more than four PAs at any moment in time.

### 3. What is the scope of practice of a PA?

Article 4 of the Board's regulations addresses PA practice. You may want to review Title 16, California Code of Regulations sections 1399.540 through 1399.546 for information on the supervision of PAs.

The scope of a given PA's practice is limited by his/her supervising physician. Whatever medical specialty a physician practices (e.g., general practice, cardio-thoracic surgery, dermatology, etc.) limits the PA's scope of practice. The Delegation of Services Agreement between the PA and the supervising physician then further defines exactly what tasks and procedures a physician is delegating to the PA. These tasks and procedures must be consistent with the supervising physician's specialty or usual and customary practice and with the patient's health and condition.

Before authorizing a PA to perform any medical procedure, the physician is responsible for evaluating the PA's education, experience, knowledge, and ability to perform the procedure safely and competently. In addition, the physician should verify that a PA has a current California license issued by the Physician Assistant Board (Board).

A PA may not perform any of the following medical services pursuant to Business and Professions Code section 3502 (c):

- The determination of the refractive states of the eye, or the fitting or adaptation of lenses or frames.
- The prescribing or directing the use of, or using any optical device in connection with ocular exercises, visual training or orthopedics.
- The prescribing, fitting or adaptation of contact lenses.
- The practice of dentistry or dental hygiene or the work of a dental auxiliary.



## MEMO

Date: 10/3/2017

To: Board of Directors

From: Steven Knapik, DO

Re: Radiology Delineation of Privileges

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The purpose of revision of the Radiology Delineation of Privileges is to reflect the current use of Tele-Radiology; the previous Delineation of Privileges did not specify Tele-Radiology.

# Radiology Clinical Privileges

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

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_

☐ Initial privileges (initial appointment)

☐ Renewal of privileges (reappointment)

All new applicants must meet the following requirements as approved by the governing body, effective: \_\_\_\_/\_\_\_\_/\_\_\_\_.

If any privileges are covered by an exclusive contract or an employment contract, practitioners who are not a party to the contract are not eligible to request the privilege(s), regardless of education, training, and experience. Exclusive or employment contracts are indicated by [EC].

**Applicant:** Check the "Requested" box for each privilege requested. Applicants have the burden of producing information deemed adequate by the hospital for a proper evaluation of current competence, current clinical activity, and other qualifications and for resolving any doubts related to qualifications for requested privileges.

**[Department chair/chief]:** Check the appropriate box for recommendation on the last page of this form and include your recommendation for focused professional practice evaluation.<sup>1</sup> If recommended with conditions or not recommended, provide the condition or explanation on the last page of this form.

## Other requirements

- Note that privileges granted may only be exercised at the site(s) and/or setting(s) that have sufficient space, equipment, staffing, and other resources required to support the privilege.
- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.

## Qualifications for diagnostic radiology

**Initial privileges:** To be eligible to apply for privileges in diagnostic radiology, the applicant must meet the following criteria:

Successful completion of an Accreditation Council for Graduate Medical Education (ACGME)– or American Osteopathic Association (AOA)–accredited residency in diagnostic radiology.

<sup>1</sup> 1. For Joint Commission–accredited hospitals only.

# Radiology Clinical Privileges

AND/OR

Current certification or active participation in the examination process (with achievement of certification within 5 years) leading to certification in radiology by the American Board of Radiology or the American Osteopathic Board of Radiology.

AND

**Required current experience:** Performance and interpretation of at least 200 general radiology examinations<sup>2</sup>, 100 computed tomography (CT) examinations, reflective of the scope of privileges requested, or successful completion of an ACGME- or AOA accredited residency or clinical fellowship within the past 12 months.

**Renewal of privileges:** To be eligible to renew privileges in diagnostic radiology, the applicant must meet the following criteria:

Current demonstrated competence and an adequate volume of experience (400 general radiology examinations, 200 CT examinations with acceptable results, reflective of the scope of privileges requested, for the past 24 months based on results of ongoing professional practice evaluation and outcomes. Evidence of current physical and mental ability to perform privileges requested is required of all applicants for renewal of privileges.

## ***Core privileges: Diagnostic radiology***

☐ **Requested** Perform general diagnostic radiology (x-ray, radionuclides, ultrasound, and electromagnetic radiation) to diagnose and treat diseases of patients of all ages. Responsible for communicating critical values and critical findings consistent with medical staff policy. The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills.

## ***Core privileges: Teleradiology privileges***

☐ **Requested** Perform general diagnostic radiology (x-ray, radionuclides, ultrasound, and electromagnetic radiation) to diagnose diseases of patients of all ages via a teleradiography link. Responsible for communicating critical values and critical findings consistent with medical staff policy. The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills.

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<sup>2</sup> Source: American College of Radiology Practice Guidelines for General Radiology, 2008.

# Radiology Clinical Privileges

**Criteria:** The same as for the diagnostic radiology core.

## ***Non-core privileges: Performance of carotid duplex***

☐ Requested

**Initial privileges:** Successful completion of one of the following training tracks: 1) an ACGME- or AOA-accredited residency or fellowship program<sup>3</sup> that included training in carotid duplex performance/interpretation and experience in interpreting at least 100 studies while under supervision, 2) an accredited postgraduate category I CME program of a minimum of 40 hours within the past three years that included training in carotid duplex performance/interpretation and experience in interpreting at least 100 cases while under the supervision of a physician, 3) three years of practice experience that included the performance/ interpretation of 300 carotid duplex studies, or 4) American Registry for Diagnostic Medical Sonography (ARDMS) Registered Physician in Vascular Interpretation (RPVI) credential or American Society of Neuroimaging (ASN) neurosonology certification for extracranial and/or intracranial test interpretation.

AND

**Required current experience:** Demonstrated current competence and evidence of the performance and/or interpretation of at least [n] carotid duplex studies in the past 12 months or completion of training in the past 12 months.

**Renewal of privileges:** Demonstrated current competence and evidence of the performance and/or interpretation of at least 200 carotid duplex studies in the past 24 months based on results of ongoing professional practice evaluation and outcomes. In addition, a minimum of 15 hours of CME in vascular laboratory testing is required every three years, of which at least 10 hours are category I.

Source: 2008 ICAVL Standards, Part 1: Vascular Laboratory Operations.

## ***Non-core privileges: Transcranial Doppler (TCD) ultrasonography***

☐ Requested

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<sup>3</sup> Other specialties involved may include general surgery.

# Radiology Clinical Privileges

**Initial privileges:** Successful completion of one of the following training tracks: 1) an ACGME- or AOA-accredited residency or fellowship program<sup>4</sup> that included training in TCD performance/interpretation and experience in interpreting at least 100 studies while under supervision, 2) an accredited postgraduate category I CME program of a minimum of 40 hours within the past three years that included training in TCD performance/interpretation and experience in interpreting at least 100 cases while under the supervision of a physician, 3) three years of practice experience that included the performance/interpretation of 300 TCD studies, or 4) ARDMS RPVI credential or ASN neurosonology certification for extracranial and/or intracranial test interpretation.

AND

**Required current experience:** Demonstrated current competence and evidence of the performance and/or interpretation of at least [n] TCD studies in the past 12 months or completion of training in the past 12 months.

**Renewal of privileges:** Demonstrated current competence and evidence of the performance and/or interpretation of at least 200 TCD studies in the past 24 months based on results of ongoing professional practice evaluation and outcomes. In addition, a minimum of 15 hours of CME in vascular laboratory testing is required every three years, of which at least 10 hours are category I.

Source: 2008 ICAVL Standards, Part 1: Vascular Laboratory Operations.

## ***Non-core privileges: Administration of sedation and analgesia***

### **☐ Requested**

See "Hospital Policy for Sedation and Analgesia by Nonanesthesiologists."

## **Core procedures list**

This is not intended to be an all-encompassing procedures list. It defines the types of activities/procedures/privileges that the majority of practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques.

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<sup>4</sup> Other specialties involved may include cardiovascular medicine, cardiac surgery, vascular surgery, and thoracic surgery.

# Radiology Clinical Privileges

**To the applicant:** If you wish to exclude any procedures, please strike through the procedures that you do not wish to request, and then initial and date.

## Diagnostic radiology

- Performance of history and physical exam
- Bone densitometry
- CT of the head, neck, spine, body, chest ([including/excluding] cardiac), abdomen, pelvis, and extremities and their associated vasculatures
- Diagnostic nuclear radiology of the head, neck, spine, body, chest (including the heart), abdomen, pelvis, and extremities and their associated vasculatures
- Mammography (in accordance with Mammography Quality System Regulation (MQSR) required qualifications)
- Routine imaging (e.g., interpretation of plain films, IV or retrograde pyelography, fluoroscopy, and chest/abdomen, pelvis/gastrointestinal, and genitourinary diagnostic and therapeutic procedures)
- Image-guided biopsy, cyst aspiration, and procedures (e.g., lumbar puncture)
- Ultrasound

## Teleradiology

- CT of the head, neck, spine, body, chest ([including/excluding] cardiac), abdomen, pelvis, and extremities and their associated vasculatures
- Diagnostic nuclear radiology of the head, neck, spine, body, chest (including the heart), abdomen, pelvis, and extremities and their associated vasculatures
- Mammography (in accordance with MQSR required qualifications)
- Routine imaging (e.g., interpretation of plain films)

## Acknowledgment of practitioner

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform and for which I wish to exercise at Bear Valley Community Healthcare District, and I understand that:

- a. In exercising any clinical privileges granted, I am constrained by hospital and medical staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation, and in such situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

Signed \_\_\_\_\_ Date \_\_\_\_\_

# Radiology Clinical Privileges

[Department chair/chief]'s recommendation

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and:

- ☐ Recommend all requested privileges
- ☐ Recommend privileges with the following conditions/modifications:
- ☐ Do not recommend the following requested privileges:

Privilege Condition/modification/explanation

Notes:

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[Department chair/chief] signature \_\_\_\_\_ Date \_\_\_\_\_

FOR MEDICAL STAFF USE ONLY

Credentials committee action Date \_\_\_\_\_

Medical executive committee action Date \_\_\_\_\_

Board of trustees action Date \_\_\_\_\_





## Board Report

October, 2017

### Revenue Cycle Implementation

Michael Ritchey, Revenue Cycle consultant, will be onsite the week of October 16 to work with Garth and the revenue cycle team to assist with making improvements to facilitate reduction in AR.

### Cost Report Review

David Perry, Associate Vice President, Hospital Finance and Reimbursement, will be completing a review of the Cost Report to ensure that the hospital receives all funds to which it is entitled.

### Compliance Implementation

Tomi Hagen, QHR Compliance Consultant, will be on-site Oct. 10 – 12 to work with Mary Norman and will provide report to the Board.

### Upcoming Education Events – In November

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#### Trustee Webinars:

*Accredited by ACHE*

#### **10/10/17 Trustee Update #8: Topic TBD**

October 10, 2017 12:00 - 1:00 pm CST

#### Marketing Forum Monthly Webinars:

*Accredited by ACHE*

#### **10/17/17 Update on Marketing Compliance**

October 17, 2017 12:00 - 1:00pm CST

#### Compliance Webinar:

#### **10/11/17 Compliance Officer Hot Topics Q3: Data Driven Compliance**

October 11, 2017 10:30 - 11:30 am CST

#### Other Webinar:



**QUORUM** | HEALTH RESOURCES®

## **10/26/17 Forecasting Skill Mix for the Future**

October 26, 2017 10:30 - 11:30 am CST

### **Other**

- Ken Ward is planning to attend the October Board meeting.

### **Completed Projects**

- Contractual Accounts and Bad Debt Analysis
- Financial Operations Review
- RHC Coding & Compliance Review
- Community Health Needs Assessment
- Chargemaster Review
- Compliance Assessment

July 31, 2017

Ms. Donna Nicely  
Board President  
Bear Valley Community Hospital  
41870 Garstin Drive  
Big Bear Lake, CA 92314

Re: Quorum Purchasing Advantage Annual Disclosures Regarding its Group Purchasing Organization ("GPO") Program for Bear Valley Community Hospital (the "Hospital")

Dear Ms. Nicely,

Quorum Purchasing Advantage, LLC ("QPA") is pleased to report on this year's GPO services provided to QPA-affiliated hospitals. In addition to the purchasing discounts available to our client hospitals through QPA's current agreement with HealthTrust, QPA provides access to beneficial agreements with service vendors through our Strategic Service Partner ("SSP") program. As always, it is at the discretion of your hospital to determine which vendors to use for purchasing any particular product or service. QPA's goal is to provide access to as many vendors as possible so that your Hospital can take advantage of cost savings achieved through collective purchasing.

The purpose of this letter is to make certain annual disclosures about QPA's purchasing program to our clients. QPA, like other group purchasing agents, earns administrative fees from HealthTrust and SSP vendors. Generally, federal law prohibits payments to a party to recommend or arrange for the purchase of goods or services that are reimbursable under the Medicare or Medicaid programs. This law is often referred to as the Anti-Kickback Statute ("AKS"). The federal law does provide for "safe harbors" covering certain transactions and relationships that are deemed permissible under the statute.

There is an AKS safe harbor applicable to GPOs. To comply with this safe harbor, QPA identifies each vendor who may pay GPO administrative fees in excess of three percent (3%) of the value of purchases and the amount or percentage that each vendor pays (or the maximum amount the vendor could pay). In addition, to comply with this safe harbor, QPA also informs its client hospitals of any administrative fee amounts received from all GPO vendors.

As part of this disclosure, you will find enclosed:

- A list of all vendors whose administrative fees exceed three percent (3%) of hospital purchases. For these vendors, we have identified the amount or percentage that each vendor pays (or the maximum amount the vendor could pay). For any vendors not identified on the attached list, administrative fees will equal three percent (3%) or less of the value of all purchases made from each such vendor. (Attachment A)
- A list detailing all administrative fees received by QPA from SSPs that were derived from your Hospital's purchases for the same time period. This list also details the estimated savings that your Hospital enjoyed from its relationship with those SSPs. (Attachment B)

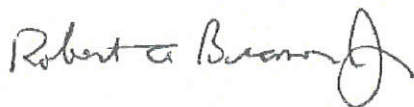
- A list detailing the estimated savings that your Hospital enjoyed from using QPA as its group purchasing organization. Please note that while you did receive discounts on equipment purchases, these savings are not included in this list since HealthTrust doesn't track capital items in its comparisons. Your CFO or materials manager should maintain comparable pricing on capital equipment purchases, and can determine the extent of these savings. (Attachment C)
- A list detailing all administrative fees received by QPA from HealthTrust that were derived from your Hospital's purchases for the period from January 1, 2016 to December 31, 2016 (Attachment D)
- A list detailing all Global Sourcing fees received by HealthTrust that were derived from your Hospital's purchases for the period from January 1, 2016 to December 31, 2016 (Attachment E)
- A list detailing all cash rebates on actual purchases that were received directly by the hospital from HealthTrust. These rebates are cash savings to your facility. (Attachment F)

QPA receives a percentage of the total administrative fees collected by HealthTrust for contract purchases. All SSP administrative fees listed for your facility are retained by QPA. In 2016, group purchasing fees paid to QPA as a result of HealthTrust and SSP contract purchases represented 1.56% of total purchases made by all QPA customers.

In return for the administrative fees QPA receives, we provide your hospital with metrics, tools, expert advice and consultants to help your hospital take full advantage of the highest discounts, and the best service, from the best service providers in the industry.

We appreciate the opportunity to make available best-in-industry pricing to your hospital, and look forward to expanding opportunities for further cost savings this year. If you have any questions about your purchasing discounts, administrative fees or other issues, please call me at (800) 233-1470, ext. 4900.

Sincerely yours,



Tony Bramer  
Vice President, QPA

CC: Hospital CEO  
QHR RVP/AVP

Attachment – A – 2016 Administrative Fee Exception List  
Attachment – B – 2016 QPA Strategic Service Partner Summary  
Attachment – C – 2016 QPA/HealthTrust Estimated Savings  
Attachment – D – 2016 HealthTrust Administrative Fee Summary  
Attachment – E – 2016 HealthTrust Global Sourcing Fee Summary  
Attachment – F – 2016 HealthTrust Allocated Rebate Fee by Facility



**Quorum Strategic Service Partners**

|                                          |                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agility Recovery Solutions, Inc.         | 10.00%                                                                                                                                                                                                                                                                                                                      |
| Agilum Healthcare Intelligence, Inc.     | 6.00%                                                                                                                                                                                                                                                                                                                       |
| Armstrong Relocation                     | 3.00% - 6.00%                                                                                                                                                                                                                                                                                                               |
| Arrow Value Recovery                     | 5.00%                                                                                                                                                                                                                                                                                                                       |
| Availity                                 | 4.00% (for new service agreements)                                                                                                                                                                                                                                                                                          |
| CareTech Solutions                       | 5.50%                                                                                                                                                                                                                                                                                                                       |
| Century II Staffing                      | 6.00%                                                                                                                                                                                                                                                                                                                       |
| Chameleon Corporation                    | 6.00%                                                                                                                                                                                                                                                                                                                       |
| CHG Medical Staffing, Inc.               | 5.00%                                                                                                                                                                                                                                                                                                                       |
| Clarity Group                            | 7.00%                                                                                                                                                                                                                                                                                                                       |
| Clinical Colleagues, Inc.                | Administrative fees are flat fees based on case volume and the total number of Quorum facility contracts with Clinical Colleagues                                                                                                                                                                                           |
| CompHealth Associates, Inc.              | 5.00%                                                                                                                                                                                                                                                                                                                       |
| CompHealth Locums                        | 5.00%                                                                                                                                                                                                                                                                                                                       |
| CompleteRx                               | 5.00%                                                                                                                                                                                                                                                                                                                       |
| CoreBTS, Inc.                            | 5.00%                                                                                                                                                                                                                                                                                                                       |
| CPS Payment Services, LLC                | 2.00% - 4.95%                                                                                                                                                                                                                                                                                                               |
| Echo, Inc. (formerly Sy.Med Development) | 5.00%                                                                                                                                                                                                                                                                                                                       |
| ECI Healthcare Partners                  | Vendor pays a flat fee based on ED and inpatient volume                                                                                                                                                                                                                                                                     |
| Edict Systems, Inc.                      | 5.00%                                                                                                                                                                                                                                                                                                                       |
| EmCare, Inc.                             | Vendor pays a flat fee based on ED volume and the total number of Quorum facility contracts with EmCare                                                                                                                                                                                                                     |
| Experian Health                          | \$0.01 per transaction; 4.00% of license price, if required.                                                                                                                                                                                                                                                                |
| FastHealth Corporation                   | <p><b><u>FastHealth Patient Education</u></b></p> <p>Fast Health will pay Quorum \$25/month in Administrative Fees when SSP collects the on-going monthly service charge from each facility. If the contracted monthly fee is greater than or equal to \$500/month, the administrative fee to Quorum will be \$50/month</p> |

**Attachment A**  
**2016 Administrative Fee Exception List**

|                                                    |                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FastHealth Corporation                             | <b><u>Fast Command Disaster Response System</u></b><br>Vendor pays Quorum \$25/month in Administrative Fees when SSP collects the on-going monthly service charge from each facility. If the contracted monthly fee is greater than or equal to \$700/month, the administrative fee to Quorum will be \$75/month. |
| Future Vision Energy, LLC                          | 4.00%                                                                                                                                                                                                                                                                                                             |
| Gallagher Healthcare Services, Inc.                | Annual Consulting Fee of \$145,000                                                                                                                                                                                                                                                                                |
| HCT Executive Interim Management & Consulting      | 5.00%                                                                                                                                                                                                                                                                                                             |
| Healthcare Financial Management Association (HFMA) | 10.00%                                                                                                                                                                                                                                                                                                            |
| Healogics                                          | 3.00% plus a flat fee of \$24,000 per year paid in quarterly installments                                                                                                                                                                                                                                         |
| Hospital Physician Partners, Inc.                  | Vendor pays a flat fee based on ED volume and the total number of Quorum facility contracts with Hospital Physician Partners                                                                                                                                                                                      |
| Hospital Solutions, Inc.                           | 4.00% on Motor Vehicle Accident/Lien Services<br>\$3,000 - \$6,000 on Eligibility Services (quotes based on bed size)                                                                                                                                                                                             |
| In10sity Healthcare                                | 8.00%                                                                                                                                                                                                                                                                                                             |
| Innovative Funding Partners                        | 4.00%                                                                                                                                                                                                                                                                                                             |
| InQuicker, Inc.                                    | 5.00%                                                                                                                                                                                                                                                                                                             |
| Intermedix Corporation                             | 3.00% - 4.00%                                                                                                                                                                                                                                                                                                     |
| Institutional Bond Network                         | \$1,000 annual flat fee per engagement                                                                                                                                                                                                                                                                            |
| Language Line Services, Inc.                       | 4.00%                                                                                                                                                                                                                                                                                                             |
| Maintenance First                                  | 10.00% - 40.00%                                                                                                                                                                                                                                                                                                   |
| McKesson/HBOC                                      | 29.00% - 50.00%                                                                                                                                                                                                                                                                                                   |
| MedHost of Tennessee (HMS)                         | 4.00% on Software modules added after sale                                                                                                                                                                                                                                                                        |
| MedicalGPS, LLC                                    | 8.00%                                                                                                                                                                                                                                                                                                             |
| MedKinetics, LLC                                   | 5.00%                                                                                                                                                                                                                                                                                                             |
| MileStone Healthcare, Inc.                         | 5.00% New, 3.00% on renewal, 1.50% on renewed prior to effective date                                                                                                                                                                                                                                             |
| Medical Staffing Network Healthcare, LLC           | 4.00%                                                                                                                                                                                                                                                                                                             |
| Novarad Corporation                                | 4.00% on monthly set up fees                                                                                                                                                                                                                                                                                      |
| Pain Management Group (PMG)                        | 5.00% on new clients and 1.50% on existing clients                                                                                                                                                                                                                                                                |
| PolicyTech                                         | 5.00%                                                                                                                                                                                                                                                                                                             |

## Attachment A

### 2016 Administrative Fee Exception List

|                                     |                                                                                                                       |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Premier Anesthesia                  | Vendor pays a flat fee based on anesthesia volume and the number of Quorum facility contracts with Premier Anesthesia |
| Prospective Payment Specialists     | 6.00%                                                                                                                 |
| Revenue Source Group Inc.           | 5.00%                                                                                                                 |
| Southeast Reimbursement Group, LLC  | Vendor pays a flat fee of \$400.00 for each Medicare Transfer Claims Review contract                                  |
| Specialists On Call, Inc.           | 4.00%                                                                                                                 |
| SwiftMD                             | 6.00%                                                                                                                 |
| The SSI Group, Inc.                 | 7.00% for new service agreements                                                                                      |
| Touchpoint Care                     | 10.00%                                                                                                                |
| United On Call Laser                | 6.00%                                                                                                                 |
| United Shockwave Therapies          | 8.00%                                                                                                                 |
| veEDIS Clinical Systems, LLC        | 5.00% - Implementation Fee only                                                                                       |
| Veridikal Healthcare Solutions, LLC | 5.00% - Consulting Services                                                                                           |
| Verisys                             | 6.00%                                                                                                                 |
| VitalWare, LLC                      | 4.00%                                                                                                                 |
| Weatherby Locums                    | 5.00%                                                                                                                 |
| WellnessWorks                       | 1.25% - 4.00%                                                                                                         |

### HealthTrust

|                            |       |
|----------------------------|-------|
| AT&T Long Distance Service | 4.50% |
|----------------------------|-------|



## Attachment B

### 2016 QPA Strategic Service Partner Summary



**QUORUM** | Purchasing Advantage™

Bear Valley Community Hospital

Entity ID: 20739

| Vendor Name                         | Vendor Category                         | Net Purchases      | Discount Description                        | Estimated Savings | Administrative Fees |
|-------------------------------------|-----------------------------------------|--------------------|---------------------------------------------|-------------------|---------------------|
| CompHealth Associates, Inc          | Staffing                                | \$2,500            | 11% - 16% Off Allied Recruiting Market Rate | \$309             | \$125               |
| EmCare, Inc.                        | Department Management                   | \$2,163,057        | 2% - Emcare Billing                         | \$44,144          | \$10,457            |
| Experian Health                     | Patient Financial and Business Services | \$13,231           | 28% - eCare Fees                            | \$5,145           | \$496               |
| Experian Health                     | Patient Financial and Business Services | \$1,533            | 23% - Average Discount                      | \$467             | \$223               |
| Sammons Preston                     | Supplies                                | \$5,300            | 33% Blended Item Average Discount           | \$2,610           | \$159               |
| Veridikal Healthcare Solutions, LLC | Pharmacy Management Services            | \$3,328            | 13% Average Discount                        | \$497             | \$166               |
| <b>Facility Totals</b>              |                                         | <b>\$2,188,949</b> | <b>Combined Discount: 2.37% *</b>           | <b>\$53,173</b>   | <b>\$11,627</b>     |

*Discount based on vendor-provided savings versus current market rates*

*\*Total discount is a weighted average of individual vendor discounts applied to individual vendor purchases*



# Attachment C

## 2016 QPA/HealthTrust Estimated Savings



Bear Valley Community Hospital

Entity ID: 20739

| Product Category                     | Contract Purchases  | Category Savings | Estimated Savings |
|--------------------------------------|---------------------|------------------|-------------------|
| Catheters                            | \$3,182.91          | 8.92%            | \$311.72          |
| Contrast Media                       | \$3,013.08          | 11.90%           | \$406.99          |
| Gloves                               | \$2,864.66          | 7.90%            | \$245.72          |
| Laboratory                           | \$6,790.33          | 16.84%           | \$1,375.05        |
| Misc Med/Surg                        | \$6,890.88          | 10.94%           | \$846.47          |
| Ophthalmic                           | \$4,208.04          | 16.70%           | \$843.63          |
| Packs / Gowns / Drapes               | \$62.74             | 15.25%           | \$11.29           |
| Pharmacy                             | \$6,334.19          | 8.30%            | \$573.32          |
| Respiratory                          | \$649.67            | 11.72%           | \$86.25           |
| Surgical Instruments                 | \$110.68            | 10.17%           | \$12.53           |
| Wound Closure                        | \$725.40            | 9.11%            | \$72.71           |
| Wound Management                     | \$1,138.20          | 7.43%            | \$91.36           |
| <b>Total Purchases</b>               | <b>\$35,970.78</b>  |                  |                   |
| <b>Estimated Annual Savings</b>      |                     | <b>11.94%</b>    | <b>\$4,877.03</b> |
| <b>2016 HealthTrust Rebates</b>      |                     | <b>2.14%</b>     | <b>\$785.54</b>   |
| <b>Total Estimated Savings</b>       |                     | <b>14.08%</b>    | <b>\$5,662.57</b> |
| <b>Capital Equipment Purchases*</b>  | <b>\$42,050.30</b>  |                  |                   |
| <b>Service Purchases</b>             | <b>\$81,965.01</b>  |                  |                   |
| <b>Total 2016 Contract Purchases</b> | <b>\$159,986.09</b> |                  |                   |

Category Savings percentages are based on HealthTrust contract pricing versus competing GPOs

\* The Capital Equipment and Service Purchase totals are in addition to Total Purchases and are not factored into the Total Estimated Savings amount or percentage.

# Attachment D

## 2016 HealthTrust Administrative Fees



Bear Valley Community Hospital

Entity ID: 20739

| Supplier Name                   | Total Purchases | Total Administrative Fees Paid to HealthTrust | Administrative Fees Received by QPA |
|---------------------------------|-----------------|-----------------------------------------------|-------------------------------------|
| ACTAVIS PHARMA INC              | \$5.85          | \$0.18                                        | \$0.11                              |
| AKORN INC                       | \$39.00         | \$1.17                                        | \$0.70                              |
| ALCON LABORATORIES INC          | \$4,208.04      | \$126.24                                      | \$75.74                             |
| ALERE NORTH AMERICA INC         | \$5,600.00      | \$168.00                                      | \$100.80                            |
| AMERICAN HEALTH PACKAGING       | \$97.76         | \$2.93                                        | \$1.76                              |
| AMERICAN REGENT INC             | \$91.14         | \$2.73                                        | \$1.64                              |
| AUROMEDICS PHARMA LLC           | \$76.65         | \$2.30                                        | \$1.38                              |
| AVKARE INC                      | \$62.81         | \$1.88                                        | \$1.13                              |
| B BRAUN MEDICAL INC             | \$3,182.91      | \$95.48                                       | \$57.29                             |
| BD MEDICAL                      | \$206.00        | \$6.18                                        | \$3.71                              |
| BRACCO DIAGNOSTICS INC          | \$3,013.08      | \$90.40                                       | \$54.24                             |
| CARDINAL HEALTH PHARMACEUTICAL  | \$39,201.37     | \$156.81                                      | \$94.09                             |
| CAREFUSION 213 LLC              | \$68.00         | \$2.04                                        | \$1.22                              |
| CDW GOVERNMENT LLC              | \$3,010.30      | \$70.77                                       | \$42.46                             |
| CLARIS LIFESCIENCES INC         | \$38.75         | \$1.16                                        | \$0.70                              |
| CONVATEC INC                    | \$11.76         | \$0.35                                        | \$0.21                              |
| ETHICON US LLC                  | \$792.58        | \$23.78                                       | \$14.27                             |
| FISHER HEALTHCARE               | \$9,386.52      | \$175.00                                      | \$105.00                            |
| FRESENIUS KABI USA LLC          | \$642.70        | \$19.30                                       | \$11.58                             |
| GLAXOSMITHKLINE LLC             | \$778.39        | \$16.34                                       | \$9.80                              |
| GREINER BIO-ONE NORTH AMERICA   | \$473.81        | \$14.21                                       | \$8.53                              |
| HEALTH CARE LOGISTICS INC       | \$551.87        | \$16.56                                       | \$9.94                              |
| HI TECH PHARMACAL CO INC        | \$11.15         | \$0.33                                        | \$0.20                              |
| HOSPIRA WORLDWIDE LLC           | \$494.20        | \$14.81                                       | \$8.89                              |
| JOHNSON&JOHNSON HEALTH CARE SYS | \$899.03        | \$8.99                                        | \$5.39                              |
| MEDLINE INDUSTRIES INC          | \$44,456.13     | \$591.20                                      | \$354.72                            |
| MERRY X-RAY CHEMICAL CORP       | \$374.20        | \$11.23                                       | \$6.74                              |
| MINDRAY DS USA INC              | \$7,200.00      | \$216.00                                      | \$129.60                            |
| MYLAN INSTITUTIONAL INC         | \$72.70         | \$2.18                                        | \$1.31                              |
| MYLAN INSTITUTIONAL LLC         | \$126.00        | \$3.78                                        | \$2.27                              |
| NELCOR PURITAN BENNETT LLC      | \$1,033.00      | \$30.99                                       | \$18.59                             |
| PERRIGO PHARMACEUTICALS         | \$127.43        | \$3.82                                        | \$2.29                              |
| PFIZER INJECTABLES              | \$128.39        | \$3.17                                        | \$1.90                              |
| PHARMACEUTICAL ASSOCIATES INC   | \$3.80          | \$0.11                                        | \$0.07                              |
| PRECISION DOSE INC              | \$18.90         | \$0.57                                        | \$0.34                              |
| RISING PHARMACEUTICALS INC      | \$224.48        | \$4.49                                        | \$2.69                              |
| ROXANE LABORATORIES INC         | \$9.20          | \$0.28                                        | \$0.17                              |
| SANOFI PASTEUR INC              | \$1,408.64      | \$35.22                                       | \$21.13                             |
| SIEMENS HEALTHCARE DIAGNOSTICS  | \$30,807.00     | \$924.21                                      | \$554.53                            |
| TEVA PHARMACEUTICALS USA INC    | \$425.35        | \$12.77                                       | \$7.66                              |
| VERATHON INC                    | \$627.20        | \$18.82                                       | \$11.29                             |

## Attachment D

### 2016 HealthTrust Administrative Fees



Bear Valley Community Hospital

Entity ID: 20739

| Supplier Name          | Total Purchases     | Total Administrative Fees<br>Paid to HealthTrust | Administrative Fees<br>Received by QPA |
|------------------------|---------------------|--------------------------------------------------|----------------------------------------|
| <i>Facility Totals</i> | <i>\$159,986.09</i> | <i>\$2,876.78</i>                                | <i>\$1,726.07</i>                      |

Attachment E  
2016 HealthTrust Global Sourcing Fees



Bear Valley Community Hospital

Entity ID: 20739

| Vendor Name            | Contract Description                    | Fee Description        | Total Purchases | Total Fees |
|------------------------|-----------------------------------------|------------------------|-----------------|------------|
| MEDLINE INDUSTRIES INC | UNDERPADS AND ADULT BRIEFS (DISPOSABLE) | 2.5% Global Source Fee | \$9,201.83      | \$230.05   |
| Totals                 |                                         |                        | \$9,201.83      | \$230.05   |



## Attachment F

### 2016 HealthTrust Vendor Rebates



Bear Valley Community Hospital

Entity ID: 20739

| Vendor Name                  | Contract Description                            | Fee Description                                    | Sales              | Rebates         |
|------------------------------|-------------------------------------------------|----------------------------------------------------|--------------------|-----------------|
| AKORN INC                    | PHARMA NON INJECTABLE - MULTISOURCE ORALS, OPTH | 2% Net Sales (ROFR)                                | \$39.00            | \$0.78          |
| BRACCO DIAGNOSTICS INC       | BARIUM PRODUCTS                                 | 5% rebate on all Barium products except Smoothies, | \$45.54            | \$2.28          |
| BRACCO DIAGNOSTICS INC       | BARIUM PRODUCTS                                 | 2% rebate on Smoothies, Varibar & Volumen          | \$61.34            | \$1.23          |
| FISHER HEALTHCARE            | DISTRIBUTION - LABORATORY                       | 1.5%, 2% Commitment Rebate                         | \$21,878.21        | \$328.17        |
| FISHER HEALTHCARE            | DISTRIBUTION - LABORATORY                       | 0-7% Growth Rebate-FHC Self Manufactured Products  | \$2,590.52         | \$115.62        |
| FRESENIUS KABI USA LLC       | Pharmaceuticals - Injectables                   | 2%-22% Net Sales                                   | \$457.70           | \$22.92         |
| HI TECH PHARMACAL CO INC     | Pharmaceuticals - Non-Injectables               | 2% Net Sales(ROFR)                                 | \$11.15            | \$0.22          |
| HOSPIRA WORLDWIDE LLC        | Pharmaceuticals - Injectables                   | 10% Morphine Sulfate Sales                         | \$300.00           | \$30.00         |
| MEDLINE INDUSTRIES INC       | GLOVES - EXAM                                   | 3.5% Net Sales                                     | \$2,864.66         | \$100.26        |
| MEDLINE INDUSTRIES INC       | UNDERPADS AND ADULT BRIEFS (DISPOSABLE)         | 4% Incremental sales rebate for the first 12 month | \$778.96           | \$31.16         |
| TEVA PHARMACEUTICALS USA INC | PHARMA INJECTABLE - MULTISOURCE                 | 5% Selected Products                               | \$413.25           | \$20.66         |
| TEVA PHARMACEUTICALS USA INC | PHARMA INJECTABLE - MULTISOURCE                 | 32% Rebate on Enoxaparin Sodium                    | \$413.25           | \$132.24        |
| <b>Totals</b>                |                                                 |                                                    | <b>\$29,853.58</b> | <b>\$785.54</b> |



## CNO Monthly Report

| TOPIC                                                                    | UPDATE                                                                                                                                                                                                                                                                                                                                                                                                                               | ACTION/FOLLOW UP                                                                                              |
|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>1. Regulatory Updates</b>                                             | <ul style="list-style-type: none"> <li>▪ SNF regulations released, effective as of 11/29/17.</li> </ul>                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Informational</li> </ul>                                             |
| <b>2. Budget/Staffing</b>                                                | <ul style="list-style-type: none"> <li>▪ Overtime and call-offs are assessed by department managers and house supervisors each shift.</li> <li>▪ Seasonal ED positions are posted. (3 RN and 3 EMT)</li> <li>▪ Several SNF CNAs have been hired d/t FMLA leaves and anticipated "baby bonding" leaves.</li> <li>▪ 2 CNA and 1 LVN SNF positions are vacant.</li> </ul>                                                               | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> <li>▪ Seasonal hiring in process</li> </ul> |
| <b>3. Departmental Reports</b>                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                               |
| <ul style="list-style-type: none"> <li>▪ Emergency Department</li> </ul> | <ul style="list-style-type: none"> <li>▪ Case Manager, 2 RNs and 2 ED physicians are attending the County Department of Behavioral Health 5150 training.</li> <li>▪ ED Manager is working with Plant Maintenance on project scheduled for spring 2018.</li> <li>▪ ED Recognition BBQ was held to celebrate ED Quest for Zero award.</li> </ul>                                                                                       | <ul style="list-style-type: none"> <li>• Informational</li> </ul>                                             |
| <ul style="list-style-type: none"> <li>▪ Acute</li> </ul>                | <ul style="list-style-type: none"> <li>▪ Swing bed current census=2</li> <li>▪ Acute Manager working with physicians to revise admission criteria.</li> <li>▪ Staff will be trained on new competencies.</li> </ul>                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> </ul>                                       |
| <ul style="list-style-type: none"> <li>▪ Skilled Nursing</li> </ul>      | <ul style="list-style-type: none"> <li>▪ SNF remains at 5-star rating.</li> <li>▪ Census is currently at 19 residents.</li> <li>▪ SNF DON and DSD are working on survey preparation.</li> <li>▪ SNF policies are currently being revised &amp; new policies developed to ensure compliance with updated regulations.</li> <li>▪ SNF DON working with pharmacy to contract with new pharmacy for SNF resident medications.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> <li>▪ Informational</li> </ul>              |

|                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>▪ Surgical Services</li> </ul>             | <ul style="list-style-type: none"> <li>▪ Surgical stats are attached.</li> <li>▪ Orthopedic procedures are being done by Dr. Pautz one day per week.</li> <li>▪ OR staff, Finance and Administration met to discuss surgical services through the winter season.</li> </ul>                                                                                                                                                               | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> <li>▪ Monitor surgical services costs and FTEs</li> </ul>                                                                                    |
| <ul style="list-style-type: none"> <li>▪ Case Management</li> </ul>               | <ul style="list-style-type: none"> <li>▪ Working closely with DON and Eligibility Worker re new SNF residents and SWING patients.</li> <li>▪ Case Management is making contact with hospitals in surrounding communities to promote swing beds.</li> </ul>                                                                                                                                                                                | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> </ul>                                                                                                                                        |
| <ul style="list-style-type: none"> <li>▪ Respiratory Therapy</li> </ul>           | <ul style="list-style-type: none"> <li>▪ Working with Department Lead to improve customer service for outpatient EKGs.</li> </ul>                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> </ul>                                                                                                                                        |
| <ul style="list-style-type: none"> <li>▪ Physical Therapy</li> </ul>              | <ul style="list-style-type: none"> <li>▪ Outpatient visits meeting budget, inpatient numbers lower than budget.</li> </ul>                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>▪ Continue to monitor</li> </ul>                                                                                                                                        |
| <ul style="list-style-type: none"> <li>▪ Food and Nutritional Services</li> </ul> | <ul style="list-style-type: none"> <li>▪ Manager and selected staff attended US Foods training.</li> <li>▪ Dietary provided refreshments for the BBL Chamber of Commerce event that was hosted at the hospital.</li> <li>▪ Dietary is being trained on “Meatless Monday Movement”</li> </ul>                                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Informational</li> </ul>                                                                                                                                              |
| <b>4. Infection Prevention</b>                                                    | <ul style="list-style-type: none"> <li>▪ Hand Hygiene monitoring continues.</li> <li>▪ SNF Antibiotic Stewardship program is being implemented in anticipation of stronger regulations.</li> <li>▪ Infection preventionist is working with plant maintenance program regarding new regulations for the hospital water system and risk of legionella contamination.</li> </ul>                                                             | <ul style="list-style-type: none"> <li>▪ Continue to observe staff</li> <li>▪ Informational</li> </ul>                                                                                                         |
| <b>5. QAPI</b>                                                                    | <ul style="list-style-type: none"> <li>▪ Patient and Family Advisory Council will meet on 10/4/17 and will discuss 2017 accomplishments, patient rounding, admission packets, suggestion box ideas, signage project and 2018 goals.</li> <li>▪ Train the Trainer Just Culture training will be help onsite for BVCHD staff and management 11/7 &amp; 11/8.</li> <li>▪ BVCHD has officially enrolled in the Beta HEART program.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Informational</li> <li>▪ Continue PFAC meetings and projects. Coordinate with applicable department managers</li> <li>▪ Continue process for Just Culture/</li> </ul> |

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                             |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | BETA Heart implementation                                                                                   |
| <b>6. Policy Updates</b>                            | <ul style="list-style-type: none"> <li>▪ SNF, Lab and Emergency Preparedness policies are being reviewed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>▪ Reviewed through P&amp;P Committee</li> </ul>                      |
| <b>7. Safety/Product</b>                            | <ul style="list-style-type: none"> <li>▪ Workplace Violence training has started; 2 classes have been taught. Classes will continue until all staff have been trained.</li> <li>▪ Workplace Violence Committee will meet in October to review Security Assessment progress.</li> <li>▪ Emergency Preparedness committee is planning to participate in the Great Shakeout (earthquake drill) October 19<sup>th</sup>, and the Statewide Drill in November.</li> <li>▪ Safety committee reviewed employee injury trends for 2016, 2016 &amp; YTD 2017.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Continue to monitor new regulation and compliance dates</li> </ul> |
| <b>8. Education</b>                                 | <ul style="list-style-type: none"> <li>▪ BLS Classes scheduled monthly. ACLS &amp; PALS will be held October 2013.</li> <li>▪ Smoking Cessation classes begin October 5<sup>th</sup>.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Continue to monitor</li> </ul>                                     |
| <b>9. Information Items/Concerns</b>                | <ul style="list-style-type: none"> <li>▪ Attended:</li> <li>▪ San Bernardino Hospital Collaborative</li> <li>▪ Working with San Bernardino County DBH to participate in the Innovations Grant for tele-psychiatry services in the ED.</li> <li>▪ Submitted stakeholder comments for IE Psych Partners Innovations Grant</li> </ul>                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Informational</li> </ul>                                           |
| Respectfully Submitted By:<br><i>Kerri Jex, CNO</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                             |
| <i>Date: October 3<sup>rd</sup>, 2017</i>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                             |



## 2017 Surgery Report

| Aug-17        |            |                                    |
|---------------|------------|------------------------------------|
| Physician     | # of Cases | Procedures                         |
| Pautz - DO    | 1          | Repair Non Union Ulna              |
| Pautz - DO    | 1          | Transposition Ulnar Nerve          |
| Pautz - DO    | 1          | Carpal Tunnel Release              |
| Pautz - DO    | 3          | ORIF Hand                          |
| Pautz - DO    | 2          | Acromioplasty, Rotator Cuff Repair |
| Critel - CRNA | 2          | LESI                               |
| Critel - CRNA | 1          | B/L Foot Injection                 |
| Critel - CRNA | 1          | B/L Shoulder Injection             |
| Critel - CRNA | 1          | Occipital Nerve Block              |
| Critel - CRNA | 1          | Left Thumb Injection               |
| Tayani        | 7          | Cataracts                          |
| Total         | 21         |                                    |
| Sep-17        |            |                                    |
| Physician     | # of Cases | Procedures                         |
| Pautz - DO    | 1          | A-1 Pulley Release                 |
| Pautz - DO    | 2          | Acromioplasty, Rotator Cuff Repair |
| Pautz - DO    | 1          | Removal of Hardware                |
| Pautz - DO    | 2          | Repair Malunion Finger             |
| Pautz - DO    | 1          | ORIF Finger                        |
| Pautz - DO    | 1          | ORIF Hand                          |
| Pautz - DO    | 1          | ORIF Wrist                         |
| Critel - CRNA | 6          | LESI                               |
| Critel - CRNA | 2          | B/L Knee Injections                |
| Critel - CRNA | 1          | B/L Thumb Injections               |
| Critel - CRNA | 3          | Trigger Points                     |
| Tayani        | 9          | Cataracts                          |
| Total         | 30         |                                    |
| Oct-17        |            |                                    |
| Physician     | # of Cases | Procedures                         |
| Critel - CRNA |            |                                    |
| Tayani        |            | Cataracts                          |
| Total         |            |                                    |
|               |            |                                    |
|               |            |                                    |
|               |            |                                    |
| Nov-17        |            |                                    |
| Physician     | # of Cases | Procedures                         |
| Critel - CRNA |            |                                    |
| Tayani        |            | Cataracts                          |
| Total         |            |                                    |
| Dec-17        |            |                                    |
| Physician     | # of Cases | Procedures                         |
| Critel - CRNA |            |                                    |
| Pautz - DO    |            |                                    |
| Tayani        |            | Cataracts                          |

# Quorum Board Minutes

Addressing Changes in the Healthcare Landscape



## The Great Unknown – The Future of the ACA

September 2017



In the aftermath of the Senate's failure in August to repeal and replace the Affordable Care Act (ACA), a new plan is set to be unveiled this week. Sens. Bill Cassidy (R-LA) and Lindsey Graham (R-SC) have written the "Graham-Cassidy bill," which would allocate federal dollars to each state. Essentially, each state could have its own unique healthcare system.

The bill needs to gain support by September 30, which is when the repeal and replace reconciliation procedures expire. "If I can get a group of governors with President Trump supporting the Graham-Cassidy-Heller block grant approach, I believe it would be impossible for the Republican leadership not to take this idea up," Graham

said. According to Graham, Sen. John McCain, who cast the deciding vote to stop the Senate's previous health care reform attempt, is interested in the approach because of the impact on Arizona.

Others; however, are doubtful the bill will go anywhere. Sen. Rand Paul (R-KY) said Monday that he opposes a new Republican Obamacare replacement effort, saying it does not go far enough to repeal the law.

And while the outcome of this bill is still unknown—for now, the key near-term coverage issue is market stabilization legislation, such as Cost-Sharing Reductions (CSRs). Essentially, CSRs are payments that reduce premiums and deductibles for low-income enrollees on the health insurance exchange. As a result, CSRs make insurance plans more affordable for low to moderate-income American families purchasing health insurance on the exchanges.

The CSRs are being funded month-to-month currently; however, President Trump has threatened not to continue that funding. The CSR program benefits almost six million marketplace enrollees in low-wage, working families.

Without these funds, consumers' access to care would be jeopardized and their premiums and deductibles would dramatically increase. Additionally, if these subsidies were no longer funded, it could cause insurers to exit the market exchanges entirely by 2018. Furthermore, fewer carriers would sell insurance policies on the exchanges; resulting in even fewer coverage options.

Regardless of the outcome of another attempt to repeal and replace the healthcare bill as it is written today, your number one priority is your patients and the health and well-being of the community you serve. Affordable insurance gives patients access to the care they need, including preventive care and other essential services.

QHR's regulatory and reimbursement team can help your hospital understand how these legislative changes could financially impact your hospital. You can also talk to your regional vice president about how you can work with your federal and state representatives, American Hospital Association and other trade associations regarding and ongoing legislative advocacy efforts.

### Heard in the News

#### Recent headlines on this topic here:

[Politico – Senate GOP accepting defeat on Obamacare repeal](#)

[CNBC – Two GOP senators have a new plan to repeal Obamacare, but face a ticking clock](#)

[The Post and Courier – South Carolina Sen. Lindsey Graham presses ahead with block grant health care proposal to replace Obamacare](#)

[The Hill – Paul: Cassidy-Graham health care bill not 'going anywhere'](#)



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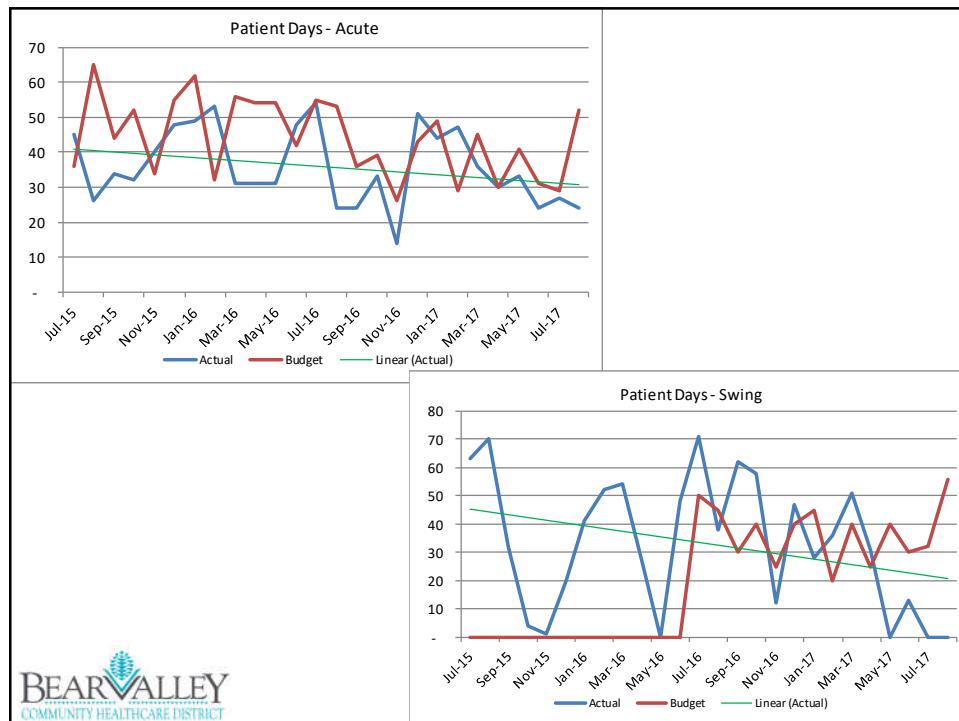
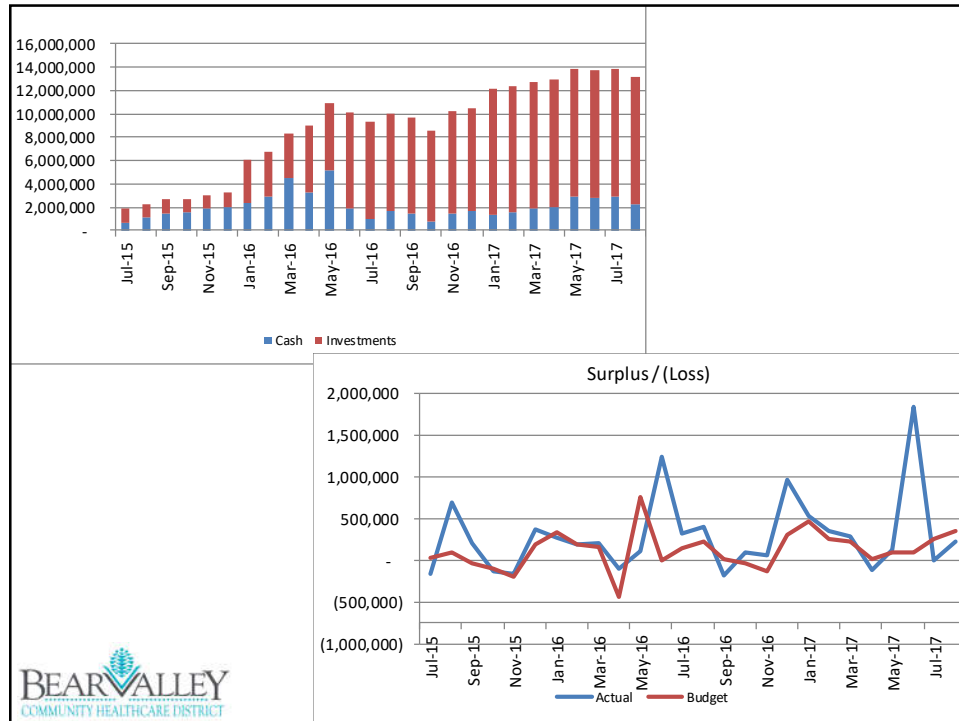


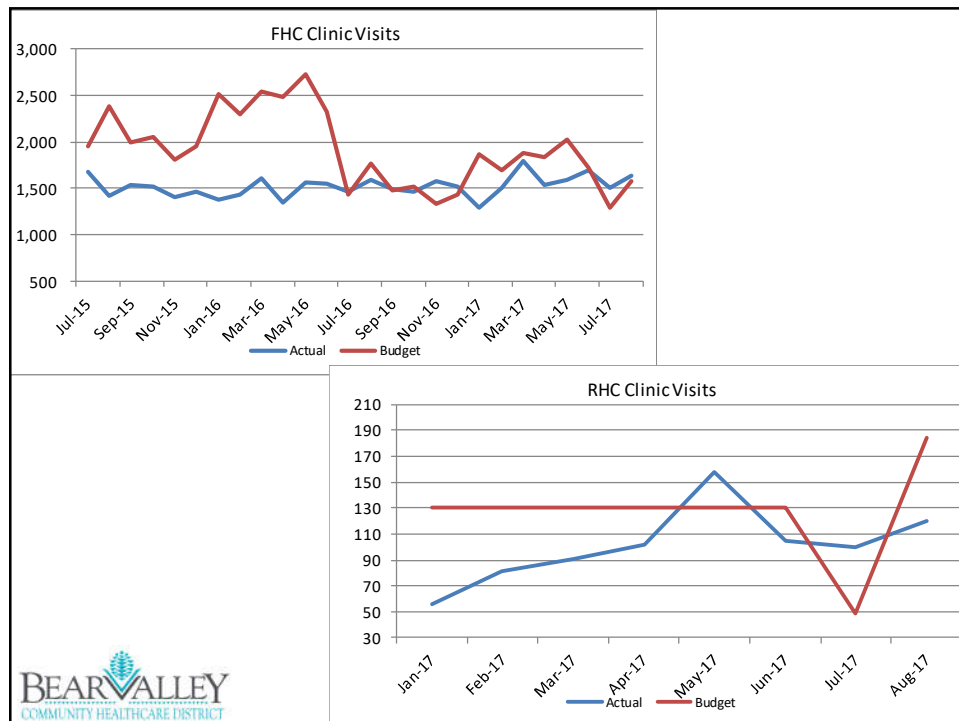
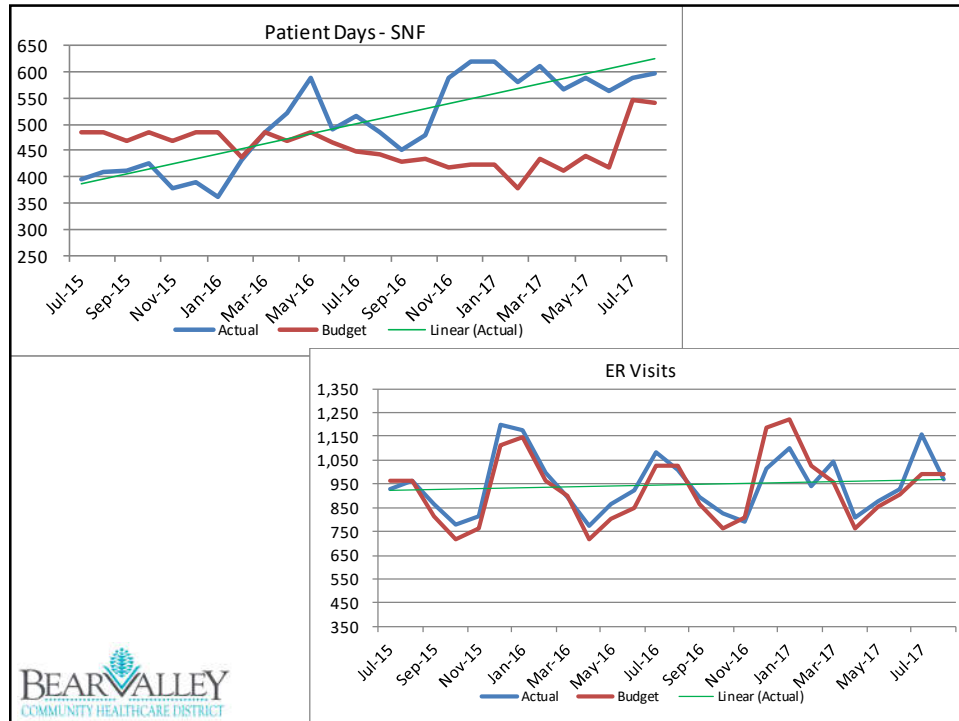
Finance Report  
August 2017 Results

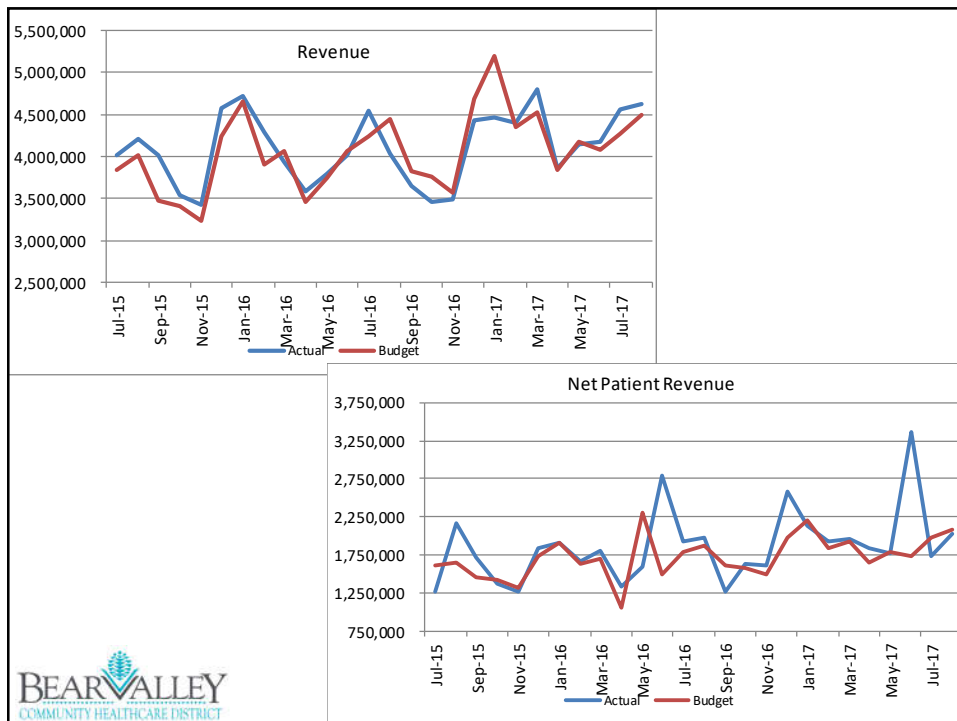
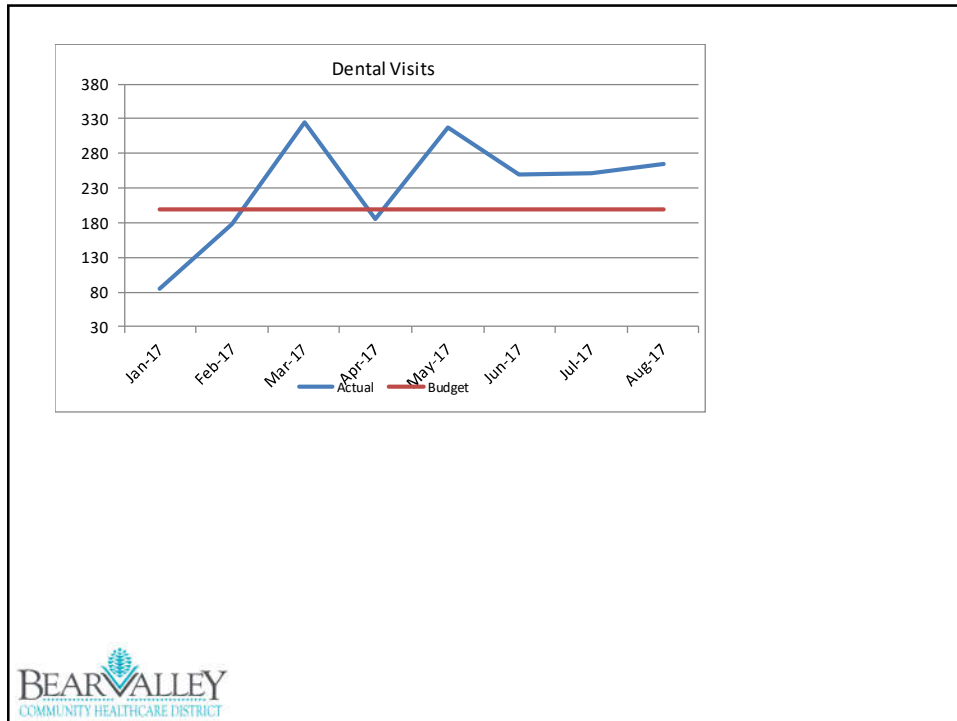
Summary for August 2017

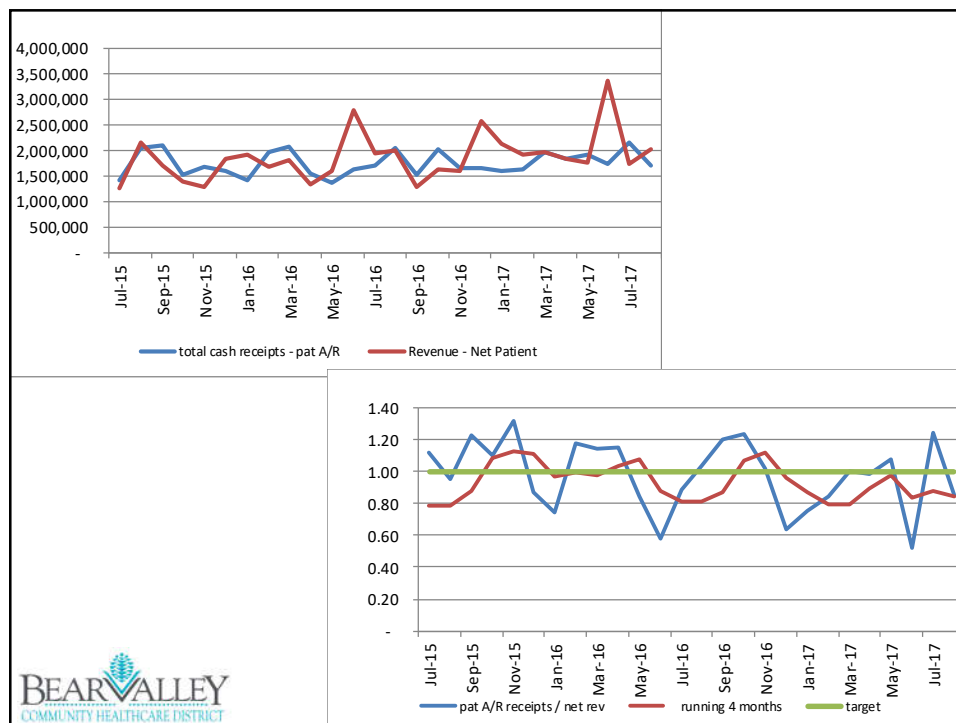
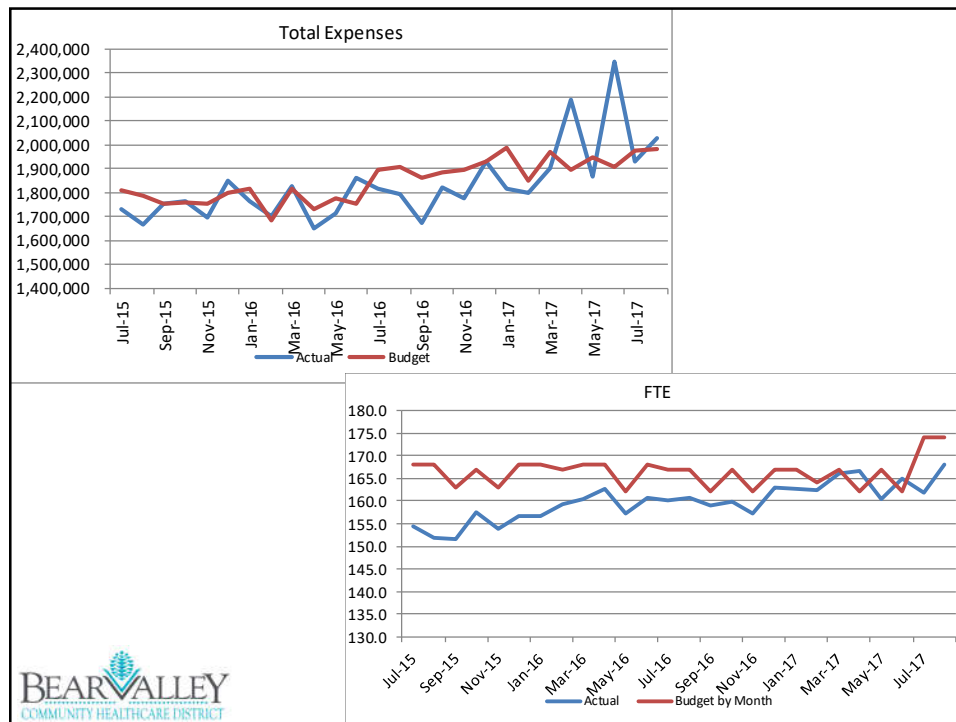
- Cash on Hand - \$2,290,992
- Investments - \$10,894,184
- Days Cash on hand, including investments with LAIF – 212
- Surplus of \$229,362 for the month compared to budgeted surplus of \$353,752.
- Total Patient Revenue over Budget by 2.9% for the month
- Net Revenue was 3.1% under budget.
- Total Expenses 2.3% more than budget

















## **August 2017 Financial Results**

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

Total Patient Revenue of \$4,625,850 was over budget by 2.9%. Inpatient revenue was 68.0% under budget with acute days under budget and no swing days. Outpatient revenue was 27.3% over budget with strong revenue in laboratory, radiology, and CT. Clinic revenue was 51.1% over budget with increased volumes. Emergency Room revenue was 2.2% lower than budget with lower than budgeted emergency room visits. Skilled nursing Census continues to run ahead of budget. Skilled nursing revenue was 6.1% over budget for the month.

Deductions from Revenue of \$2,601,437 were 8% higher than budget.

Total operating Revenue (Revenue less revenue deductions) of \$2,024,413 were 3.0% under budget.

Total Operating Expenses of \$2,027,216 were higher than budget by 2.3%. Purchased services were higher than budget with higher payments to the Center for Oral Health due to increased volumes and therefore increased payments for services at the dental clinic and payments for hour interim laboratory manager. Lease and rental expense is over budget with continued rental of the portable CT unit.

Our surplus for the month of August 2017 was \$229,362. While positive, our surplus was lower than the budget amount for the month.

Our Operating Cash and Investments total \$13,186,610. Total Days Cash on hand are 212.

### **Key Statistics**

Both Inpatient and Swing Patient days were under budget for the month. We had no Swing patient days in August.

SNF days totaled 597, an Average Daily Census of 19.3.

Emergency Room visits totaled 969 for the month – 2.1% lower than budget.

**Bear Valley Community Healthcare District**  
**Financial Statements August 31, 2017**

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

|    |                                | A             | B         | C         | D         | E     | F            | G         | H         | I         | J      |
|----|--------------------------------|---------------|-----------|-----------|-----------|-------|--------------|-----------|-----------|-----------|--------|
|    |                                | Current Month |           |           |           |       | Year-to-Date |           |           |           |        |
|    |                                | FY 16/17      | FY 17/18  |           | VARIANCE  |       | FY 16/17     | FY 17/18  |           | VARIANCE  |        |
|    |                                | Actual        | Actual    | Budget    | Amount    | %     | Actual       | Actual    | Budget    | Amount    | %      |
| 1  | Total patient revenue          | 4,036,912     | 4,625,850 | 4,497,533 | 128,317   | 2.9%  | 8,577,489    | 9,185,515 | 8,770,263 | 415,252   | 4.7%   |
| 2  | Total revenue deductions       | 2,050,762     | 2,601,437 | 2,407,831 | 193,606   | 8.0%  | 4,660,944    | 5,421,522 | 4,695,309 | 726,213   | 15.5%  |
| 3  | % Deductions                   | 51%           | 56%       | 54%       |           |       | 54%          | 59%       | 54%       |           |        |
| 4  | Net Patient Revenue            | 1,986,150     | 2,024,413 | 2,089,702 | (65,289)  | -3.1% | 3,916,545    | 3,763,993 | 4,074,954 | (310,961) | -7.6%  |
| 5  | % Net to Gross                 | 49%           | 44%       | 46%       |           |       | 46%          | 41%       | 46%       |           |        |
| 6  | Other Revenue                  | 10,958        | 14,574    | 12,342    | 2,232     | 18.1% | 14,950       | 21,586    | 24,684    | (3,098)   | -12.6% |
| 7  | Total Operating Revenue        | 1,997,108     | 2,038,987 | 2,102,044 | (63,057)  | -3.0% | 3,931,495    | 3,785,579 | 4,099,638 | (314,059) | -7.7%  |
| 8  | Total Expenses                 | 1,791,788     | 2,027,216 | 1,981,428 | 45,788    | 2.3%  | 3,606,564    | 3,957,764 | 3,953,208 | 4,556     | 0.1%   |
| 9  | % Expenses                     | 44%           | 44%       | 44%       |           |       | 42%          | 43%       | 45%       |           |        |
| 10 | Surplus (Loss) from Operations | 205,320       | 11,771    | 120,616   | (108,845) | 90.2% | 324,931      | (172,185) | 146,430   | (318,615) | 217.6% |
| 11 | % Operating margin             | 5%            | 0%        | 3%        |           |       | 4%           | -2%       | 2%        |           |        |
| 12 | Total Non-operating            | 197,933       | 217,592   | 233,136   | (15,545)  | -6.7% | 397,506      | 405,695   | 466,272   | (60,578)  | -13.0% |
| 13 | Surplus/(Loss)                 | 403,253       | 229,362   | 353,752   | (124,390) | 35.2% | 722,437      | 233,509   | 612,702   | (379,193) | 61.9%  |
| 14 | % Total margin                 | 10%           | 5%        | 8%        |           |       | 8%           | 3%        | 7%        |           |        |

**BALANCE SHEET**

|    | A                                    | B C D E    |            |            |                  |
|----|--------------------------------------|------------|------------|------------|------------------|
|    |                                      | August     | July       |            |                  |
|    |                                      | FY 17/18   | FY 17/18   | VARIANCE   |                  |
|    |                                      |            |            | Amount     | %                |
| 15 | Gross Accounts Receivables           | 10,144,770 | 10,527,560 | 10,081,624 | 445,936 4.4%     |
| 16 | Net Accounts Receivables             | 3,636,621  | 4,151,968  | 3,856,992  | 294,976 7.6%     |
| 17 | % Net AR to Gross AR                 | 36%        | 39%        | 38%        |                  |
| 18 | Days Gross AR                        | 74         | 73         | 72         | 1 0.7%           |
| 19 | Cash Collections                     | 2,046,307  | 1,716,383  | 2,156,050  | (439,667) -20.4% |
| 21 | Investments                          | 8,277,960  | 10,894,184 | 10,894,184 | - 0.0%           |
| 22 | Cash on hand                         | 1,858,283  | 2,292,426  | 2,926,360  | (633,934) -21.7% |
| 23 | Total Cash & Invest                  | 10,136,243 | 13,186,610 | 13,820,544 | (633,934) -4.6%  |
| 24 | Days Cash & Invest                   | 179        | 212        | 228        | (16) -7.0%       |
|    | Total Cash and Investments           | 10,136,243 | 13,186,610 |            |                  |
|    | Increase Current Year vs. Prior Year |            | 3,050,367  |            |                  |

**Bear Valley Community Healthcare District**  
**Financial Statements August 31, 2017**

**Statement of Operations**

|                                                                                                               | A                | B                | C                | D                | E            | F                | G                | H                | I                | J             |
|---------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|--------------|------------------|------------------|------------------|------------------|---------------|
|                                                                                                               | Current Month    |                  |                  |                  |              | Year-to-Date     |                  |                  |                  |               |
|                                                                                                               | FY 15/16         | FY 16/17         |                  | VARIANCE         |              | FY 15/16         | FY 16/17         |                  | VARIANCE         |               |
|                                                                                                               | Actual           | Actual           | Budget           | Amount           | %            | Actual           | Actual           | Budget           | Amount           | %             |
| <b>Gross Patient Revenue</b>                                                                                  |                  |                  |                  |                  |              |                  |                  |                  |                  |               |
| 1 Inpatient                                                                                                   | 170,022          | 98,514           | 307,821          | (209,307)        | -68.0%       | 495,830          | 194,301          | 508,110          | (313,809)        | -61.8%        |
| 2 Outpatient                                                                                                  | 965,623          | 1,205,964        | 947,557          | 258,407          | 27.3%        | 1,855,881        | 2,074,903        | 1,841,000        | 233,903          | 12.7%         |
| 3 Clinic Revenue                                                                                              | 200,959          | 369,602          | 244,589          | 125,013          | 51.1%        | 381,038          | 717,495          | 453,978          | 263,517          | 58.0%         |
| 4 Emergency Room                                                                                              | 2,483,672        | 2,686,283        | 2,747,352        | (61,070)         | -2.2%        | 5,398,922        | 5,671,536        | 5,466,762        | 204,774          | 3.7%          |
| 5 Skilled Nursing Facility                                                                                    | 216,636          | 265,487          | 250,214          | 15,273           | 6.1%         | 445,818          | 527,280          | 500,413          | 26,867           | 5.4%          |
| 6 <b>Total patient revenue</b>                                                                                | <b>4,036,912</b> | <b>4,625,850</b> | <b>4,497,533</b> | <b>128,317</b>   | <b>2.9%</b>  | <b>8,577,489</b> | <b>9,185,515</b> | <b>8,770,263</b> | <b>415,252</b>   | <b>4.7%</b>   |
| <b>Revenue Deductions</b>                                                                                     |                  |                  |                  |                  |              |                  |                  |                  |                  |               |
| 7 Contractual Allow                                                                                           | 1,604,865        | 2,192,796        | 2,204,082        | (11,286)         | -0.5%        | 3,782,704        | 4,741,205        | 4,297,996        | 443,209          | 10.3%         |
| 8 Contractual Allow PY                                                                                        | (518)            | -                | -                | -                | #DIV/0!      | (13,048)         | -                | -                | -                | #DIV/0!       |
| 9 Charity Care                                                                                                | 2,064            | 12,842           | 9,632            | 3,210            | 33.3%        | 33,260           | 20,517           | 18,782           | 1,735            | 9.2%          |
| 10 Administrative                                                                                             | 7,398            | 114,668          | 8,440            | 106,228          | 1258.6%      | 9,245            | 113,922          | 16,458           | 97,464           | 592.2%        |
| 11 Policy Discount                                                                                            | 9,907            | 11,940           | 6,875            | 5,065            | 73.7%        | 14,185           | 23,472           | 13,406           | 10,066           | 75.1%         |
| 12 Employee Discount                                                                                          | 2,556            | 9,099            | 3,740            | 5,359            | 143.3%       | 7,005            | 13,810           | 7,293            | 6,517            | 89.4%         |
| 13 Bad Debts                                                                                                  | 157,531          | 69,295           | 175,062          | (105,767)        | -60.4%       | 393,732          | 9,947            | 341,374          | (331,427)        | -97.1%        |
| 14 Denials                                                                                                    | 266,959          | 190,797          | -                | 190,797          | #DIV/0!      | 433,861          | 498,649          | -                | 498,649          | #DIV/0!       |
| 15 <b>Total revenue deductions</b>                                                                            | <b>2,050,762</b> | <b>2,601,437</b> | <b>2,407,831</b> | <b>193,606</b>   | <b>8.0%</b>  | <b>4,660,944</b> | <b>5,421,522</b> | <b>4,695,309</b> | <b>726,213</b>   | <b>15.5%</b>  |
| 16 <b>Net Patient Revenue</b>                                                                                 | <b>1,986,150</b> | <b>2,024,413</b> | <b>2,089,702</b> | <b>(65,289)</b>  | <b>-3.1%</b> | <b>3,916,545</b> | <b>3,763,993</b> | <b>4,074,954</b> | <b>(310,961)</b> | <b>-7.6%</b>  |
| to gross revenue including Prior Year Contractual Allowances as a percent to gross revenue WO PY and Other CA | 40.2%            | 40.2%            |                  | 40.2%            |              | 40.2%            | 447.4%           | 447.4%           | 0.0%             |               |
|                                                                                                               | 39.2%            | 39.2%            |                  | 39.2%            |              | 39.2%            | 437.2%           | 437.2%           | 0.0%             |               |
| 17 <b>Other Revenue</b>                                                                                       | 10,958           | 14,574           | 12,342           | 2,232            | 18.1%        | 14,950           | 21,586           | 24,684           | (3,098)          | -12.6%        |
| 18 <b>Total Operating Revenue</b>                                                                             | <b>1,997,108</b> | <b>2,038,987</b> | <b>2,102,044</b> | <b>(63,057)</b>  | <b>-3.0%</b> | <b>3,931,495</b> | <b>3,785,579</b> | <b>4,099,638</b> | <b>(314,059)</b> | <b>-7.7%</b>  |
| <b>Expenses</b>                                                                                               |                  |                  |                  |                  |              |                  |                  |                  |                  |               |
| 19 Salaries                                                                                                   | 777,096          | 842,003          | 826,175          | 15,828           | 1.9%         | 1,546,667        | 1,642,031        | 1,651,446        | (9,415)          | -0.6%         |
| 20 Employee Benefits                                                                                          | 288,823          | 318,469          | 319,373          | (904)            | -0.3%        | 575,485          | 605,190          | 638,369          | (33,179)         | -5.2%         |
| 21 Registry                                                                                                   | 21,720           | -                | -                | -                | #DIV/0!      | 21,720           | 12,718           | -                | 12,718           | #DIV/0!       |
| 22 Salaries and Benefits                                                                                      | <b>1,087,639</b> | <b>1,160,472</b> | <b>1,145,548</b> | <b>14,924</b>    | <b>1.3%</b>  | <b>2,143,872</b> | <b>2,259,939</b> | <b>2,289,815</b> | <b>(29,876)</b>  | <b>-1.3%</b>  |
| 23 Professional fees                                                                                          | 130,185          | 159,614          | 156,392          | 3,222            | 2.1%         | 261,060          | 323,006          | 312,784          | 10,222           | 3.3%          |
| 24 Supplies                                                                                                   | 142,711          | 136,046          | 131,471          | 4,575            | 3.5%         | 265,567          | 266,761          | 257,449          | 9,312            | 3.6%          |
| 25 Utilities                                                                                                  | 45,690           | 42,209           | 47,121           | (4,912)          | -10.4%       | 89,443           | 84,551           | 92,129           | (7,578)          | -8.2%         |
| 26 Repairs and Maintenance                                                                                    | 17,899           | 19,239           | 22,668           | (3,429)          | -15.1%       | 33,067           | 41,700           | 45,336           | (3,636)          | -8.0%         |
| 27 Purchased Services                                                                                         | 231,639          | 346,148          | 295,453          | 50,695           | 17.2%        | 528,820          | 648,162          | 590,214          | 57,948           | 9.8%          |
| 28 Insurance                                                                                                  | 25,014           | 25,762           | 25,917           | (155)            | -0.6%        | 50,028           | 51,524           | 51,834           | (310)            | -0.6%         |
| 29 Depreciation                                                                                               | 44,325           | 49,162           | 75,000           | (25,838)         | -34.5%       | 88,650           | 97,730           | 150,000          | (52,270)         | -34.8%        |
| 30 Rental and Leases                                                                                          | 17,896           | 39,979           | 16,297           | 23,682           | 145.3%       | 36,394           | 86,424           | 32,594           | 53,830           | 165.2%        |
| 31 Interest                                                                                                   | 7,805            | 7,902            | 7,750            | 152              | 2.0%         | 15,788           | 15,619           | 15,500           | 119              | 0.8%          |
| 32 Dues and Subscriptions                                                                                     | 4,237            | 5,427            | 5,044            | 383              | 7.6%         | 8,495            | 10,945           | 10,090           | 855              | 8.5%          |
| 33 Other Expense.                                                                                             | 36,748           | 35,255           | 52,767           | (17,512)         | -33.2%       | 85,380           | 71,402           | 105,463          | (34,061)         | -32.3%        |
| 34 <b>Total Expenses</b>                                                                                      | <b>1,791,788</b> | <b>2,027,216</b> | <b>1,981,428</b> | <b>45,788</b>    | <b>2.3%</b>  | <b>3,606,564</b> | <b>3,957,764</b> | <b>3,953,208</b> | <b>4,556</b>     | <b>0.1%</b>   |
| 35 <b>Surplus (Loss) from Operations</b>                                                                      | <b>205,320</b>   | <b>11,771</b>    | <b>120,616</b>   | <b>(108,845)</b> | <b>90.2%</b> | <b>324,931</b>   | <b>(172,185)</b> | <b>146,430</b>   | <b>(318,615)</b> | <b>217.6%</b> |
| <b>Non-Operating Income</b>                                                                                   |                  |                  |                  |                  |              |                  |                  |                  |                  |               |
| 36 Tax Revenue                                                                                                | 189,917          | 186,047          | 186,047          | -                | 0.0%         | 379,834          | 372,094          | 372,094          | -                | 0.0%          |
| 38 Other non-operating                                                                                        | 8,016            | 31,545           | 47,089           | (15,545)         | -33.0%       | 17,672           | 33,601           | 94,178           | (60,578)         | -64.3%        |
| 39 <b>Total Non-operating</b>                                                                                 | <b>197,933</b>   | <b>217,592</b>   | <b>233,136</b>   | <b>(15,545)</b>  | <b>-6.7%</b> | <b>397,506</b>   | <b>405,695</b>   | <b>466,272</b>   | <b>(60,578)</b>  | <b>-13.0%</b> |
| 40 <b>Surplus (Loss)</b>                                                                                      | <b>403,253</b>   | <b>229,362</b>   | <b>353,752</b>   | <b>(124,390)</b> | <b>35.2%</b> | <b>722,437</b>   | <b>233,509</b>   | <b>612,702</b>   | <b>(379,193)</b> | <b>61.9%</b>  |

**Bear Valley Community Healthcare District  
Financial Statements**

**Current Year Trending Statement of Operations**

**A Statement of Operations—CURRENT YEAR 2018**

|                                       | 1         | 2         | 3       | 4       | 5       | 6       | 7       | 8       | 9       | 10      | 11      | 12      |           |
|---------------------------------------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
|                                       | July      | Aug       | Sept    | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May     | June    | YTD       |
| <b>Gross Patient Revenue</b>          |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 1 Inpatient                           | 95,787    | 98,514    |         |         |         |         |         |         |         |         |         |         | 194,301   |
| 2 Outpatient                          | 868,939   | 1,205,964 |         |         |         |         |         |         |         |         |         |         | 2,074,903 |
| 3 Clinic                              | 347,893   | 369,602   |         |         |         |         |         |         |         |         |         |         | 717,495   |
| 4 Emergency Room                      | 2,985,253 | 2,686,283 |         |         |         |         |         |         |         |         |         |         | 5,671,536 |
| 5 Skilled Nursing Facility            | 261,793   | 265,487   |         |         |         |         |         |         |         |         |         |         | 527,280   |
| 6 Total patient revenue               | 4,559,665 | 4,625,850 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 9,185,515 |
| <b>Revenue Deductions</b>             |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 7 Contractual Allow                   | 0.56      | 0.47      | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | 0.52      |
| 8 Contractual Allow PY                | 2,548,409 | 2,192,796 |         |         |         |         |         |         |         |         |         |         | 4,741,205 |
| 9 Charity Care                        | -         | -         |         |         |         |         |         |         |         |         |         |         | -         |
| 10 Administrative                     | 7,675     | 12,842    |         |         |         |         |         |         |         |         |         |         | 20,517    |
| 11 Policy Discount                    | (746)     | 114,668   |         |         |         |         |         |         |         |         |         |         | 113,922   |
| 12 Employee Discount                  | 11,532    | 11,940    |         |         |         |         |         |         |         |         |         |         | 23,472    |
| 13 Bad Debts                          | 4,711     | 9,099     |         |         |         |         |         |         |         |         |         |         | 13,810    |
| 14 Denials                            | (59,348)  | 69,295    |         |         |         |         |         |         |         |         |         |         | 9,947     |
| 15 Total revenue deductions           | 307,852   | 190,797   |         |         |         |         |         |         |         |         |         |         | 498,649   |
| 16 Net Patient Revenue                | 2,820,085 | 2,601,437 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 5,421,522 |
|                                       | 0.62      | 0.56      | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |           |
| 17 Other Revenue                      | 1,739,580 | 2,024,413 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 3,763,993 |
| 18 Total Operating Revenue            | 38.2%     | 43.8%     | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | 41.0%     |
|                                       | 7,012     | 14,574    |         |         |         |         |         |         |         |         |         |         | 21,586    |
|                                       | 1,746,592 | 2,038,987 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 3,785,579 |
| <b>Expenses</b>                       |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 19 Salaries                           | 800,028   | 842,003   |         |         |         |         |         |         |         |         |         |         | 1,642,031 |
| 20 Employee Benefits                  | 286,721   | 318,469   |         |         |         |         |         |         |         |         |         |         | 605,190   |
| 21 Registry                           | 12,718    | -         |         |         |         |         |         |         |         |         |         |         | 12,718    |
| 22 Salaries and Benefits              | 1,099,467 | 1,160,472 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 2,259,939 |
| 23 Professional fees                  | 163,392   | 159,614   |         |         |         |         |         |         |         |         |         |         | 323,006   |
| 24 Supplies                           | 130,715   | 136,046   |         |         |         |         |         |         |         |         |         |         | 266,761   |
| 25 Utilities                          | 42,342    | 42,209    |         |         |         |         |         |         |         |         |         |         | 84,551    |
| 26 Repairs and Maintenance            | 22,461    | 19,239    |         |         |         |         |         |         |         |         |         |         | 41,700    |
| 27 Purchased Services                 | 302,014   | 346,148   |         |         |         |         |         |         |         |         |         |         | 648,162   |
| 28 Insurance                          | 25,762    | 25,762    |         |         |         |         |         |         |         |         |         |         | 51,524    |
| 29 Depreciation                       | 48,568    | 49,162    |         |         |         |         |         |         |         |         |         |         | 97,730    |
| 30 Rental and Leases                  | 46,445    | 39,979    |         |         |         |         |         |         |         |         |         |         | 86,424    |
| 31 Interest                           | 7,717     | 7,902     |         |         |         |         |         |         |         |         |         |         | 15,619    |
| 32 Dues and Subscriptions             | 5,518     | 5,427     |         |         |         |         |         |         |         |         |         |         | 10,945    |
| 33 Other Expense.                     | 36,147    | 35,255    |         |         |         |         |         |         |         |         |         |         | 71,402    |
| 34 Total Expenses                     | 1,930,548 | 2,027,216 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 3,957,764 |
| <b>Surplus (Loss) from Operations</b> |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 35                                    | (183,956) | 11,771    | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | (172,185) |
| <b>Non-Operating Income</b>           |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 36                                    |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 37 Tax Revenue                        | 186,047   | 186,047   |         |         |         |         |         |         |         |         |         |         | 372,094   |
| 38 Other non-operating                | 2,056     | 31,545    |         |         |         |         |         |         |         |         |         |         | 33,601    |
| 39 Total Non-operating                | 188,103   | 217,592   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 405,695   |
| <b>Surplus/(Loss)</b>                 |           |           |         |         |         |         |         |         |         |         |         |         |           |
| 40                                    | 4,147     | 229,362   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 233,509   |

**2017-18 Actual BS**

**BALANCE SHEET**

(Reflects 6/30/16 y/e audit reclasses)

**PY BS**

| July | Aug | June |
|------|-----|------|
|------|-----|------|

**ASSETS:**

**Current Assets**

|                                           |                  |                  |                  |
|-------------------------------------------|------------------|------------------|------------------|
| Cash and Cash Equivalents (Includes CD's) | 2,926,360        | 2,290,992        | 2,858,405        |
| Gross Patient Accounts Receivable         | 10,084,033       | 10,529,969       | 10,749,524       |
| Less: Reserves for Allowances & Bad Debt  | 6,227,041        | 6,378,000        | 6,570,855        |
| Net Patient Accounts Receivable           | 3,856,992        | 4,151,968        | 4,178,669        |
| Tax Revenue Receivable                    | 2,232,569        | 2,232,569        | 56,788           |
| Other Receivables                         | 80,625           | 47,561           | 99,917           |
| Inventories                               | 217,948          | 220,580          | 212,805          |
| Prepaid Expenses                          | 330,877          | 339,259          | 192,216          |
| Due From Third Party Payers               | 0                |                  |                  |
| Due From Affiliates/Related Organizations | 0                |                  |                  |
| Other Current Assets                      | 0                |                  |                  |
| <b>Total Current Assets</b>               | <b>9,645,371</b> | <b>9,282,930</b> | <b>7,598,800</b> |

**Assets Whose Use is Limited**

|                                 |                   |                   |                   |
|---------------------------------|-------------------|-------------------|-------------------|
| Investments                     | 10,894,184        | 10,894,184        | 10,894,184        |
| Other Limited Use Assets        | 144,375           | 144,375           | 144,375           |
| <b>Total Limited Use Assets</b> | <b>11,038,559</b> | <b>11,038,559</b> | <b>11,038,559</b> |

**Property, Plant, and Equipment**

|                                      |            |            |            |
|--------------------------------------|------------|------------|------------|
|                                      | 0          | 0          | 0          |
| Land and Land Improvements           | 547,472    | 570,615    | 547,472    |
| Building and Building Improvements   | 9,657,088  | 9,659,388  | 9,657,088  |
| Equipment                            | 9,625,066  | 9,694,652  | 9,614,476  |
| Construction In Progress             | 1,058,659  | 1,101,848  | 532,158    |
| Capitalized Interest                 | 0          |            |            |
| Gross Property, Plant, and Equipment | 20,888,285 | 21,026,502 | 20,351,194 |
| Less: Accumulated Depreciation       | 12,764,979 | 12,814,141 | 12,716,411 |

Net Property, Plant, and Equipment 8,123,306 8,212,362 7,634,783

**TOTAL UNRESTRICTED ASSETS** 28,807,236 28,533,850 26,272,142

**Restricted Assets**

0 0 0

**TOTAL ASSETS** 28,807,236 28,533,850 26,272,142

**2017-18 Actual BS**

**BALANCE SHEET**

(Reflects 6/30/16 y/e audit reclasses)

**LIABILITIES:**

**Current Liabilities**

|                                                              |           |           |           |
|--------------------------------------------------------------|-----------|-----------|-----------|
| Accounts Payable                                             | 1,371,664 | 998,509   | 1,044,650 |
| Notes and Loans Payable                                      | 0         |           |           |
| Accrued Payroll                                              | 775,117   | 846,351   | 684,799   |
| Patient Refunds Payable                                      | 0         |           |           |
| Due to Third Party Payers (Settlements)                      | 709,007   | 709,470   | 649,537   |
| Advances From Third Party Payers                             | 0         | 0         |           |
| Current Portion of Def Rev - Txs,                            | 2,046,518 | 1,837,466 | -4        |
| Current Portion - LT Debt                                    | 35,000    | 35,000    | 35,000    |
| Current Portion of AB915                                     |           |           |           |
| Other Current Liabilities (Accrued Interest & Accrued Other) | 15,243    | 23,005    | 7,621     |

Total Current Liabilities 4,952,549 4,449,802 2,421,603

**Long Term Debt**

|                                         |           |           |           |
|-----------------------------------------|-----------|-----------|-----------|
| USDA Loan                               | 2,930,000 | 2,930,000 | 2,965,000 |
| Leases Payable                          | 0         | 0         | 0         |
| Less: Current Portion Of Long Term Debt | 35,000    | 35,000    | 35,000    |

Total Long Term Debt (Net of Current) 2,930,000 2,930,000 2,930,000

**Other Long Term Liabilities**

|                  |   |   |   |
|------------------|---|---|---|
| Deferred Revenue | 0 | 0 | 0 |
| Other            | 0 |   |   |

Total Other Long Term Liabilities 0 0 0

**TOTAL LIABILITIES** 7,882,549 7,379,802 5,351,603

**Fund Balance**

|                                     |            |            |            |
|-------------------------------------|------------|------------|------------|
| Unrestricted Fund Balance           | 20,920,540 | 20,920,540 | 16,251,126 |
| Temporarily Restricted Fund Balance | 0          | 0          |            |
| Equity Transfer from FRHG           | 0          | 0          |            |
| Net Revenue/(Expenses)              | 4,147      | 233,510    | 4,669,413  |

**TOTAL FUND BALANCE** 20,924,687 21,154,048 20,920,539

**TOTAL LIABILITIES & FUND BALANCE** 28,807,236 28,533,850 26,272,142

**Units of Service**  
For the period ending: August 31, 2017

| 31            |        |        |                |         |           | 62                             |        |              |        |                |         |           |  |
|---------------|--------|--------|----------------|---------|-----------|--------------------------------|--------|--------------|--------|----------------|---------|-----------|--|
| Current Month |        |        |                |         |           | Bear Valley Community Hospital |        | Year-To-Date |        |                |         |           |  |
| Aug-17        |        | Aug-16 | Actual -Budget |         | Act.-Act. |                                | Aug-17 |              | Aug-16 | Actual -Budget |         | Act.-Act. |  |
| Actual        | Budget | Actual | Variance       | Var %   | Var %     |                                | Actual | Budget       | Actual | Variance       | Var %   | Var %     |  |
| 24            | 52     | 24     | (28)           | -53.7%  | 0.0%      | Med Surg Patient Days          | 51     | 81           | 78     | (30)           | -37.1%  | -34.6%    |  |
| -             | 56     | 38     | (56)           | 0.0%    | -100.0%   | Swing Patient Days             | -      | 88           | 109    | (88)           | 0.0%    | -100.0%   |  |
| 597           | 540    | 485    | 57             | 10.6%   | 23.1%     | SNF Patient Days               | 1,186  | 1,086        | 1,000  | 100            | 9.2%    | 18.6%     |  |
| 621           | 648    | 547    | (27)           | -4.2%   | 13.5%     | Total Patient Days             | 1,237  | 1,255        | 1,187  | (18)           | -1.4%   | 4.2%      |  |
| 13            | 15     | 14     | (2)            | -13.3%  | -7.1%     | Acute Admissions               | 24     | 30           | 33     | (6)            | -20.0%  | -27.3%    |  |
| 13            | 15     | 18     | (2)            | -13.3%  | -27.8%    | Acute Discharges               | 27     | 30           | 37     | (3)            | -10.0%  | -27.0%    |  |
| 1.8           | -      | 1.3    | 1.8            | #DIV/0! | 38.5%     | Acute Average Length of Stay   | 1.9    | -            | 2.1    | 1.9            | #DIV/0! | -10.4%    |  |
| 0.8           | 1.7    | 0.8    | (0.9)          | -53.7%  | 0.0%      | Acute Average Daily Census     | 0.8    | 1            | 1.3    | (0.5)          | -37.1%  | -34.6%    |  |
| 19.3          | 19.2   | 16.9   | 0.0            | 0.1%    | 14.1%     | SNF/Swing Avg Daily Census     | 19.1   | 19           | 17.9   | 0.2            | 1.0%    | 6.9%      |  |
| 20.0          | 20.9   | 17.6   | (0.9)          | -4.2%   | 13.5%     | Total Avg. Daily Census        | 20.0   | 20           | 19.1   | (0.3)          | -1.4%   | 4.2%      |  |
| 45%           | 46%    | 39%    | -2%            | -4.2%   | 13.5%     | % Occupancy                    | 44%    | 45%          | 43%    | -1%            | -1.4%   | 4.2%      |  |
| 11            | 15     | 13     | (4)            | -26.7%  | -15.4%    | Emergency Room Admitted        | 22     | 30           | 31     | (8)            | -26.7%  | -29.0%    |  |
| 958           | 1,000  | 998    | (42)           | -4.2%   | -4.0%     | Emergency Room Discharged      | 2,106  | 2,000        | 2,062  | 106            | 5.3%    | 2.1%      |  |
| 969           | 990    | 1,011  | (21)           | -2.1%   | -4.2%     | Emergency Room Total           | 2,128  | 1,980        | 2,093  | 148            | 7.5%    | 1.7%      |  |
| 31            | 32     | 33     | (1)            | -2.1%   | -4.2%     | ER visits per calendar day     | 34     | 32           | 34     | 2              | 7.5%    | 1.7%      |  |
| 85%           | 100%   | 93%    | 50%            | 50.0%   | -8.9%     | % Admits from ER               | 92%    | 100%         | 94%    | 75%            | 75.0%   | -2.4%     |  |
| -             | -      | -      | -              | 0.0%    | #DIV/0!   | Surgical Procedures I/P        | -      | -            | -      | -              | 0.0%    | #DIV/0!   |  |
| 15            | 21     | 5      | (6)            | -28.6%  | 200.0%    | Surgical Procedures O/P        | 27     | 42           | 13     | (15)           | -35.7%  | 107.7%    |  |
| 15            | 21     | 5      | (6)            | -28.6%  | 200.0%    | TOTAL Procedures               | 27     | 42           | 13     | (15)           | -35.7%  | 107.7%    |  |
| 1,124         | 295    | 115    | 829            | 281.0%  | 877.4%    | Surgical Minutes Total         | 1,903  | 590          | 250    | 1,313          | 222.5%  | 661.2%    |  |

**Units of Service**  
For the period ending: August 31, 2017

| Current Month |        |        |                |         |           | Bear Valley Community Hospital |        | Year-To-Date |        |                |         |           |
|---------------|--------|--------|----------------|---------|-----------|--------------------------------|--------|--------------|--------|----------------|---------|-----------|
| Aug-17        |        | Aug-16 | Actual -Budget |         | Act.-Act. |                                | Aug-17 |              | Aug-16 | Actual -Budget |         | Act.-Act. |
| Actual        | Budget | Actual | Variance       | Var %   | Var %     |                                | Actual | Budget       | Actual | Variance       | Var %   | Var %     |
| 7,098         | 6,093  | 6,604  | 1,005          | 16.5%   | 7.5%      | Lab Procedures                 | 13,709 | 12,117       | 13,297 | 1,592          | 13.1%   | 3.1%      |
| 871           | 756    | 821    | 115            | 15.2%   | 6.1%      | X-Ray Procedures               | 1,020  | 1,455        | 1,634  | (435)          | -29.9%  | -37.6%    |
| 295           | 259    | 238    | 36             | 13.9%   | 23.9%     | C.T. Scan Procedures           | 518    | 514          | 589    | 4              | 0.8%    | -12.1%    |
| 253           | 219    | 232    | 34             | 15.5%   | 9.1%      | Ultrasound Procedures          | 479    | 414          | 488    | 65             | 15.7%   | -1.8%     |
| 108           | 50     | 60     | 58             | 116.0%  | 80.0%     | Mammography Procedures         | 150    | 100          | 117    | 50             | 50.0%   | 28.2%     |
| 329           | 272    | 264    | 57             | 21.0%   | 24.6%     | EKG Procedures                 | 661    | 544          | 552    | 117            | 21.5%   | 19.7%     |
| 101           | 98     | 84     | 3              | 3.1%    | 20.2%     | Respiratory Procedures         | 214    | 174          | 191    | 40             | 23.0%   | 12.0%     |
| 1,381         | 1,670  | 1,720  | (289)          | -17.3%  | -19.7%    | Physical Therapy Procedures    | 2,608  | 2,976        | 3,132  | (368)          | -12.4%  | -16.7%    |
| 1,756         | 1,768  | 1,589  | (12)           | -0.7%   | 10.5%     | Primary Care Clinic Visits     | 3,369  | 3,113        | 3,048  | 256            | 8.2%    | 10.5%     |
| 265           | 200    | -      | 65             | 0.0%    | #DIV/0!   | Specialty Clinic Visits        | 517    | 400          | -      | 117            | 0.0%    | #DIV/0!   |
| 2,021         | 1,968  | 1,589  | 53             | 2.7%    | 27.2%     | Clinic                         | 3,886  | 3,513        | 3,048  | 373            | 10.6%   | 27.5%     |
| 78            | 76     | 61     | 2              | 2.7%    | 27.2%     | Clinic visits per work day     | 30     | 27           | 23     | 3              | 10.6%   | 27.5%     |
| 20.4%         | 20.00% | 19.60% | 0.40%          | 2.00%   | 4.08%     | % Medicare Revenue             | 19.40% | 20.00%       | 20.70% | -0.60%         | -3.00%  | -6.28%    |
| 38.80%        | 37.00% | 39.90% | 1.80%          | 4.86%   | -2.76%    | % Medi-Cal Revenue             | 38.70% | 37.00%       | 38.70% | 1.70%          | 4.59%   | 0.00%     |
| 36.40%        | 38.00% | 36.90% | -1.60%         | -4.21%  | -1.36%    | % Insurance Revenue            | 37.60% | 38.00%       | 37.15% | -0.40%         | -1.05%  | 1.21%     |
| 4.40%         | 5.00%  | 3.60%  | -0.60%         | -12.00% | 22.22%    | % Self-Pay Revenue             | 4.30%  | 5.00%        | 3.45%  | -0.70%         | -14.00% | 24.64%    |
| 149.0         | 155.00 | 143.6  | (6.0)          | -3.9%   | 3.8%      | Productive FTE's               | 145.53 | 155.00       | 143.0  | (9.5)          | -6.1%   | 1.8%      |
| 168.0         | 174.00 | 160.6  | (6.0)          | -3.5%   | 4.6%      | Total FTE's                    | 164.89 | 174.00       | 160.3  | (9.1)          | -5.2%   | 2.9%      |





## **CFO REPORT for**

**October 2, 2017, Finance Committee and October 11, 2017, Board meetings**

### **Healthcare Reform – Covered California and The Better Care Reconciliation Act of 2017, American Health Care Act, and the Affordable Care Act**

From the California Hospital Association . . .

#### **Senate Will Not Vote on Graham-Cassidy Bill**

SEPTEMBER 26, 2017 [ANNE O'ROURKE](#)

The Senate will not vote this week on the Graham-Cassidy Amendment to repeal and replace parts of the Affordable Care Act (ACA), Senate Republican leaders announced today. After Sept. 30, ACA repeal legislation will require 60 votes in the Senate unless a new budget resolution including repeal instructions is passed for fiscal year 2018 or 2019.

The Graham-Cassidy proposal would have imposed devastating cuts to California, eliminated coverage for millions of Californians and destabilized insurance markets.

“Flaws in the ACA should be fixed rather than cause millions of Californians to lose coverage through Medi-Cal and California’s marketplace,” said CHA President/CEO C. Duane Dauner.

CHA will continue to work with Congress to find constructive health care reforms.

Since healthcare reform continues to be a stated priority of the majority party and recent proposals would have had a significant adverse impact on California, we will continue to monitor closely.

#### **Accounts Receivable / TruBridge**

We have continued to see reduction in Accounts Receivable days. Report as of the middle of September show days at 69.3.

## Mammo Project update

With the completion of our mammography project, we have gathered total project costs, which are outlined below. With what appears to be under \$10,000 due to the contractor, the project looks to come in over \$160,000 under the budgeted amount.

update as of 27 Sept 2017

|                                |    |                  |
|--------------------------------|----|------------------|
| total capital budget           | \$ | 657,900          |
| spent to date (incl equipment) |    | 482,373          |
| to be spent<br>retention (est) |    | 8,506            |
|                                | \$ | 490,879          |
| difference                     |    | <u>\$167,021</u> |

## CT Project update

As we near completion of the CT project, a review of payments to date and payments yet to be made shows the project is over the budgeted amount. We are working on a list of change orders so that we can review and determine resolution. There were a number of conditions discovered during the project which required remediation.

update as of 27 Sept 2017

|                                   |              |                                          |
|-----------------------------------|--------------|------------------------------------------|
| total capital budget              | \$           | 1,127,000                                |
| spent to date                     |              | 611,933                                  |
| to be spent<br>scanner (incl tax) |              | 591,000                                  |
| change orders                     | undetermined | waiting for full list and our evaluation |
|                                   | \$           | 1,202,933                                |
| difference                        |              | <u>(\$75,933)</u>                        |

## RHC / Dental Financial Update

At the last Board meeting, a request was made for updated information regarding the RHC including dental services in that location. Below are some results for the first two months of our fiscal year (July and August). RHC statistics are slightly under budget through the first two months. Dental visits are 29.3% over budget for the same two months. FTEs are under budget. Revenue is significantly, 51.2%, over budget. Expenses are over budget mainly due to the payments made to the Center for Oral Health based on the number of visits (higher than anticipated).

RHC (including Dental)

July & August 2017

|            | actual |         | budget |         | variance |          | variance % |
|------------|--------|---------|--------|---------|----------|----------|------------|
| Statistics |        |         |        |         |          |          |            |
| RHC        |        | 220     |        | 233     |          | (13)     | -5.6%      |
| Dental     |        | 517     |        | 400     |          | 117      | 29.3%      |
| FTE        |        | 1.7     |        | 2.3     |          | 0.6      | 26.1%      |
| Revenue    | \$     | 154,216 | \$     | 101,978 | \$       | 52,238   | 51.2%      |
| Expenses   |        | 111,524 |        | 100,580 |          | (10,944) | -10.9%     |
| Margin     |        | 42,692  |        | 1,398   |          | 41,294   | 2953.8%    |

## PRIME Project

We were also asked to provide information on the PRIME project. The summary is below.

FTEs are significantly under budget. Revenue, which is funded through IGT (intergovernmental transfer), is recorded on a cash basis and we have not received any payments toward this project this fiscal year. Expenses are 28.8% under budget.

I have also included a "BVCHD Sustainability Summary" which we recently provided related to the project.

PRIME

July & August 2017

|          | actual |          | budget |         | variance |           | variance % |
|----------|--------|----------|--------|---------|----------|-----------|------------|
| FTE      |        | 2.0      |        | 3.3     |          | 1.3       | 39.4%      |
| Revenue  | \$     | -        | \$     | 125,000 | \$       | (125,000) | -100.0%    |
| Expenses |        | 48,035   |        | 67,421  |          | 19,386    | 28.8%      |
| Margin   | \$     | (48,035) | \$     | 57,579  | \$       | (105,614) | -183.4%    |

## BVCHD Sustainability Summary - PRIME Project 2.6

Bear Valley Community Healthcare District (BVCHD) has an established model for process improvement which includes formation of workgroups and the development of a detailed action plans. The Family Health Center (FHC) has implemented this model to sustain PRIME project improvements. The following strategies have been included in the sustainability plan:

The FHC has successfully engaged providers and staff in the planning and implementation phases of the project to increase ownership and buy in for project initiatives. The physician champion has also been instrumental in securing senior leadership and community stakeholders' support for the successful development of a comprehensive outpatient pain management program that includes a multidisciplinary, evidence based approach to consistent management of chronic non-malignant pain.

Through these efforts there have been significant strides made in community outreach to increase awareness and encourage participation in services provided at the Family Health Center. As part of this process, there have been lines of communication opened both within the organization and to outside agencies to foster information sharing. Some of these agencies have provided education related to their services which has aided in program development. Furthermore BVCHD is a member of the Big Bear Valley Community Collaborative, The Mental Health Alliance, and the California Telehealth Network which provide support services and community resources to patients. These relationships help strengthen the program and increase the ability to engage stakeholders in the decision making process for program improvement and sustainability.

This project has been a catalyst in creating continuity of care between providers, staff and patients. The FHC has implemented a monthly interdisciplinary care plan meeting to develop and discuss comprehensive treatment plans for non-malignant chronic pain management patients. This program has afforded the Family Health Center the opportunity to expand services to increase access to multi-modal alternative therapies such as chiropractic services, mental health services, acupuncture, support groups, laser therapy and orthopedics. This in turn has resulted in increased patient volumes. In order to accommodate the increased patient volume, the work flow was streamlined to improve patient flow and processes for referrals, screening, scheduling and discharge.

In closing, the future of the non-malignant chronic pain management program is grounded on well-developed processes, financial viability and patient satisfaction. With the support of BVCHD leadership and community stakeholders in the ongoing efforts to broaden overall services provided at the Family Health Center and specifically services for chronic pain management, the team feels we have developed a solid framework for sustainability.

## **FY 2017 Financial Audit**

Our financial auditor, Jerrell Tucker, is on-site the week of September 25<sup>th</sup>. The results of this fieldwork will be used in preparation of our fiscal year 2017 cost report. Any adjustments resulting from the cost report will be incorporated into the final audited financial statements.

## **FY 2017 Updated Physician Payment Reconciliation**

Attached is an updated Physician Payment Reconciliation form. The board approved the original form at its meeting two months ago. I have highlighted the area corrected related to Dr. Orr. In the contract amount column we had not included all of the amounts.

| Company or Last Name                        | Contract Type          | Contract \$                          | Financial Term            | Effective | Expiration | Auto Renewal? | Written Contract? | Comments                 | Last FMV Analysis | Payments to physician on the AP, rent, AR or payroll report | Any payments to physician on AP report that do not have a contract? | Dept Allocation |
|---------------------------------------------|------------------------|--------------------------------------|---------------------------|-----------|------------|---------------|-------------------|--------------------------|-------------------|-------------------------------------------------------------|---------------------------------------------------------------------|-----------------|
| Biscotti, Brian S., D.C.                    | Physician Services     | 65.00                                | per visit                 | 10/10/16  | 06/30/18   |               | Yes               | Chiropractic             |                   | 58,110.00                                                   |                                                                     | 8760            |
| Center For Oral Health                      | Physician Services     | 159.00                               | per visit                 | 01/11/17  | 01/10/18   |               | Yes               | Dental Services          |                   | 212,901.00                                                  |                                                                     | 7181            |
| Center For Oral Health                      | Physician Services     | 1,200.00                             | per year                  | 03/01/17  | 02/28/18   |               | Yes               | SNF Dental Services      |                   | -                                                           |                                                                     | 6582            |
| D. Critel Nursing Anesth. Inc.              | Nurse Anesthetist      | 1,123.28                             | per day                   | 07/01/16  | 06/30/17   | Auto renewal  | Yes               | 5 days/wk                |                   | 293,176.08                                                  |                                                                     | 7420            |
| High Desert Pathology Medical Group         | Medical Director-Lab   | 2,000.00                             | per month                 | 06/04/17  | 06/09/19   |               | Yes               |                          |                   | 2,000.00                                                    |                                                                     | 7500            |
| Knapik, Steven D.O.                         | Physician Services     | 75.00                                | per visit                 | 02/01/17  | 01/31/19   |               | Yes               | Family Practice          |                   | 105,075.00                                                  |                                                                     | 7181,8760       |
| Knapik, Steven D.O.                         | Physician Services     | 500.00                               | per 24 call period worked | 05/09/16  | 05/08/18   |               | Yes               | Hospitalist              |                   | 64,550.00                                                   |                                                                     | 6170            |
| Knapik, Steven D.O.                         | Chief of Staff         | 1,000.00                             | per month                 | 01/01/16  | 12/31/19   |               | Yes               |                          |                   | 12,000.00                                                   |                                                                     | 8710            |
| Knapik, Steven D.O.                         | Medical Director-FHC   | 1,500.00                             | per month                 | 10/01/16  | 09/30/17   |               | Yes               |                          |                   | 13,500.00                                                   |                                                                     | 8760            |
| Lebby, Paula Nornes-, MD                    | Physician Services     | 75.00                                | per visit                 | 04/01/16  | 03/31/18   |               | Yes               | OB-GYN                   |                   | 51,360.00                                                   |                                                                     | 8760            |
| Norman, Michael D.O.                        | Medical Director-RT    | 1,500.00                             | per month                 | 02/01/16  | 01/31/18   |               | Yes               |                          |                   | 27,000.00                                                   |                                                                     | 7720            |
| Orr, Jeffrey M.D.                           | Physician Services     | 204,999.36                           | per year                  | 04/13/15  | 08/03/20   |               | Yes               | Family Practice          |                   | 204,999.36                                                  |                                                                     | 8760            |
| Orr, Jeffrey M.D.                           | Physician Services     | 500.00                               | per 24 call period worked | 10/08/15  | 09/30/17   |               | Yes               | Hospitalist              |                   | 32,250.00                                                   |                                                                     | 6170            |
| Paja, Isaias M.D.                           | Physician Services     | 65.00                                | per visit                 | 01/17/17  | 01/17/19   |               | Yes               | Family Practice          |                   | 120,640.00                                                  |                                                                     | 8760            |
| Pautz, Matthew D.O.                         | Physician Services     | 65.00                                | per visit                 | 11/10/16  | 11/09/17   |               | Yes               | Orthopaedic - Clinic     |                   | 11,375.00                                                   |                                                                     | 8760            |
| Pautz, Matthew D.O.                         | Physician Services     | 1,000.00                             | per on-call shift         | 11/10/16  | 11/09/17   |               | Yes               | Orthopaedic - ER         |                   | 59,160.00                                                   |                                                                     | 7010            |
| Pautz, Matthew D.O.                         | Director-OR/Anes       | 1,000.00                             | per month                 | 06/15/17  | 06/14/19   |               | Yes               |                          |                   | 500.00                                                      |                                                                     | 7420            |
| Pramann Chiropractic Center                 | Physician Services     | 65.00                                | per visit                 | 07/10/16  | 07/10/18   |               | Yes               | Chiropractic             |                   | 52,390.00                                                   |                                                                     | 7181,8760       |
| Premier Emergency Physicians of Calif       | Physician Services     | Addl hrly rate over 140/hr nte 20/hr |                           | 07/15/14  | 07/15/17   |               | Yes               | initial 90 days          |                   | -                                                           |                                                                     | 7010            |
| Premier Emergency Physicians of Calif       | Physician Services     | 1,933.00                             | per day                   | 12/01/14  | 07/15/17   |               | Yes               | Hospitalist/Telemedicine |                   | 376,403.00                                                  |                                                                     | 6170            |
| RIMA (Renaissance Imaging)                  | Director- Xray         | -                                    | included in coverage      | 12/01/16  | 11/30/18   |               | Yes               | Radiology                |                   | 6,394.56                                                    |                                                                     | 7630            |
| Schaeffer, John (American Telepsychiatrists | Physician Services     | 200.00                               | per hour (8 min/wk)       | 10/10/15  | 08/31/16   | renew 3 terms | Yes               | Telepsychiatry Services  |                   | 77,200.00                                                   |                                                                     | 8760            |
| Stewart, Cary M.D., Inc.                    | Physician Services     | 500.00                               | per 24 call period worked | 10/08/15  | 09/30/17   | not renewing  | Yes               | Hospitalist              |                   | 21,315.00                                                   |                                                                     | 6170            |
| Stewart, Cary M.D., Inc.                    | Medical Director- SNF  | 2,000.00                             | per month                 | 11/07/16  | 11/07/18   |               | Yes               |                          |                   | 22,000.00                                                   |                                                                     | 6582            |
| Stewart, Cary M.D., Inc.                    | Physician Services     | 65.00                                | per visit                 | 02/01/15  | 01/31/17   |               | Yes               | Family Practice          |                   | 20,645.00                                                   |                                                                     | 8760            |
| Teleconnect Therapies                       | Mental Health Services | 120.00                               | per 50 min.sessions       | 01/01/17  | 12/31/18   |               | Yes               | 30.00 per pat no show    |                   | 119,050.00                                                  |                                                                     | 8760            |
| Walmsley, Joan H                            | Mental Health Services | 150.00                               | per hour                  | 02/13/17  | 08/31/17   | not renewing  | Yes               | Prime Project            |                   | 8,550.00                                                    |                                                                     | 8780            |
| White, William, MD                          | Physician Services     | 65.00                                | per visit                 | 11/10/16  | 11/09/17   |               | Yes               | OB-GYN                   |                   | 8,320.00                                                    |                                                                     | 8760            |



## MEMO

Date: 4 October 2017  
To: BVCHD Board  
From: Garth M Hamblin, CFO  
Re: IT Assessment / Support

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### Recommended Action

No recommendation action at this time. We anticipate having a recommendation for November 2017 meetings.

### Background

We have an IT Department comprised of 4 FTE. It is what Jon Booth calls a “self-contained support team”. Advantages of this strategy are that we have employees who are well versed in local system configurations and customizations, it is better suited to 24 / 7 /365 coverage / on-call affording quick response to routine systems issues, and in-house team members can serve in other (ie committees, teams, and such) roles. One on the major disadvantages is skill gaps – we have good level 1 and level 2 knowledge, but not all of the level 3 support knowledge that is sometimes needed.

We have accessed level 3 support in various ways. During our fairly recent email outage we accessed level 3 expertise to help our IT team diagnose, repair, and eventually replace email server. We have used level 3 support in helping to update our network and in configuring our network for our new phone system.

A model we are considering is an “augmented support team”. We would continue with our local IT team, but provide resources to “augment” their skills by selecting and contracting with a firm to provide consistent support when such support is needed. The firm selected would learn about our systems and configuration so that they can quickly and efficiently provide level 3 and higher support when needed.

We are proving basic system / network information to several firms and asking them to provide a proposal to supply this Augmented Support.

We plan to bring an evaluation of proposals and recommend to the Board at the November 2017 meeting.